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Centre for Sustainability
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INDIAN INSTITUTE OF MANAGEMENT AHMEDABAD

SEMINAR SUMMARY REPORT

Public Asset Management in India: From Disinvestment to Value Creation for Every Shareholder

September 1, 2026



by



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Moderator:

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Seminar on

Public Asset Management in India:
From Disinvestment to Value Creation
for Every Shareholder



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About the Speaker



Dr. Alok Pande

Dr. Alok Pande is a senior civil servant currently serving as Additional Secretary in the Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India. An officer of the 1994 batch, with a career spanning over three decades, Dr. Pande has held several important positions in the Government of India. He previously served as Joint Secretary at DIPAM from 2019 to 2023 and as Director in the Department of Financial Services (DFS) from 2011 to 2016. During his tenure at DIPAM, he played a key role in the Life Insurance Corporation of India (LIC) Initial Public Offering and was instrumental in the listing of Mazagon Dock Shipbuilders, Indian Railway Finance Corporation (IRFC), and RailTel Corporation of India. As Director in DFS, he was closely involved in the launch and implementation of the Pradhan Mantri Jan Dhan Yojana, which became an important component of India's financial-inclusion architecture.

He holds a Bachelor's degree in Mechanical Engineering from NIT Allahabad and a PhD from IIM Bangalore. His doctoral thesis received the NSE Award for Best Thesis in Financial Economics, and he was awarded the Marie Curie Fellowship to visit Manchester Business School as part of his doctoral research. Dr. Pande has published in two prestigious Journals - Journal of Corporate Finance and Journal of Financial Markets. His combination of public-sector experience, academic expertise, and direct involvement in major capital-market transactions made him particularly well-suited to discuss India's evolving approach to disinvestment, public asset management, and value creation for shareholders.

About the Moderator



Prof. Anish Sugathan

Prof. Anish Sugathan is a faculty member in the Strategy Area and the Chairperson of the Centre for Sustainability and Corporate Governance Research (CSCG) at the Indian Institute of Management, Ahmedabad. He pursued his PhD (FPM) from the Indian Institute of Management Bangalore (IIMB), a post-doctoral fellowship from the Harvard Kennedy School of Government, and is a visiting research fellow of the 2022 'Sustainable Futures' program at Princeton University. He serves as a member of the expert committee appointed by the Honorable National Green Tribunal of India for environmental impact assessment and evaluation. He is also a member of the Sectional Committee for Sustainable Finance of the Bureau of Indian Standards. He has served on the board of the state-owned electricity distribution utility UGVCL, Government of Gujarat, as an independent director. He advises several start-ups in the energy tech, impact investment, and innovative governance sectors. Prof. Sugathan's research interests focus on the institutional and governance infrastructure of emerging economies, with a particular emphasis on sustainable development and corporate sustainability in India. His research has been published in reputable international journals as well as numerous national and international newspapers. His research has received several prestigious awards, including the SAP Labs India doctoral scholarship at IIMB, the Giorgio Ruffolo post-doctoral research fellowship at Harvard, and the Fung Global Fellowship at Princeton. His current research work is supported by BP UK through the PROSPER program, Evidence in Governance and Politics (EGAP) at the University of California, Berkeley, and Google through the Geo-for-Good research grant.

Abstract

This report presents key insights from a seminar by Dr. Alok Pande, Additional Secretary at the Department of Investment & Public Asset Management (DIPAM). The discussion in the seminar is broadly on the evolution of public asset management and disinvestment in India. The speaker talked about India's transition from extensive nationalisation to a more market-oriented approach, highlighting the changing role of the government as an owner and shareholder. In the next segment, the seminar explored the complexities involved in major transactions, using the case of LIC, and illustrated the potential for value creation through the listing of public enterprises.

Introduction

Research on state ownership of commercial enterprise has been directed principally at the terms of its ending, examining the timing and method of divestment, the price realised, and the subsequent performance of the firm. The dominant frame in both academic literature and public commentary treats privatisation as the terminal event and everything preceding it as a transition period to be endured until control passes to private hands. Yet in India, as in most large emerging economies, the more common and more durable arrangement is neither full state ownership nor full private ownership but partial ownership: a listed enterprise in which the government remains the controlling shareholder while a substantial minority of the equity trades on public markets. This hybrid is not a waypoint. It has persisted for decades, accounting for a significant share of market capitalisation and a far larger share of the banking, energy and insurance systems. The analytically interesting question is therefore not whether the state should exit, but how a sovereign should conduct itself as a shareholder while it remains one.

The reason this question is difficult has been well established in theory. The classic account of state enterprise treats the firm as the outcome of bargaining between politicians and managers, in which political objectives like excess employment above all are pursued through the firm at the expense of its commercial value, sustained by subsidies from the treasury (Boycko, Shleifer, & Vishny, 1996). The empirical literature broadly supports the inference drawn from this, finding that firms become more efficient and more profitable following transfer to private ownership across a wide range of institutional settings (Megginson & Netter, 2001). However, this evidence speaks to the effects of changing control. It says considerably less about the intermediate case, where control does not change, and the state's incentives remain in place, yet the firm is nonetheless exposed to the disciplines of public markets.

Evidence on that intermediate case suggests the discipline is real. Partial privatisation of Indian state-owned enterprises has been found to improve profitability, productivity and investment even where the government retains its controlling stake, because listing subjects managerial performance to market monitoring and creates a price signal that did not previously exist (Gupta, 2005). If this holds, listing is not merely a fiscal transaction that raises receipts but a governance intervention that changes how the enterprise is run and how its owner behaves. It also implies that the quality of state ownership is itself a policy variable, that the same stake, held differently, produces different outcomes for the firm and for the shareholders alongside it.

This is where the central tension of the arrangement becomes visible. The minority shareholder in a partially privatised firm holds equity in a company whose majority owner is also the sovereign: the entity that sets tax policy, writes sector regulation, appoints the board, and can alter the firm's operating environment by administrative instruction. This is a form of control that does not appear on the share register and cannot be diversified away, since it is correlated across precisely the firms an investor might otherwise use to hedge. Ordinary corporate governance instruments such as voting rights, independent directors, and disclosure norms are calibrated for controlling shareholders who are subject to the law, not for one that writes it. Whether the discount such firms carry can be closed, and by what means, is an open question of consequence for capital allocation in the Indian market. A related difficulty attends their pricing: the largest state enterprises are frequently without domestic comparators, either because their scale exceeds the combined size of the private sector in that industry or because their franchise derives from a history that no private firm shares. Where no peer exists, valuation becomes a judgement exercised publicly on behalf of the people who own the asset, and one that will be assessed after the fact against a market outcome that could not have been known in advance.

It is against this background that the present seminar is situated. Dr. Alok Pande traces the arc from nearly three decades of nationalisation through the halting disinvestment of the 1990s to the framework laid down by the New Public Sector Enterprise Policy of 2021 (DIPAM, 2021), and sets out how the mandate of the Department of Investment and Public Asset Management has been reoriented over the last five years through performance-linked management incentives, capital management guidelines on dividends and buybacks, and a calibrated approach to the supply of shares, from the realisation of disinvestment receipts towards the creation of value for every shareholder. The discussion that followed pressed him on precisely the tensions sketched above: the nature of government control over listed entities, the pricing of the LIC issue in the absence of a peer, and the trade-off between realising value today and holding an asset whose worth cannot be known until it is sold. The summary that follows sets out his presentation and that exchange.



Seminar Summary

The session began with Dr. Pande explaining the central idea behind disinvestment, i.e., making citizens shareholders in government-owned enterprises. Listing previously unlisted public sector companies allows the government to unlock value while giving ordinary investors an opportunity to participate in their ownership. For example, since 2015, approximately 18 public sector companies have been listed, contributing significantly to the development of India's capital markets.

He then provided a historical backdrop of the current disinvestment policy. After independence, India heavily relied on state ownership for industrial development. However, inefficiencies in several public enterprises became increasingly visible during the 1980s and 1990s. Economic liberalisation in the 1990s subsequently created the conditions for a shift toward disinvestment. The Department of Disinvestment was established in 1999 and was later renamed DIPAM in 2016, reflecting a broader shift from simply selling government stakes toward actively managing public assets and improving their value.

He further highlighted how nationalisation had itself occurred over several decades. Air India was nationalised in 1953, followed by banking, insurance, coal and other industries. By the late twentieth century, the government had assumed a very large role in the ownership and management of productive assets. The economic crisis of 1992 eventually encouraged policymakers to reconsider this model. Initially, disinvestment was limited, but from 1999 onwards the government began pursuing restructuring, closure of non-viable enterprises and privatisation. Between 2004 and 2014, the emphasis shifted more toward listing public enterprises rather than outright privatisation. Since 2015, both minority stake sales and strategic disinvestment have become important components of government policy.

A major part of the seminar concerned the Public Sector Enterprise Policy of 2021. Dr. Pande explained that public enterprises are now broadly categorised into strategic and non-strategic sectors. In strategic sectors, the government intends to maintain only a "bare minimum" presence, while

other enterprises may be privatised, merged, subsidised or closed. In non-strategic sectors, enterprises are to be considered for privatisation wherever feasible, with closure as an alternative. According to Dr. Pande, this policy does not imply the immediate privatisation of every enterprise. Rather, it provides a framework for responding to technological change, changing market structures and the inability of some public enterprises to keep pace with private competitors. He illustrated this with the declining market share of public-sector entities in certain industries, arguing that maintaining enterprises solely for the sake of ownership can impose an opportunity cost on the government. Capital allocated to loss-making or inefficient enterprises may otherwise be used for social-sector priorities.

An important issue highlighted in the seminar was value creation for minority shareholders. Disinvestment should not be viewed simply as a means of raising government revenue. Dr. Pande argued that minority shareholder welfare has increasingly become a responsibility of the government as a promoter. Listing public enterprises introduces a wider and more diversified shareholder base, thereby increasing transparency, external scrutiny and corporate governance. He cited State Bank of India (SBI) and other listed public enterprises as examples where reduced government ownership has brought more external shareholders into the ownership structure.

DIPAM has also introduced capital management guidelines covering dividends, share buybacks, bonus shares, and stock splits. Consistent dividend policies, according to Dr. Pande, provide greater predictability for shareholders. Management incentives have also increasingly been linked to factors such as return on capital employed, market capitalisation growth, capital expenditure and profitable growth. The objective is to move beyond simply extracting dividends from public enterprises and instead encourage long-term value creation.

He acknowledged that government ownership can sometimes create a "government ownership discount" because investors may fear interference in business decisions. He gave an example in which a

government department issued a seemingly routine instruction to a public enterprise, which was misread by the market and caused a sharp fall in the stock price. Once the instruction was withdrawn, the stock recovered. According to Dr. Pande, such experiences have also helped the government understand that listed companies must be treated differently from wholly government-owned entities.

Dr. Pande enlightened the audience by providing a detailed case study on the LIC IPO, which he described as an exceptionally complex transaction. LIC was created by an Act of Parliament in 1956 and historically operated under a different legal and regulatory framework from that of ordinary companies. Preparing it for listing, therefore, required significant legal, financial and institutional changes.

Among the challenges were amending the LIC Act, creating an authorised share capital, restructuring its paid-up capital and introducing a board structure. LIC also had to modernise its actuarial systems and adopt practices necessary to calculate the embedded value. Another important reform involved separating participating and non-participating policy funds. Since participating policyholders were entitled to a share of profits, the structure had to be redesigned to ensure sufficient value accrued to shareholders as well.

The IPO also involved consolidating subsidiary accounts, addressing differences in reporting practices, amending foreign direct investment rules, and making regulatory changes to facilitate the listing of a very large institution. Legal challenges reached the Supreme Court, while the transaction also faced difficult market conditions arising from geopolitical developments and changes in monetary policy. Despite these challenges, the IPO was successfully completed.

Recent Disinvestment and Market Participation

Dr. Pande also discussed a recent LIC Offer for Sale (OFS), which raised approximately ₹31,500 crore and became the largest OFS in India at that point. Extensive investor consultations preceded the transaction. Although subscription was initially slow

on the day of the sale, demand accelerated dramatically during the final hours, eventually reaching around 3.3 times the subscription. Institutional participation also increased, including from mutual funds, pension funds, banks and foreign investors.

Overall, Dr. Pande highlighted the scale of disinvestment since 2015, with approximately ₹5.08 lakh crore in disinvestment receipts. He also pointed to the significant increase in the market capitalisation of several newly listed public enterprises. Examples such as IRCTC and Mazagon Dock Shipbuilders demonstrated how listing can reveal value previously invisible in public markets.

Dr. Pande concluded by leaving the audience with three major questions. One key question concerned the market's future capacity to absorb further government stake sales. Although the government may technically hold substantial equity in public enterprises, not all of that equity can necessarily be sold at attractive prices. High valuations, limited institutional demand, and the presence of retail and high-net-worth investors can complicate future disinvestment.

He also questioned how privatisation should be understood in relation to Viksit Bharat and Make in India. His argument was that Make in India does not require production to be carried out exclusively by public enterprises. Public and private firms can coexist, compete and contribute to India's industrial development.

The seminar, therefore, presented disinvestment as more than a government revenue-raising exercise. Dr. Pande's broader argument was that public asset management is increasingly about unlocking enterprise value, improving corporate governance, widening ownership, encouraging efficient capital allocation and creating value for all shareholders. At the same time, he acknowledged that the government is still learning how to manage its role as a large shareholder in listed companies and that questions surrounding the scale, timing and limits of future disinvestment remain open for discussion.

Q&A Session

During Presentation

Q. Government ownership functions as something close to a quasi dual-class structure. It is not dual-class in form, but outside shareholders have to treat it as carrying superior voting rights - not through the votes themselves but through the fiat of the government, which can impose changes if it wishes. Is the enhanced dividend, then, a way of dealing with that power, given the pressure investors are under?

A. Dr. Pande responded that the arrangement has in fact worked in investors' favour, citing a study conducted by the department which found that government-owned companies pay higher dividends than their private sector counterparts, a direct consequence, as the questioner noted, of the capital management guidelines.

Q. (Follow-up) Is this the product of conscious thinking, and how does it come about?

A. Dr. Pande described it as the genesis of conscious thinking, locating the shift between 2021 and the present in a changed view of the department's own remit: that the welfare of minority shareholders is also its responsibility. He then addressed the premise of the original question, arguing that the relationship does not operate purely by fiat. An unlisted entity is wholly government-owned; listing is a voluntary ceding of control, not of management control, but of exclusivity, since it admits other shareholders. He gave SBI as the illustration, with government holding at roughly fifty-eight per cent against forty-two per cent external shareholders, and observed that the position of the SBI chairman today is a different one from the 1990s. A larger and more diversified shareholder base, in his account, itself strengthens corporate governance in these entities, a pattern visible at NTPC and others where government holding has come down to around fifty-five to sixty per cent.

Q. (Follow-up) The underlying thought is still that the government holds what amounts to a superior class of voting right.

A. Dr. Pande replied that the government is not a single homogeneous entity. Public sector enterprises sit under a parent department, railway PSEs under the Ministry of Railways for instance, while the finance ministry holds the ownership and also issues directions, producing what is in effect a dual line of guidance. Where the two conflict, the finance ministry's view prevails, and he framed this as operating in the interests of minority shareholders. He illustrated the point with an unnamed entity whose parent department issued what appeared to be an innocuous circular directing it to pay a specified amount to the department. Internally it was thought to be of no consequence, but the market reacted adversely, and there was a sharp sell-off the following day. Corrective action followed: the minister was sensitised, agreed to withdraw the circular, and within roughly half an hour the stock began rising again. He added that the government is learning that this is not how listed enterprises can be dealt with, and that its very desire to list more entities is evidence that it does not wish to interfere.

Post Presentation

Q. Half a century on, sovereign action is again the dominant source of risk; tariffs, disengagement and embargoes can destroy the economics of an entire industry at a stroke. If the sovereign is the one shocking the system, are those risks not best held by the sovereign itself, implying that state holding makes more sense today in policy-intricate sectors where India may be underinvested?

A. Dr. Pande accepted the premise but argued that the sovereign's role is generative as well as disruptive. Unless the government invests first, private capital has little incentive to follow: he cited semiconductors as a current instance and the space sector, where private players have emerged only after some seventy-five years of state investment. On the comparison with the United States, he suggested India is in certain respects better

placed, referring to his own doctoral work showing that India implemented corporate governance measures while the US was still discussing them - screen-based trading at the NSE from the outset against the American open-outcry system, and open book building in Indian IPOs against a closed-door process conducted with a small set of institutional investors. He offered Jan Dhan Yojana as evidence that sovereign decisions need not damage the entities the state controls: a professor of his at IIM Bangalore had predicted that the public sector banks would be left with the jan and the private banks with the dhan, a forecast disproved by the corpus PMJDY has since generated for public sector banks. On LIC, he noted there were two views within government on whether to list at all, and the government of the day chose to list. He conceded that the fear of adverse sovereign action remains legitimate, while stressing that external shareholders now constitute a definite pressure group that must be weighed before any adverse decision is taken.

Q. (Follow-up) There is a growing reckoning that capitalism has gone too far, with more acceptance of socialism and social capitalism on both sides of the aisle in the US. Should that be a pivot in thinking about further disinvestment?

A. Dr. Pande agreed the point was deliberated internally. Very large entities cannot realistically be privatised because private buyers of that size do not exist. Nor is a change of ownership by itself a reason to expect improvement: exit is appropriate only in sectors where the private market has come of age and can be relied on to serve people adequately. He pointed to the roughly eleven privatisations he had referred to earlier, in which employee benefits and potential job losses were among the factors considered, and noted that none of the privatised entities has reported employee grievances or strikes, including Air India, which continues to make losses for the Tatas, but without retrenchment of the kind feared.

Q. LIC has drawn household investment partly as a trusted name and partly through the tax shields available under the old regime, a pattern visible in the March and first-quarter inflows on its balance sheet. With those shields largely gone under the new regime, do you expect a change in the business and its revenues? Separately, given a corpus of that size, do you see LIC moving into venture capital or private equity?

A. On the first question, Dr. Pande said the 80C exemption had already been diluted well before the new regime. Prior to 2000, it was the exclusive privilege of LIC and post office savings schemes; its later extension to equity mutual funds means tax saving is no longer the reason people buy these products, and he therefore does not expect a material effect on LIC from the new regime. He attributed the company's current position to product strategy rather than tax: LIC has introduced around thirty-eight non-par products in the four to five years since listing, shifting the par-to-non-par mix from roughly 90:10 at the outset to about 67:33, with the non-par side being where earnings accrue to shareholders. He set this against LIC's origins as an institution of 1956, created in a socialist milieu on the understanding that it should earn modestly, pass ninety-five per cent to policyholders and not concern itself further, an expectation that has changed along with the country, its people and the government. As evidence, he cited this year's dividend to the government of about ₹12,000 crore, second only to SBI, against roughly ₹2,300 crore pre-listing. On the second question, he said he was not aware of any plan to enter venture capital or private equity: of a corpus now around ₹60 trillion, about twenty per cent sits in equities and the remainder on the debt side, including substantial holdings of government paper.

Q. I bought LIC shares in the IPO at ₹910, and the stock is roughly fifty per cent down since. With the OFS priced around ₹387, will the stock have any growth prospects over the next couple of years, and was the IPO price miscalculated?

A. Dr. Pande first suggested averaging down, then addressed both parts directly. He expects the stock to move, citing analyst target prices around ₹500 and DIPAM's own assessment that the stock had been held back by the OFS overhang and the expectation of further government sell-downs, now cleared. He also noted a temporary F&O ban connected to issues with the CAS, since largely resolved, and characterised the present phase as transitional. On pricing, he set out the arithmetic: embedded value at the time was calculated at ₹5,40,000 crore, and the listing was done at 1.16 times that, or approximately ₹6 lakh crore, at a moment in 2022 when ICICI Prudential Life, SBI Life and HDFC Life were trading at two and a half to three times embedded value. Pricing below one time, he argued, would have drawn severe criticism, since a public asset belongs to taxpayers who have contributed to its growth. He identified the greater difficulty as the absence of any peer: LIC's market capitalisation exceeds the combined capitalisation of the comparable entities, so the standard IPO practice of pricing against a peer set does not apply. He recalled the stock listing around ₹867, not far from the band, before investors exited gradually, and noted it reached ₹1,200 in January 2024, an exit opportunity for those who wanted one while maintaining that long-term holders can expect good returns.

Q. (Follow-up) If the aim is to extract value for the social sector, would it not be better to first reform public sector enterprises so that maximum value is realised, rather than divesting at the outset?

A. Dr. Pande said this is precisely the sequence that has been followed. Value has been increased roughly fourfold, and a deliberately calibrated disinvestment strategy over the last five years was designed to improve value first. Once value exists, whether it is extracted through dividends, CapEx or disinvestment becomes a matter of choice; where there is no value, even CapEx is not possible. The order, in his account, was value creation first, instructions to invest in CapEx and to pay good dividends followed by calibrated disinvestment.

Q. LIC trades at a P/E of eight to ten against fifty to sixty for comparable life insurers, which suggests a highly undervalued stock. If the government shares that view, why did it structure the recent OFS as 2.5% with a 4% green shoe rather than 6.5% at once? And why has value not been unlocked as it was for IRCTC, IRFC or Mazagon Dock?

A. Dr. Pande said he could not speak to why investors assign a multiple of eight to a company with a sixty-five per cent market share, and that the question belongs to investors. He characterised LIC as a long-term stock that will not re-rate immediately to the levels of Mazagon Dock or IRCTC, and offered a structural explanation: a very mature entity coming to market faces limits to growth that a Zomato or Swiggy, arriving as a new story, does not. He pointed to the value of new business and the VNB margin, both growing and approaching twenty per cent, as grounds for expecting the stock to ramp up, and asked rhetorically whether Indian mutual funds and foreign FPIs would have committed roughly ₹31,000 crore without evaluating future growth, noting that, unlike other cases, no one can allege the money came from LIC itself. On the OFS structure, he explained that SEBI's rules do not treat an under-subscribed OFS as a failure in the way an IPO failing to achieve ninety per cent subscription must be unwound and the money returned. The green shoe was used because demand is never certain: the 2.5% base represented about ₹12,000 crore, with roughly ₹19,000 crore additional in the shoe, and market research had given a clear expectation of ₹10,000-12,000 crore, which set the base. He rejected the reading of negative signalling, describing the structure as a mechanism SEBI permits. The objective, he said, was to reach SEBI's minimum public shareholding norm ahead of the June 2027 deadline, from a position of 3.5% against the required 10%. Splitting the sale into tranches of 2.5% every six months would have kept the OFS overhang alive and depressed the price further; completing it in

one step was rewarded by the market precisely because it signalled the government would not return for another two years.

Q. (Follow-up) Could the sale not have been delayed until June 2027, given that the market is not favourable now?

A. Dr. Pande argued that delay would have pushed the price lower still, and that the questioner was not seeing the problem from his position. Waiting risked a liquidity crunch as large issues such as Jio Platforms and the NSE IPO came to market, and the timing of the NSE's DRHP approval and Jio Platforms' approval was not known in advance, which made it necessary to move opportunistically. He added that decisions of this kind are not simple: they are taken by a high-level committee of officers and are also considered at the political level, including the question of whether the timing is right.

Q. Would value not be realised more fully if government holdings in most entities were brought down to around thirty per cent?

A. Dr. Pande replied that going below fifty-one per cent would take the entity out of the definition of a government company under the Companies Act, with consequences beyond valuation. Investors subscribe to these entities' bonds and private-sector borrowings on the strength of their government-company status; changing the definition changes the basis on which that debt is held. His point was that the legal framework has to be understood in full before any such step is contemplated.

Q. Which other emerging economies are on this path of disinvestment, and how are they faring? And had Mazagon Dock not been listed in 2020 but retained for another fifteen years and grown to its current size, would the government not have realised a higher value - is this a case of the chicken today versus the eggs?

A. On Mazagon Dock, Dr Pande mentioned that the value might never have been realised at all: for unlisted entities held by the government, book value is the only available measure, and it typically runs to a few thousand crore rather than lakhs of crore. Waiting indefinitely does not produce the realisation. He distinguished two questions: realisation of value for the government and realisation for the people of the country, noting that investors in Mazagon Dock have multiplied their money thirty-five times. He put the counterfactual concretely: the company was listed at around ₹3,000 crore and has since reached ₹1 lakh crore, but the government could not have known at the time whether the entity was worth one lakh, fifty thousand, forty thousand or thirty thousand crore. Had he attempted to list at a ₹1 lakh crore market capitalisation, the price per share would have been of the order of ₹5,000 against today's post-split price near ₹2,400, and the issue would have failed. Citing an investor's explanation, he said that if everything is taken up front, the market will not reward the issue later; something must be left on the table initially for investors to then multiply the value. Around fifteen per cent of Mazagon Dock was divested for roughly ₹450 crore, and the subsequent value creation, he concluded, is not in the government's hands but the market's.

Click [here](#) to watch the seminar video.

The views of the presenter are personal and do not reflect the views of the Government.

Key Takeaways and Conclusion

The seminar provided a comprehensive overview of how India's approach to public-sector ownership has evolved from extensive nationalisation toward a more market-oriented model of public asset management. Dr. Pande's discussion on disinvestment has made it clear that it is not simply about reducing government ownership or generating revenue. Instead, it is also about unlocking the value of public enterprises, broadening their ownership, improving corporate governance, and ensuring that capital is allocated to its most productive uses.

A key takeaway from the session was the government's changing role, shifting from primarily an owner and operator to a more active and responsible shareholder. Once public enterprises are listed, the government has obligations not only toward the broader economy but also toward minority shareholders. Measures such as dividends, buybacks, stronger management incentives, and greater market scrutiny can thus play an important role in creating such long-term value.

Special emphasis on the LIC IPO as a case study illustrated the complexity of transforming a large, historically state-controlled institution into a market-oriented enterprise. Moreover, examples such as IRCTC, Mazagon Dock, and SBI demonstrated the potential for public enterprises to generate significant value when exposed to market disciplines and broader ownership.

Overall, the seminar highlighted that the future of public asset management will require a balance among strategic government presence, efficient capital allocation, and private-sector participation. The three questions raised by Dr. Pande on the limits of further monetisation, the role of privatisation in 'Viksit Bharat' and the true meaning of 'Make in India', further indicate that disinvestment is an evolving process rather than an end in itself. Its success will ultimately depend on whether it can create sustainable value for the government, enterprises, investors and the society at large.



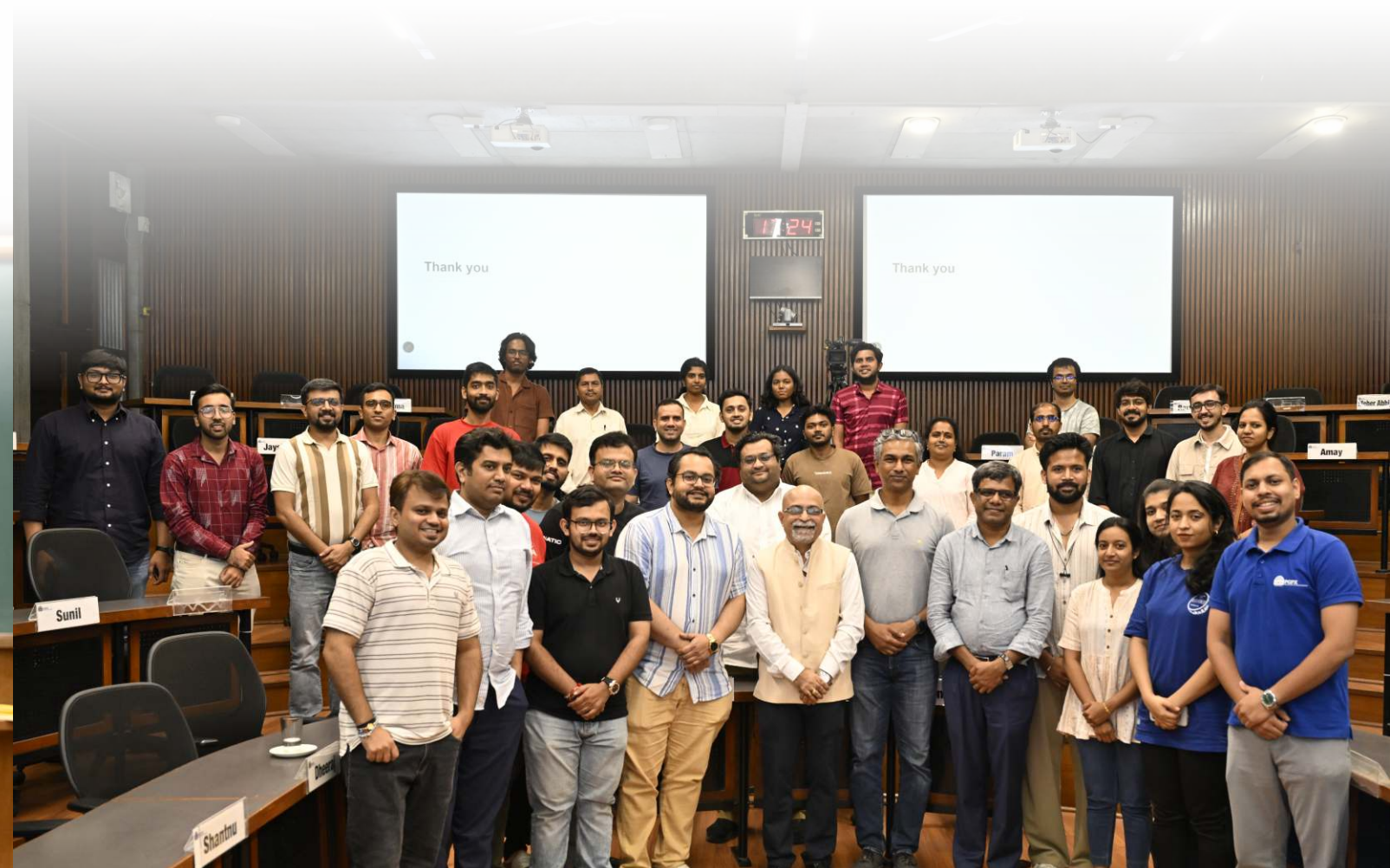
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