India Ownership Tracker

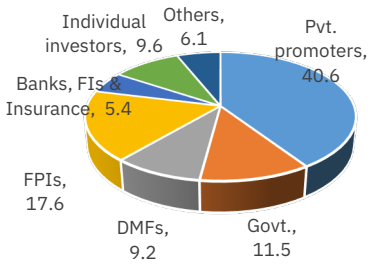
Q1 FY25 | Vol. 6, Issue 1

Who owns India Inc.? – Mutual fund share at all-time high, FPI share drops further

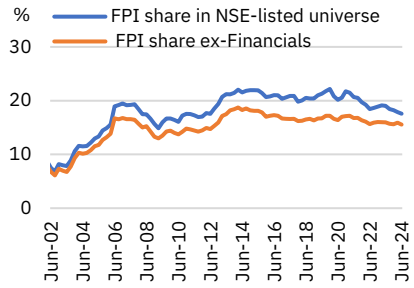
In this edition of our quarterly report "India Inc. Ownership Tracker",[1] we extend our analysis of ownership trends and patterns in NSE companies to include the data available for the quarter ending Jun'24. Additionally, we also analyse concentration of category-wise ownership across market cap deciles. We note: 1) An increase in promoter ownership for the fifth quarter in a row to 51.5% in NSE listed companies, primarily led by a rise in Government and foreign promoter share; 2) A drop in FPI[2] (foreign portfolio investors) ownership for the fifth consecutive quarter to a 12-year low of 17.6%, corroborating with significant foreign capital outflows in the first two months of the quarter; 3) An increase in DMF (domestic mutual funds) share to a fresh record high of 9.2% (Active: 7.5%, Passive: 1.7%), aided by sustained SIP inflows; 4) A modest increase in individual investors' direct non-promoter ownership to 9.6% in the listed universe; including indirect ownership via mutual funds, individuals' non-promoter holding at 17.4% is only 20bps of that of the FPIs; 5) FPIs strengthened their outsized OW[3] bet on Financials, and maintained a negative view on Consumer Staples, Materials and Industrials; 6) DMFs also turned incrementally positive on Financials, turned incrementally cautions on India's consumption outlook with a reduced OW position on Consumer Discretionary and sustained negative stance on Consumer Services, and retained an UW stance on commodity sectors including Energy and Materials; 7) A drop in the share of Nifty 50 companies in the institutional and individuals' portfolios to near 22-year lows, even as they continued to have a significant exposure to such companies. For instance, companies in the top decile by market cap accounted for 65%, 80%, and 88% of the individuals', DMFs' and FPIs' holdings respectively.

- **Promoter share inched up further in the listed universe:** Total promoter ownership in the Nifty 500 and NSE listed companies rose for the fifth quarter in a row by 14bps QoQ each to a seven-quarter high of 50.9% and 51.5% respectively in the quarter ending June 2024. This was primarily led by an increase in Government and foreign promoter share, partly offset by a decline in private Indian promoter ownership for the second and fourth quarter in row respectively. Promoter ownership in Nifty 50 companies, however, declined by a steep 54bps QoQ to 42.3% in the June quarter, marking the first drop in six quarters.
- **Government ownership continued to rise amid PSU rally:** The Government ownership (promoter and non-promoter) in the NSE listed universe and Nifty 500 companies rose by 27bps and 37bps QoQ to a 30-quarter high of 11.5% and 12.1% respectively. The Nifty 50 index also saw a modest 12bps QoQ to an 18-quarter high of 7.1% in the June quarter. This was led by continued outperformance of the Government-owned companies, with the NIFTY PSE index generating a gain of 17.1% in the June quarter compared to the 7.5% and 11.4% returns recorded by Nifty50 and Nifty500 Index respectively.
- **FPI ownership fell further in Nifty500/listed companies but inched up in Nifty 50:** FPI ownership continued to taper in the Nifty 500/NSE listed companies, falling by 24bps/28bps QoQ to 18.7%/17.6%. This marked the fifth drop in a row, corroborating with strong foreign capital outflows in the first two months of the quarter (-US$4.1bn in Apr-May'24). That said, in value terms, FPI holding in NSE listed companies expanded by 11.4% to Rs 76 lakh crore as of June-end. FPI ownership in Nifty50 companies, however, inched up by a modest 15bps QoQ to 24.5%.

Who owns India Inc.? NSE-listed in Jun'24



FPI ownership in NSE-listed companies



Source: CMIE Prowess, NSE EPR.

[1] The *"India Inc. Ownership Tracker"* report examines ownership trends and patterns in Indian companies listed on the NSE since 2001.
[2] FII ownership includes ownership through depository receipts held by custodians.
[3] Overweight (OW), neutral (N) or underweight (UW) stance on any sector is with respect to the sector's weight in the Index. An OW/UW position on a sector implies more than 100bps higher/lower allocation to the sector than its weight in the Index. A 'N' position on a sector implies an allocation within +/- 100bps of the sector's weight

FPIs strengthened their outsized OW bet on Financials, more so on larger companies in the sector, and turned incrementally positive on Communication Services, reflecting the impact of recent tariff hikes. This came at the expense of deepened negative stance on Industrials, Materials and Consumer Staples, indicating a cautious view of FPIs on India's consumption as well as investment outlook. Among other sectors, FPIs turned mildly negative on global sectors, viz., Information Technology and Healthcare, and remained neutral on Energy and Consumer Discretionary.

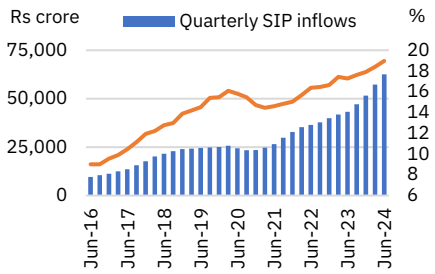
- **DMFs' share rose to fresh all-time high level:** Aided by sustained SIP inflows, DMFs' share rose further to a fresh all-time high of 11.1%, 9.6% and 9.2% in Nifty 50, Nifty 500 and NSE listed companies respectively. DMFs injected a net amount of Rs 1.3 lakh crore into Indian equities in the June quarter, taking total net inflows to Rs 8.1 lakh crore since April 2022. Out of total share held by DMFs, passive funds' share remained broadly steady at 1.7%, with the balance 7.5% held by active funds, up 21 bps QoQ.[4]

  In line with FPIs, DMFs also turned incrementally bullish on Financials, strengthening their OW position on the sector. This came at the expense of a reduced exposure to Consumer Staples and Materials. Among other sectors, DMFs maintained their trimmed-yet-OW stance on Healthcare and Consumer Discretionary within the Nifty 500 companies, and a neutral stance on Industrials, Information Technology and Communication Services.

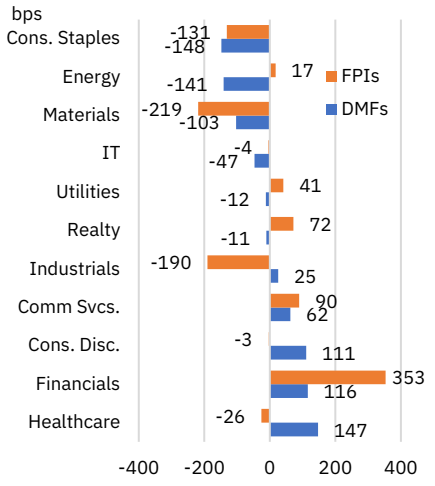
- **Individual investors' share rose marginally in the June quarter:** After falling in the previous two quarters, individual investors' direct ownership as non-promoters inched up by 10bps QoQ to 9.6% and 14bps QoQ to 8.7% in the NSE listed and Nifty 500 companies respectively but fell by 8bps QoQ to 8% in the Nifty50 companies. Adding indirect holding via mutual funds and direct holding as promoters to this, individuals now own slightly shy of a quarter (24%) in the NSE listed companies, up from about 20% in March 2019, and 15.6% over a decade ago (March 2014).

- **Ownership concentration:** The share of Nifty 50 companies in total institutional holding fell for the fifth quarter in a row to the lowest level since the beginning of our analysis (Mar'01) to 60% in the June quarter. This is a result of the combination of sustained inflows in mid- and small-cap funds, and relative outperformance of such companies vis-à-vis the large cap universe. Individuals also saw the share of these companies in their overall portfolio falling to over 22-year low of 36.8% (-3pp QoQ) in the June quarter, translating into an 11pp drop in the last five quarters. That said, large companies still contribute to a significant portion to both individual and institutional portfolios, with companies in the top decile (200 companies) by market cap contributing to 65% of individuals' holdings and 86% of institutional holdings.

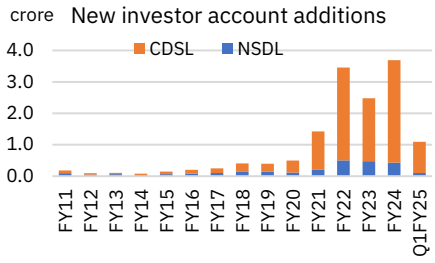
DMF ownership in NSE-listed companies



FPI and DMF portfolio OW/UW in Nifty 500 vs. the index (June 2024)



New investor account additions



Decile-wise portfolio share (Jun'24)

Deciles	FPIs	DMFs	Ind.	Total mkt cap
1	88.4	79.5	65.2	79.0
2	7.7	13.8	14.2	11.2
3	2.5	4.2	8.8	4.7
4	0.9	1.9	4.7	2.4
5	0.2	0.4	3.0	1.2
6	0.1	0.1	2.0	0.7
7	0.0	0.0	1.1	0.4
8	0.0	0.0	0.6	0.2
9	0.0	0.0	0.3	0.1
10	0.0	0.0	0.0	0.0

Source: CMIE Prowess, AMFI, SEBI, NSE EPR.

[4] Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. Active funds are those which involve active investment decisions on the part of the fund manager.

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Annual India Inc. ownership trends

Table 1: Ownership trend across promoters and non-promoters in the NSE-listed universe

	Promoters (%)				Non-promoters (%)			Market cap (Rs lakh crore) *
	Private Indian promoters	Government	Foreign	Total promoters	Institutional	Non-Institutional	Total non-promoters	
FY07	30.9	15.5	7.7	54.1	28.6	17.3	45.9	34
FY08	31.0	19.0	6.5	56.6	27.1	16.3	43.4	49
FY09	26.4	23.0	8.2	57.6	25.7	16.8	42.4	29
FY10	26.5	22.3	7.6	56.3	27.5	16.2	43.7	60
FY11	26.6	22.1	7.2	55.9	28.2	15.9	44.1	67
FY12	27.3	19.8	8.0	55.1	28.7	16.2	44.9	61
FY13	28.4	16.9	7.5	52.8	31.2	15.9	47.2	63
FY14	29.4	13.9	8.4	51.7	32.3	15.9	48.3	73
FY15	29.6	11.9	9.5	51.0	32.4	16.5	49.0	100
FY16	31.0	10.1	9.3	50.4	31.9	17.7	49.6	95
FY17	30.4	10.7	8.9	50.1	32.0	18.0	49.9	121
FY18	31.3	9.7	9.4	50.4	32.0	17.6	49.6	142
FY19	31.5	8.7	9.2	49.4	34.0	16.5	50.6	150
FY20	33.3	6.6	11.1	50.9	34.6	14.5	49.1	112
FY21	34.7	5.9	9.4	50.0	35.0	15.0	50.0	203
FY22	36.3	5.7	8.7	50.7	32.9	16.3	49.3	261
FY23	33.2	7.9	8.8	49.9	36.2	13.9	50.1	254
FY24	32.7	10.7	8.0	51.4	34.4	14.2	48.6	382
Q1FY25	32.4	10.9	8.3	51.5	34.2	14.3	48.5	433

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *Market cap is for all companies whose ownership data was available for the quarter.

Table 2: Ownership trend across non-promoter shareholders by total market cap in the NSE-listed universe

	Non-promoters (%) ^										Market cap (Rs lakh crore) #
	Institutional					Non-institutional				Total	
	Domestic MFs	Banks, FIs & Insurance	FPIs*	Other inst.	Total	Non-promoter corporate	Ind. investors	Other non-inst. **	Total		
FY07	3.8	5.4	19.2	0.3	28.6	4.2	10.1	3.0	17.3	45.9	34
FY08	3.8	5.4	17.5	0.4	27.1	4.3	9.1	2.9	16.3	43.4	49
FY09	3.8	6.7	14.9	0.3	25.7	4.5	8.7	3.6	16.8	42.4	29
FY10	3.9	6.9	16.4	0.3	27.5	4.5	8.5	3.3	16.2	43.7	60
FY11	3.6	6.9	17.5	0.3	28.2	4.5	8.2	3.2	15.9	44.1	67
FY12	3.6	7.2	17.7	0.2	28.7	4.4	8.5	3.2	16.2	44.9	61
FY13	3.5	6.9	20.7	0.1	31.2	4.3	8.0	3.6	15.9	47.2	63
FY14	3.4	6.8	22.1	0.1	32.3	4.0	8.0	4.0	15.9	48.3	73
FY15	3.9	5.9	22.0	0.6	32.4	4.2	8.7	3.7	16.5	49.0	100
FY16	4.4	6.4	20.8	0.3	31.9	5.8	9.1	2.8	17.7	49.6	95
FY17	4.9	6.2	20.6	0.2	32.0	5.8	9.3	2.9	18.0	49.9	121
FY18	6.1	5.6	20.1	0.3	32.0	5.6	9.0	3.0	17.6	49.6	142
FY19	7.2	5.5	21.0	0.4	34.0	5.0	8.6	3.0	16.5	50.6	150
FY20	7.9	5.5	20.8	0.4	34.6	3.3	8.4	2.7	14.5	49.1	112
FY21	7.2	5.1	21.5	1.2	35.0	3.1	9.0	2.9	15.0	50.0	203
FY22	7.7	4.5	19.2	1.5	32.9	3.6	9.7	3.1	16.3	49.3	261
FY23	8.7	6.1	19.1	2.3	36.2	1.7	9.4	2.8	13.9	50.1	254
FY24	8.9	5.6	17.9	2.0	34.4	1.9	9.5	2.7	14.2	48.6	382
Q1FY25	9.2	5.4	17.6	2.0	34.2	1.9	9.6	2.7	14.3	48.5	433

Source: CMIE Prowess, NSE EPR. ^ Ownership shares provided here for non-promoters are based on total market cap and therefore do not add up to 100. Institutional and non-institutional share add up to the total non-promoter share. *FPI ownership includes ownership through depository receipts held by custodians. **Other non-institutions include other non-institutional non-promoters and government non-promoter. #Market cap is for all companies whose ownership data was available for the quarter.

Listed universe ownership trends

Ownership pattern of the NSE-listed universe (June 2024)

Promoter share in NSE listed companies rose to a seven-quarter high: Total promoter ownership in the NSE listed universe rose for the fifth quarter in a row by 14bps QoQ to a seven-quarter high of 51.5% in the June quarter, translating into an 80bps increase in the first half of 2024. This was primarily driven by an increase in Government and foreign promoter share, partly offset by a decline in private Indian promoter ownership for the second quarter in row. Foreign promoters saw their ownership in NSE listed companies rising by 28bps QoQ to 8.3%. Conversely, private Indian promoters' stake fell by 33bps QoQ to an 18-quarter low of 32.4% in the June quarter, attributed to a drop in non-individual private promoter share, even as individual promoters (including HUFs) saw their share rising by 20bps QoQ to 6.5%. Notably, individuals accounted for a 20% share in the private Indian promoter holding in the NSE listed universe.

Total promoter share rose for the fifth quarter in a row by 14bps QoQ to 51.5% in the June quarter.

Government ownership surged to a 30-quarter high: After a steady decline between 2010 and 2022, thanks to Government's efforts to garner higher revenues through the disinvestment route, Government ownership (promoter as well as non-promoter) in the NSE listed companies rose by a steep 2.4 percentage points (pp) in FY23, attributed to the listing of LIC during the year, and by another 2.8pp in FY24, aided by relative outperformance of PSUs. The trend has continued in the new fiscal year as well, with the Government ownership in NSE listed companies inching up by 27bps QoQ (+127bps in H1 2024) to a 30-quarter high of 11.5%. This was yet again driven by continued outperformance of PSUs relative to the broader market. For instance, the NIFTY PSE index generated a gain of 17.1% in the June quarter compared to the 7.5% and 11.4% returns recorded by Nifty50 and Nifty500 Index respectively.

After rising over the previous two years, Government ownership in the listed space rose further in the June quarter, driven by strong performance of PSUs.

FPI ownership dropped to 12-year lows...: FPI shareholding declined for the fifth quarter in a row by 28bps QoQ to a 12-year low of 17.6% as of June 30th, 2024, translating into a 65bps dip in the first half of 2024. That said, FPIs' portfolio expanded by 11.4% QoQ, growing for the fifth quarter in a row, albeit lower than 13.4% rise in the total market cap in the June quarter. The decline in FPI share is partly attributed to steep foreign capital outflows in the first two months of the quarter, with net FPI outflows in the quarter at US$ 911m. After seeing a dip in the previous four quarters, FPI share in Financials actually inched up by a modest 14bps QoQ to 24.5%. Excluding Financials, FPI share in the NSE listed universe fell by an even higher 35bps QoQ to a 47-quarter low of 15.6%.

FPI ownership declined to a 12-year low of 17.6% in the June quarter, translating into a 65bps drop in the share in H1 2024.

...While DMF shareholding surged to fresh record high levels: Continuing the steady upward trend seen over the previous three quarters, DMF share in the listed universe rose by 25bps QoQ to fresh all-time high of 9.2% in the June quarter, corroborating with sustained buying by DMFs during this period. DMFs injected a net amount of Rs 1.3 lakh crore into Indian equities in the first quarter of this fiscal year, taking the total net inflows to Rs 8.1 lakh crore since April 2022. A part of this is attributed to rising indirect participation of individuals via the SIP route. SIP inflows have risen steadily in the last few years, with an average monthly run rate rising by 9.1% QoQ to Rs 20,846 crore in the June quarter. Out of the total DMF share of 9.2%, passive funds' share remained broadly steady at 1.7%, with the balance 7.5% was held by active funds, up 21 bps QoQ.

DMF share in the listed universe continued to rise, reaching a fresh high of 9.2% in the June quarter.

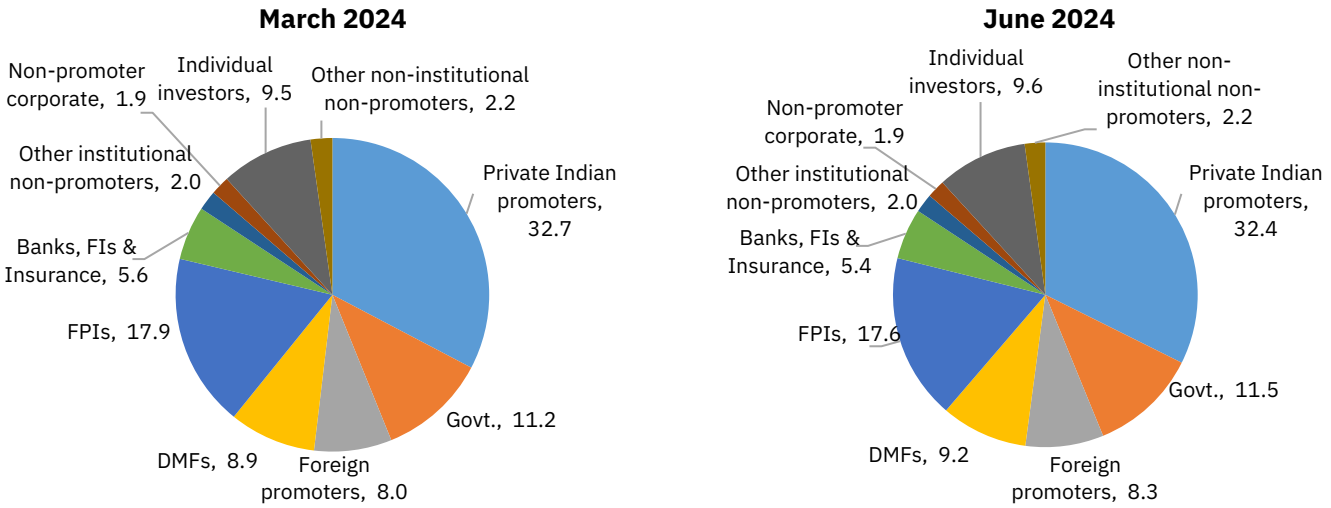
Share of Banks, Financial Institutions and Insurance remained largely unchanged at 5.6%.

The share of Banks, Financial Institutions and Insurance companies in the NSE-listed space dropped for the fifth quarter in a row to a two-year low of 5.4% in the June quarter, even as it remains nearly a percentage point higher than the post-pandemic lows.

Individual investors' holding inched up marginally in the June quarter: After seeing a modest drop in the previous two quarters, individual investors' share of the total NSE listed universe inched up by 10bps QoQ to 9.6% at the end of the June quarter. This was supported by robust net investments by individual investors in the last couple of quarters. Individuals injected a net amount of Rs 39,278 crore in the June quarter (NSE's secondary markets only), on top of Rs 52,568 crore in the previous quarter. All sectors, barring Materials and Consumer Staples, saw the ownership of individual investors increase or remain broadly steady in the June quarter. Adding indirect ownership via mutual funds of 7.8% to this (Individuals—retail and HNIs put together—accounted for 84% of total equity AUM of mutual fund as of June quarter vs. 76% in the previous quarter), individuals' share in equity markets as non-promoter shareholders is now only 20bps shy of that of the FPIs. This gap was as high as 7.1% in FY21, indicating the growing role and significance of individual investors in the Indian equity markets.

Individuals' share in equity markets as non-promoter shareholders, directly as well as indirectly, is now only 20bps shy of that of the FPIs.

Figure 1: NSE-listed universe: Ownership pattern by total market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 3: NSE-listed universe: Ownership trend across key stakeholders by total market cap over last three years

%	Private Indian promoters	Govt.	Foreign promoters	Passive DMFs ^	Active DMFs $	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual Investor	Others **
Sep-21	36.0	6.0	8.9	1.3	6.0	4.4	20.5	3.4	9.3	4.1
Dec-21	36.4	5.7	8.7	1.3	6.1	4.4	19.7	3.7	9.7	4.3
Mar-22	36.3	6.0	8.7	1.4	6.3	4.5	19.2	3.6	9.7	4.3
Jun-22	35.2	7.6	9.1	1.5	6.4	4.6	18.4	3.7	9.5	4.0
Sep-22	35.0	7.5	9.5	1.6	6.4	5.7	18.6	2.8	9.2	3.7
Dec-22	34.2	8.6	8.9	1.6	6.5	5.8	18.9	1.8	9.2	4.5
Mar-23	33.2	8.4	8.8	1.7	7.0	6.1	19.1	1.7	9.4	4.7
Jun-23	33.4	8.4	8.7	1.7	6.9	5.9	19.0	1.9	9.4	4.7
Sep-23	33.1	9.4	8.3	1.7	7.1	5.7	18.4	2.0	9.7	4.6
Dec-23	33.1	10.2	7.9	1.7	7.1	5.6	18.2	2.0	9.7	4.5
Mar-24	32.7	11.2	8.0	1.7	7.2	5.6	17.9	1.9	9.5	4.3
Jun-24	32.4	11.5	8.3	1.7	7.5	5.4	17.6	1.9	9.6	4.2
QoQ change	*-33bps*	*27bps*	*28bps*	*3bps*	*21bps*	*-17bps*	*-28bps*	*-1bps*	*10bps*	*-10bps*

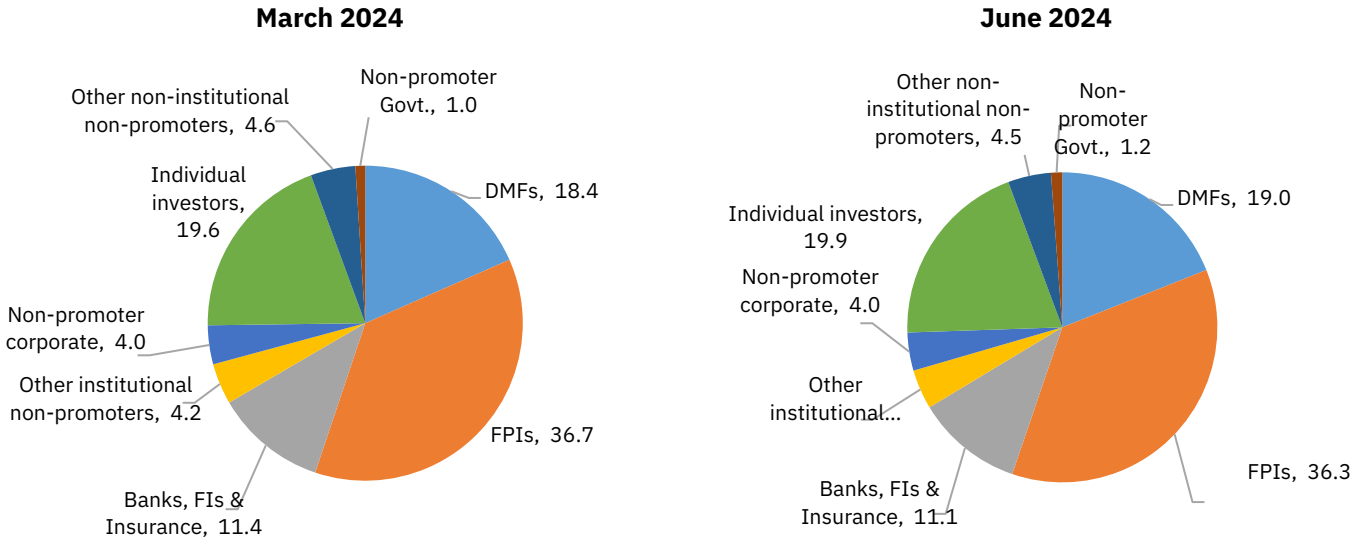
Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters. ^ Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. $ Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Institutional ownership in NSE floating stock fell marginally: DMF ownership in the NSE floating stock rose by 57bps QoQ to a fresh all-time high of 19.0% in the Juen 2024 quarter, marking a full percentage point rise in the first half. On the other hand, FPI holding in the floating stock of the NSE listed universe dipped for the fifth consecutive quarter, standing at over 15-year low of 36.3%. FPI share in the NSE floating stock is now 9.4pp below the peak share seen eight years back (March 2014). This dip, however, was much stronger in smaller companies, as evidenced from a steep 2pp QoQ drop in FPI share in the free float stock of the NSE listed universe excluding the Nifty 500 companies.

On the contrary, DMF's share in floating stock of these companies surged by a higher 2.3pp to an all-time high of 12.8% in the June quarter, surpassing that of FPIs for the first time in 22 years. Banks, Financial Institutions and Insurance companies' share in the free float of NSE-listed companies fell by 31bps QoQ to a two-year low of 11.1%. Overall institutional ownership of the NSE free float fell by 30bps QoQ to 70.5%, 1.8pp below the all-time high of 72.3% (Mar'23).

Individual investors' ownership of the NSE free-float market cap increased by 26bps QoQ to a 15-year high of 19.9% in the June quarter. That said, the share stands nearly 9.2% below the peak individual ownership level seen over the last 23+ years.

Figure 2: NSE-listed universe: Ownership pattern by free float market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 4: NSE-listed universe: Ownership trend across key stakeholders by floating stock over last three years

%	Passive DMFs ^	Active DMFs $	Banks, FIs & Insurance	FPIs*	Non-promoter corporate	Individual Investor	Others**
Sep-21	2.6	12.2	9.0	41.6	6.9	18.9	8.9
Dec-21	2.7	12.4	8.8	39.9	7.6	19.6	9.1
Mar-22	2.9	12.7	9.1	39.1	7.3	19.7	9.3
Jun-22	3.1	13.3	9.6	38.1	7.6	19.7	8.7
Sep-22	3.2	13.2	11.9	38.5	5.7	19.1	8.4
Dec-22	3.4	13.3	12.0	38.8	3.7	18.9	10.0
Mar-23	3.5	14.0	12.1	38.1	3.5	18.7	10.2
Jun-23	3.5	13.8	11.7	38.1	3.8	18.8	10.3
Sep-23	3.4	14.2	11.5	37.1	4.0	19.5	10.2
Dec-23	3.4	14.5	11.3	37.0	4.0	19.6	10.2
Mar-24	3.5	14.9	11.4	36.7	4.0	19.6	9.8
Jun-24	3.6	15.4	11.1	36.3	4.0	19.9	9.8
QoQ change	*8bps*	*49bps*	*-31bps*	*-48bps*	*-2bps*	*26bps*	*-2bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across key non-promoter stakeholders is based on free float market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters. ^ Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. $ Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Long-term ownership trend of the NSE-listed universe

Government ownership in the NSE-listed universe has been coming off since 2010, barring a steep jump last year.

Long-term trend shows a steady drop in promoter ownership during 2009-2019, followed by a marginal increase thereafter: The long-term trend indicates a sharp rise in promoter ownership between 2001 and 2009 (To a 19-year high of 57.6% in March 2009) that gradually tapered off since, coinciding with the SEBI's decision to increase the minimum required free float from 10% to 25% in 2010. However, the drop has been primarily led by a sharp decline in Government ownership over the years, and strategically so, with the aim of expanding public partnership in the ownership of CPSEs (Central Public Sector Enterprises) and augmenting its resources for higher expenditure towards economic development. On the other hand, overall private promoter ownership—Indian and foreign promoters combined—has increased by ~11.6pp between June 2010 to December 2021. Promoter share, however, has been inching up since the last few years barring FY23, primarily led by an increase in Government share.

DMF ownership got support from rising SIP investments during FY15-20, only to see a dip in FY21 and recover thereafter.

Sharp rise in DMF ownership post 2014 supported by rising SIP inflows: Barring a drop in FY21, DMF ownership has seen a sharp increase over the previous six fiscal years (FY15-FY23), largely reflecting the sustained retail interest in equity mutual funds as an investment channel through SIPs. Drop in DMF ownership in FY21 (Apr-Mar'21) had been largely on the back of moderation in SIP inflows as well as high redemption pressures, thanks to macroeconomic slowdown and attendant drop in disposable incomes that got accentuated by the COVID-19 outbreak. This partly found its way to Indian equities via higher direct retail investments, as visible from a steady increase in direct retail ownership during this period. With indirect participation by individual investors seeing a renewed jump beginning June 2021 via the SIP route, share of DMFs in the NSE listed universe has risen steadily to record-high levels. Banks, FIs & Insurance share, on the other hand, has been gradually dropping off since 2012, only to see a significant jump in FY23 (+158bps).

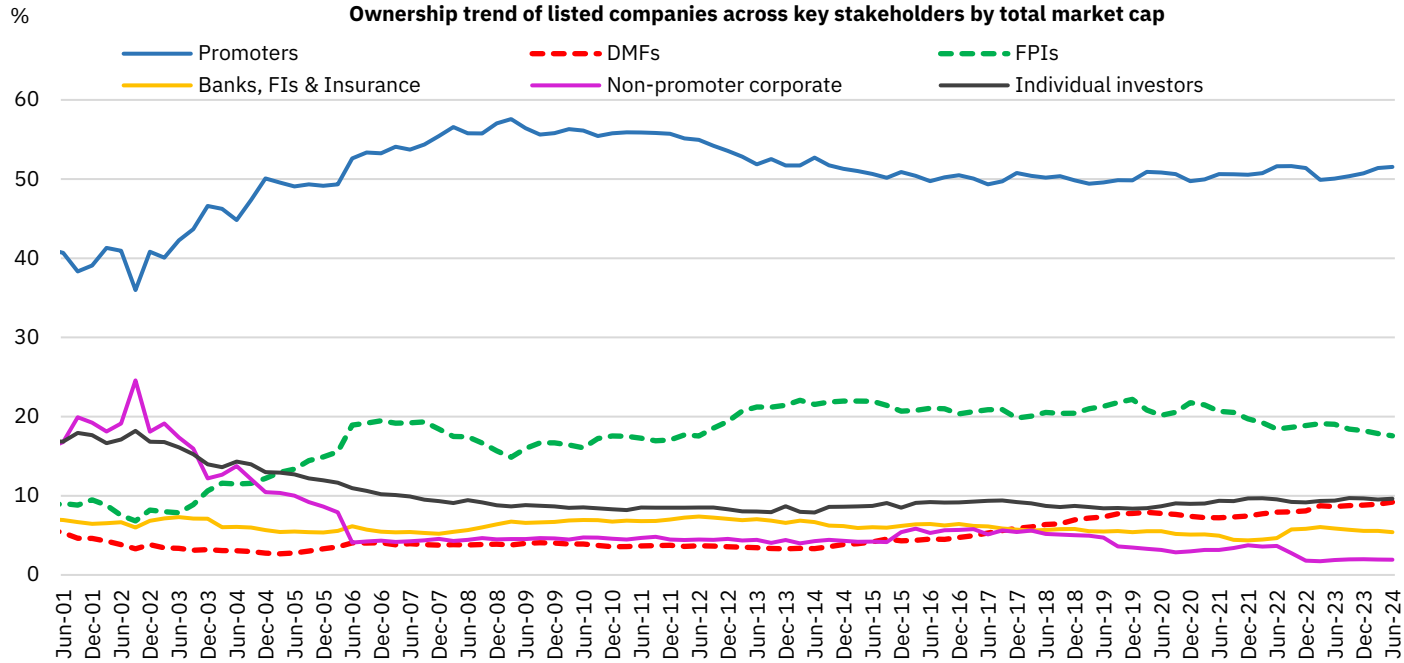
FPI ownership dropped to sub-18% in FY24 after more than 11 years: FPI ownership in the NSE-listed space saw a gradual increase between 2002 and 2015, except for a brief period around the 2007-08 financial crisis, but dropped marginally over the subsequent

three years, reflecting negative global cues including the US-China trade war and Brexit concerns. FPI share picked up over the next two years until December 2019 but fell sharply during the first two quarters of 2020 post the onset of the COVID-19 pandemic. This, however, was temporary as huge liquidity injection globally improved risk appetite, leading to a jump in FPI share in the second half. Since then, FPI share has been trending down, reflecting weakened investor sentiments in the wake of recurring COVID waves, China slowdown, Russia-Ukraine war, worsening growth-inflation dynamics, and rapid monetary tightening by global central banks, notably the US Fed. In fact, FPI share dropped to sub-18% by the last quarter of FY24 for the first time in more than 47 quarters, only to fall further in the first quarter of FY25.

Direct individual holding has remained between 8% to 10% for more than a decade now: Not surprisingly, while individual investments through the SIP route has been rising over the last few years, barring a steady drop in FY21, direct individual participation in equity markets remained quite stable—a sign of maturing markets and indirect ownership. Individual investors' ownership of the NSE listed universe declined steadily between 2001 and 2012 but has since increased marginally.

Direct individual ownership fell steadily between 2001 and 2012 and has since risen marginally.

Figure 3: NSE-listed universe: Long-term ownership trend across key stakeholders by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Figure 4: Total promoter ownership trend of NSE-listed companies by total market cap

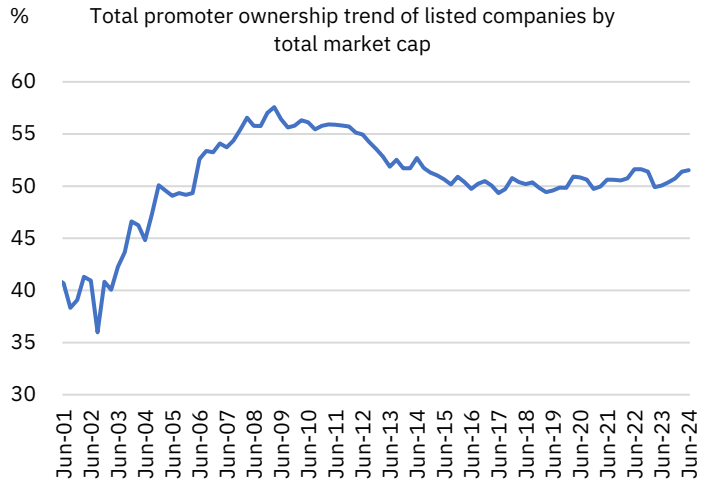
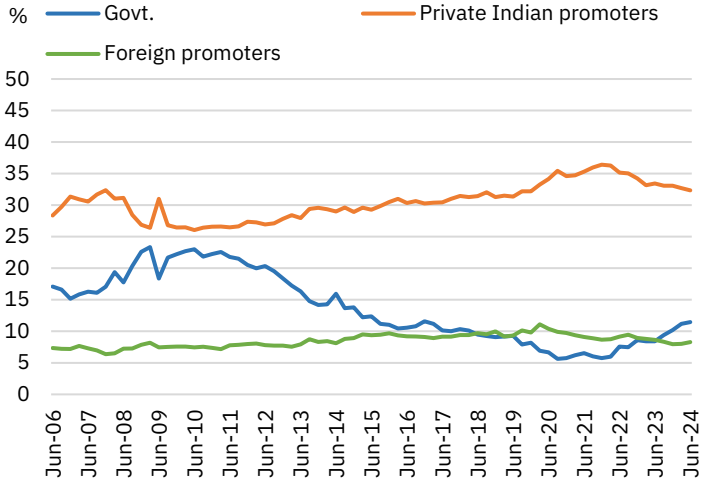


Figure 5: Indian and foreign promoter ownership trend of NSE-listed companies by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 6: DMF ownership trend of NSE-listed companies by total market cap

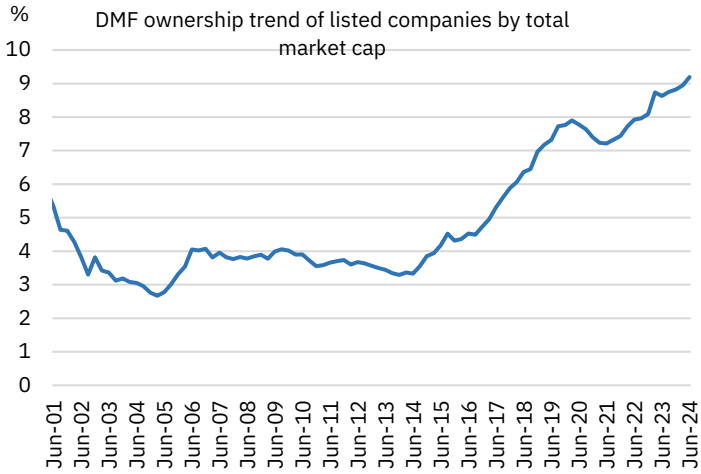
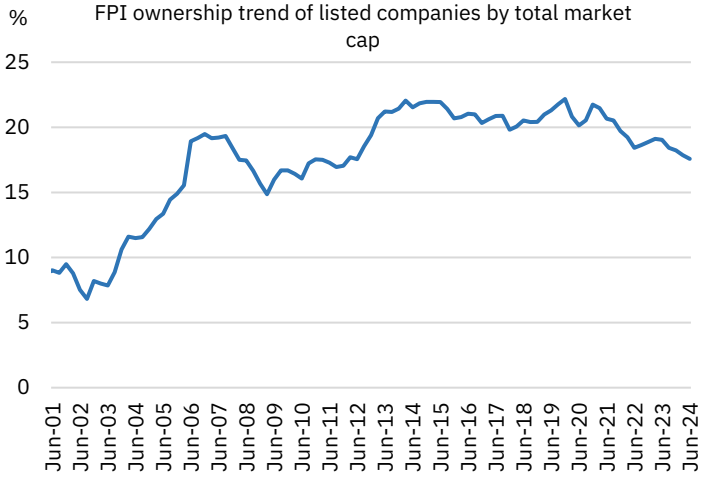


Figure 7: FPI ownership* trend of NSE-listed companies by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 8: Banks, FIs & Insurance ownership trend of NSE-listed companies by total market cap

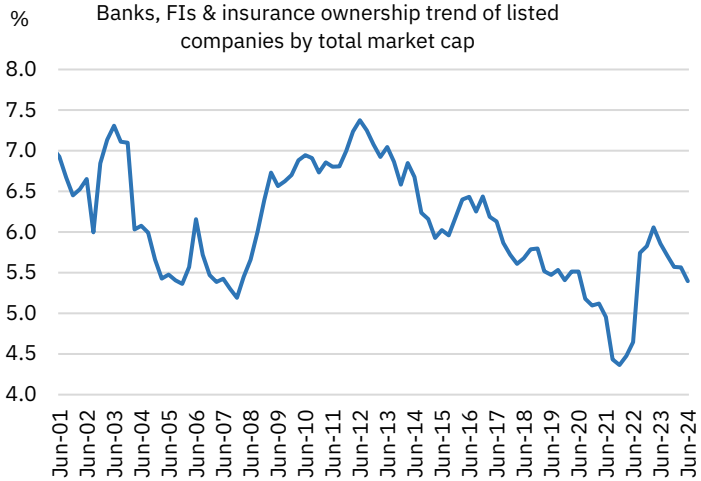
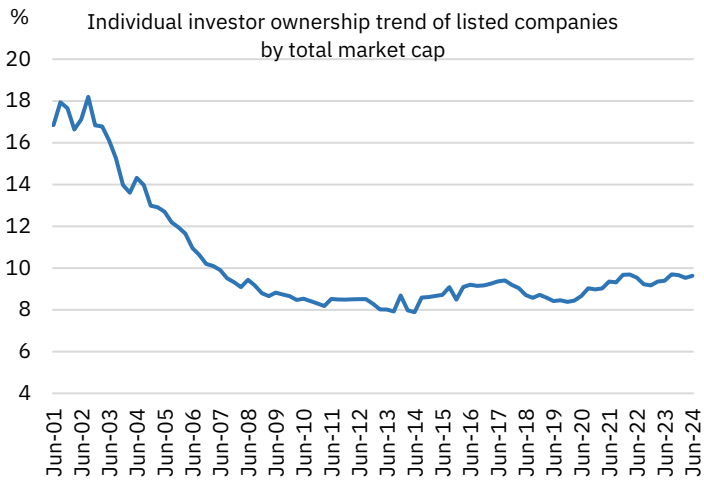
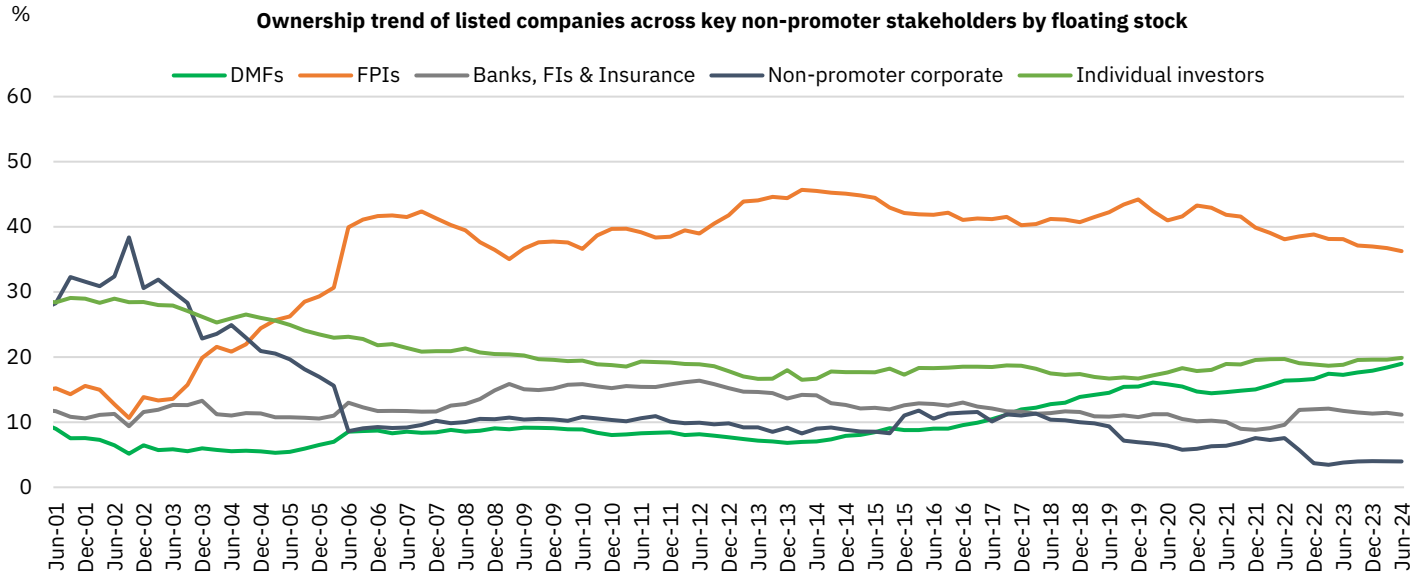


Figure 9: Individual ownership trend of NSE-listed companies by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 10: NSE-listed universe: Long-term ownership trend across key stakeholders by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 11: DMF ownership trend of NSE-listed companies by free float market cap

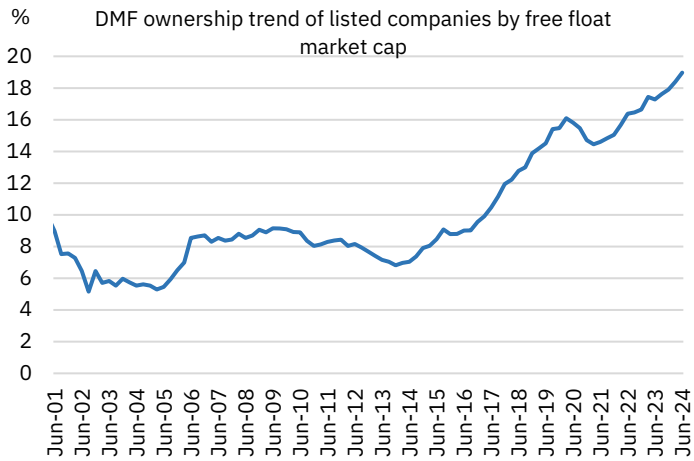
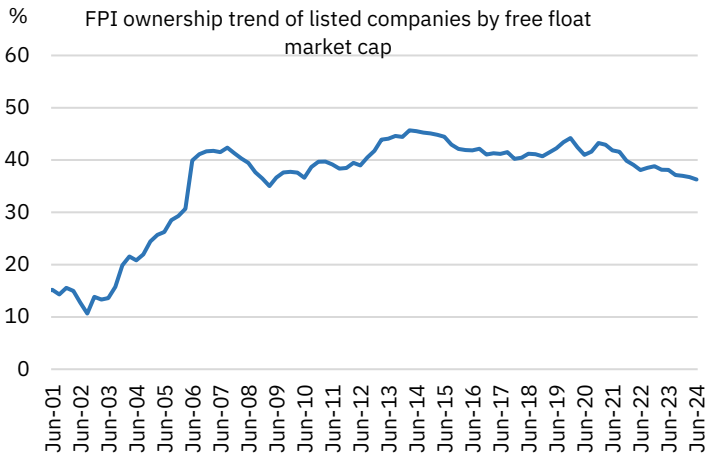


Figure 12: FPI ownership trend of NSE-listed companies by free float market cap



Source: CMIE Prowess, NSE EPR.

Figure 13: Banks, FIs & Insurance ownership trend of NSE-listed companies by free float market cap

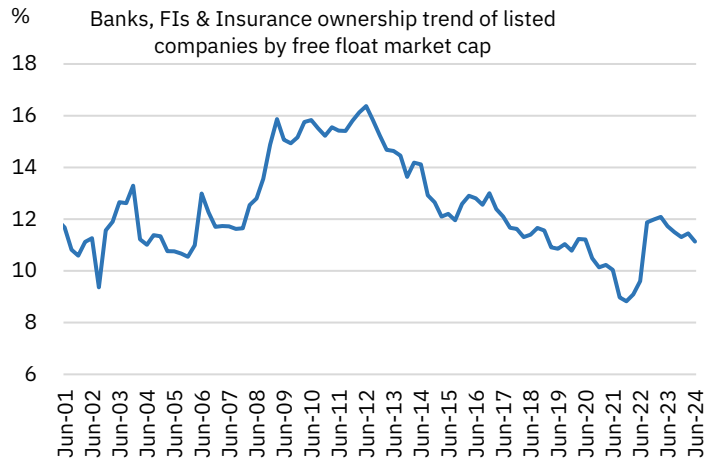
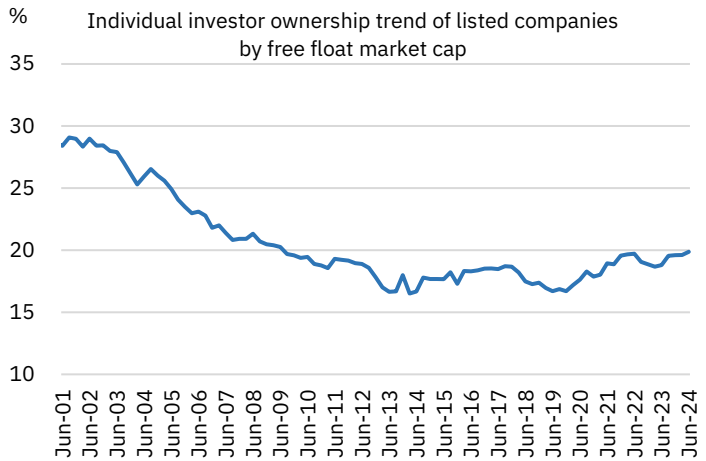


Figure 14: Individual ownership trend of NSE-listed companies by free float market cap



Source: CMIE Prowess, NSE EPR.

SIP inflows continue to rise: SIPs have been a preferred route for individual investors to invest in equity markets barring FY20-21. After a drop in 2020, that saw individual investors shift away from being indirect investors to direct participants in the equity market, inflows into mutual funds through the SIP route has been rising steadily since then, barring some moderation in early FY22 due to the virulent second wave of the pandemic. Average monthly inflows through the SIP route stood at Rs 20,846 crore in the first quarter of FY25 vs. Rs 19,099 crore in the previous quarter and Rs 16,602 crore in FY24. Every quarter in the last 15 quarters recorded higher inflows than the previous one, which led to the continued upsurge in DMF ownership.

Average monthly SIP inflows in Q1 FY25 rose by 9.1% QoQ to Rs 20,846 crore.

Figure 15: Monthly SIP inflows into mutual funds

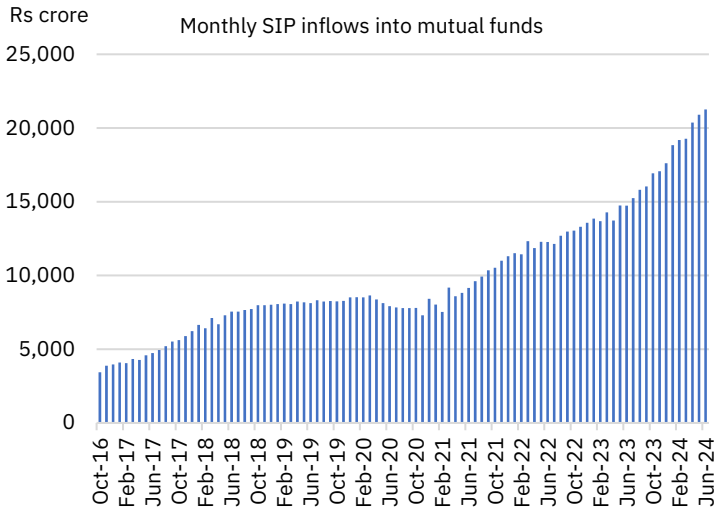
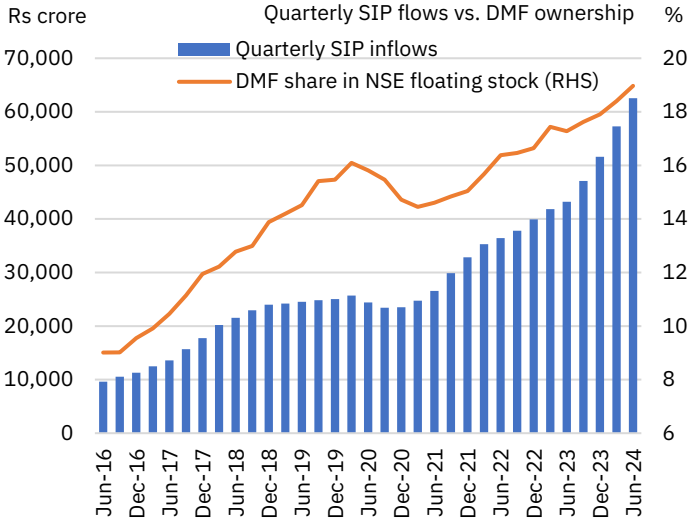


Figure 16: Quarterly SIP inflows vs DMF ownership



Source: AMFI, NSE EPR.

DMF ownership in the June quarter supported by active funds: Passive holding of DMFs through ETFs and index funds in the NSE listed companies has risen rapidly over the past few years. The AUM of passive funds has risen at a CAGR of 66.7% over the last nine years, significantly higher than the 25.8% annualized growth recorded by actively managed mutual funds during this period. The quarter gone by saw passive funds' AUM rise by a strong 15.5% QoQ to Rs 7.5 lakh crore, while that of active funds' rose by a slightly higher 16.5% to Rs 32.3 lakh crore. This has led to the share of passive funds in the total AUM of equity-oriented funds fall by a modest 14bps QoQ to 18.9% in the June quarter, nearly 125bps lower than the peak share of 20.1% recorded in Dec'22.

Out of the 9.2% of the market capitalization of NSE listed universe held by DMFs, ownership of passive funds remained broadly steady at 1.7% in the Jun quarter, while that of active funds rose by a 21bps QoQ to 7.5%. In terms of free float market capitalization, passive funds' ownership now stands marginally higher at 3.6% (vs. 3.5% in Mar'24), with active funds' shareholding standing at 15.4% (vs. 14.9% in Mar'24).

Figure 17: DMF holding in NSE listed universe

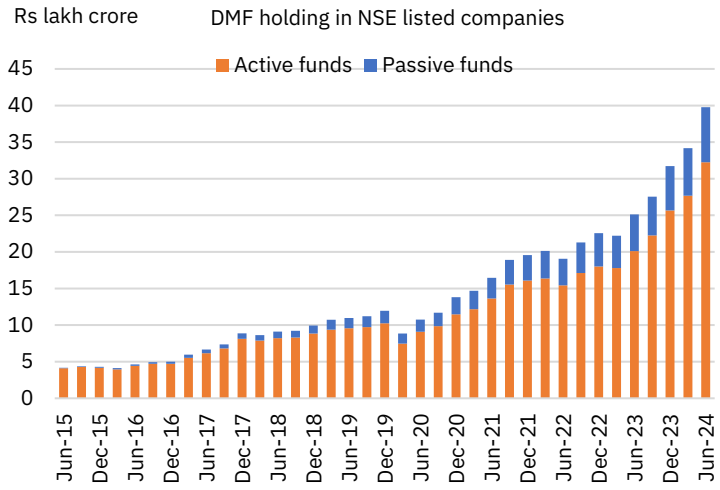
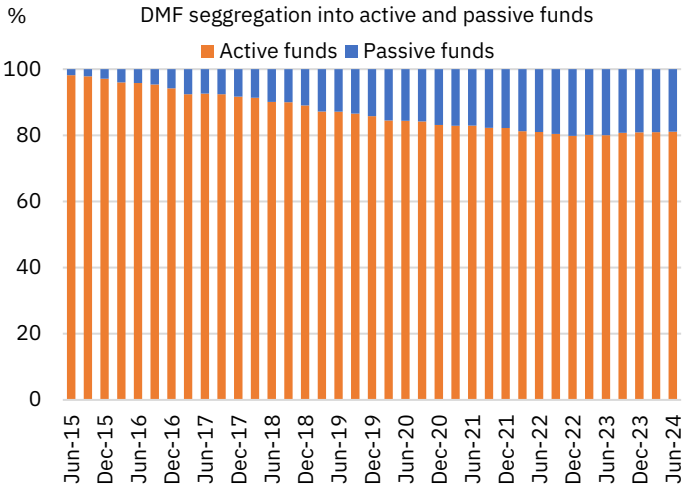
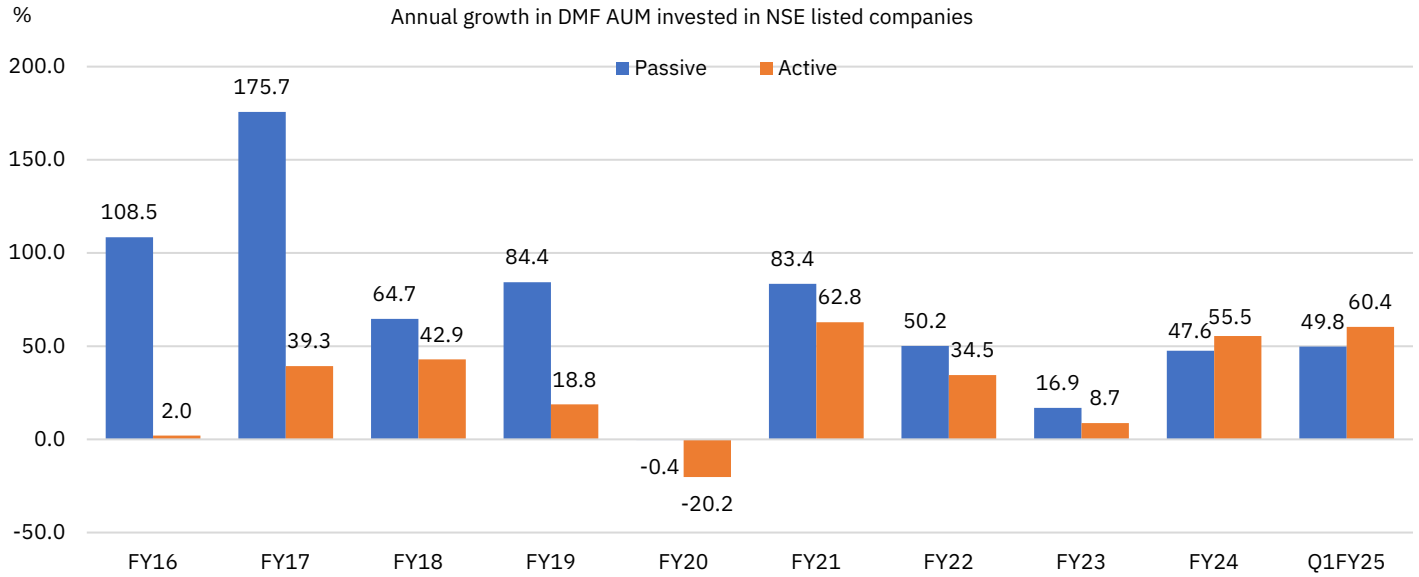


Figure 18: DMF segregation: active and passive funds



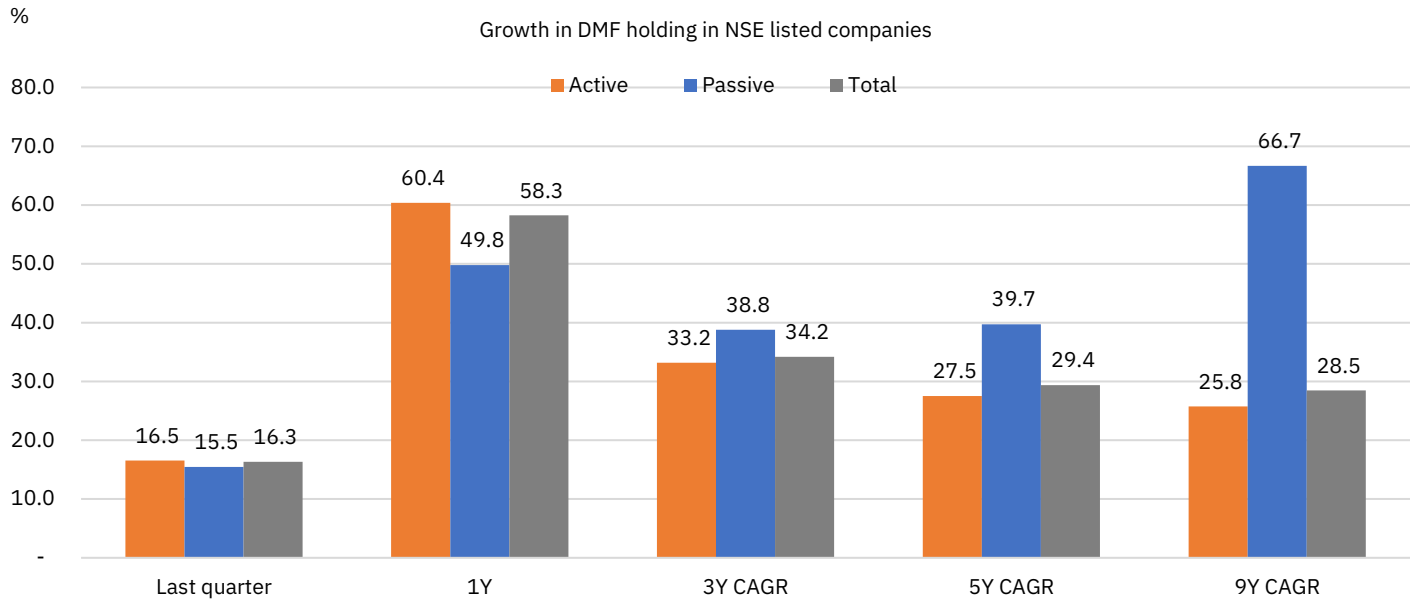
Source: AMFI, MFI Explorer, NSE EPR. Note: Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Figure 19: Annual growth of DMF holding in the NSE-listed universe



Source: AMFI, MFI Explorer, NSE EPR. Note: Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Figure 20: CAGR of DMF holding in the NSE-listed universe



Source: AMFI, MFI Explorer, NSE EPR. Note: Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding. * Data is as of June 30th, 2024.

Figure 21: DMF ownership in total market cap of NSE listed companies

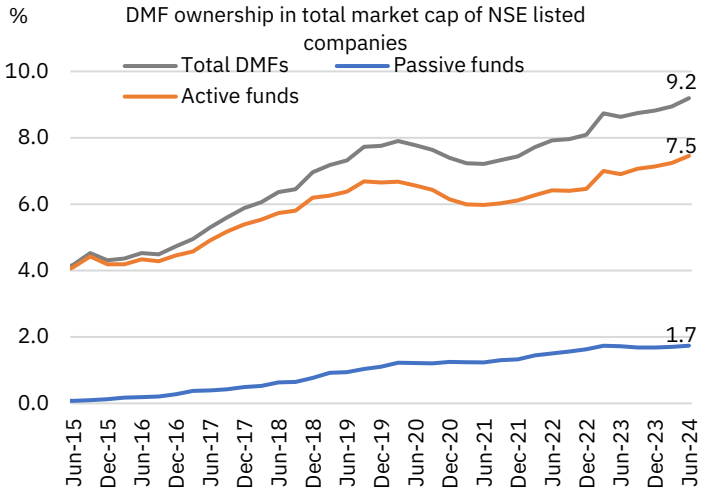
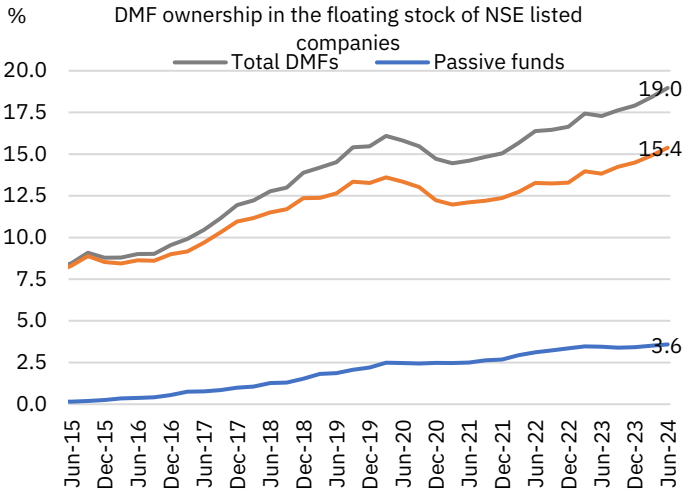


Figure 22: DMF ownership in floating market cap of NSE listed companies



Source: CMIE Prowess, AMFI, MFI Explorer, NSE EPR. Note: Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Table 5: Shareholding of DMFs across active and passive funds in the NSE listed companies

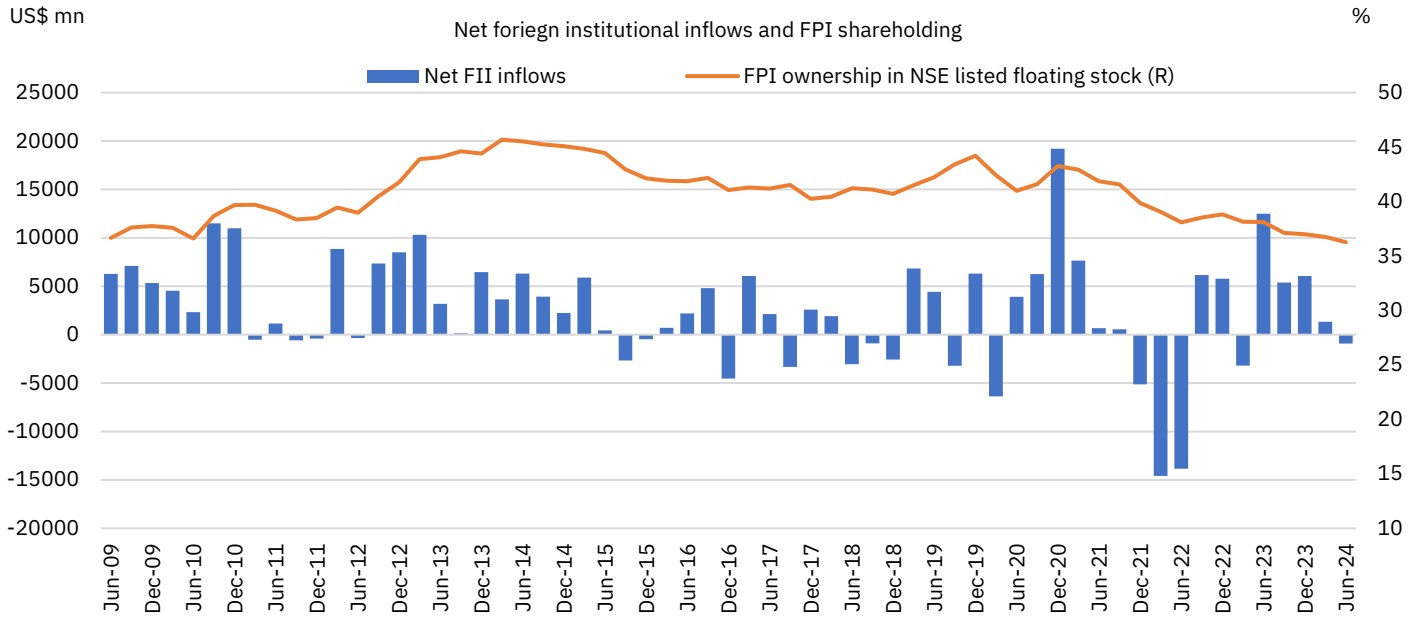
%	Investment (Rs lakh crore)			Ownership in NSE total market cap (%)			Ownership in NSE floating stock (%)		
	Active	Passive	Total	Active	Passive	Total	Active	Passive	Total
FY15	3.9	0.1	4.0	3.9	0.1	3.9	7.9	0.2	8.1
FY16	4.0	0.2	4.1	4.2	0.2	4.4	8.4	0.4	8.8
FY17	5.5	0.5	6.0	4.6	0.4	4.9	9.2	0.8	9.9
FY18	7.9	0.7	8.6	5.5	0.5	6.1	11.2	1.1	12.2
FY19	9.4	1.4	10.7	6.3	0.9	7.2	12.4	1.8	14.2
FY20	7.5	1.4	8.8	6.7	1.2	7.9	13.6	2.5	16.1
FY21	12.2	2.5	14.7	6.0	1.2	7.2	12.0	2.5	14.5
FY22	16.4	3.8	20.1	6.3	1.4	7.7	12.7	2.9	15.7
FY23	17.8	4.4	22.2	7.0	1.7	8.7	14.0	3.5	17.4
FY24	27.7	6.5	34.2	7.2	1.7	8.9	14.9	3.5	18.4
Jun-24	32.3	7.5	39.8	7.5	1.7	9.2	15.4	3.6	19.0

Source: CMIE Prowess, AMFI, MFI Explorer, NSE EPR. Note: Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

FPIs turned sellers in the June quarter: After remaining net buyers in the previous four quarters, FPIs turned net sellers of Indian equities in the June quarter, with selling concentrated in the month of May. The first two months of the June quarter witnessed net FPI outflows to the tune of US$4.1bn, followed by robust net inflows of US$3.2bn in the month of June. Notwithstanding resumed buying by FPIs towards the later part of the quarter, FPI ownership in the NSE listed universe fell further, even as it rose by 11.4% in value terms.

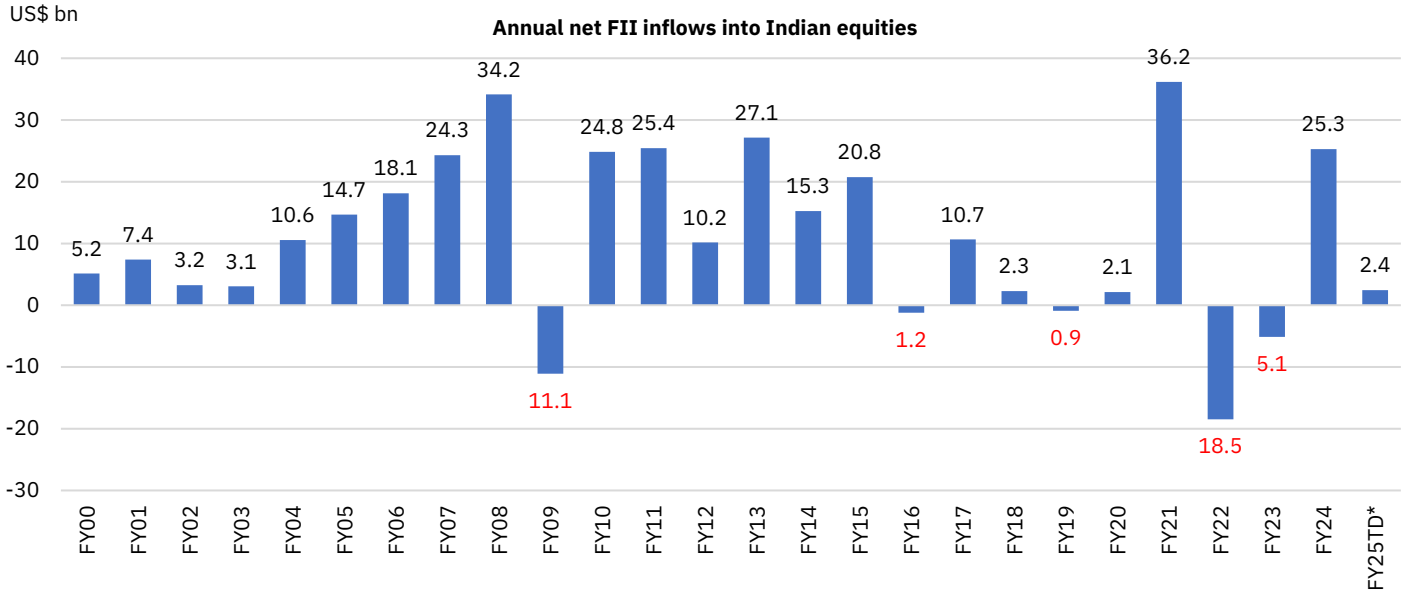
FPIs turned net sellers of Indian equities in the June quarter after being net buyers in the previous four quarters.

Figure 23: Net foreign institutional inflows and FPI shareholding in the NSE-listed floating stock



Source: Bloomberg, CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians.

Figure 24: Annual net FII inflows trend

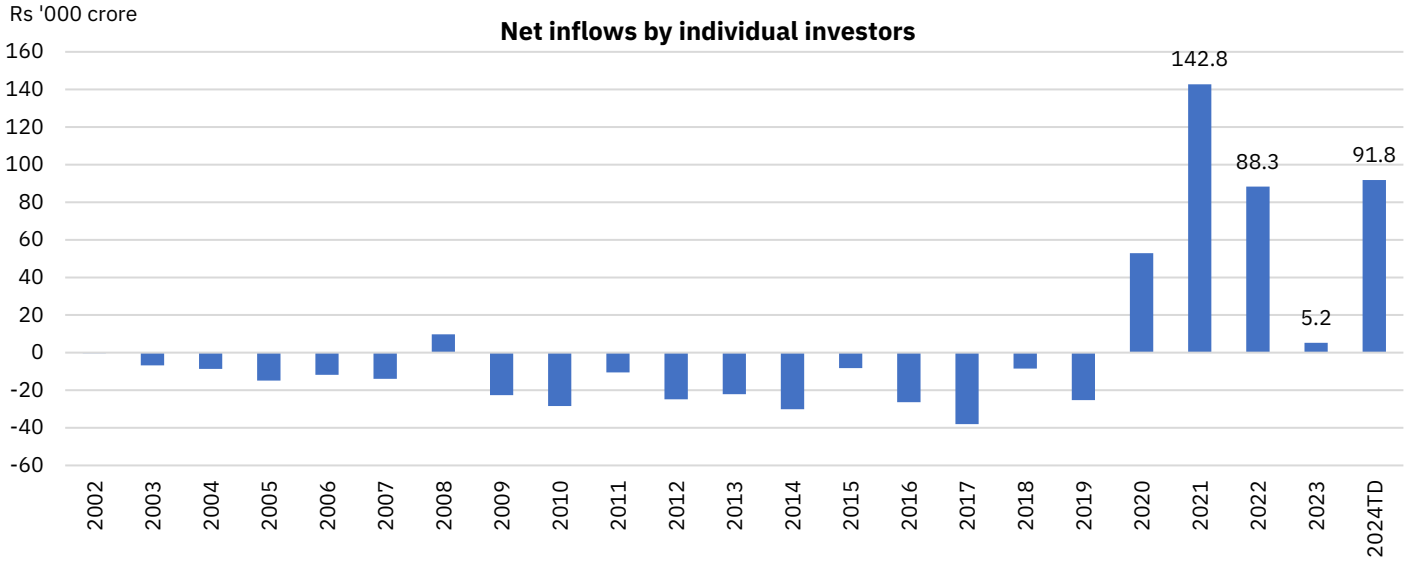


Source: Refinitiv Datastream, NSE EPR. * As of July 31st, 2024.

Direct participation by individual investors remained strong in the June quarter: Individual investors' participation in Indian equities picked up meaningfully during 2020 and 2021. A sharp market crash in March 2020 after the onset of COVID-19 pandemic lured individual investors into trading in equity markets, with a strong market rebound thereafter further strengthening their sentiments. Individual investors turned net buyers of Indian equities in 2020 after a 11-year long hiatus between 2009-19, further strengthening their participation in the subsequent two-and-a-half years. Between Jan 2020 and December 2022, they invested a total of Rs 2.8 lakh crore in NSE's capital market segment (secondary market only). The year 2023 saw some moderation in direct participation by individual investors in terms of net investments, even as the activity in terms of new investor registrations with the depositories and the exchange remained strong. The depositories have seen a surge in demat account additions over the last few years, with 10.7 crore additions since April 2021, accounting for 66% of outstanding accounts as of June 30th, 2024. Further, the registered investor base at NSE has nearly tripled in the last four years, and currently stands at 9.7 crore as of June 30th.

Direct individual participation in the Indian listed universe had been fluctuating throughout 2023, with individuals alternating between being net buyers and net sellers ever quarter. The March 2024 quarter saw a rebound in individuals' interest in the market, with Rs 52,568 net inflows (nine-month high), followed by Rs 39,278 crore net inflows in the June quarter. This has translated into a modest increase in individual's shareholding the quarter gone by.

Figure 25: Net inflows by individual investors in the NSE's CM segment (2002-2024TD)



Source: NSE EPR.
Note: 1. Note: Retail investors: individual domestic investors, NRIs, sole proprietorship firms and HUFs.
2. Net flows include investments in securities in EQ, BE, SM, and ST series including ETFs only.
3. Net flows are calculated as buy traded value – sell traded value.
4. Data for 2024TD is for the period Jan-Jun'24.

Figure 26: Quarterly trend of number of investor accounts with depositories

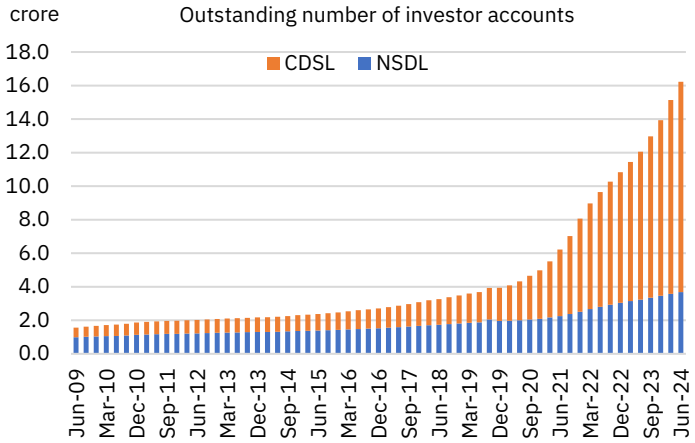
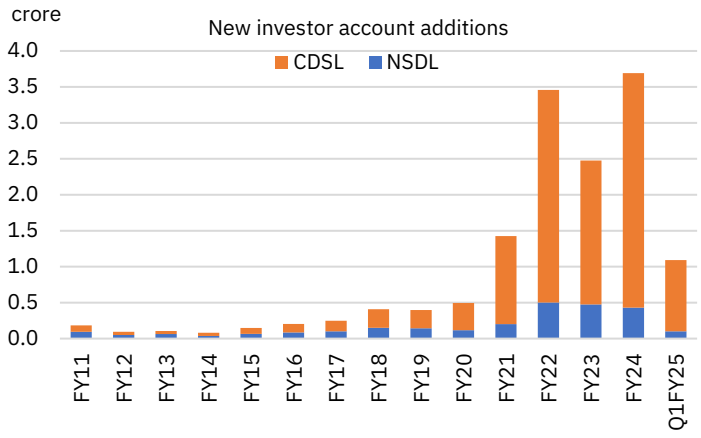


Figure 27: Annual trend of new investor account additions with depositories



Source: SEBI Bulletin, NSE EPR.

Individuals own nearly a quarter of India's market cap as promoters and non-promoters: As of June 30th, 2024, Individuals as promoters held 6.5% of India's market capitalisation, or Rs 28 lakh crore in value terms, up 16.6% on a QoQ basis. This was nearly 4.7% in March 2019, registering a CAGR of 17.1% between March 2010 and March 2024. This was higher than an annualised increase of 14.1% in total market capitalisation of NSE listed companies during this period. As non-promoters, Individuals either are direct owners or indirect owners via mutual funds of the Indian equity markets. Both direct and indirect ownership of individual investors has seen a significant growth over the last several years. Directly, individuals owned 9.6% of the total market capitalisation, or Rs 41.6 lakh crore as of June 30th, 2024, up 14.3% QoQ and registering a CAGR of 15.1% between March 2010 and March 2024. As indirect participants, about 84.3% of the total equity AUM of mutual funds is by individuals, up from 76% in the previous quarter, taking the indirect non-promoter ownership of the market to 7.8%, or Rs 33.5 lakh crore in the June quarter, up from 2.9% about a decade ago (March 2014). Adding

direct ownership as promoters and non-promoters and indirect ownership via mutual funds, individuals now own about 24% or Rs 103 lakh crore of India's market capitalization as of June 2024, up from about 20% in March 2019, and 15.6% over a decade ago (March 2014). Net-net, the equity wealth of individuals has seen an annualised growth of about 17% between March 2010 and March 2024. While a part of this is attributed to an influx of new investors in the market, this also reflects the sustained performance generated by Indian equity markets during this period.

Figure 28: Promoter and non-promoter holding of individuals in equity markets in value terms

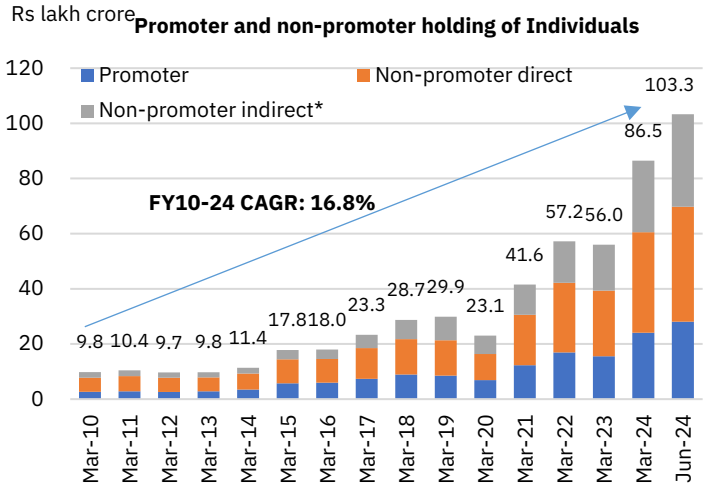
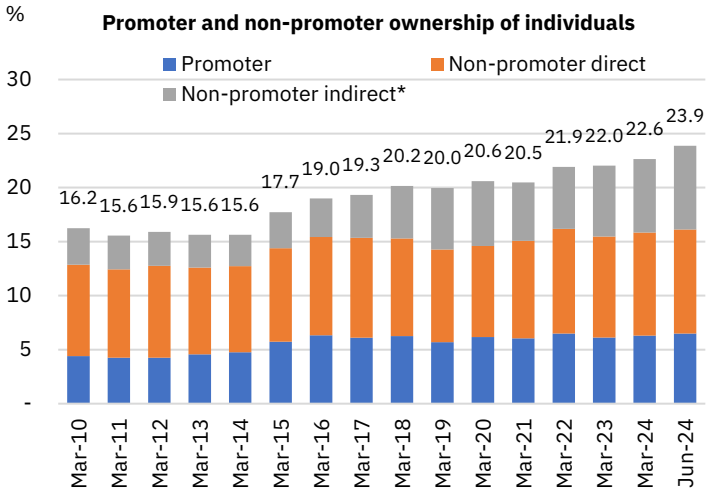
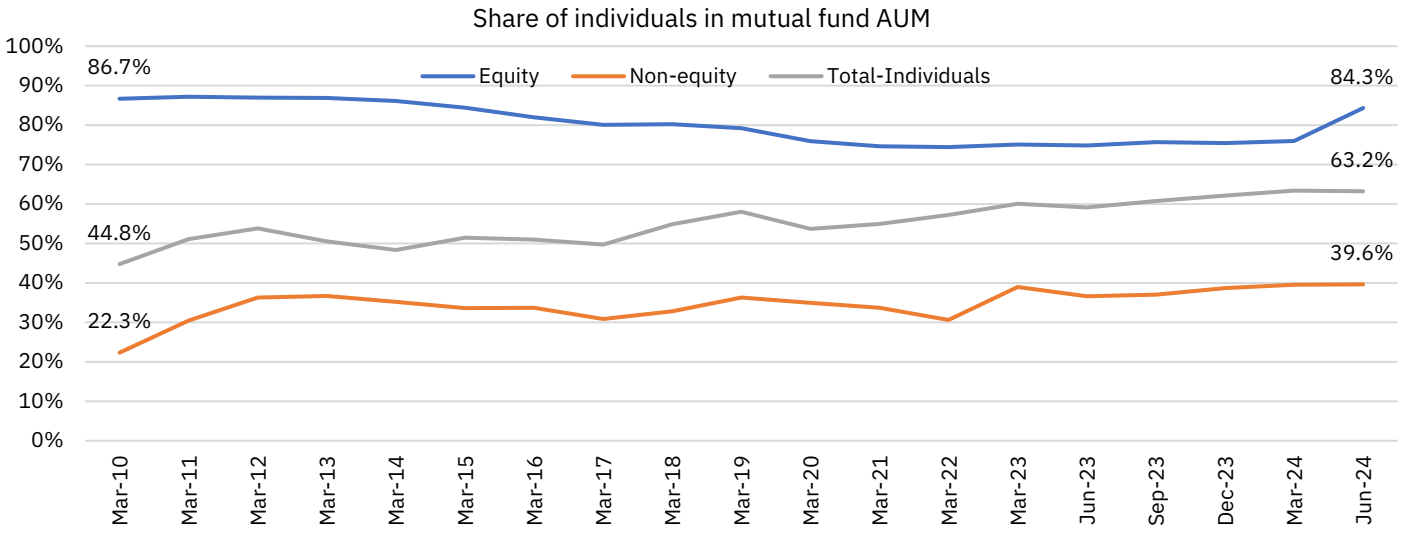


Figure 29: Promoter and non-promoter ownership of individuals in equity markets



Source: CMIE Prowess, AMFI, NSE EPR. * Holding through mutual funds.

Figure 30: Share of individuals in mutual fund AUM



Source: CMIE Prowess, AMFI, NSE EPR. * Holding through mutual funds.

Sector-wise ownership of the NSE-listed universe (June 2024): The sector-wise ownership pattern of the NSE-listed universe across key stakeholders in the quarter gone (Apr-Jun'24) shows that the Real Estate sector continues to lead in terms of promoter ownership at 64.1% (-107bps QoQ), followed by Utilities at 58.5% (+46bps QoQ), Materials at 57.0% (+49bps QoQ), Industrials at 56.4% (+196bps QoQ), Information Technology at 53.9% (-46bps QoQ) and Energy at 52.4% (-3bps QoQ). Among the remaining sectors, the largest increase in promoter ownership was recorded in Consumer Staples (+82bps to a six-quarter high of 51.8%) on the back of increased private Indian

Government share remained the highest in the Utilities sector, followed by Financials and Energy.

Financials regained the top spot with the highest DMF share in the quarter gone by.

promoter share, while that in Communication Services fell by a steep 1.8pp to a 25-quarter low of 52.1%.

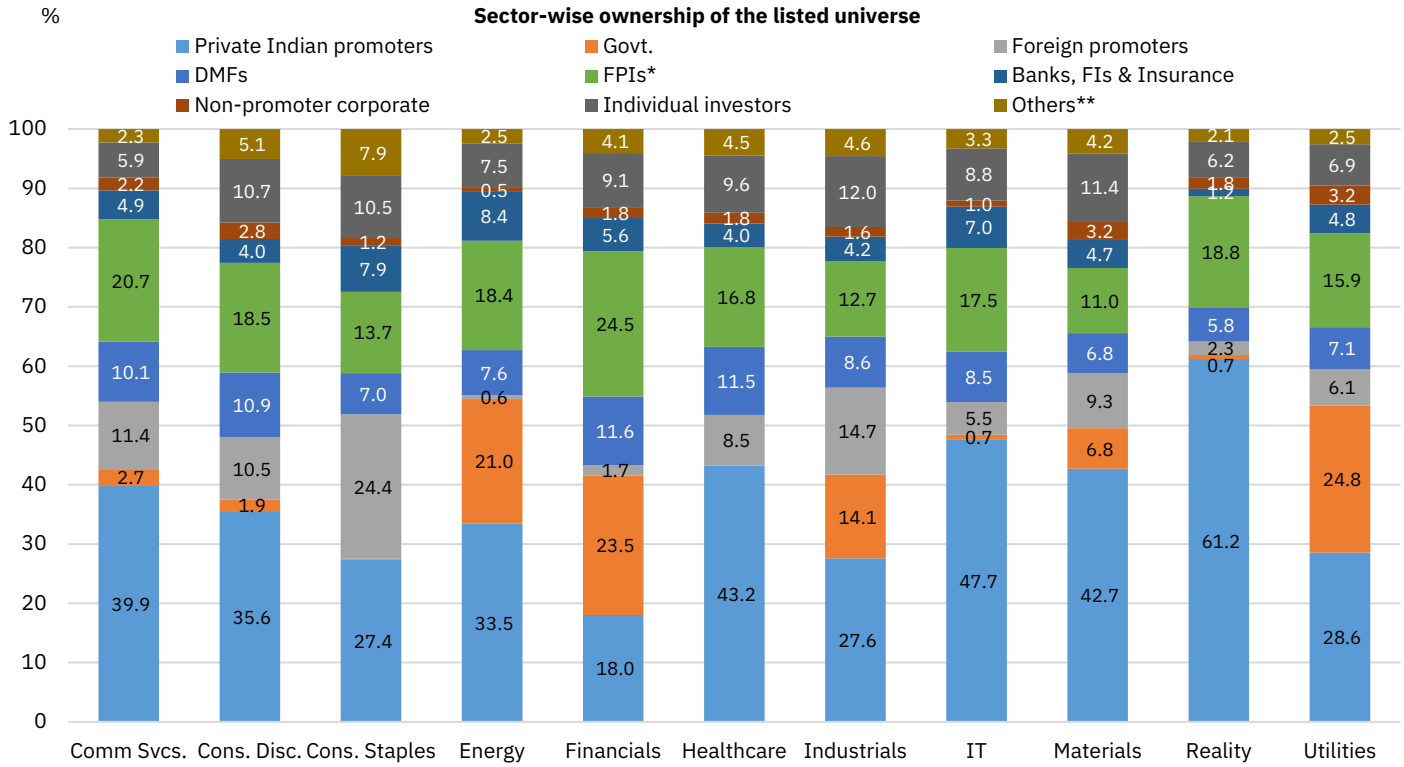
Utilities remained the sector with the highest Government ownership for the sixth quarter in a row with a 36bps QoQ increase to 24.8%. This was followed by Financials, where Government share fell by 29bps QoQ (+6.7pp in the previous three quarters) to 23.5%. Likewise, the Energy sector also saw a dip in Government by 51bps to 21% from an 18-quarter high of 21.5% in the previous quarter. Among other sectors, Industrials saw a steep 2.5pp QoQ increase in Government ownership to over 11-year high of 14.1%.

The distribution of DMFs' shares remained relatively uniform across sectors. Financials overtook Healthcare to regain the top spot in terms of DMFs' share in the June quarter, thanks to higher allocation to the sector (+51bps QoQ to 11.6%—the highest since the beginning of the analysis (2001)), while Healthcare saw the share of DMFs rising by a lower 28bps QoQ to fresh all-time high of 11.5%. In fact, all sectors barring Industrials and Materials saw an increase in DMFs' share in the quarter gone by, led by Information Technology (+64bps QoQ to all-time high of 8.5%). Notably, six out of 11 GICS sectors within the NSE listed universe witnessed DMFs' share rising to record high level in the June quarter.

After seeing a significant drop in the March quarter, Financials recorded a modest 14bps increase in FPI share to 24.5% in the June quarter, which also remained the sector with the highest FPI ownership. Other sectors that saw an increase in FPI share in the June quarter included Real Estate (+88bps QoQ to a 13-quarter high of 18.8%), Communication Services (+48bps QoQ to a 11-quarter high of 20.7%) and Consumer Discretionary (+18bps QoQ to 18.5%). Sectors that witnessed the highest QoQ drop in FPI share in the June quarter included Information Technology (-68bps QoQ to a two-year low of 17.5%) and Industrials (-67bps QoQ to 12.7%).

Sector-wise, FPI share is the highest in Financials at 24.5%, followed by Communication Services at 20.7%.

Figure 31: NSE-listed universe: Sector-wise ownership pattern across key stakeholders (June 2024)



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians. **Others include other institutional and non-institutional non-promoter investors

Both DMFs and FPIs saw their portfolio allocation to Financials decreasing yet again in Q1FY25.

Sector allocation in the NSE-listed universe for key stakeholders (June 2024): The table below shows sector allocation for key shareholder categories in all NSE-listed companies as of June 2024. Government ownership remained concentrated in Financials, Energy, Utilities, and Industrials, with these sectors accounting for ~90% of the Government holding in the NSE listed space. Consumer sector—Discretionary and Staples—accounted for 36.0% of the exposure of foreign promoters to the NSE listed space, even if the exposure has fallen for the fifth quarter in a row (-3.2pp QoQ and -8.6pp in the last five quarters) and is currently hovering at over 12-year low levels. This is followed by Industrials at 24.8% (+3.1pp QoQ) and Materials at 12.7% (+1.2pp QoQ). In fact, Industrials overtook Consumer Discretionary to become the sector with the highest allocation of value held by foreign promoters in the NSE listed companies for the first time in 13 years.

Except for an outsized exposure to Financials, DMF portfolio continued to remain more diversified as compared to FPIs. In fact, both DMFs and FPIs saw their allocation to Financials dropping for the fourth quarter in a row. Among other sectors, Industrials saw the allocation of both FPIs and DMFs rising in the June quarter, while the Energy sector saw a drop.

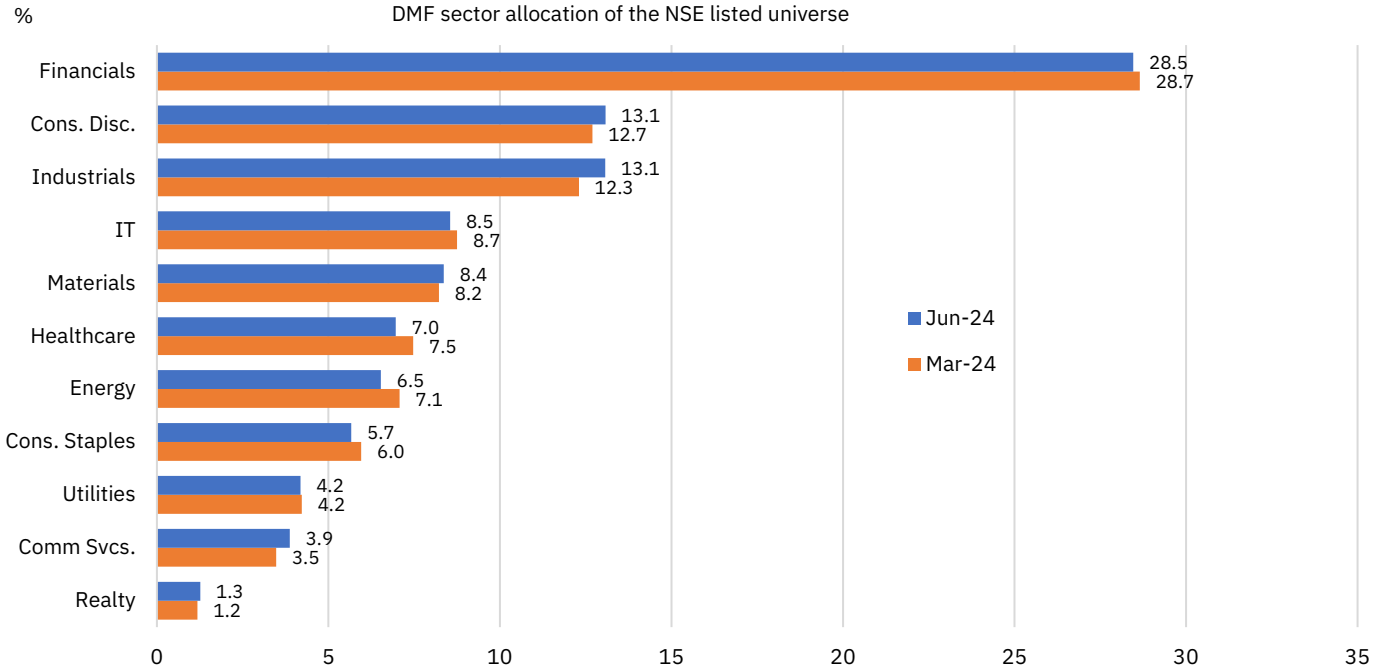
Table 6: Sector allocation of the NSE-listed universe for key stakeholders (June 2024)

%	Pvt. Indian promoters	Govt	Foreign promoters	Domestic MFs	FPIs*	Banks, FIs, Insurance	Non-promoter corporate	Individuals
Communication Services	4.3	0.8	4.8	3.9	4.1	3.2	4.0	2.2
Consumer Discretionary	12.1	1.9	14.0	13.1	11.6	8.2	15.9	12.2
Consumer Staples	6.4	0.1	22.1	5.7	5.8	10.9	4.7	8.2
Energy	8.1	14.4	0.6	6.5	8.2	12.2	2.2	6.1
Financials	12.6	46.4	4.7	28.5	31.5	23.5	21.3	21.4
Health Care	7.5	0.0	5.7	7.0	5.3	4.2	5.3	5.6
Industrials	11.9	17.2	24.8	13.1	10.1	10.8	11.8	17.4
Information Technology	13.5	0.6	6.1	8.5	9.1	11.9	4.9	8.4
Materials	15.0	6.7	12.7	8.4	7.1	9.9	18.9	13.4
Real Estate	3.8	0.1	0.6	1.3	2.1	0.5	1.9	1.3
Utilities	4.8	11.7	4.0	4.2	4.9	4.8	9.1	3.9
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians.

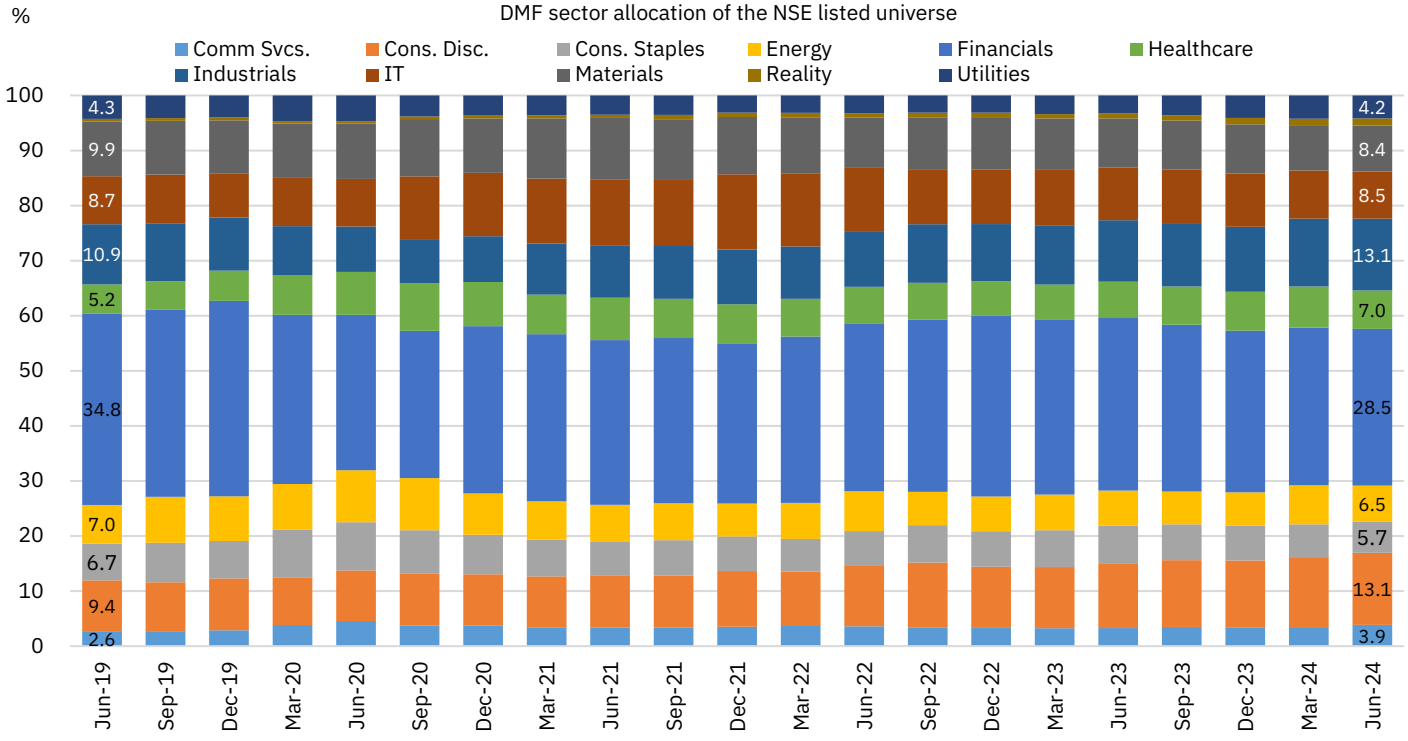
DMFs increased their allocation to Industrials and Consumer Discretionary at the expense of Energy and Healthcare: DMFs' exposure to Financials dipped for the sixth quarter in a row by 19bps QoQ to a 15-quarter low of 28.5%, translating into a total decline of 2.9pp in the last one year. Among other sectors, DMFs increased their allocation to Industrials for the sixth consecutive quarter by 77bps QoQ to a 25-quarter high of 13.1%, followed by 40bps increase in allocation to Communication Services to a four-year high of 3.9% and 38bps QoQ increase in Consumer Discretionary to fresh all-time high of 13.1%. This came at the expense of reduced exposure to Energy (-54bps QoQ to 6.5%), Healthcare (-51bps QoQ to 7%) and Consumer Staples (-29bps QoQ to a 30-quarter low of 5.7%). DMFs' exposure to Materials, Real Estate, and Utilities remained broadly unchanged.

Figure 32: DMF sector allocation of the NSE-listed universe (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE EPR.

Figure 33: DMF sector allocation of the NSE-listed universe over last five years

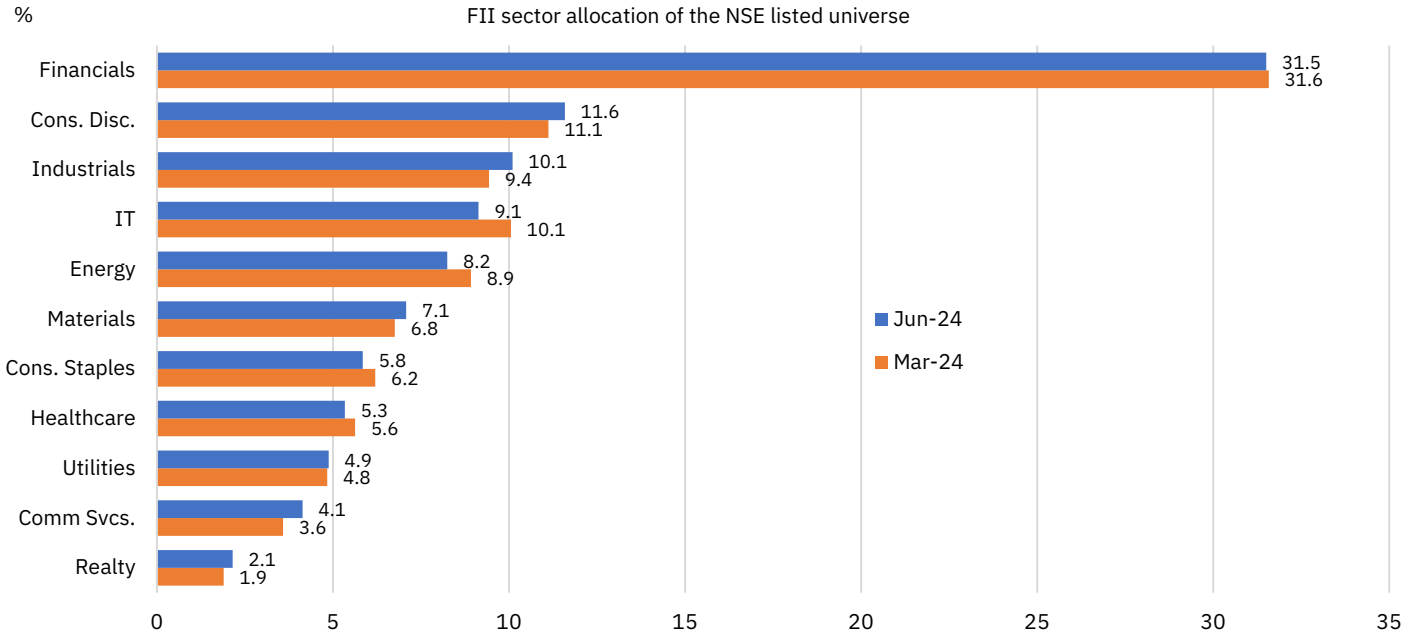


Source: CMIE Prowess, NSE EPR.

FPIs also increased their allocation to Industrials and Consumer Discretionary: In line with DMFs, FPIs also experienced a marginal drop in the allocation to Financials to a near decadal-low of 31.5%, albeit much lower than the 55bps QoQ drop in the sector's share in the total market capitalisation of NSE listed companies. This marked the fourth consecutive quarter of a decline in FPI allocation to the sector, translating into a total drop in allocation of 4.9pp during this period. Among other sectors, FPIs also increased their

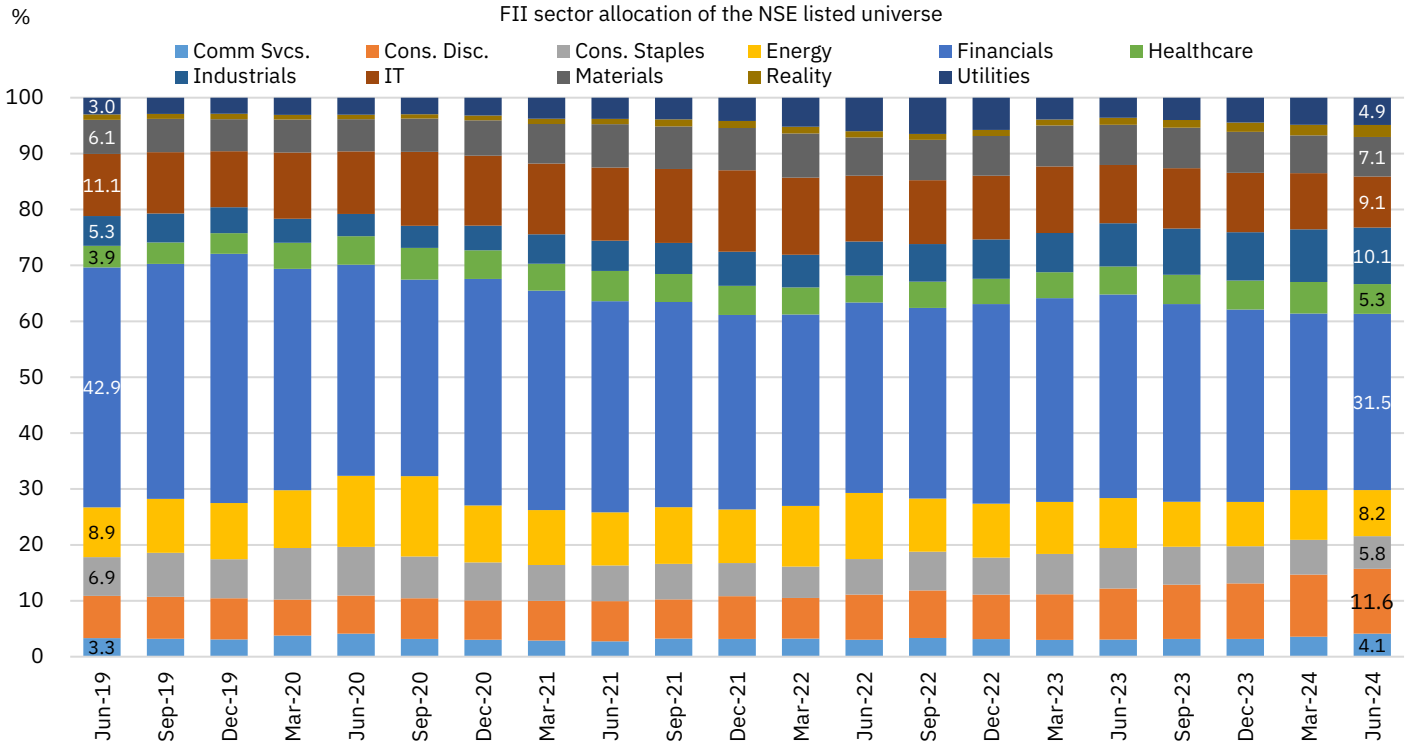
portfolio allocation to Industrials to a 14-year high of 10.1%, and 55bps and 47bps QoQ in Communication Services and Consumer Discretionary to 26-quarter high of 4.1% and 11.6% respectively. Materials and Real Estate also saw their share in FPIs' aggregate portfolio rising marginally on a sequential basis, partly attributed to increase in their respective share in total market cap of NSE listed companies. This increase came at the expense of reduced allocation to Information Technology (-92bps QoQ to a 26-quarter low of 9.1%), Energy (-67bps QoQ to 8.2%) and Consumer Staples (-36bps QoQ to 5.8%).

Figure 34: FPI sector allocation of the NSE-listed universe (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians

Figure 35: FPI sector allocation of the NSE-listed universe over last five years



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians.

Nifty 50 ownership trends

Ownership pattern of the Nifty 50 universe (June 2024)

Promoter stake in the Nifty 50 universe decreased after four quarters: Unlike the broader listed universe, promoter stake in the Nifty 50 companies fell by 54bps QoQ to 42.3% in the June quarter, marking the first drop in six quarters. This was primarily driven by a fall in the private promote ownership by a similar quantum, declining to a 17-quarter low of 29.3%. The foreign promoter ownership dropped for the fourth consecutive quarter by 13bps QoQ to a nine-quarter low of 6.2%, defying the trend seen in the overall listed universe, primarily led by a drop in Consumer Discretionary. The government promoter ownership, on the other hand, rose by a modest 12bps QoQ to an 18-quarter high of 7.1% in the June quarter, aided by continued outperformance of the PSU stocks compared to the broader index.

Promoters' share in the Nifty 50 fell by 54bps QoQ to 42.3% in the June quarter, due to dip in private promoter stake.

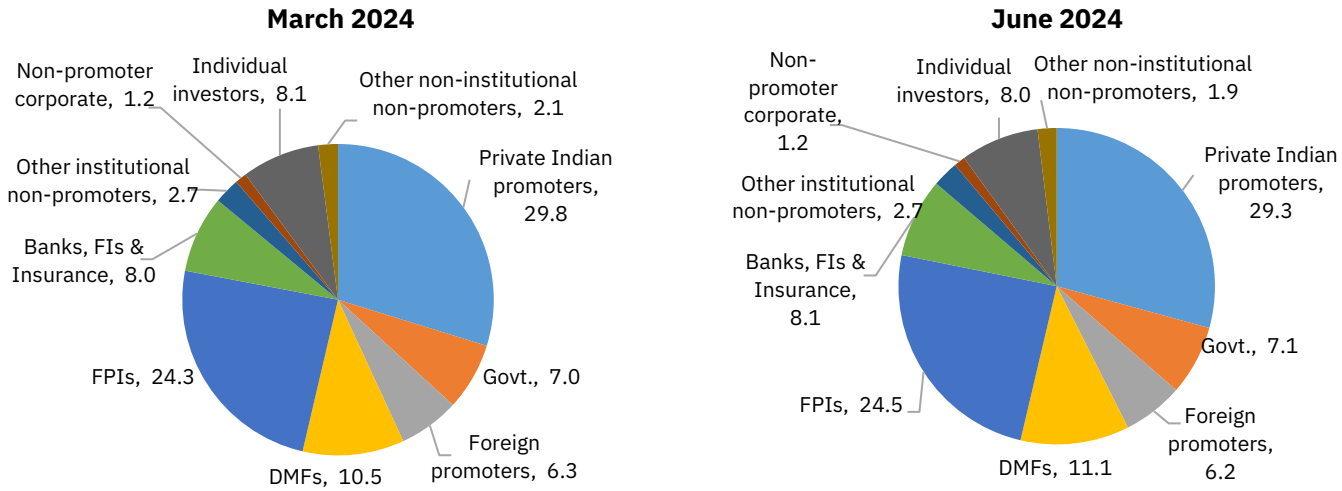
Institutional ownership rose sharply in the June quarter: After dropping over the previous quarters, institutional share in the Nifty 50 universe rose by 78bps QoQ to 46.3% in the quarter ending June 2024, almost entirely reversing the drop seen in the previous quarter. This was on account of a significant increase in DMF ownership by 57bps QoQ—the highest sequential increase in the last 22 quarters—to fresh all-time high of 11.1%. This corroborates with strong net investments by DMFs into Indian equities, amounting to Rs 1.3 lakh crore in the last quarter, supported by robust SIP inflows. Unlike the broader listed universe, FPI holding in the Nifty50 companies inched up by a modest 15bps QoQ to 24.5%, even as it remained ~4% pp lower than the levels witnessed in the pre-covid period in December 2019. In value terms, amount held by FPIs in Nifty50 companies rose by 7.5% QoQ to Rs 46.8 lakh crore, similar to the rise seen in the aggregate market capitalisation of this universe. Banks, Financial Institutions and Insurance share remained broadly steady at 8.1% and has been hovering around these levels for over two years now.

DMF ownership levels rose by 57bps QoQ to fresh all-time high of 11.1% in the June quarter, benefiting from steady SIP inflows.

FPIs also saw the ownership levels rise by 15bps QoQ to 24.5% in the Nifty 50 companies.

Individual investors' ownership fell to a 14-quarter low in Nifty 50 companies: Unlike the broader listed universe, ownership of individual investors fell for the third quarter in a row by 8bps QoQ to a 14-quarter low of 8%. That said, individuals' non-promoter direct ownership in Nifty50 companies has remained in the 8-8.5% range for over four years now. In value terms, individuals' holding rose by 5.7% QoQ to Rs 15.3 lakh crore, echoing the renewed net investments into equities in the quarter gone by.

Figure 36: Nifty 50: Ownership pattern by total market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

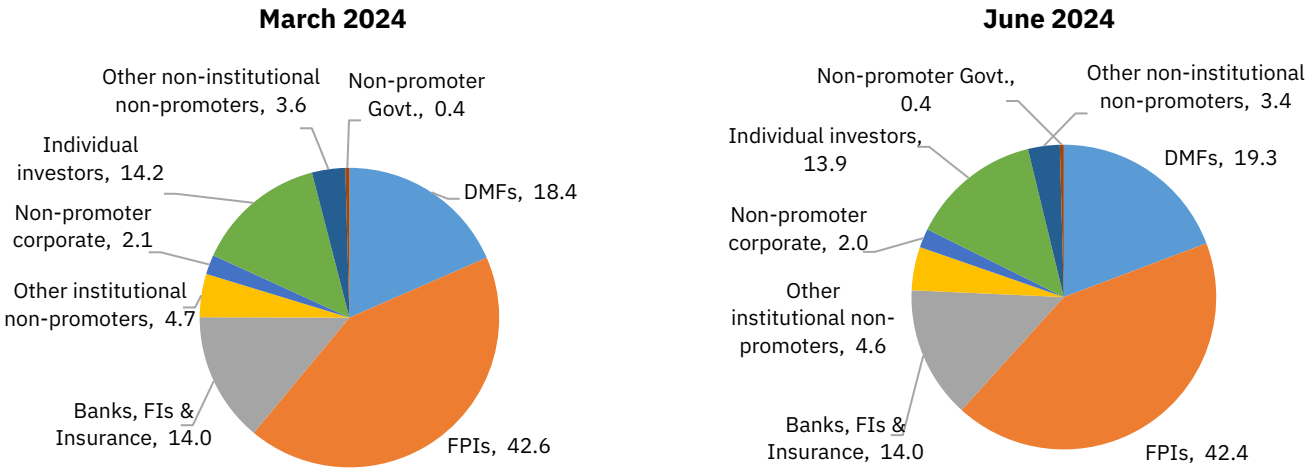
Table 7: Nifty 50: Ownership trend across key stakeholders by total market cap over the last three years

%	Private Indian promoters	Govt	Foreign promoters	Domestic MFs	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual investors	Others*
Sep-21	32.2	5.2	6.4	8.1	5.9	26.5	2.6	8.1	5.0
Dec-21	32.4	5.1	6.1	8.5	5.9	25.9	2.6	8.3	5.2
Mar-22	32.5	5.1	5.7	8.9	6.1	25.4	2.6	8.5	5.2
Jun-22	31.3	5.3	6.5	9.4	6.5	24.8	2.7	8.6	4.9
Sep-22	31.2	5.3	6.8	9.3	8.0	25.2	1.7	8.3	4.2
Dec-22	30.9	5.5	6.4	9.5	8.0	25.7	1.2	8.1	4.6
Mar-23	29.8	5.6	6.6	9.9	8.2	25.6	1.2	8.3	4.8
Jun-23	29.9	5.5	6.6	9.7	8.1	25.7	1.3	8.2	5.0
Sep-23	29.4	6.0	6.5	10.1	8.1	25.2	1.3	8.3	5.0
Dec-23	29.4	6.3	6.5	10.2	8.0	25.1	1.3	8.2	5.0
Mar-24	29.8	7.0	6.3	10.5	8.0	24.3	1.2	8.1	4.7
Jun-24	29.3	7.1	6.2	11.1	8.1	24.5	1.2	8.0	4.6
QoQ change	*-54bps*	*12bps*	*-13bps*	*57bps*	*7bps*	*15bps*	*-4bps*	*-8bps*	*-12bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

DMFs share in the Nifty50 floating stock rose at the expense of all other non-promoter investor categories: In terms of the floating stock, DMF ownership in Nifty 50 companies rose sharply by 81bps to a fresh all-time high of 19.3% in the June quarter, up 5.3pp from the post-pandemic low of 13.8% in March 2021. This came at the expense of reduced ownership of FPIs, individuals and other non-institutional non-promoter shareholders during the quarter. FPI ownership in the Nifty50 floating stock fell for the second quarter in a row by 14bps QoQ to a near 13-year low of 42.4%. The share of Banks, Financial Institutions, and Insurance companies remained fairly steady at 14% in the June quarter, hovering in a tight range of 14+/- 10 bps over the last eight quarters. Overall institutional ownership also reached an all-time high of 80.3% in the floating stock, rising by 60 bps in the last quarter. Individual investors' share also fell by 22bps QoQ to an 18-quarter low of 13.9% in the last quarter, down 1.2pp from the post pandemic high of 15% in Jun-22.

Figure 37: Nifty 50: Ownership pattern by free float market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 8: Nifty 50: Ownership trend across key stakeholders by free float market cap over last the three years

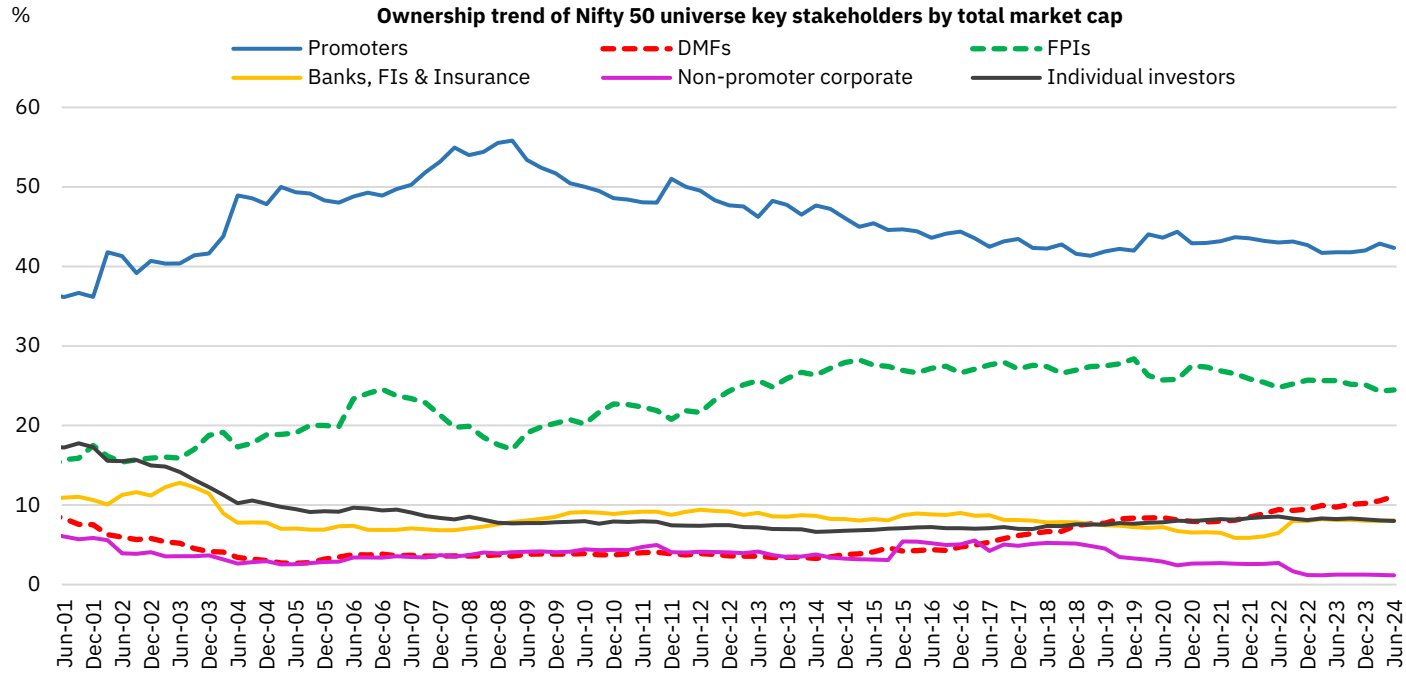
%	Domestic MFs	Banks, FIs & Insurance	FPIs*	Non-promoter corporate	Individual Investors	Others**
Sep-21	14.4	10.4	47.0	4.6	14.4	9.1
Dec-21	15.0	10.4	45.8	4.6	14.8	9.4
Mar-22	15.7	10.7	44.8	4.6	14.9	9.3
Jun-22	16.5	11.4	43.5	4.8	15.0	8.8
Sep-22	16.4	14.1	44.3	3.0	14.6	7.7
Dec-22	16.5	13.9	44.8	2.1	14.2	8.4
Mar-23	17.1	14.1	44.0	2.0	14.3	8.5
Jun-23	16.7	13.9	44.1	2.2	14.2	8.9
Sep-23	17.3	14.0	43.2	2.2	14.3	9.0
Dec-23	17.6	13.8	43.3	2.2	14.1	8.9
Mar-24	18.4	14.0	42.6	2.1	14.2	8.7
Jun-24	19.3	14.0	42.4	2.0	13.9	8.4
QoQ change	*81bps*	*-1bps*	*-14bps*	*-9bps*	*-28bps*	*-30bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across key non-promoter stakeholders is based on free float market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

Long-term ownership trend of the Nifty 50 universe: The long-term ownership trend of the Nifty 50 Index echoes the trend seen in the broader listed universe. Overall promoter ownership has seen a steady decline since 2009 until March 2019, only to see a gradual increase over the next one-and-a-half years and decline thereafter. The decline in promoter share between 2009 and 2019 was primarily led by a sharp drop in Government ownership, even as private Indian promoters' holding increased during this period. Foreign promoters' share, on the other hand, has remained broadly steady barring the post-COVID volatility.

The DMF ownership has seen a sharp increase since 2014 barring the drop in 2020 and is currently hovering at the highest level in the last 23+ years. FPI ownership saw a steady increase since the Global Financial crisis until early 2015, reaching the highest level of 28.3% in Mar-15 only to hover around similar levels until Dec-19. Since the onset of the pandemic, FPI share has been gradually falling barring a significant increase in the fourth quarter of 2020. Contrary to the overall NSE-listed universe, individual investors' ownership in the Nifty 50 Index has been steadily rising over the last eight years, barring a modest drop over the last few quarters.

Figure 38: Nifty 50: Long-term ownership trend across key stakeholders by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 39: Total promoter ownership trend of the Nifty 50 universe by total market cap

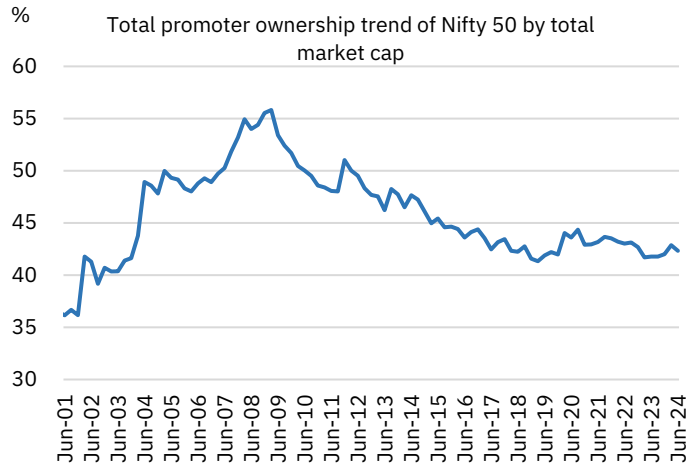
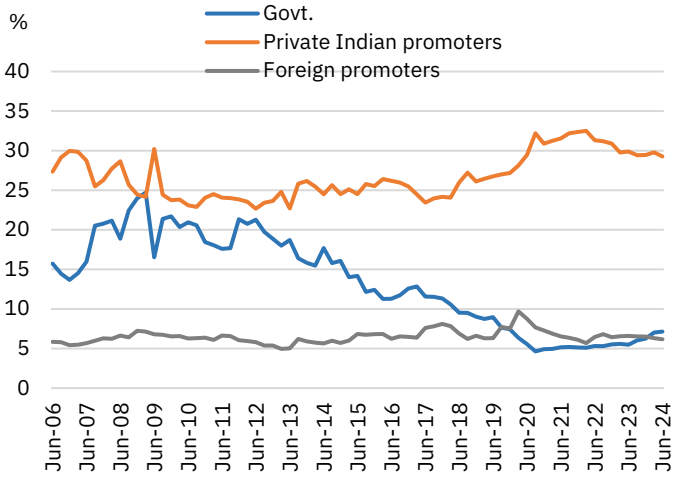


Figure 40: Indian and foreign promoter ownership trend of the Nifty 50 universe by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 41: DMF ownership trend of Nifty 50 universe by total market cap

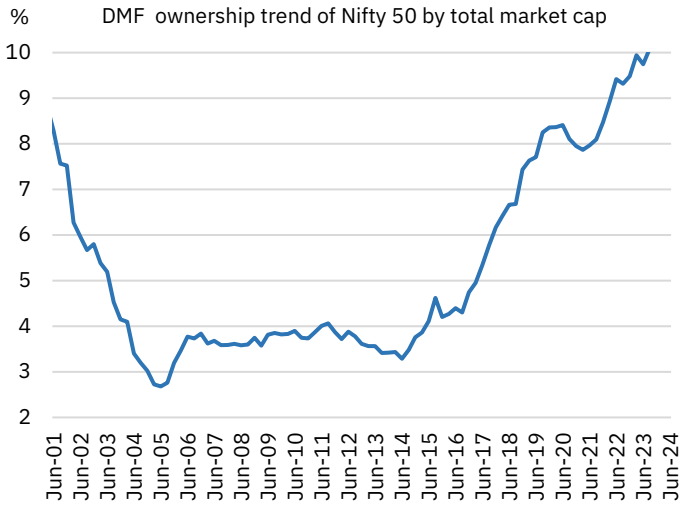
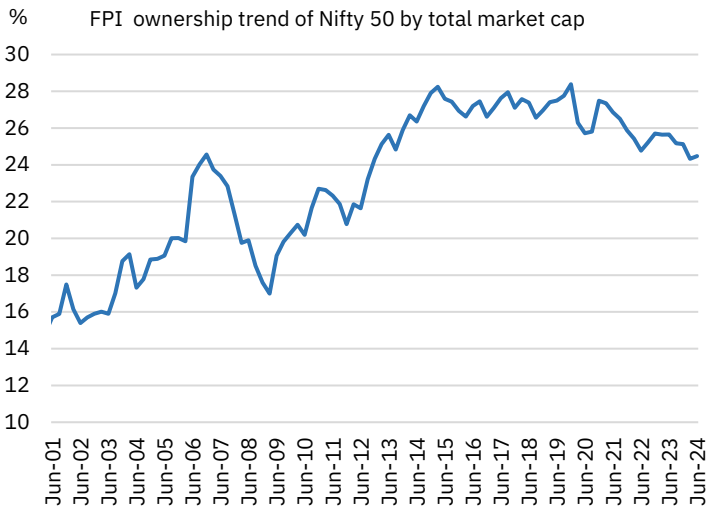


Figure 42: FPI ownership trend of Nifty 50 universe by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 43: Banks, FIs & Insurance ownership trend of Nifty 50 universe by total market cap

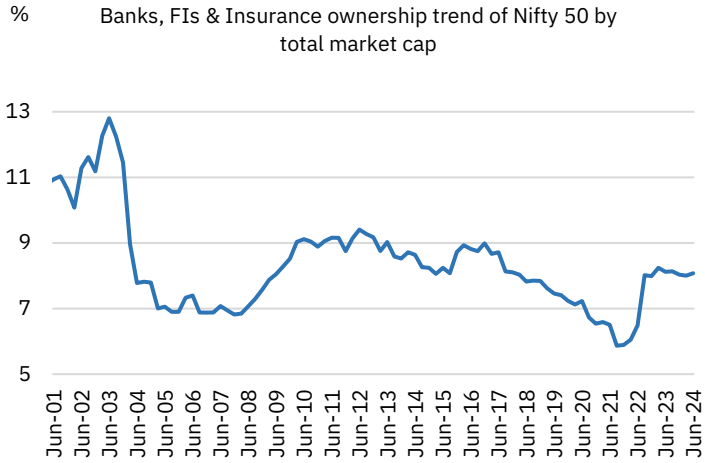
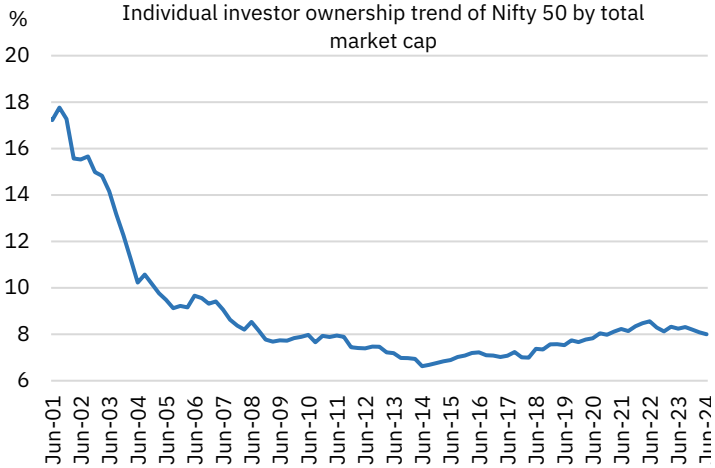


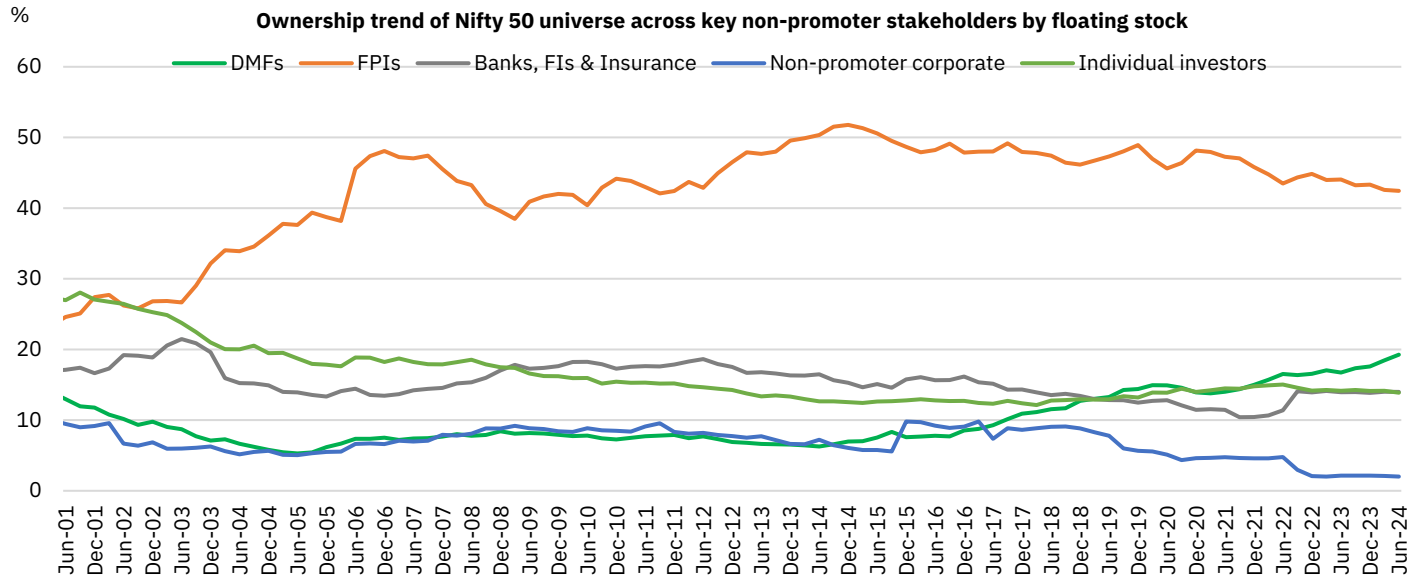
Figure 44: Retail ownership trend of Nifty 50 universe by total market cap



Source: CMIE Prowess, NSE EPR.

Our long-term ownership analysis on the free float market cap of the Nifty 50 Index also shows that while DMF ownership is currently at the highest ever level of 19.3%, while FPI ownership is nearly 9.4 pp lower than the peak of 51.8% seen in December 2014.

Figure 45: Nifty 50: Long-term ownership trend across key stakeholders by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 46: DMF ownership trend of the Nifty 50 universe by free float market cap

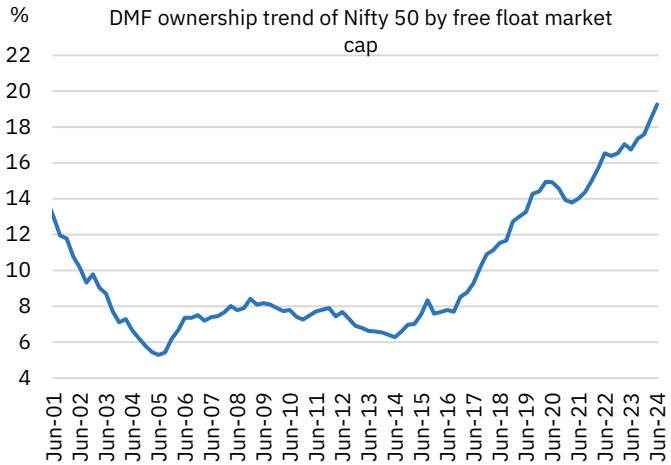
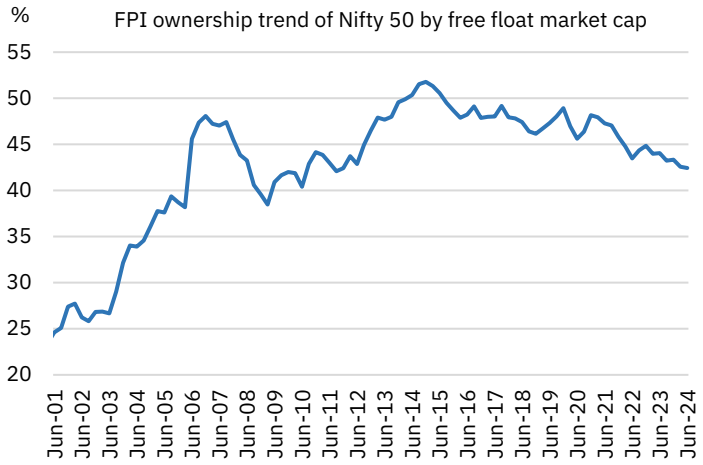


Figure 47: FPI* ownership trend of the Nifty 50 universe by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 48: Banks, FIs & Insurance ownership trend of the Nifty 50 universe by free float market cap

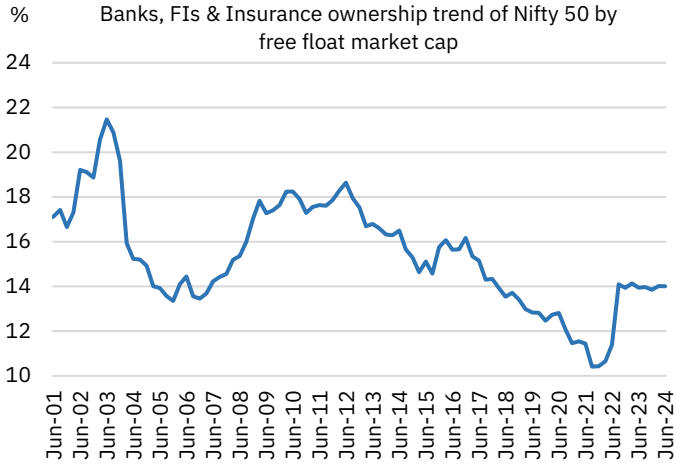
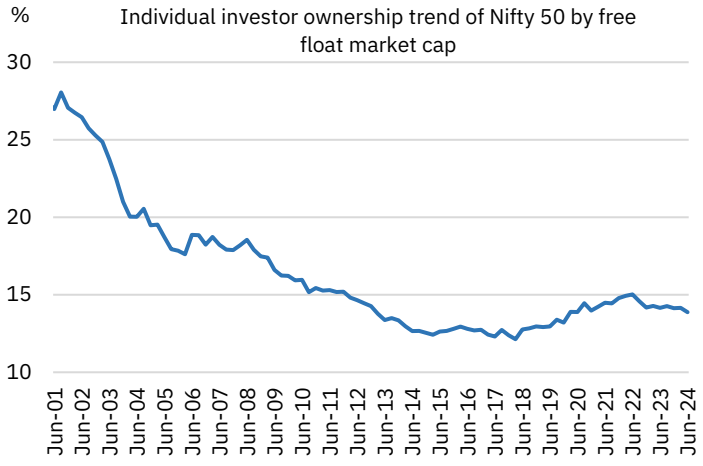


Figure 49: Individual ownership trend of the Nifty 50 universe by free float market cap



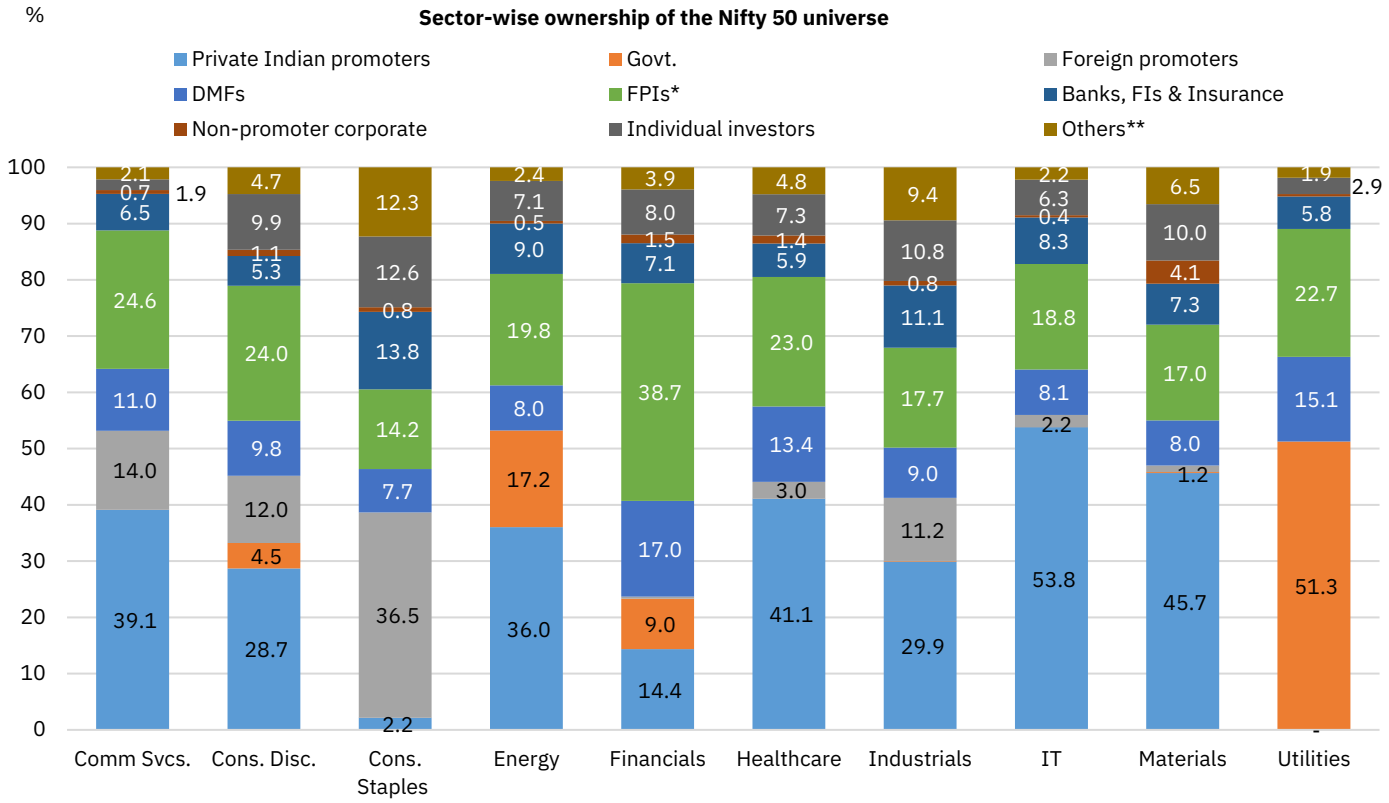
Source: CMIE Prowess, NSE EPR.

Sector-wise ownership of the Nifty 50 universe (June 2024): In the quarter ending June 2024, Information Technology within the Nifty 50 universe had the highest promoter ownership of 56.3%, down 30bps QoQ. This is followed by Communication Services at 53.2% (-30bps QoQ), Energy at 51.9% and Utilities at 51.2%. Utilities remained the top sector in terms of Government share within the Nifty 50 Index at 51.3%, followed by Energy at 17.2% (+10bps QoQ) and Financials at seven-year high of 9% (+12bps QoQ).

Financials cemented its top position in terms of DMF ownership after a 93bps QoQ increase to an all-time high of 17% in the June quarter. Utilities stood second at 15% (+21bps QoQ), followed by Healthcare at 13.4% (+56bps QoQ), Communication Services at 11% (-4bps QoQ) and Consumer Discretionary at 9.8% (+55bps QoQ).

After witnessing a fall in the previous quarter, the share of FPIs in aggregate market cap of Financials within the Nifty 50 universe rose by 69bps QoQ to 38.7% in the June quarter, remaining the sector with the highest FPI share across all sectors. Communication Services took the second position at 24.6% (+27bps QoQ), taking the FPI share to the highest level since Mar'20. Besides Financials and Communication Services, other sector that saw a significant increase in FPI ownership included Consumer Discretionary (+101bps QoQ to 24%). This came at the expense of Industrials (-165bps QoQ to 17.7%), Consumer Staples (-67bps QoQ to 14.2%) and Information Technology (-64bps QoQ to 18.8%).

Figure 50: Nifty 50: Sector-wise ownership pattern across key stakeholders (June 2024)



Source: CMIE Prowess, NSE EPR.
* FPI ownership includes ownership through depository receipts held by custodians **Others include other institutional and non-institutional non-promoter investors

Sector allocation of the Nifty 50 universe for key shareholders (June 2024): The table below shows the sector allocation for key stakeholders in Nifty 50 companies as of June 2024. The concentration of Government ownership in Financials, Energy and Utilities sector rose by 1.4pp QoQ to 93.5% in the Nifty 50 universe. For foreign promoters,

Consumer sector—Staples and Discretionary, and industrials accounted for 79.2% of the exposure, down 30bps QoQ. Information Technology accounted for the highest 20.9% share in the overall promoter holding in Nifty 50 companies despite a 81bps QoQ drop, followed by Energy at 18.5%, Financials at 14.1% and Consumer Discretionary at 10.4%.

In the case of institutional investors, DMFs had 38.6% of their investments in the Nifty 50 companies towards Financials in the June quarter, rising by 170bps QoQ, higher than DMFs' 28.5% exposure to the sector at the market level (NSE listed companies). FPIs' portfolio allocation to Financials within the Nifty 50 universe also witnessed a sharp increase of 2.1 pp QoQ to 39.9% cementing its top position, while second position was taken up by Energy (+47 bps) followed by Information technology which saw their allocation increase by 1.1pp. Individual investors' portfolio remained relatively more diversified with similar allocation towards Energy, Consumer Discretionary, Consumer Staples and Information technology.

Table 9: Sector allocation of the Nifty 50 universe for key stakeholders (June 2024)

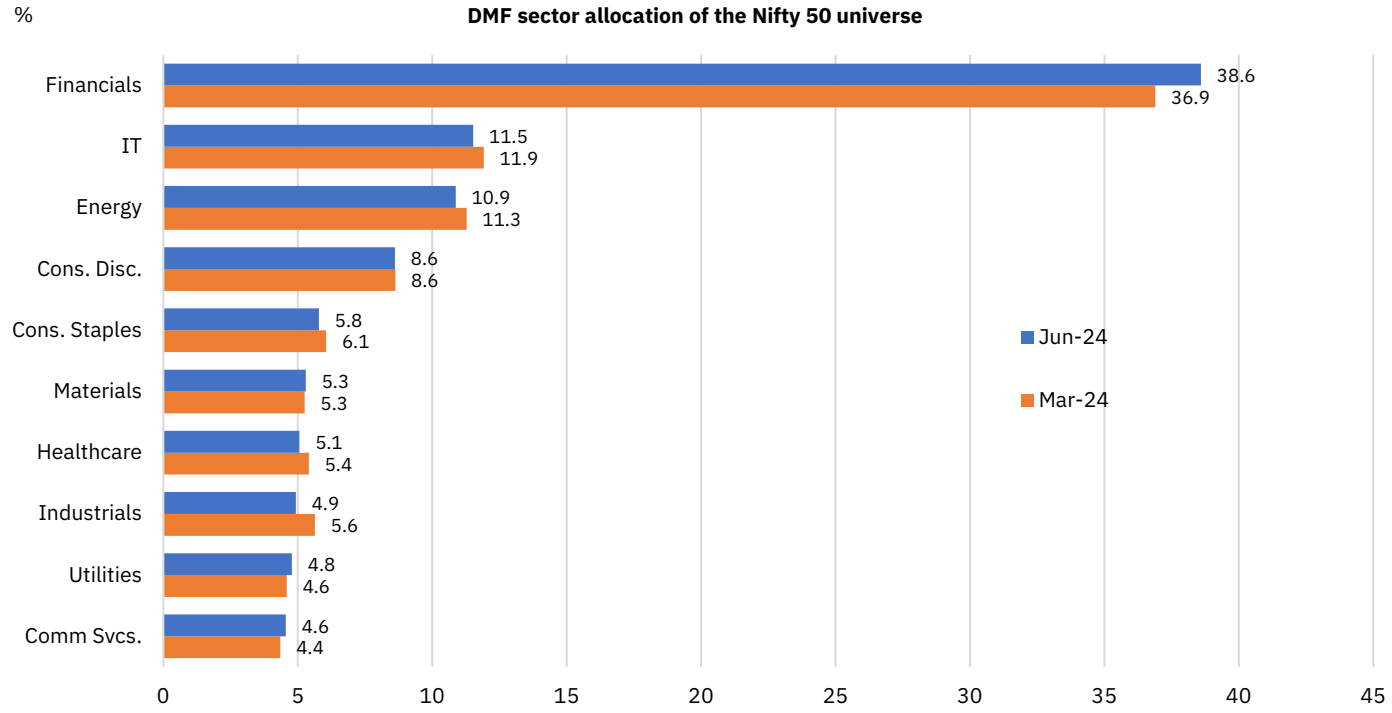
%	Private Indian promoters	Govt	Foreign promoters	Domestic MFs	FPIs*	Banks, FIs & Insurance	Non-promoter corporate	Individual Investors
Communication Services	6.1	0.0	10.4	4.6	4.6	3.7	2.7	1.1
Consumer Discretionary	9.6	6.2	18.9	8.6	9.6	6.4	9.4	12.1
Consumer Staples	0.6	0.0	49.1	5.8	4.8	14.2	5.9	13.1
Energy	18.6	36.4	0.0	10.9	12.2	16.8	6.1	13.4
Financials	12.4	31.7	1.5	38.6	39.9	22.2	33.5	25.3
Health Care	5.9	0.0	2.0	5.1	3.9	3.1	5.2	3.8
Industrials	6.3	0.1	11.1	4.9	4.4	8.4	4.3	8.2
Information Technology	29.1	0.0	5.5	11.5	12.1	16.2	5.5	12.5
Materials	11.4	0.2	1.4	5.3	5.1	6.6	26.1	9.1
Utilities	0.0	25.3	0.0	4.8	3.3	2.5	1.3	1.3
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

DMFs strengthened their outsized bet on Financials: DMFs further increased their exposure to Financials within the Nifty 50 companies in the June quarter. Besides Financials, Utilities is the only sector where DMFs retained an OW position, while turning neutral on Health Care and Communication services sector. In fact, DMFs have consistently maintained their OW stance on Utilities for over seven years now. DMFs' perennial negative view on India's consumption outlook is reflected in their underweight position on Consumer Staples for more than eight years now, and an incrementally cautious stance on Consumer Discretionary amid stretched valuations. Among other sectors, DMFs turned incrementally more bearish on Energy, Materials and Industrials, while retaining a negative view on Information Technology.

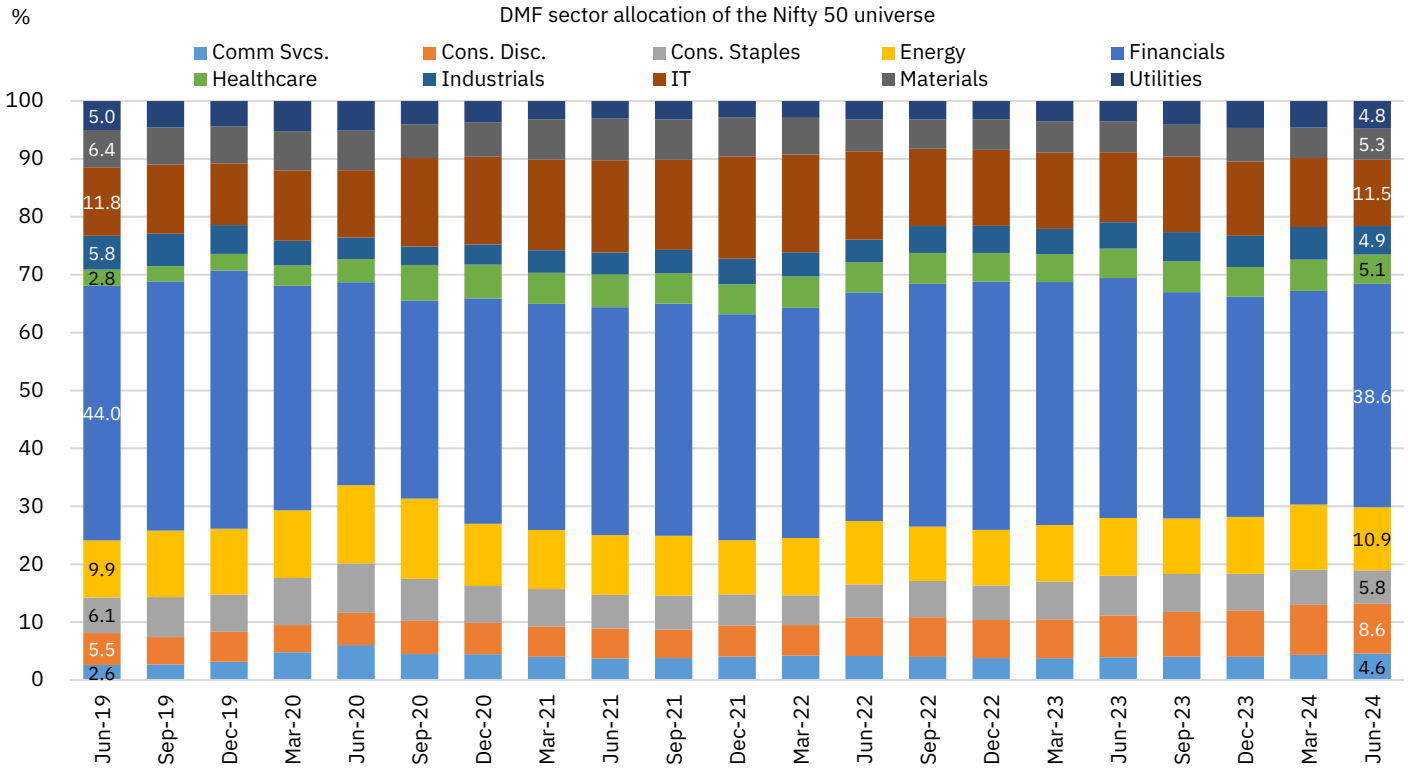
DMFs strengthened their OW stance on Financials, while remaining negative on India's consumption theme, and commodities.

Figure 51: DMF sector allocation of the Nifty 50 universe (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE EPR.

Figure 52: DMF sector allocation of the Nifty 50 universe over the last five years



Source: CMIE Prowess, NSE EPR.

Figure 53: DMF sector allocation vs sector weight in Nifty 50 (June 2024)

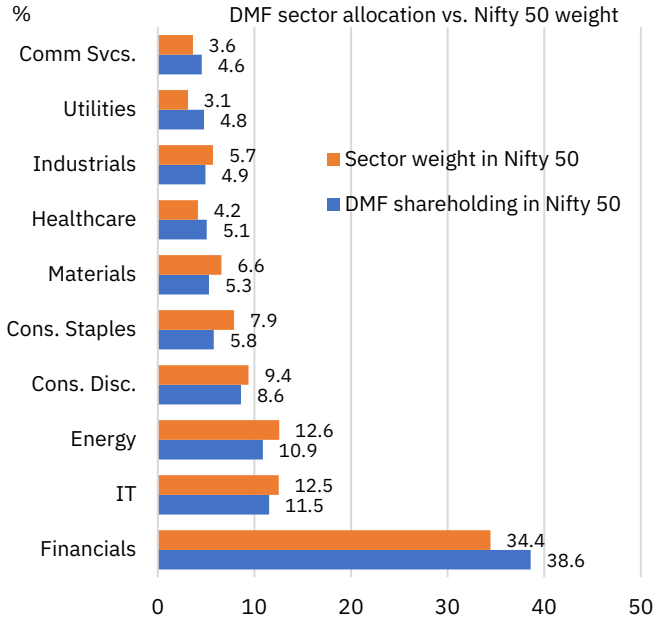
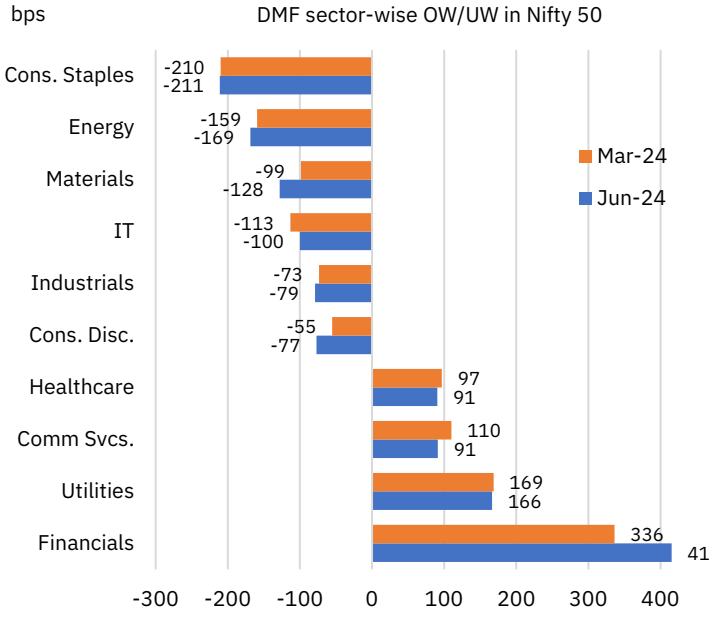
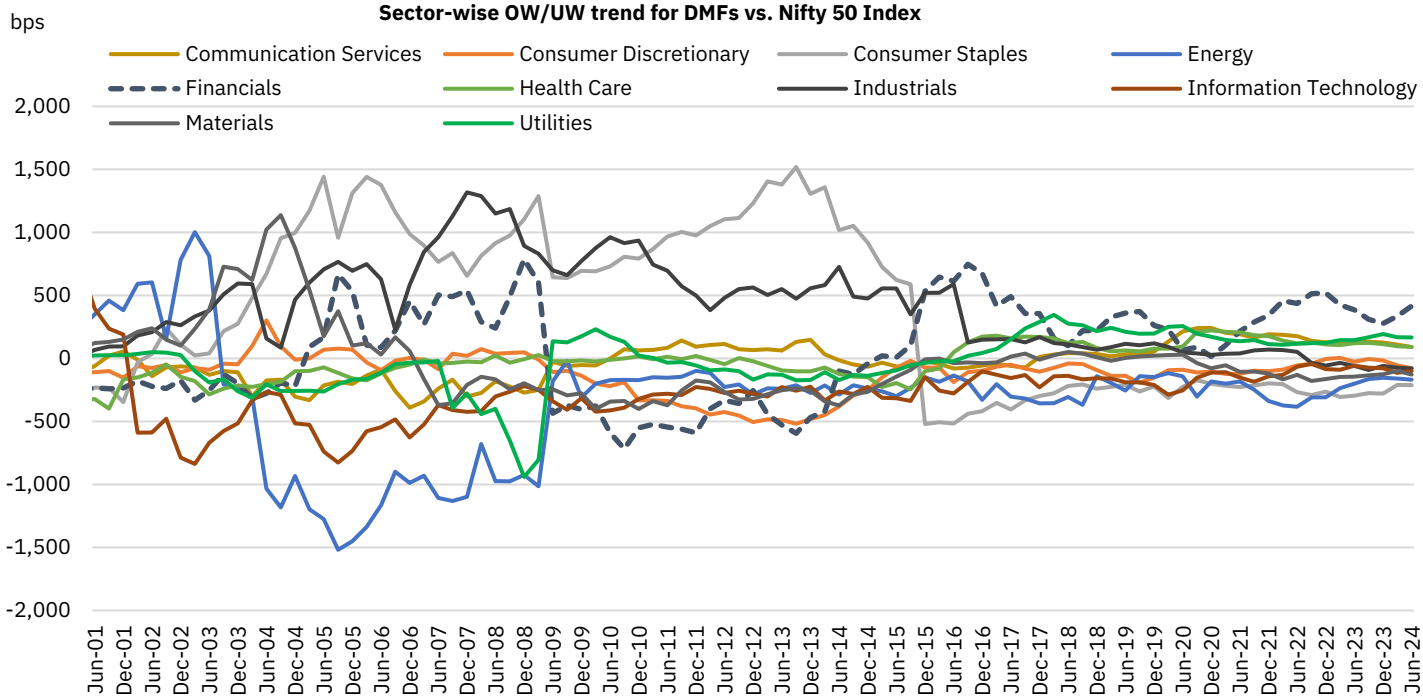


Figure 54: DMF sector-wise OW/UW in Nifty 50 relative to sector weight in the index (June 2024)



Source: CMIE Prowess, NSE EPR.

Figure 55: DMF vs Nifty 50—Sector-wise OW/UW trend (bps)

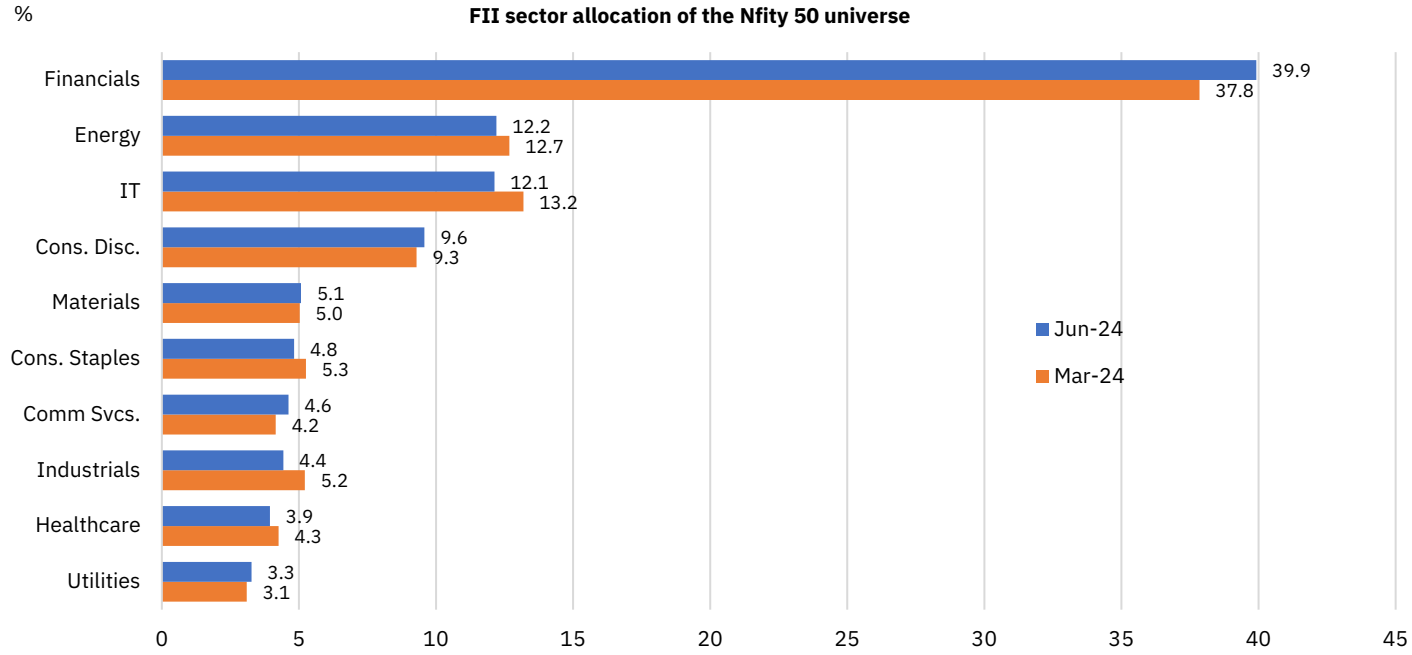


Source: CMIE Prowess, NSE EPR.

FPIs increased their OW position in Financials and strengthened their negative view on Consumer Staples: After a sharp dip in their OW positions in the previous quarter, FPIs significantly strengthened their OW position on Financials in the June quarter. They further increased their negative view on Consumer Staples, Materials, and Industrials. Among other sectors, FPIs retained their neutral position in Consumer Discretionary and Communication Services but with a positive bias while remained negative on Energy, Health Care, and Information Technology.

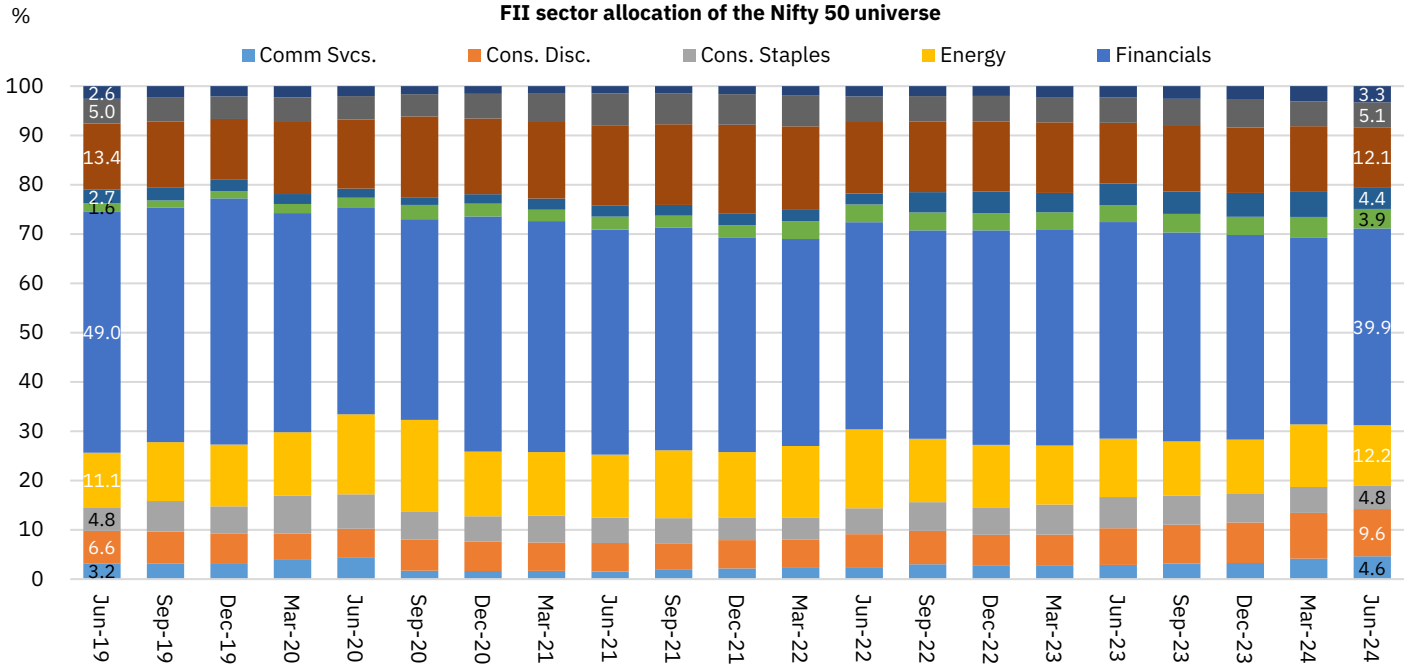
FPIs strengthened their OW position in Financials, remained UW on Consumer Staples, Materials and Industrials, and neutral on others.

Figure 56: FPI sector allocation of the Nifty 50 universe (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 57: FPI sector allocation of the Nifty 50 universe over last five years



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 58: FPI sector allocation vs sector weight in Nifty 50 (June 2024)

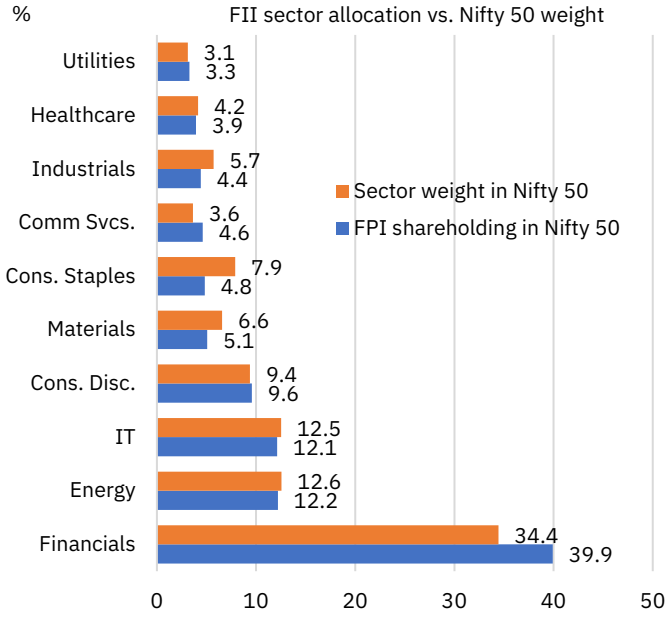
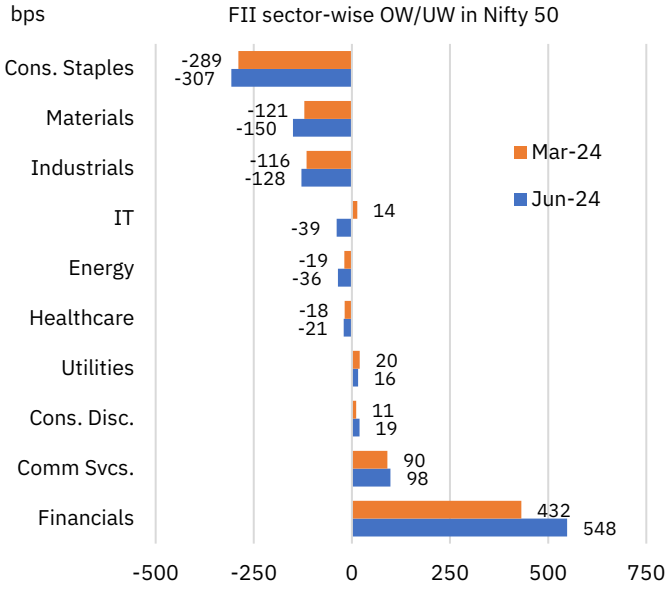
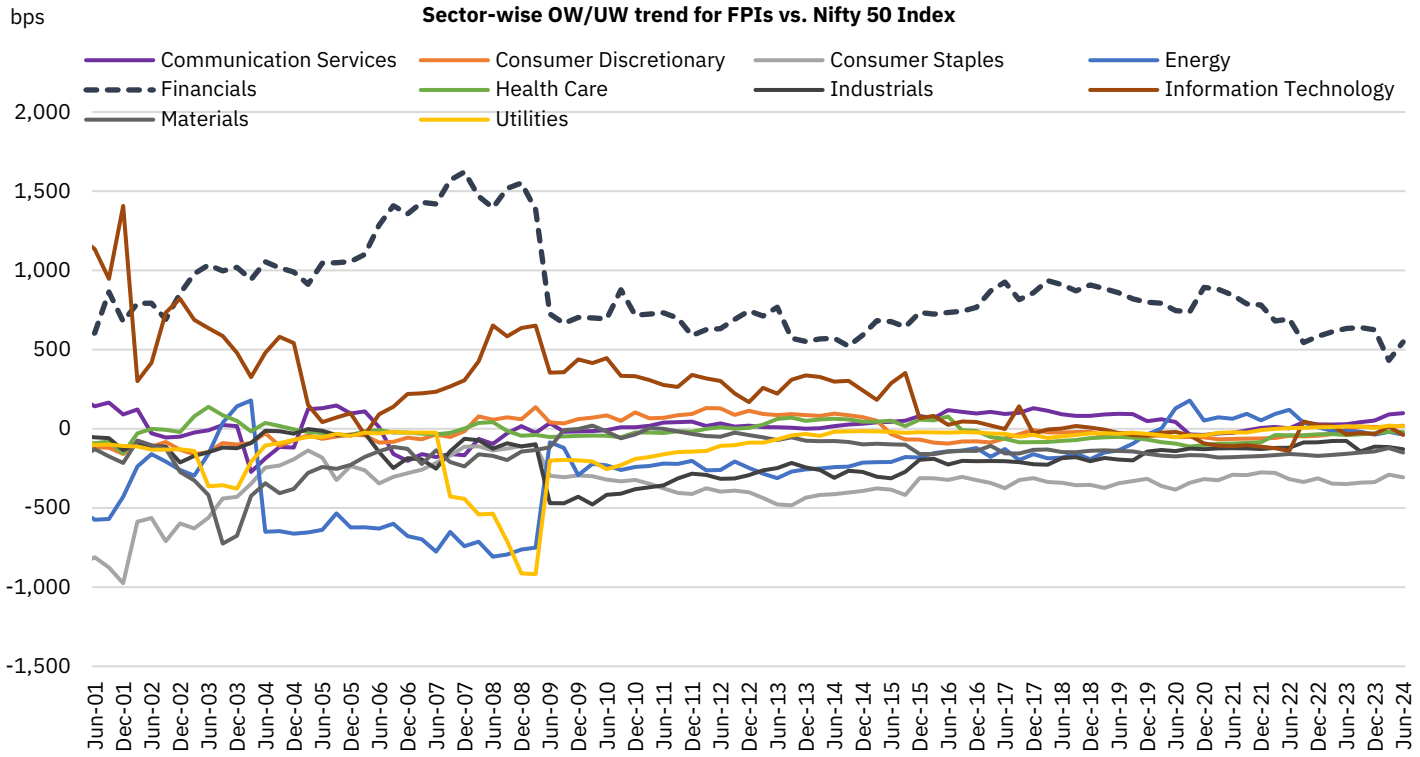


Figure 59: FPI sector-wise OW/UW in Nifty 50 relative to sector weight in the index (June 2024)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Figure 60: FPI vs Nifty 50—Sector-wise OW/UW trend (bps)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Nifty 500 ownership trends

Ownership pattern of the Nifty 500 universe (June 2024)

Total promoter stake in the Nifty500 universe inched up to a seven-quarter high of 50.9%, with an increase in Govt. share and foreign promoters offset by a drop in private Indian promoter share.

Promoter shareholding inched up to a seven-quarter high: In line with the broader listed universe, total promoter ownership in the NSE 500 universe rose for the fifth consecutive quarter by 14bps QoQ to a seven-quarter high of 50.9% in the June quarter. The cumulative increase in promoter ownership during the previous five quarters has been around 1.6pp. This has been on account of increase in Government (+27bps QoQ) and foreign promoter (+19bps QoQ) share which is partly offset by a decline in private Indian promoter ownership (-32bps QoQ). While Government promoter share has been increasing for five consecutive quarters, the private Indian promoter ownership has been declining for four quarters in a row. Notably, the share of private Indian promoter has declined to a 20-quarter low of 31% in Jun'24 with the dilution ascribed to encashing part of their wealth with markets scaling record highs. At the same time, foreign promoter ownership rose by 19 bps QoQ to a three-quarter high of 8.4%.

Within private Indian promoters, share of individual promoters in the Nifty 500 companies, however, inched up by a modest 8bps to 5.1% in the June quarter. Individuals' share in total holdings of private Indian promoters increased by 44bps QoQ to 16.5%, albeit lower than 20.1% in the overall listed universe but much higher than 7.5% in the Nifty50 universe. Excluding Nifty 500 companies, the NSE listed universe had about 45% of the private Indian promoter holdings held by individuals.

Government shareholding at a 30-quarter high: Government ownership (promoter and non-promoter) in the Nifty 500 companies rose further to a 30-quarter high of 12.1% (+36 bps QoQ), translating into a 3.5pp increase in the last five quarters. In the last two years (Jun'22 – Jun'24), the share of Government ownership has doubled because of public issue of LIC in FY23 and relative outperformance of PSUs in the recent quarters.

FPI ownership dropped to a 12-year low…: FPI shareholding declined for the fourth consecutive quarter by 24bps QoQ to a 12-year low of 18.7% as of end-Jun'24, totaling to a 1.3pp drop in the last one year. That said, the FPI holding in Nifty 500 companies in absolute terms has been fairly strong of about 11.8% QoQ, marking the fifth quarter in a row to see a sequential increase in the absolute value. This fall in the FPI ownership can be partly ascribed to significant foreign capital outflows in the first two months of the quarter as well as higher investments by DMFs and individual investors.

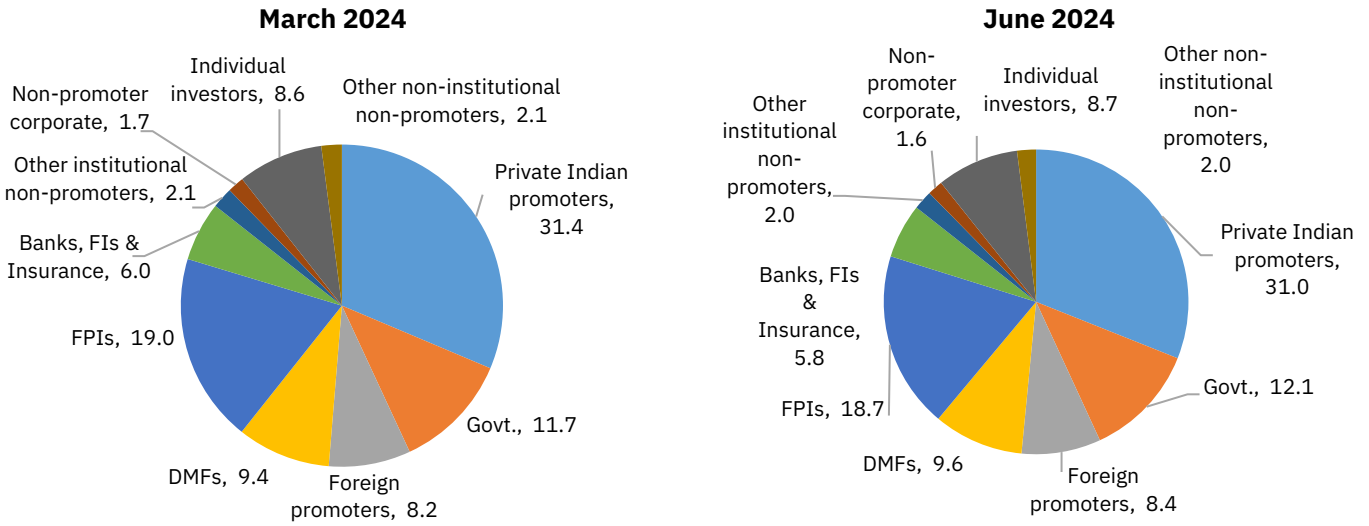
DMF ownership in the Nifty 500 universe reached fresh all-time high of 19.6% in the June quarter.

…While DMFs ownership touched fresh record highs: In continuation with the upward trend seen over the previous three quarters, the DMF share in the NSE 500 universe rose by 18bps QoQ to an all-time high of 9.6% in the Jun'24 quarter. Sustained buying by DMFs in the light of continued indirect participation by individuals via the SIP route has helped DMFs gain market share over the last many quarters.

Individuals investors' direct ownership as non-promoters inched up by 14bps QoQ to 8.7%.

Individual investors' ownership in the Nifty 500 universe inched up marginally: The direct holdings of individual investors as non-promoters in the Nifty 500 universe rose by 14bps QoQ to 8.7%, reflecting steady increase in direct participation by individual investors amidst the recent equity market rally. In value terms, individuals' non-promoter holding rose by 15.2% QoQ, marginally higher than 13.4% growth in the market capitalisation of Nifty5 00 companies. Adding direct holding as promoters, individuals owned about 13.8% directly in Nifty500 companies, rising by 23bps QoQ, lower than 16.1% (+29bps QoQ) in the overall listed universe, but higher than sequentially unchanged 10.2% in the Nifty50 universe.

Figure 61: Nifty 500: Ownership pattern by total market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

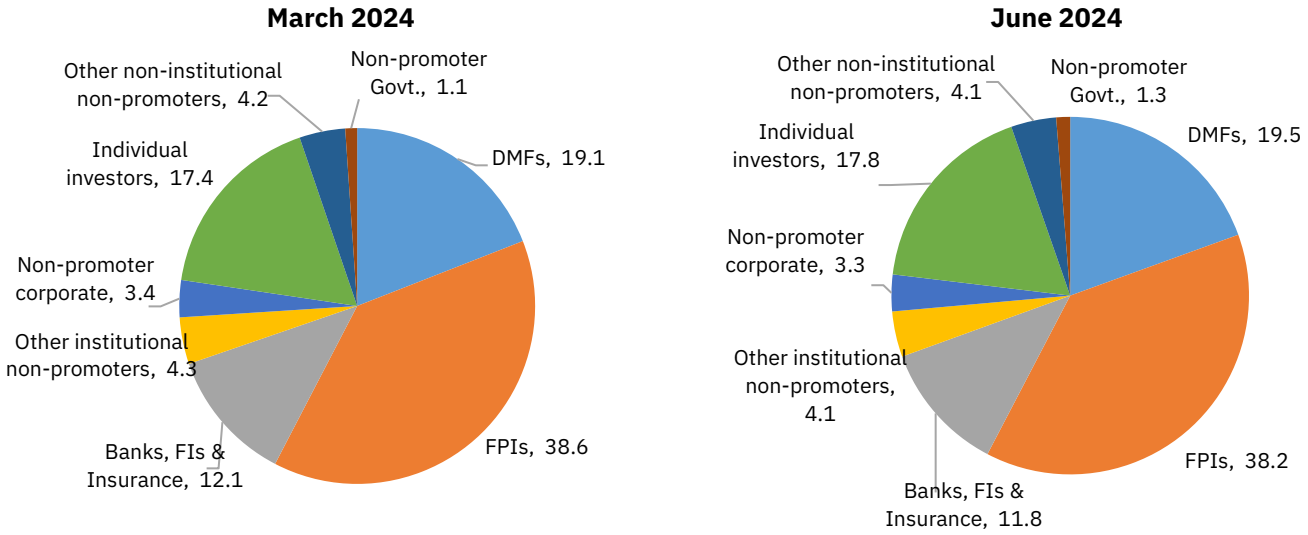
Table 10: Nifty 500: Ownership trend across key stakeholders by total market cap over last the three years

%	Private Indian promoters	Govt.	Foreign promoters	Domestic MFs	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual Investor	Others**
Sep-21	35.3	6.2	8.9	7.5	4.6	21.5	2.9	8.8	4.2
Dec-21	35.8	6.0	8.8	7.8	4.6	20.9	2.8	9.0	4.3
Mar-22	35.5	6.2	8.6	8.0	4.7	20.2	3.4	9.1	4.4
Jun-22	35.0	6.2	9.1	8.3	5.0	19.8	3.4	9.0	4.1
Sep-22	34.4	7.6	9.5	8.2	6.0	19.5	2.6	8.5	3.7
Dec-22	33.5	8.8	9.0	8.4	6.1	19.8	1.6	8.5	4.3
Mar-23	32.4	8.6	8.9	9.0	6.3	20.0	1.6	8.7	4.6
Jun-23	32.4	8.7	8.7	8.9	6.2	20.0	1.7	8.7	4.6
Sep-23	32.0	9.8	8.5	9.1	6.1	19.5	1.7	8.8	4.5
Dec-23	31.8	10.7	8.1	9.3	6.0	19.4	1.7	8.7	4.4
Mar-24	31.4	11.7	8.2	9.4	6.0	19.0	1.7	8.6	4.1
Jun-24	31.0	12.1	8.4	9.6	5.8	18.7	1.6	8.7	4.0
QoQ change	*-32bps*	*36bps*	*19bps*	*18bps*	*-16bps*	*-24bps*	*-3bps*	*14bps*	*-11bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

In terms of floating stock, FPI share in the Nifty 500 Index declined by 38bps to a 14-year low of 38.2% as of end-Jun'24. After remaining broadly steady in the quarter ended Dec'24, the FPI share has fallen for two consecutive quarters with a cumulative decline of 70bps. Conversely, the share of DMFs has increased by 41bps QoQ to a record high of 19.5%. After declining for two consecutive quarters, the share of individuals as direct non-promoter investors inched up by 34bps QoQ to 17.8%. While the share of banks and financial institutions has declined by 29bps to a two-year low of 11.8%, the share of non-promoter government holding rose to its highest level of 1.3% (+18 bps QoQ) in the quarter ended Jun'24.

Figure 62: Nifty 500: Ownership pattern by free float market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 11: Nifty 500: Ownership trend across key stakeholders by free float market cap over the last three years

%	Domestic MFs	Banks, FIs & Insurance	FPIs*	Non-promoter corporate	Individual Investor	Others**
Sep-21	15.1	9.3	43.2	5.8	17.6	8.9
Dec-21	15.6	9.4	42.0	5.6	18.2	9.2
Mar-22	16.0	9.4	40.4	6.8	18.2	9.3
Jun-22	16.7	10.0	39.6	6.9	18.1	8.7
Sep-22	16.9	12.3	39.8	5.2	17.5	8.3
Dec-22	17.1	12.5	40.3	3.3	17.2	9.7
Mar-23	17.8	12.5	39.4	3.1	17.2	10.0
Jun-23	17.6	12.2	39.6	3.3	17.1	10.1
Sep-23	18.2	12.1	38.9	3.4	17.5	10.0
Dec-23	18.5	11.9	38.9	3.4	17.4	9.8
Mar-24	19.1	12.1	38.6	3.4	17.4	9.5
Jun-24	19.5	11.8	38.2	3.3	17.8	9.5
QoQ change	*41bps*	*-29bps*	*-38bps*	*5bps*	*34bps*	*-3bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across key non-promoter stakeholders is based on free float market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

Long-term ownership trend of the Nifty 500 universe: Overall promoter ownership in Nifty 500 has also seen a steady decline since 2009 until March 2019, albeit at a slower pace than the Nifty 50 Index, entirely led by a sharp dip in Government ownership, while the share of private Indian promoters has significantly increased during this period. Promoter share, however, has been inching up since 2019, barring a dip in FY23, aided by higher Indian promoter share—with public share rising after the LIC listing and private share falling since 2021 onwards, while foreign share has remained steady. Indian promoter holding has seen a sustained decline in the recent four quarters till Jun'24, falling to a 20-quarter low.

DMF ownership in Nifty 500 saw a gradual increase beginning 2014 to reach the highest level in the last two decades by December 2019. The fiscal year FY21, however, saw some dip in DMF share, partly reflecting moderation in SIP inflows post the COVID-19 pandemic as well as high redemption pressures. This, however, was more than reversed in the subsequent years, thanks to a surge in retail inflows via the SIP route. FPI ownership in the Nifty 500 universe improved meaningfully post the GFC until 2015 but

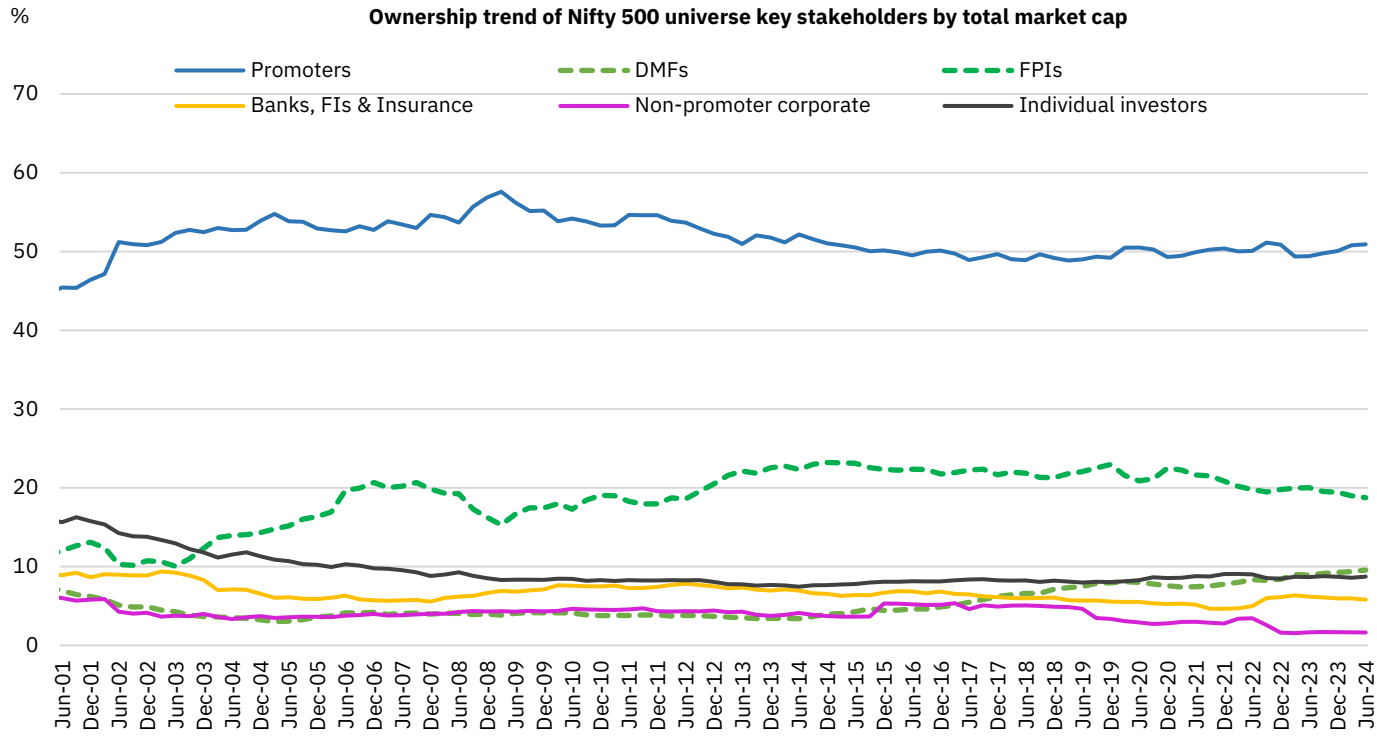
FPI ownership in Nifty 500 saw a steady rise post the GFC until 2015, hovered in the 21-23% range until 2021 only to drop marginally after that.

DMF share in Nifty 500 has scaled its peak of 9.6% in June-24.

has since hovered between 21-23% until 2021. FPI share saw a steady decline over the subsequent few quarters only to rise modestly from the end of 2022, weighed by dampened sentiments owing to recurring COVID variants, followed by the Russia-Ukraine war, sky-rocketing inflation, steep rate hikes by global central banks and China slowdown. This led to flight of capital away from riskier asset classes including Indian equities during this period, even as the second half of 2022 onwards saw FPIs coming back until mid-2023. In the last four quarters (Sep'23-Jun'24), FPIs have pulled back with the share dropping to its lowest level of ~19% since Sep'2012. As of Jun'24, DMF ownership is at a record high while FPI ownership is at a 12-year low. Banks, financial institutions, and insurance have been steadily reducing their exposure to Indian equities over the last decade until 2021 only to see a meaningful spike in 2022. That said, there has been a sustained decline in this share during the previous five quarters.

Individual investor ownership in the Nifty 500 Index fell sharply from the north of 16% in 2001 to sub-8% in 2013, hovered around these levels until December 2019 only to rise steadily until FY22. The share of individual investors has fluctuated in a narrow range of 8.5%-9% in the last two years. Individual investor ownership (including promoter individuals) has declined from 14.5% in Jun'06 to a low of 11.5% in Jun'13, following which the share peaked at 15% in Dec'21. Since then, ownership has tapered off partially to 13.8% in Jun'24 led by a decline across both promoters and non-promoters.

Figure 63: Nifty 500: Long-term ownership trend across key stakeholders by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 64: Total promoter ownership trend of the Nifty 500 universe by total market cap

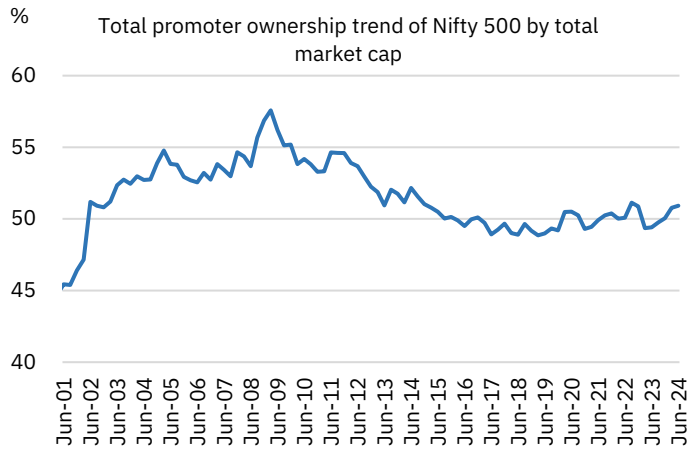
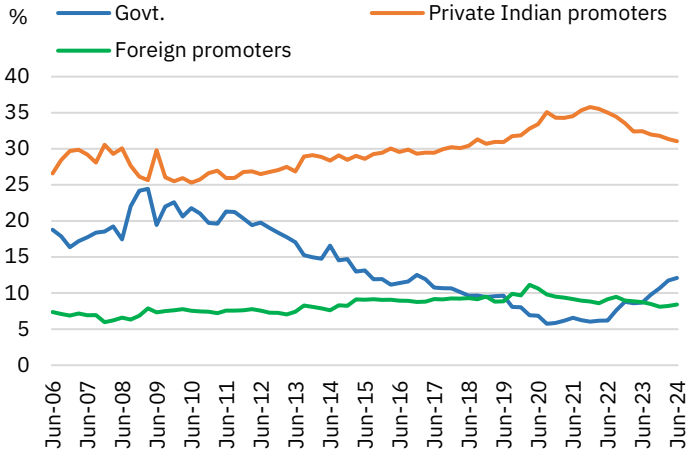


Figure 65: Indian and foreign promoter ownership trend of the Nifty 500 universe by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 66: DMF ownership trend of the Nifty 500 universe by total market cap

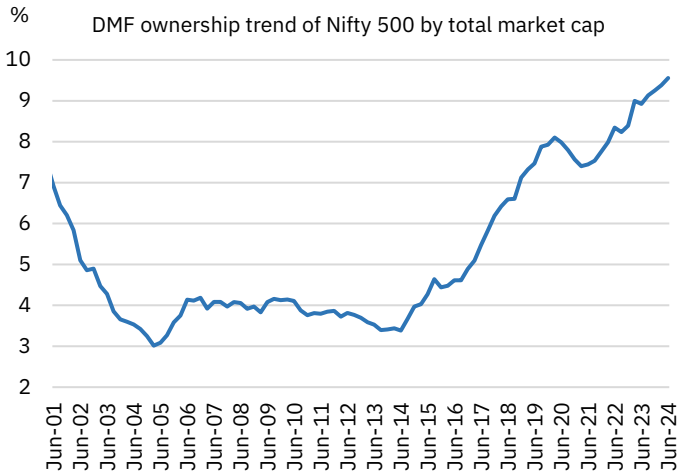
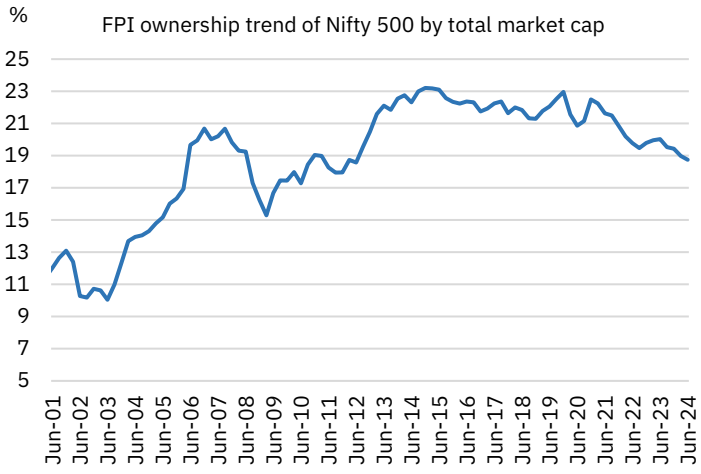


Figure 67: FPI ownership trend of the Nifty 500 universe by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 68: Banks, FIs & Insurance ownership trend of the Nifty 500 universe by total market cap

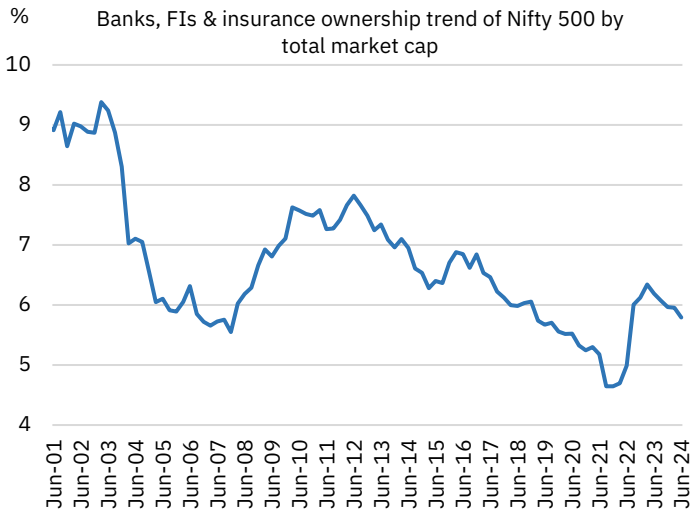
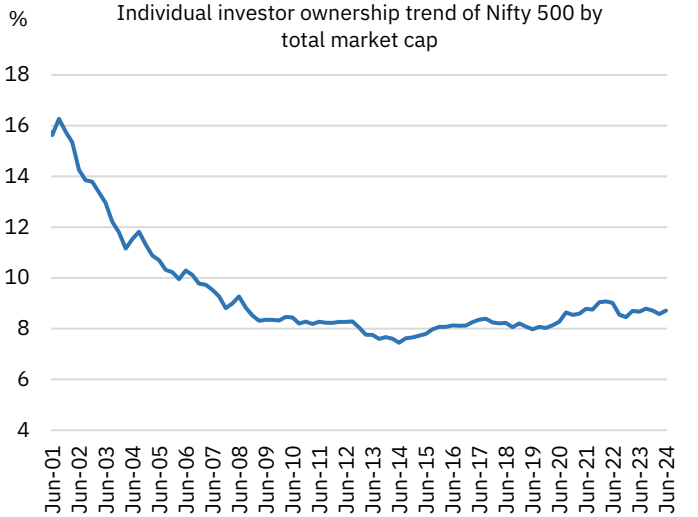


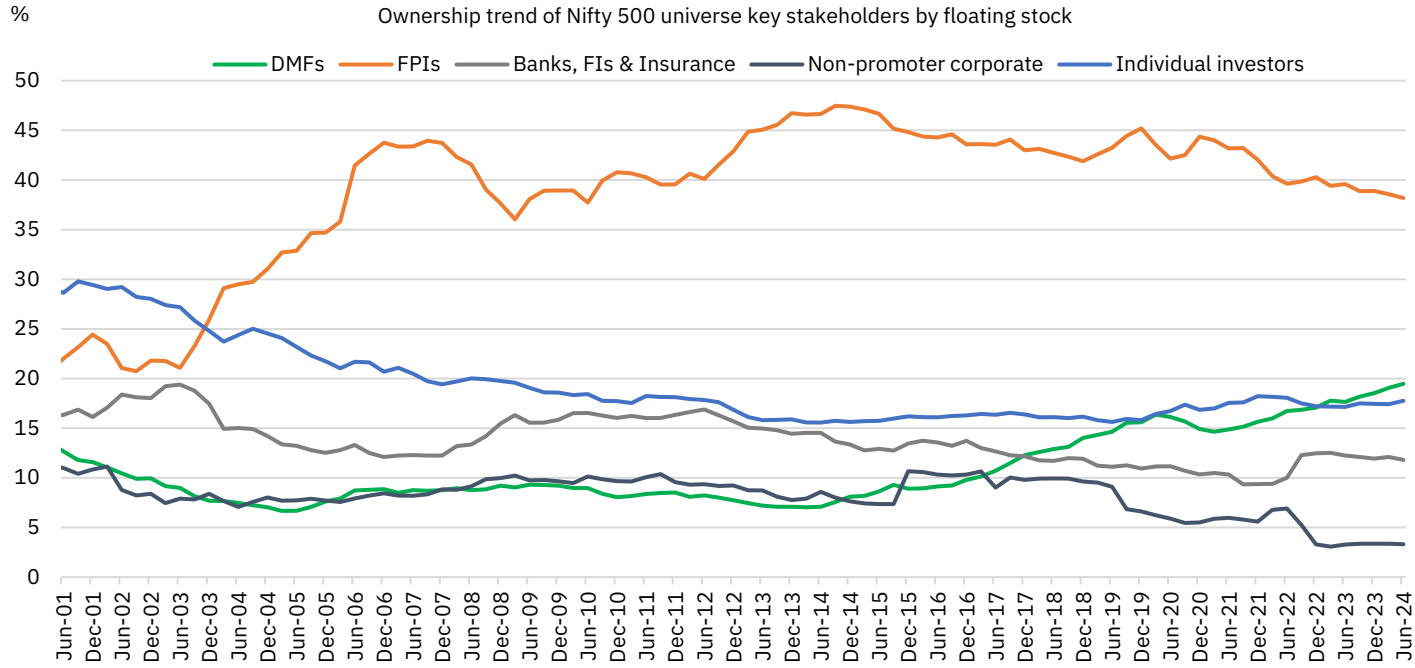
Figure 69: Individual ownership trend of the Nifty 500 universe by total market cap



Source: CMIE Prowess, NSE EPR.

Our long-term ownership analysis on the floating stock of the Nifty 500 Index also shows that while DMF ownership is currently at the highest level since 2001, current FPI ownership is 9.3pp lower than the peak of 47.5% observed in the quarter ending September 2014.

Figure 70: Nifty 500: Long-term ownership trend across key stakeholders by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 71: DMF ownership trend of the Nifty 500 universe by free float market cap

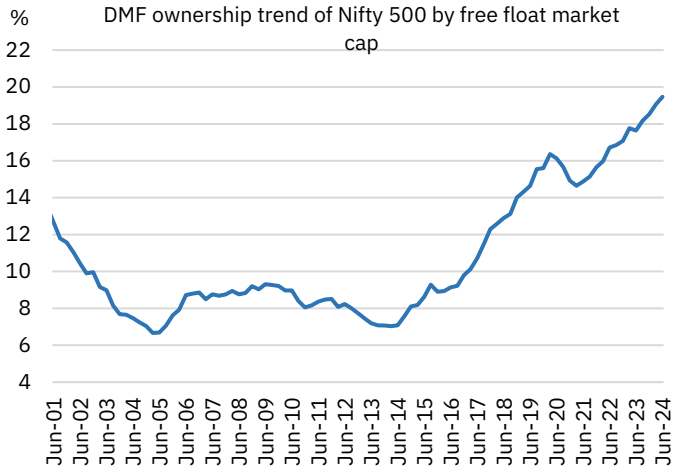
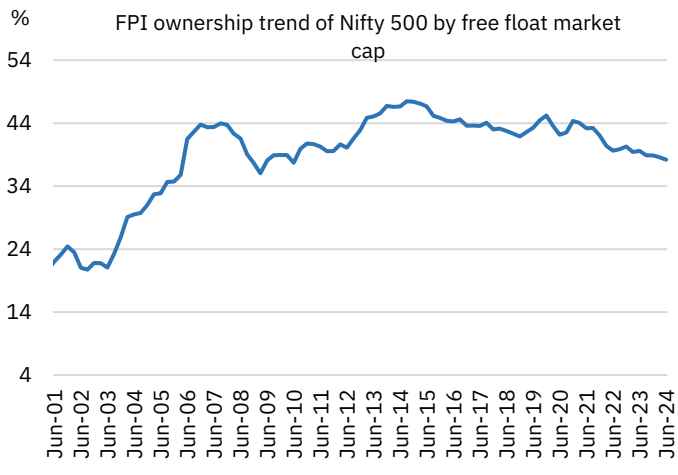


Figure 72: FPI ownership trend of the Nifty 500 universe by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 73: Banks, FIs & Insurance ownership trend of the Nifty 500 universe by free float market cap

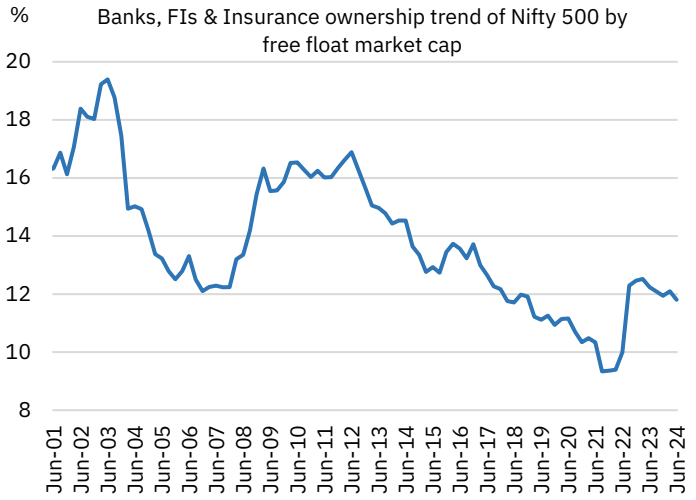
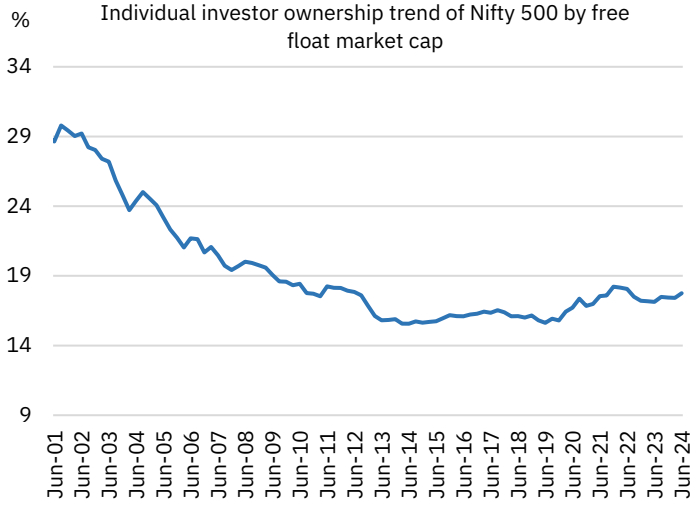


Figure 74: Individual ownership trend of the Nifty 500 universe by free float market cap



Source: CMIE Prowess, NSE EPR.

DMF share within the Nifty 500 universe witnessed mixed movements with highest pickup in Healthcare and Consumer Discretionary with a notable decline in Industrials.

FPIs have remained the biggest non-promoter owners of Financials within the Nifty 500 universe at 25.3%.

Sector-wise ownership of the Nifty 500 universe (June 2024): The sector-wise ownership pattern of the NSE-500 universe across key stakeholders in the quarter gone (Apr-Jun'24) shows that the Real Estate sector continues to lead in terms of promoter ownership at 65.6% (-92bps QoQ), followed by Utilities at 59.4% (+45bps QoQ), Materials and Industrials at 56.1% (+45bps QoQ and +2.9pp QoQ respectively), Information Technology at 53.9% (-48 bps QoQ) and Energy at 52.4% (+9bps QoQ). A notable decline of 2.1pp in promoter share has been observed in Communication Services, translating into a share of 51.3%—the lowest in the last 18 years, followed by a percentage point drop in promoter share in Consumer Discretionary to a 13.5-year low of 46.3%. This was taken up by increased share of promoters in Industrials by 2.9pp to a two-year high of 56.1%, primarily driven by rise in Government ownership (+2.8pp).

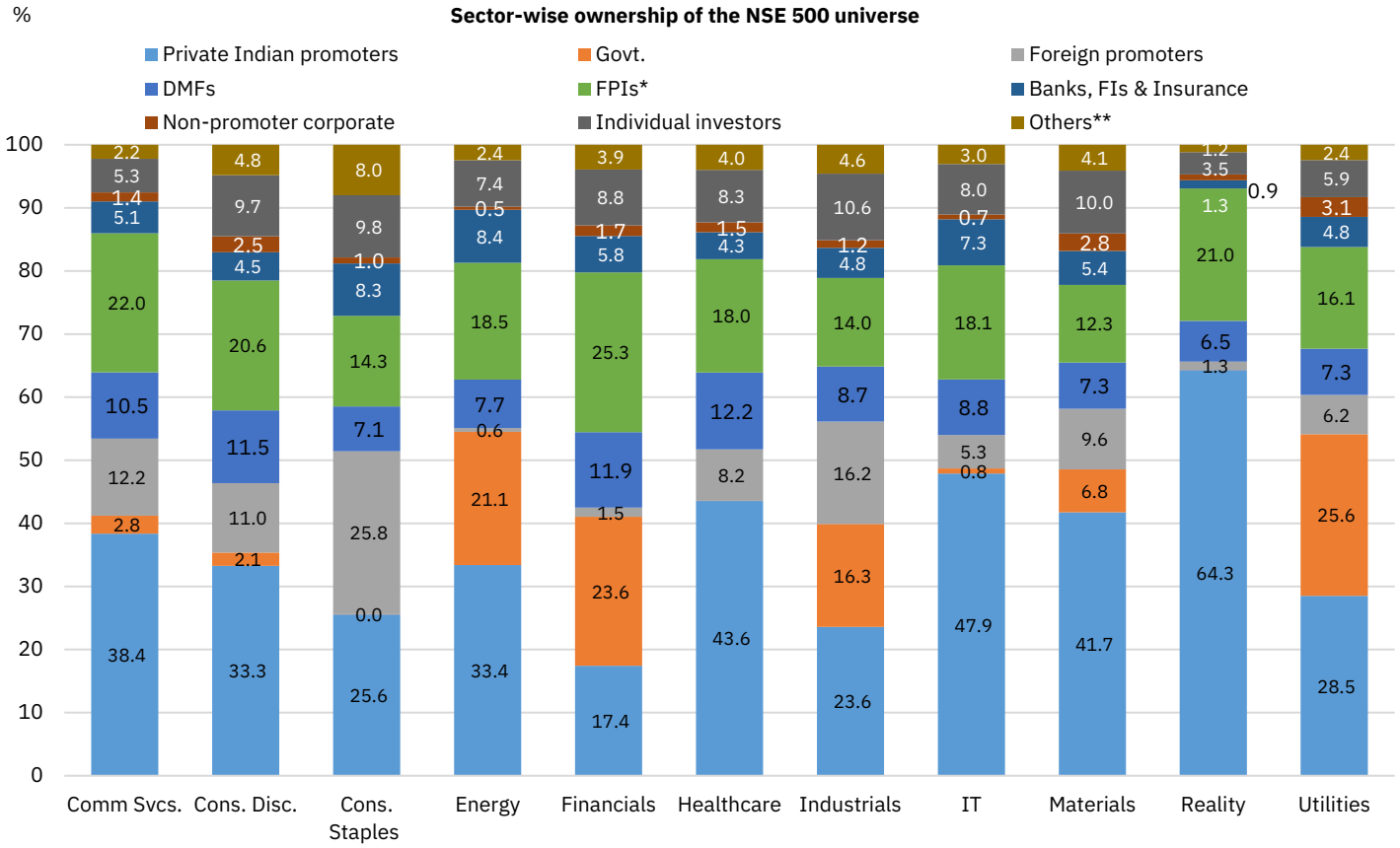
Utilities continued to remain the top sector in terms of Government ownership (promoter and non-promoter) at 25.6% (+36bps QoQ) followed by Financials at 23.6% (-88bps QoQ) and Energy at 21.1% (-19bps) as of Jun'24. After exhibiting a notable spike in the March quarter, the Government share in Financials declined by 88bps QoQ to 23.6%. The Government share in Materials picked up to over five-year high of 6.8% (+1.2pp QoQ) in June'24, followed by a 97bps QoQ increase in Communication Services to over 15-year high of 2.8%.

Healthcare overtook Financials to become the sector with the highest DMF share in the Dec'23 quarter and extended the lead over the subsequent two quarters with a share of 12.2% in Jun'24. The largest increase in the DMF share in the June quarter was observed in Information Technology (+60bps QoQ) while the highest decline was in Industrials (-47bps QoQ). The other two sectors in which the DMFs have a relatively higher share are Consumer Discretionary (11.5%; +45bps QoQ) and Communication Services (10.5%; 30bps QoQ). In each of these five sectors—Communication Service, Consumer Discretionary, Financials, Healthcare and Information Technology — the share of DMFs in their respective aggregate market capitalisation is the highest since Mar'01.

Despite a steep fall in the share of FPIs in Financials over the last few quarters, the sector continues to have the highest share of FPI share of 25.3% (+6bps QoQ) as of end-Jun'24. This is followed by Communication Services, with a share of 22% (+98bps QoQ), the highest in the last 11 quarters. Two sectors, namely Industrials and Information

Technology, registered a noticeable fall in FPI share of ~1.1pp and 85bps respectively during the quarter ended Jun'24. On the other hand, the share of FPIs in total market capitalisation of Real Estate companies within the Nifty 500 universe rose for the fifth quarter in row by 61bps QoQ to a three-year high of 21%.

Figure 75:Nifty 500: Sector-wise ownership pattern across key stakeholders (June 2024)



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians
**Others include other institutional and non-institutional non-promoter investors

Sector allocation of the Nifty 500 universe for key stakeholders (June 2024): The table below shows the sector allocation for key stakeholders in Nifty 500 companies as of Jun'24. Little more than 90% of the Government ownership in the Nifty 500 companies remained concentrated in Financials, Energy, Industrials and Utilities sectors, even as it declined by 97bps QoQ). This was slightly higher than the Government exposure to these four sectors in the overall listed universe (89.8%), but marginally lower than 93.5% in the Nifty 50 Index. Foreign promoter's allocation within the Nifty 500 companies is concentrated in Consumer Discretionary (13.6%), Consumer Staples (23.6%), Industrials (25%) and Materials (12.1%). In the case of institutional investors, DMFs have a lower allocation to Financials at 29.6% compared to FPIs at 32%; this gap having widened marginally to 2.4pp in Jun'24 but is notably lower than the gap of 4.6pp seen a year ago.

Table 12: Sector allocation of the Nifty 500 universe for key stakeholders (June 2024)

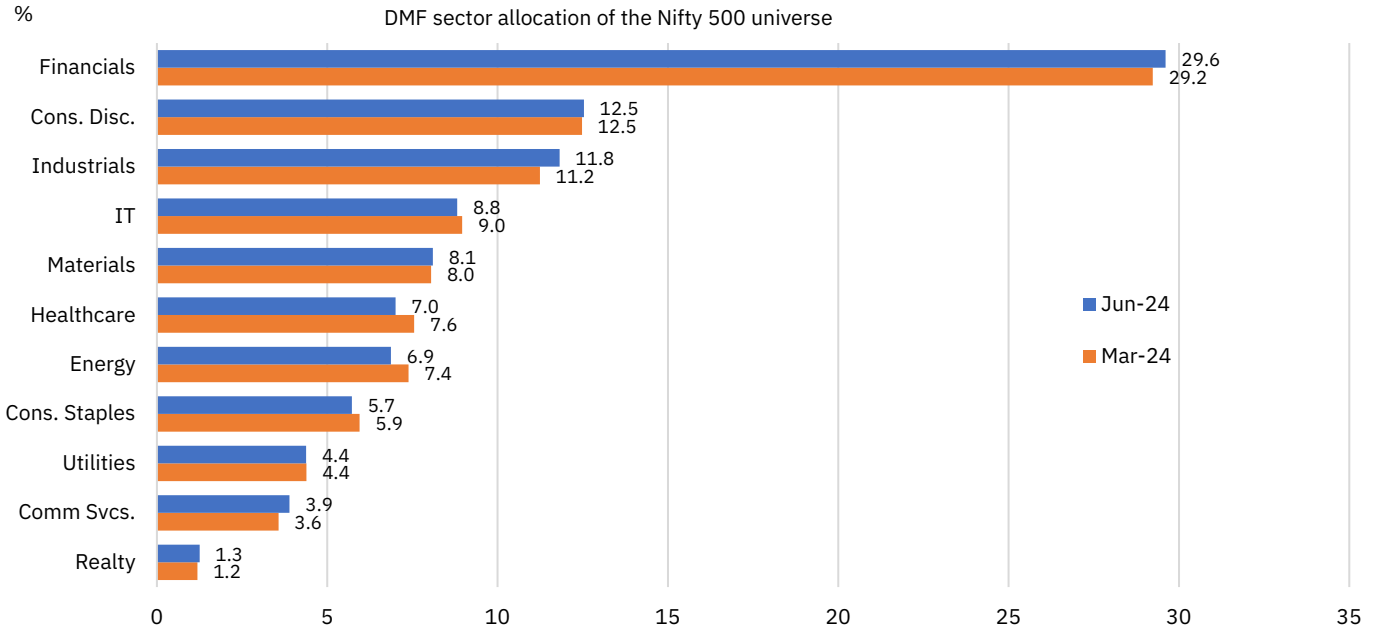
%	Private Indian promoters	Govt	Foreign promoters	Domestic MFs	FPIs*	Banks, FIs & Insurance	Non-promoter corporate	Individual Investors
Communication Services	4.4	0.8	5.1	3.9	4.2	3.1	3.1	2.2
Consumer Discretionary	11.1	1.8	13.6	12.5	11.4	8.0	16.1	11.5
Consumer Staples	6.3	0.0	23.6	5.7	5.9	11.0	4.5	8.7
Energy	9.2	14.9	0.6	6.9	8.5	12.4	2.6	7.2
Financials	13.3	46.3	4.1	29.6	32.0	23.7	24.5	24.0
Health Care	7.7	0.0	5.4	7.0	5.3	4.1	5.2	5.3
Industrials	9.8	17.4	24.9	11.8	9.7	10.6	9.5	15.7
Information Technology	14.8	0.6	6.0	8.8	9.2	12.0	4.4	8.8
Materials	14.2	6.0	12.1	8.1	6.9	9.8	18.0	12.1
Real Estate	3.8	0.0	0.3	1.3	2.1	0.4	1.1	0.8
Utilities	5.3	12.1	4.2	4.4	4.9	4.7	11.0	3.9
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

DMFs turned from neutral in Mar'24 to OW in Jun'24 on Financials; bolstered by strong credit offtake, strong capital buffers and improved asset quality.

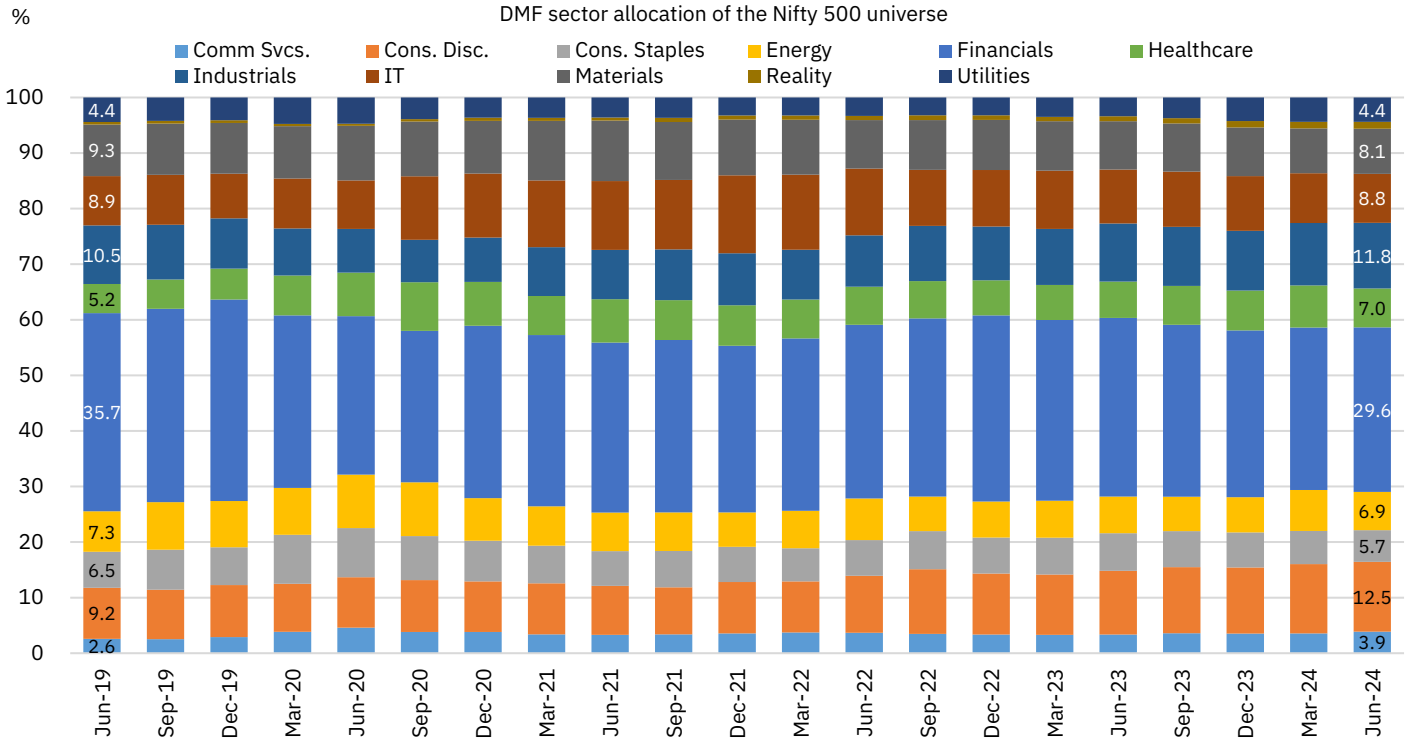
DMFs maintained an OW position on Financials and Consumer Discretionary: For the quarter ending June 2024, DMF's position on the Financials sector within the NSE 500 was upgraded to Overweight, attributed to strong earnings from banking institutions. The Consumer Discretionary sector was maintained at Overweight, albeit with a reduced allocation reflecting the impact of stretched valuations in the sector. A negative stance on Energy was maintained for more than a decade, while they reduced the UW stance on Consumer Staples, partly attributed to an expected recovery in rural demand amid normal monsoons. They have turned UW on Materials for the first time since Dec'14. DMFs continued to remain neutral with a negative view in the case of Information Technology, albeit trimming their negative view, reflecting uncertainty around global growth slowdown and its impact on software exports. Additionally, Communication Services, Industrials, Real Estate and Utilities are the sectors in which the DMFs are neutral.

Figure 76: DMF sector allocation of the Nifty 500 universe (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE EPR.

Figure 77: DMF sector allocation of the Nifty 500 universe over last five years



Source: CMIE Prowess, NSE EPR.

Figure 78: DMF sector allocation vs sector weight in Nifty 500 (June 2024)

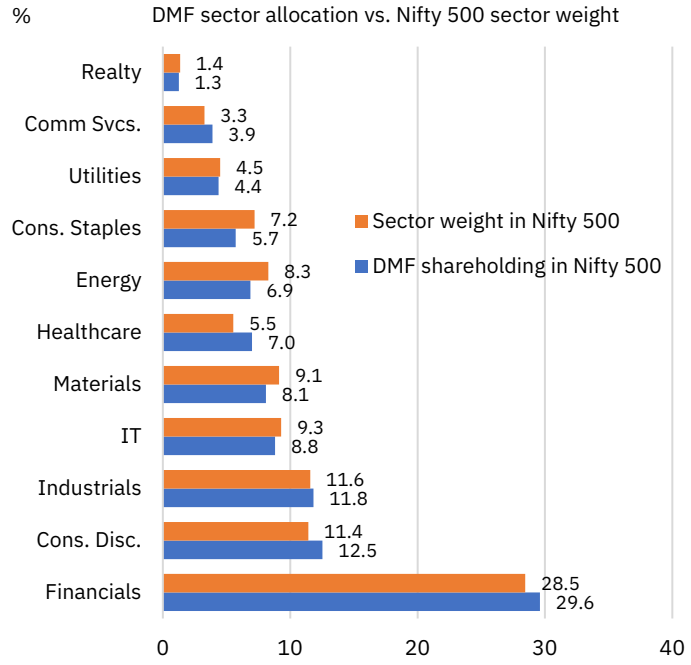
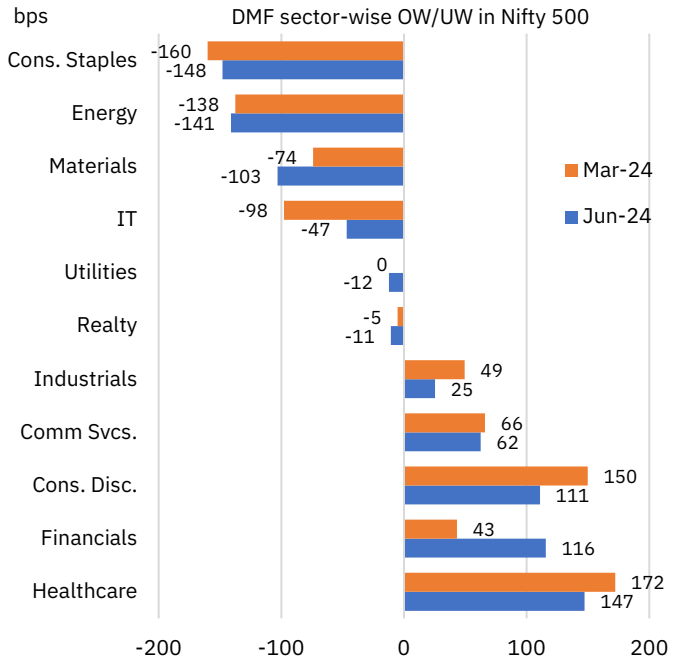
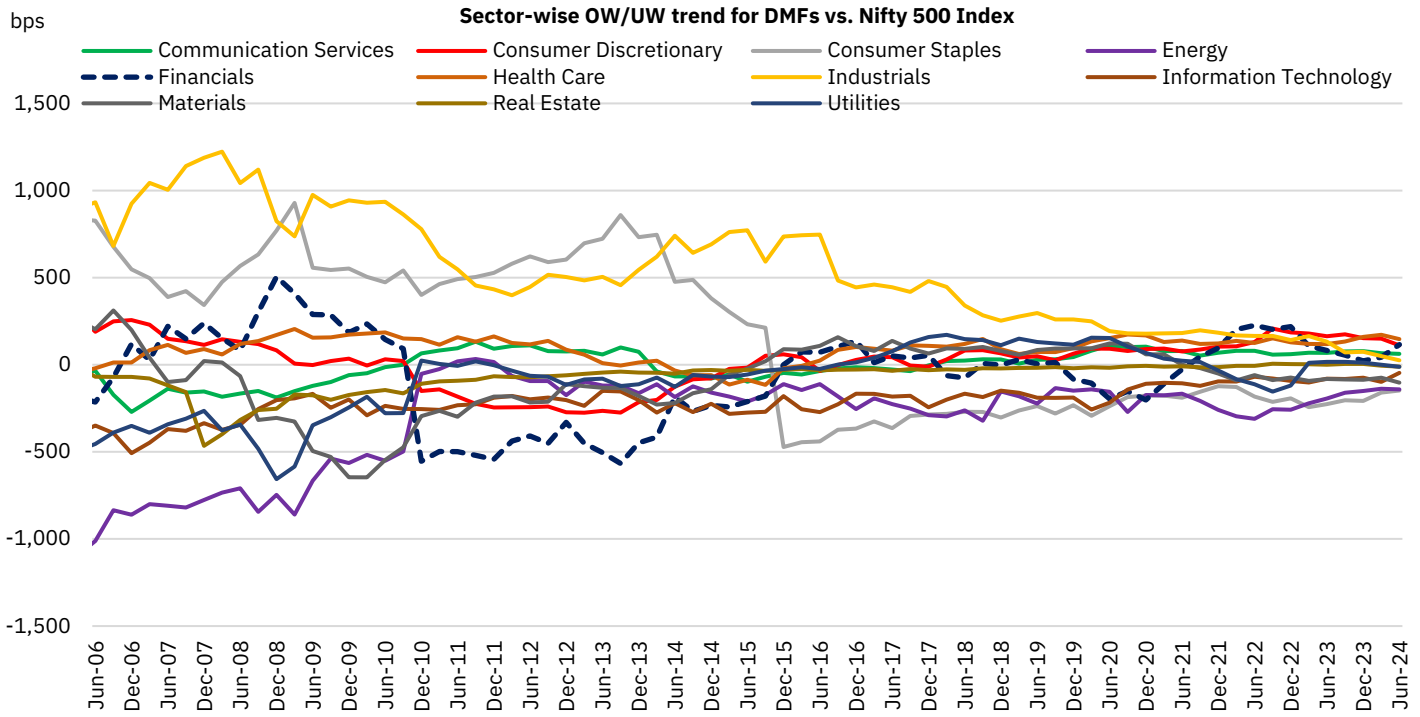


Figure 79: DMF sector-wise OW/UW in Nifty 500 relative to sector weight in the index (June 2024)



Source: CMIE Prowess, NSE EPR.

Figure 80: DMF vs Nifty 500—Sector-wise OW/UW trend (bps)

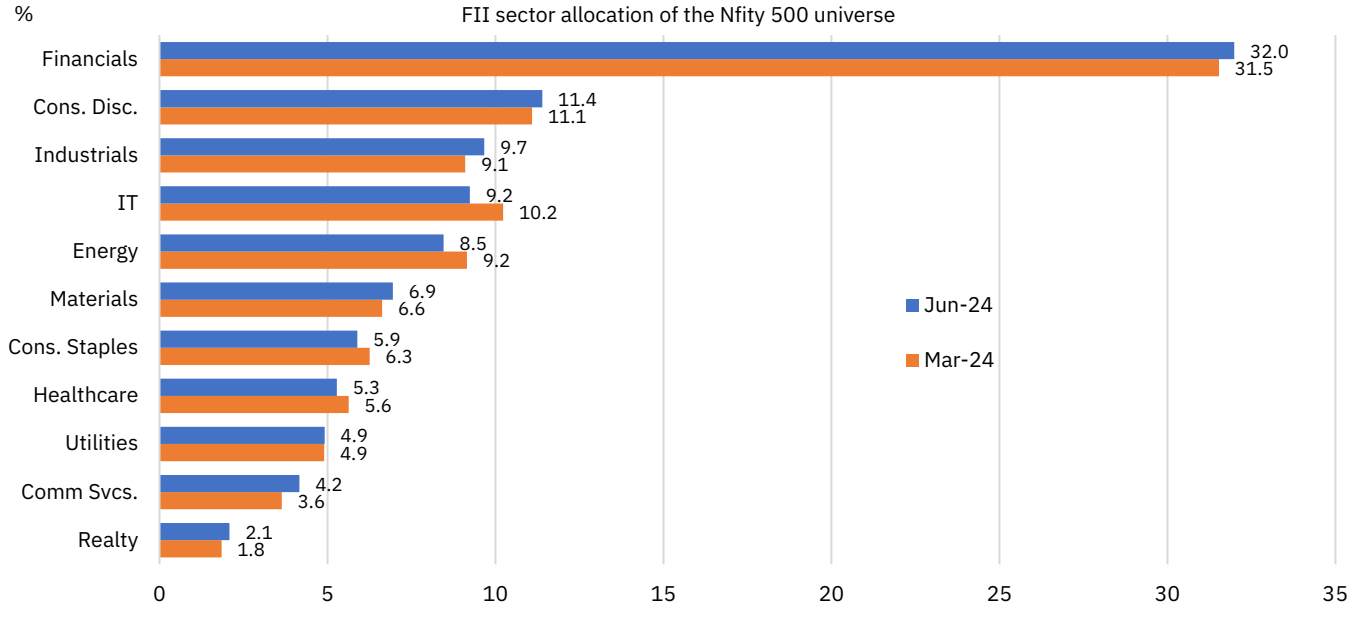


Source: CMIE Prowess, NSE EPR

FPIs' increased their bets on Financials: After trimming their bets on Financials during the quarter ended Mar'24, FPIs made outsized bets on the Financials during the quarter ended Jun'24, making it the only sector with an OW. This can be ascribed to better-than-expected financial performance of private and public banks. Consumer Staples and Materials are the only two sectors in which both the DMFs and FPIs are UW in Jun'24. FPIs have turned incrementally negative on the Information Technology sector, on account of lingering concerns around global growth slowdown. FPIs are also UW on Materials and Industrials while all others like Communication Services, Consumer Discretionary, Energy, Healthcare, Real Estate and Utilities have a neutral weight.

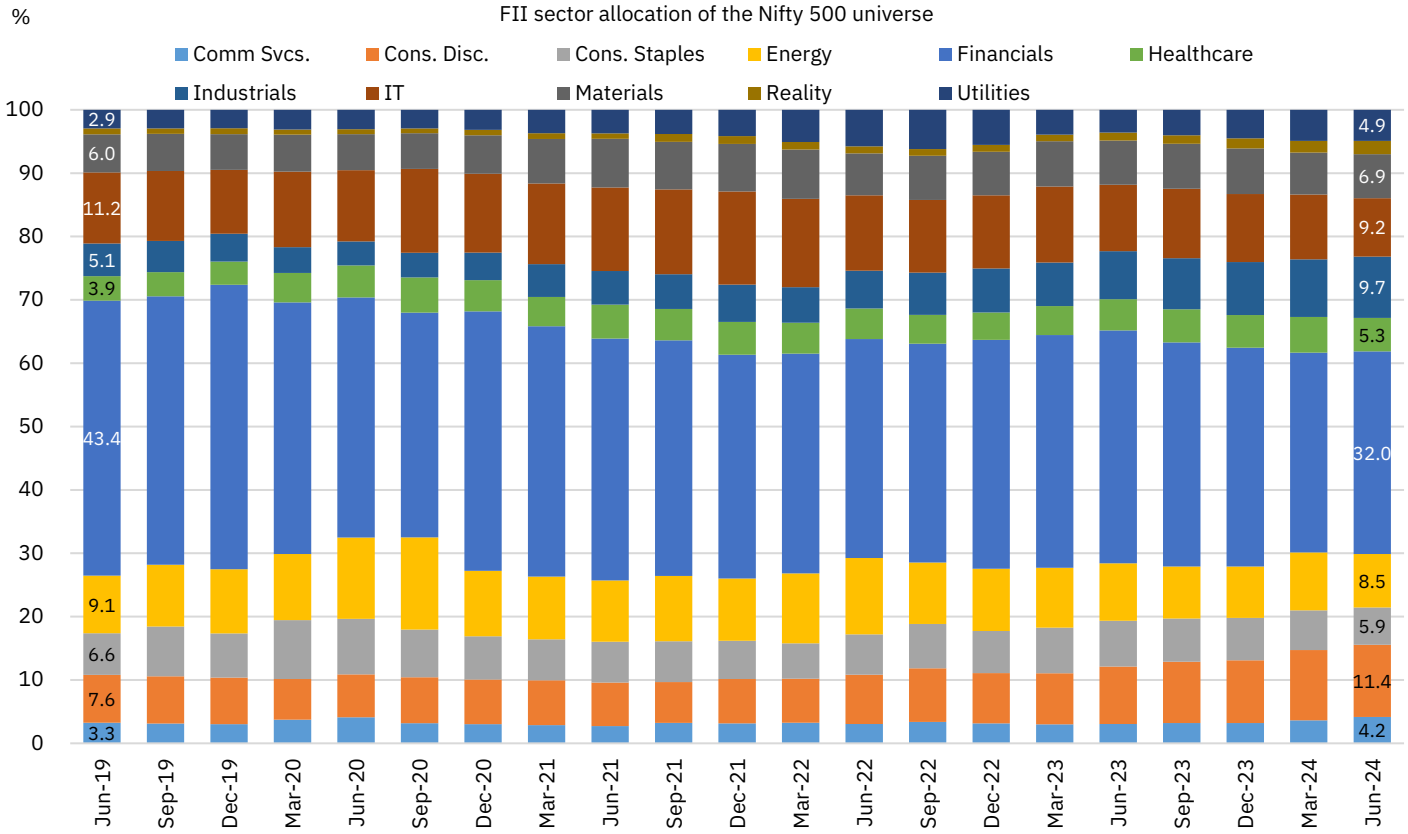
FPIs have increased their bet on Financials and have turned incrementally negative on the IT sector.

Figure 81: FPI sector allocation of the Nifty 500 universe (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 82: FPI sector allocation of the Nifty 500 universe over last five years



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Figure 83: FPI sector allocation vs sector weight in Nifty 500 (June 2024)

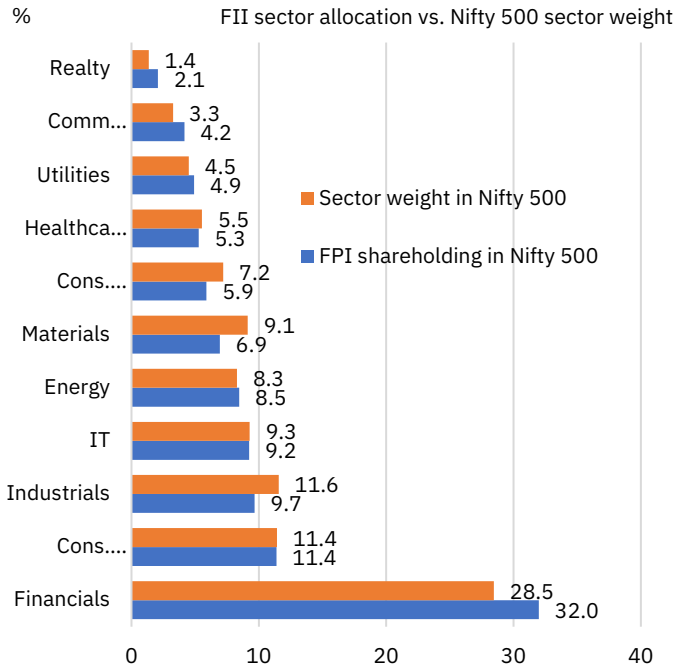
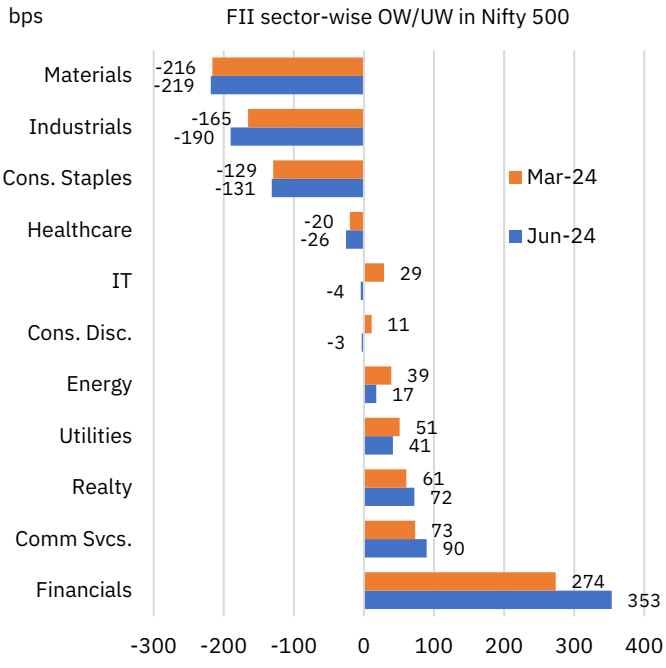
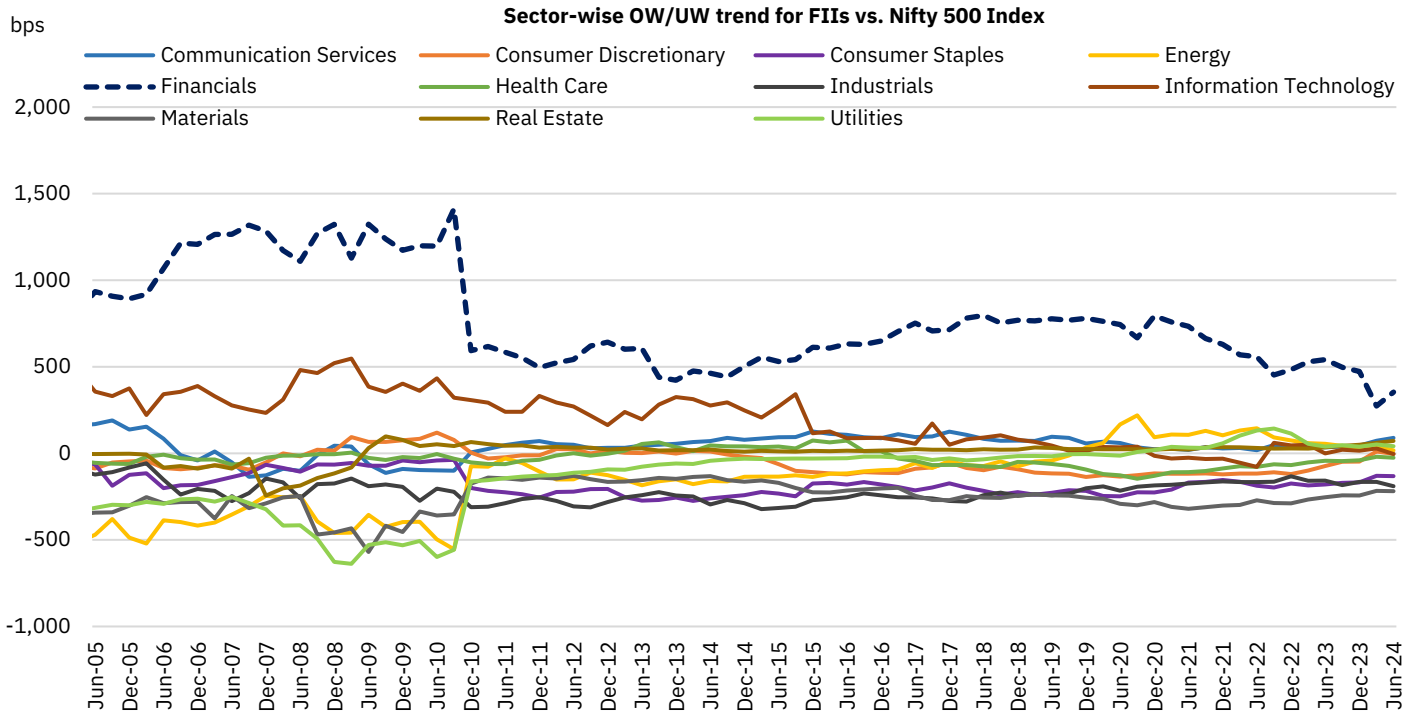


Figure 84: FPI sector-wise OW/UW in Nifty 500 relative to sector weight in the index (June 2024)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Figure 85: FPI vs Nifty 500—Sector-wise OW/UW trend (bps)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Ownership concentration analysis

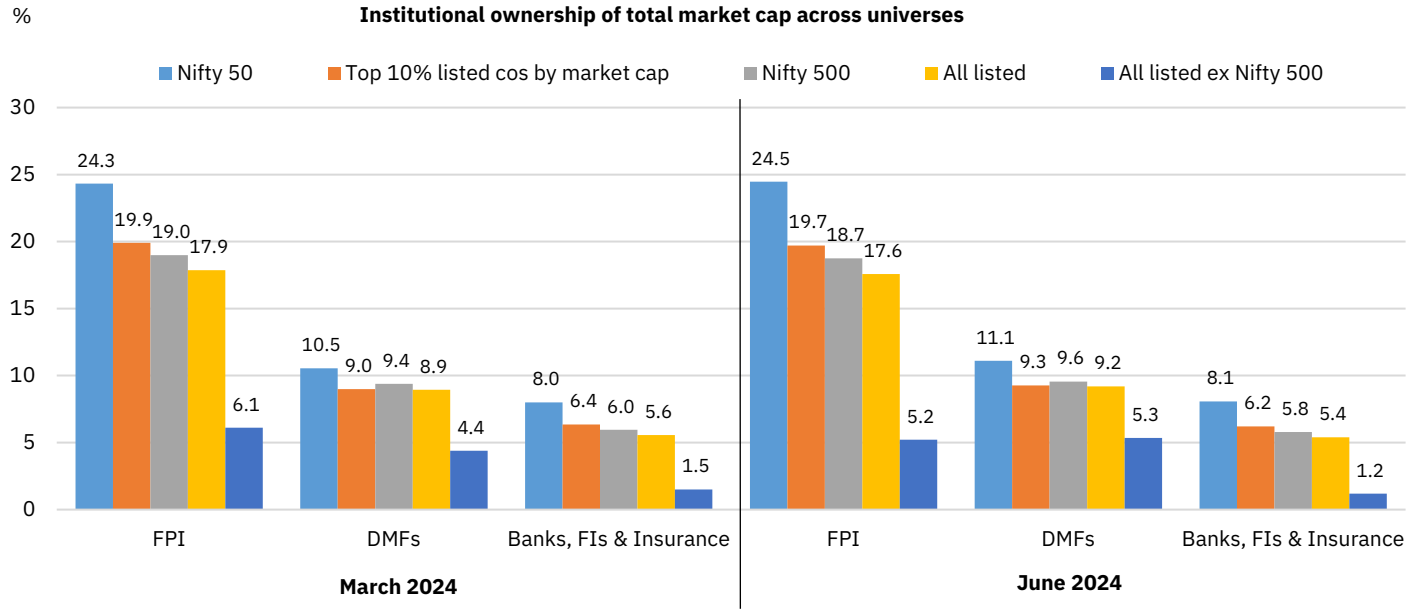
The share of Nifty50 companies in overall institutional investments fell for the fifth quarter in a row to fresh lows of 60%.

Institutional investor allocation to Nifty50 moderated for the fifth quarter in a row…: The charts below depict how ownership for all institutional investor categories in the total market cap has changed in the June quarter vis-à-vis the previous quarter.

Institutional investments historically have remained concentrated to Nifty50 companies. This trend, however, seem to be reversing since the last few quarters as institutions chase for alpha. The share of Nifty 50 companies in overall institutional investments fell for the fifth quarter in a row to fresh lows of 60% in the June quarter, translating into a total decline of 7.6pp in the last one year and nearly 12pp from the post-pandemic peak share of 72% in the quarter ending September 2020. This is a result of the combination of sustained inflows in such funds, leading to higher allocation, and relative outperformance of such companies vis-à-vis the large cap universe. For instance, while the Nifty 50 Index generated a return of 7.5%/25.1%/15.29% CAGR in the last quarter/year/five-year periods (As of June 30th, 2024), Nifty Mid-cap 50 and Nifty Small-cap 50 Indices have gained 16.2%/55.1%/28.1% CAGR and 22%/75%/23.4% CAGR respectively. This is also evident in a steep 2.6pp QoQ drop in the share of Nifty 50 companies in the total market cap of NSE listed companies in the June quarter, translating into a total decline of 9.9pp in the last five quarters to over 22-year low of 44.2%.

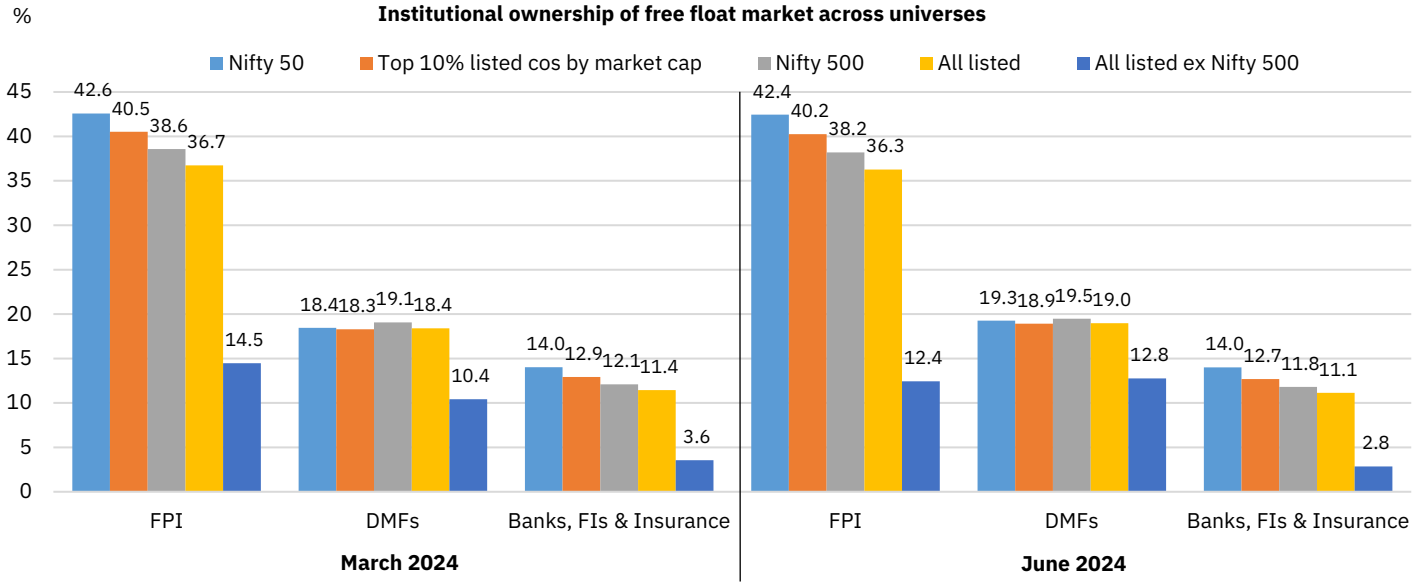
Among institutional investors, Banks, Financial Institutions and Insurance companies had the highest concentration to Nifty 50 companies, even as the share of these companies in the aggregate portfolio of this investor category dropped by 1.2pp in the June quarter to 5.7pp to the lowest level since the beginning of the analysis to 66.2%. FPIs saw the share of Nifty 50 companies in their overall investments falling by an even higher magnitude of 2.3pp in the quarter gone by to the lowest level of 61.6% (-4pp in H1 2024). DMFs, after marginally increasing their exposure to Nifty50 companies in the previous quarter, reduced it by 1.8pp QoQ to a 26-quarter low of 53.4%. This is nearly 9.7pp lower than the post-pandemic high share of 63.1% in September 2020.

Figure 86: Institutional share of total market cap (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE *FPI ownership includes ownership through depository receipts held by custodians.

Figure 87: Institutional ownership of floating stock (June 2024 vs. March 2024)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

...And so is for individual investors...: The drop in the share of Nifty 50 companies in the overall direct investments of individuals as non-promoters fell by an even higher quantum in the June quarter as compared to other domestic investor categories. Nfity50 companies now have a share of 36.8% in the individuals' non-promoter direct holding, much, much lower than 44.2% share of such companies in the overall market capitalisation. This has translated into a total of 11pp decline in the share of such companies in individuals' portfolio in the last five quarters. This indicates incrementally higher allocation to mid and smaller companies during the last few quarters. Individuals owned 19.3% of the total market cap of listed companies excluding the Nifty 500 universe as of June end and 46.0% in the floating stock of these companies.

Figure 88: Individual share of total market cap (June 2024 vs. March 2024)

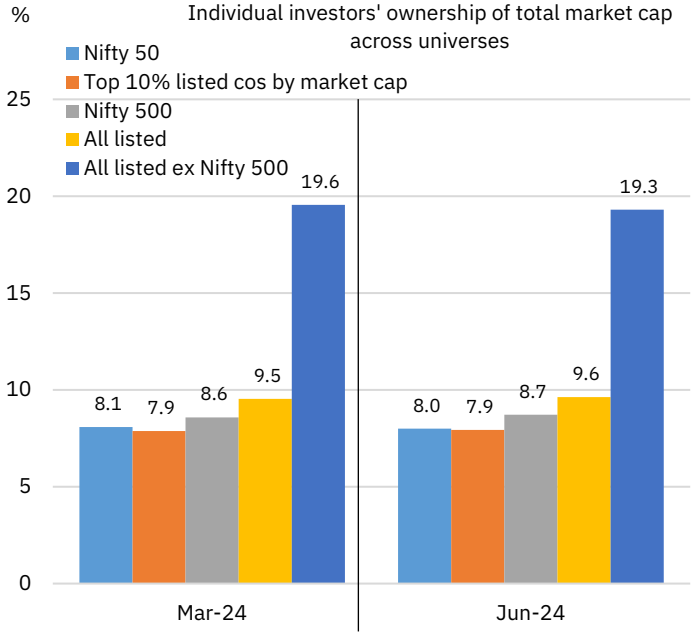
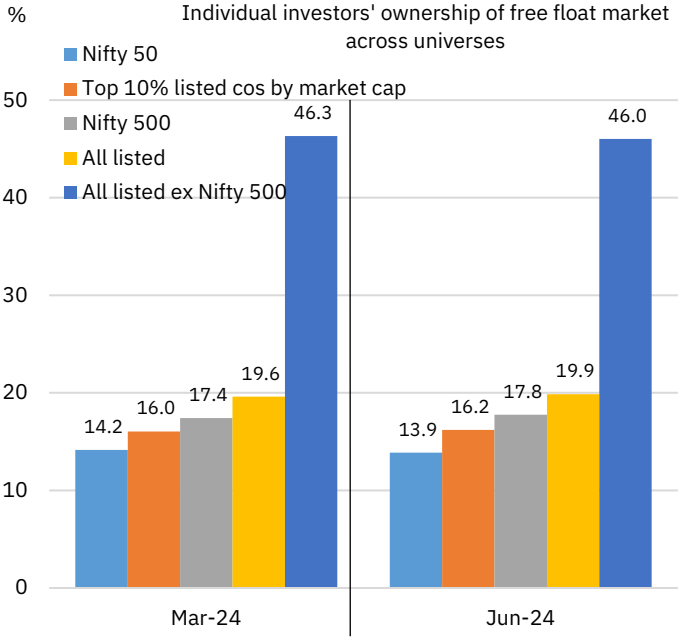


Figure 89: Individual ownership of floating stock (June 2024 vs March 2024)



Source: CMIE Prowess, NSE EPR.

Decile-wise analysis shows a drop in the share of large-cap companies in portfolios across investor categories: The tables below summarise the distribution of individuals', DMFs' and FPIs' portfolio across different market capitalisation deciles within the NSE listed universe. After having seen an increase in the previous quarter, the quarter ending June 2024 saw the share of large-cap companies in the portfolios across investor categories drop. Individual investors now have 65.2% of their portfolio invested in the top decile companies by market capitalisation (about 200), with the next decile contributing 14.2%. Notably, the bottom 50% of the NSE listed companies by market capitalisation account for a mere 4.1% of the individuals' total holding, even as the share has expanded by 2.8x since the pandemic. While a large part of this is attributed to a significant rally seen in mid- and small-cap companies during the last few years, it is also due to incrementally higher allocation to such companies. This is reflected in the widening gap between the share of the top decline companies in the overall market capitalisation and the share of individual investments in such companies.

While FPIs have 88.4% of their investments made in the top 200 companies by market capitalisation (top decile), DMFs have a nearly 9pp lower share of such companies in their investment portfolio. That said, the share of such companies in both FPIs' and DMFs' portfolios have fallen to a 55 and 25-quarter low levels respectively. Nevertheless, the allocation of the top decile companies for both DMFs and FPIs is higher than the share of such companies in the overall market capitalisation. Banks, Financial Institutions and Insurance companies have an even higher allocation to larger companies, with 99% of their investments held in the top three deciles.

Table 13: Market cap decile-wise share of individuals' portfolio in NSE listed companies

	FY21				FY22				FY23				FY24				FY25
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1	75.1	76.0	73.6	73.8	69.7	70.7	69.0	69.6	70.0	67.8	69.3	69.4	67.3	65.7	65.1	66.3	65.2
2	12.5	11.9	12.4	12.7	13.1	13.3	14.1	13.5	13.3	13.3	13.0	12.5	13.1	14.0	14.1	14.2	14.2
3	5.2	5.7	6.3	6.3	7.6	7.3	6.9	7.0	6.9	7.4	7.3	7.5	7.8	8.6	8.6	8.3	8.8
4	3.1	3.0	3.4	3.4	4.3	4.3	4.1	4.1	4.1	4.5	4.3	4.3	4.7	4.8	4.9	4.6	4.7
5	1.9	1.7	2.1	1.8	2.5	2.2	2.7	2.7	2.6	3.2	2.7	2.8	3.1	3.1	3.1	2.8	3.0
6	1.0	0.8	1.1	1.0	1.4	1.2	1.6	1.5	1.5	1.8	1.6	1.7	1.9	2.0	2.0	1.9	2.0
7	0.6	0.5	0.6	0.5	0.8	0.6	0.8	0.9	0.9	1.1	0.9	1.0	1.1	1.0	1.1	1.0	1.1
8	0.3	0.2	0.3	0.2	0.4	0.3	0.5	0.5	0.5	0.6	0.5	0.5	0.6	0.5	0.6	0.5	0.6
9	0.2	0.1	0.2	0.1	0.2	0.1	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
10	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Source: CMIE Prowess, NSE EPR.

Table 14: Distribution of total value held by individual investors across market capitalization deciles

Rs lakh crore	FY21				FY22				FY23				FY24				FY25
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
1	9.0	10.5	12.3	13.5	14.9	17.0	17.5	17.6	16.1	16.7	17.7	16.5	18.4	20.1	22.6	24.1	27.2
2	1.5	1.6	2.1	2.3	2.8	3.2	3.6	3.4	3.0	3.3	3.3	3.0	3.6	4.3	4.9	5.2	5.9
3	0.6	0.8	1.0	1.2	1.6	1.8	1.8	1.8	1.6	1.8	1.9	1.8	2.1	2.6	3.0	3.0	3.7
4	0.4	0.4	0.6	0.6	0.9	1.0	1.1	1.0	0.9	1.1	1.1	1.0	1.3	1.5	1.7	1.7	2.0
5	0.2	0.2	0.3	0.3	0.5	0.5	0.7	0.7	0.6	0.8	0.7	0.7	0.8	0.9	1.1	1.0	1.2
6	0.1	0.1	0.2	0.2	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.5	0.6	0.7	0.7	0.8
7	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.3	0.3	0.4	0.4	0.5
8	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2
9	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**12.0**	**13.8**	**16.8**	**18.3**	**21.4**	**24.0**	**25.4**	**25.3**	**22.9**	**24.7**	**25.6**	**23.8**	**27.4**	**30.5**	**34.7**	**36.4**	**41.6**

Source: CMIE Prowess, NSE EPR.

Figure 90: Share of companies in the top decile by market cap in individuals' portfolio and overall listed universe

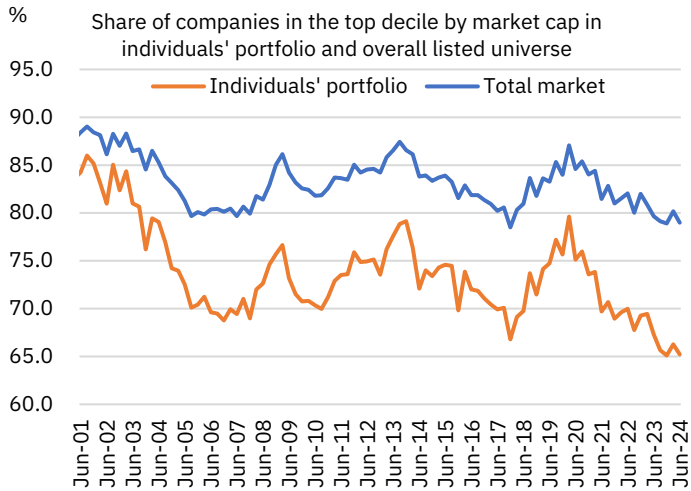
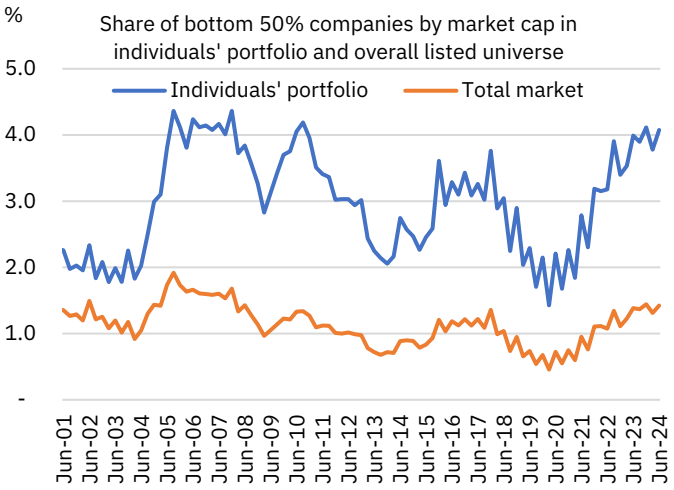


Figure 91: Share of bottom 50% companies by market cap in individuals' portfolio and overall listed universe



Source: CMIE Prowess, NSE EPR. Note: Deciles are created based on market capitalisation at the end of each quarter.

Table 15: Market cap decile-wise share of DMFs' portfolio in NSE listed companies

	FY21				FY22				FY23				FY24				FY25
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1	85.2	86.1	84.2	84.9	82.0	83.7	82.0	82.8	82.7	80.0	83.0	81.5	79.6	79.8	80.0	80.6	79.5
2	10.4	10.2	11.0	10.8	12.0	11.7	12.4	11.8	12.0	13.4	11.6	12.7	13.8	13.6	13.3	13.2	13.8
3	3.0	2.7	3.3	3.1	3.9	3.2	3.7	3.5	3.6	4.2	3.7	3.9	4.4	4.3	4.3	4.0	4.2
4	1.0	0.8	1.1	1.0	1.6	1.1	1.4	1.4	1.1	1.6	1.2	1.4	1.7	1.8	1.8	1.7	1.9
5	0.3	0.2	0.3	0.2	0.4	0.3	0.4	0.4	0.4	0.6	0.4	0.4	0.5	0.4	0.5	0.4	0.4
6	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CMIE Prowess, NSE EPR.

Table 16: Distribution of total value held by DMFs across market capitalization deciles

Rs lakh crore	FY21				FY22				FY23				FY24				FY25
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
1	9.2	10.1	11.6	12.5	13.5	15.8	16.0	16.7	15.8	17.0	18.7	18.1	20.0	22.0	25.4	27.5	31.6
2	1.1	1.2	1.5	1.6	2.0	2.2	2.4	2.4	2.3	2.9	2.6	2.8	3.5	3.7	4.2	4.5	5.5
3	0.3	0.3	0.5	0.4	0.6	0.6	0.7	0.7	0.7	0.9	0.8	0.9	1.1	1.2	1.4	1.4	1.7
4	0.1	0.1	0.1	0.2	0.3	0.2	0.3	0.3	0.2	0.3	0.3	0.3	0.4	0.5	0.6	0.6	0.7
5	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2
6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**10.8**	**11.7**	**13.8**	**14.7**	**16.5**	**18.9**	**19.6**	**20.1**	**19.1**	**21.3**	**22.6**	**22.2**	**25.1**	**27.5**	**31.7**	**34.2**	**39.8**

Source: CMIE Prowess, NSE EPR.

Figure 92: Share of companies in the top decile by market cap in DMFs' portfolio and overall listed universe

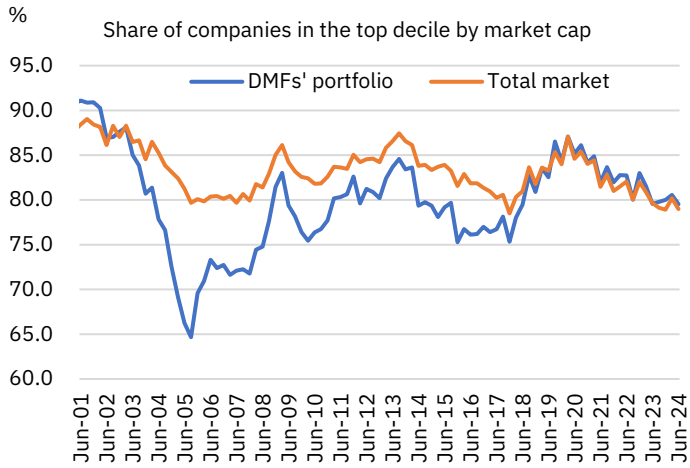
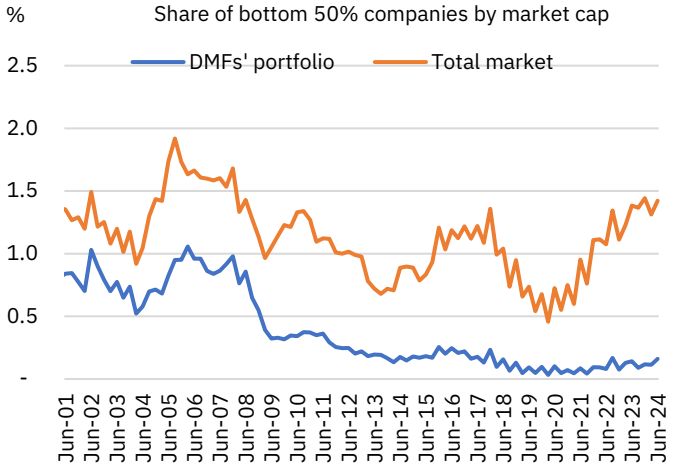


Figure 93: Share of bottom 50% companies by market cap in DMFs' portfolio and overall listed universe



Source: CMIE Prowess, NSE EPR. Note: Deciles are created based on market capitalisation at the end of each quarter.

Table 17: Market cap decile-wise share of FPIs' portfolio in NSE listed companies

	FY21				FY22				FY23				FY24				FY25
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1	92.2	93.2	92.6	92.8	90.9	91.9	90.9	90.9	91.0	89.7	91.3	90.4	89.8	89.5	89.5	89.3	88.4
2	5.7	5.1	5.4	5.4	6.6	5.9	6.4	6.3	6.3	6.8	6.0	6.5	6.9	7.0	6.9	7.2	7.7
3	1.5	1.2	1.4	1.4	1.7	1.6	1.9	1.8	1.8	2.3	1.8	2.0	2.0	2.4	2.3	2.3	2.5
4	0.4	0.3	0.4	0.3	0.5	0.4	0.5	0.6	0.5	0.7	0.6	0.7	0.8	0.8	0.9	0.8	0.9
5	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.3	0.3	0.3	0.2	0.2
6	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CMIE Prowess, NSE EPR.

Table 18: Distribution of total value held by FPIs across market capitalization deciles

Rs lakh crore	FY21				FY22				FY23				FY24				FY25
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
1	25.7	29.3	37.6	40.5	42.9	48.7	47.1	45.6	40.3	44.7	48.1	43.9	49.8	51.9	58.6	61.0	67.3
2	1.6	1.6	2.2	2.4	3.1	3.1	3.3	3.2	2.8	3.4	3.2	3.1	3.8	4.0	4.5	4.9	5.9
3	0.4	0.4	0.6	0.6	0.8	0.8	1.0	0.9	0.8	1.1	0.9	1.0	1.1	1.4	1.5	1.5	1.9
4	0.1	0.1	0.1	0.1	0.2	0.2	0.3	0.3	0.2	0.4	0.3	0.3	0.4	0.4	0.6	0.6	0.7
5	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.1	0.2
6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**27.9**	**31.5**	**40.6**	**43.6**	**47.2**	**53.0**	**51.9**	**50.2**	**44.3**	**49.8**	**52.6**	**48.6**	**55.4**	**58.0**	**65.5**	**68.3**	**76.0**

Source: CMIE Prowess, NSE EPR.

Figure 94: Share of companies in the top decile by market cap in FPIs' portfolio and overall listed universe

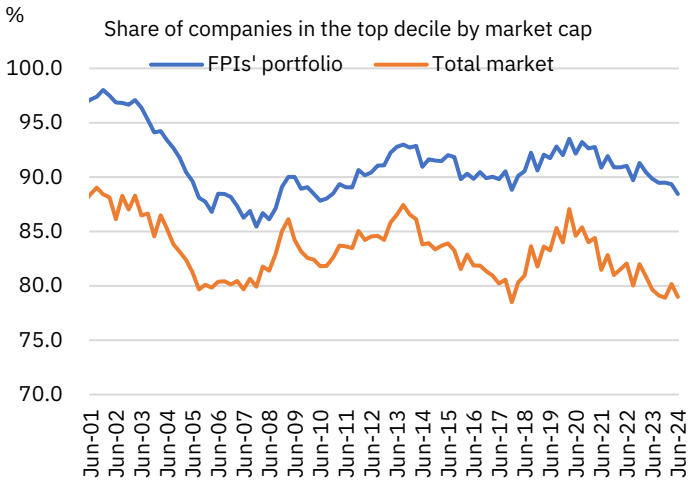
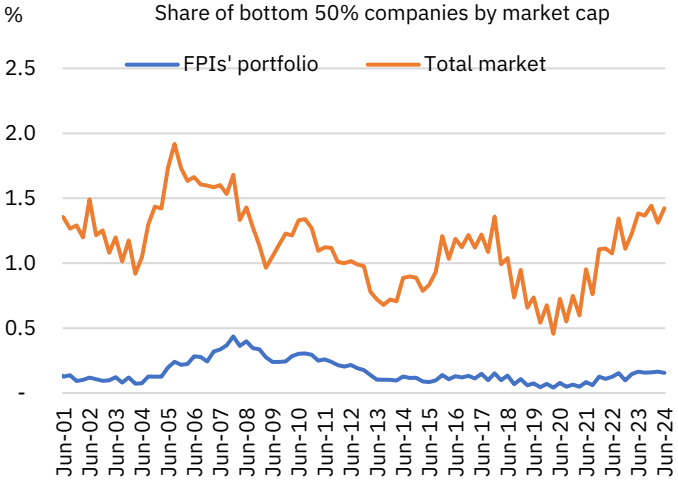


Figure 95: Share of bottom 50% companies by market cap in FPIs' portfolio and overall listed universe



Source: CMIE Prowess, NSE EPR. Note: Deciles are created based on market capitalisation at the end of each quarter.

Table 19: Market cap decile-wise share in total market capitalization of NSE listed companies

	FY21				FY22				FY23				FY24				FY25
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
1	84.6	85.4	84.0	84.4	81.5	82.8	81.0	81.5	82.1	80.0	82.0	80.9	79.6	79.1	78.9	80.2	79.0
2	9.5	9.2	9.5	9.6	10.6	10.0	10.9	10.5	10.2	11.0	10.1	10.6	11.1	11.1	11.2	10.6	11.2
3	3.1	3.0	3.5	3.3	4.1	3.8	4.1	4.0	3.8	4.3	3.9	4.2	4.4	4.7	4.8	4.5	4.7
4	1.3	1.2	1.5	1.4	1.9	1.7	1.9	1.9	1.8	2.2	1.9	2.0	2.3	2.3	2.4	2.2	2.4
5	0.7	0.6	0.8	0.7	1.0	0.9	1.0	1.0	1.0	1.2	1.1	1.1	1.3	1.3	1.3	1.2	1.2
6	0.4	0.3	0.4	0.3	0.5	0.4	0.6	0.6	0.6	0.7	0.6	0.6	0.7	0.7	0.7	0.7	0.7
7	0.2	0.1	0.2	0.2	0.3	0.2	0.3	0.3	0.3	0.4	0.3	0.3	0.4	0.4	0.4	0.4	0.4
8	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
9	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CMIE Prowess, NSE EPR.

Table 20: Market capitalization of NSE listed companies distributed across deciles

Rs lakh crore	FY21				FY22				FY23				FY24				FY25
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
1	117.1	130.8	156.9	171.4	185.9	213.7	213.0	212.7	197.3	214.0	228.7	205.5	232.0	249.1	283.7	306.4	341.6
2	13.1	14.0	17.7	19.4	24.3	25.8	28.6	27.3	24.5	29.3	28.0	26.9	32.3	35.0	40.3	40.7	48.6
3	4.4	4.6	6.5	6.7	9.3	9.7	10.7	10.4	9.3	11.4	10.8	10.6	12.7	14.8	17.1	17.2	20.5
4	1.9	1.9	2.8	2.9	4.3	4.5	5.1	4.9	4.4	5.8	5.3	5.2	6.6	7.4	8.6	8.3	10.3
5	1.0	1.0	1.5	1.4	2.2	2.3	2.7	2.6	2.5	3.2	2.9	2.8	3.7	4.1	4.7	4.5	5.4
6	0.5	0.5	0.7	0.7	1.1	1.1	1.5	1.5	1.3	1.9	1.6	1.6	2.1	2.3	2.7	2.6	3.2
7	0.3	0.2	0.4	0.3	0.6	0.5	0.8	0.8	0.7	1.0	0.8	0.8	1.1	1.2	1.4	1.4	1.7
8	0.1	0.1	0.2	0.2	0.3	0.2	0.4	0.4	0.4	0.5	0.4	0.4	0.5	0.6	0.7	0.7	0.8
9	0.1	0.0	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.4
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1
Total	**138.4**	**153.1**	**186.7**	**203.1**	**228.2**	**258.0**	**263.0**	**261.0**	**240.5**	**267.4**	**278.9**	**254.2**	**291.2**	**314.8**	**359.5**	**382.1**	**432.5**

Source: CMIE Prowess, NSE EPR.

Ownership concentration in terms of no. of companies with holding greater than 5%:
We now compare the depth of institutional ownership with its width in the market. We consider the FPI portfolio in India since 2001, not in terms of its value, but in terms of the *number* of stocks. FPIs meaningfully expanded their invested pool of companies between 2020 and 2022, from near-1200 odd companies in December 2020 to 1450+ by December 2021 and 1770+ by December 2022. This number fell significantly in the last quarter of FY23 to about 1450, after which there has been a steady rise in the number of companies held by FPIs to 1733 by June-end. At the same time, the number of companies where FPIs have more than 5% stake stands at 680, up from 670 in the previous quarter. As a percentage of total number of companies held by FPIs, this comes to about 39.2%, slightly higher than 38.5% in the previous quarter.

The quarter gone by saw DMFs holding a stake in 1267 companies—the highest ever. Out of these, DMFs own more than 5% share in 563, which brings the ratio of count of such companies to the total number of DMF-owned companies in the NSE listed universe to a fresh all-time high of 44.4%.

Figure 96: Number of listed cos with FPI holding >5%

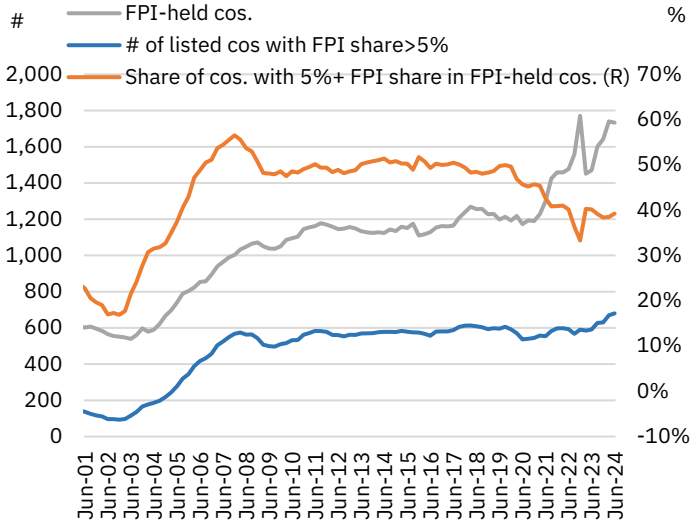
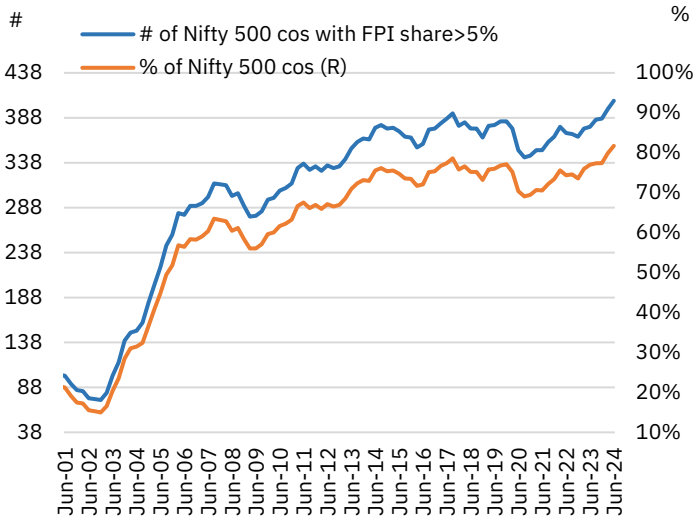


Figure 97: Number of Nifty500 cos with FPI holding >5%



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 98: Number of listed cos with DMF holding >5%

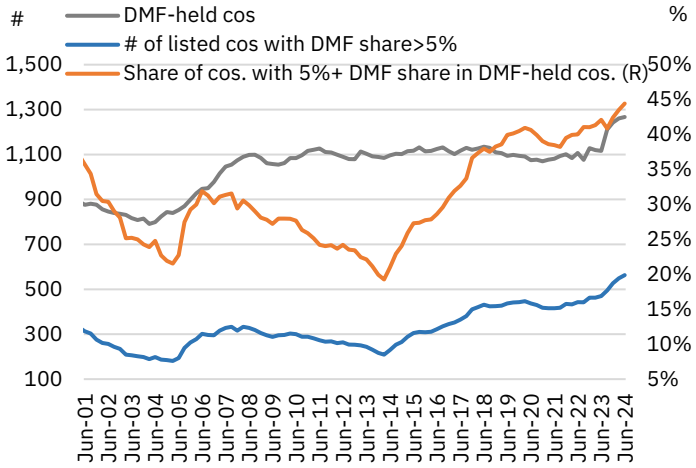
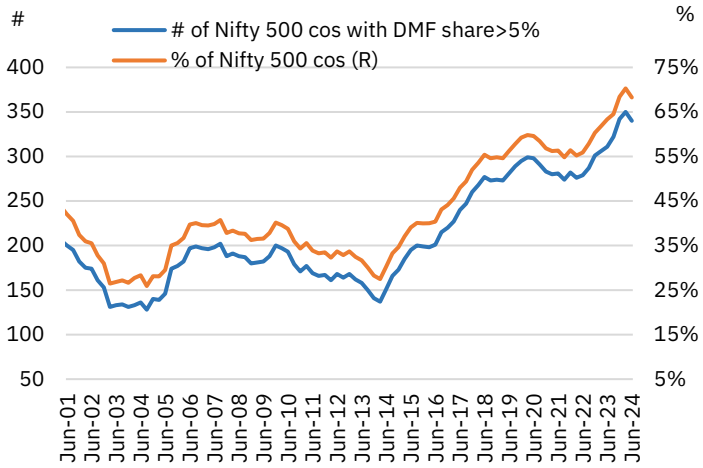


Figure 99: Number of Nifty500 cos with DMF share >5%



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 100: Number of listed companies with Banks, FIs & Insurance holding >5%

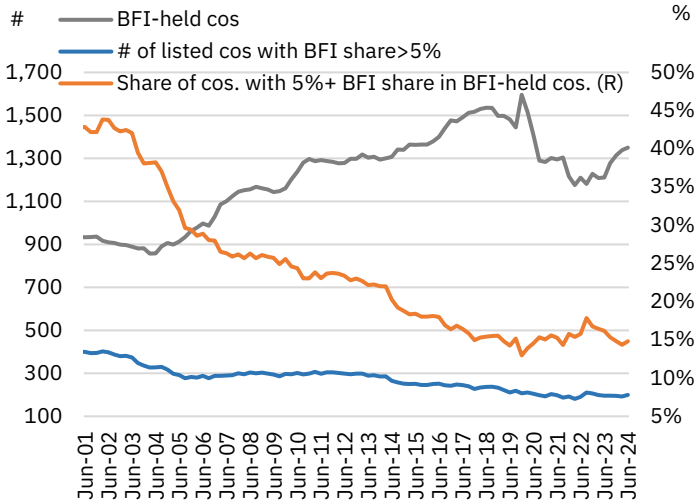
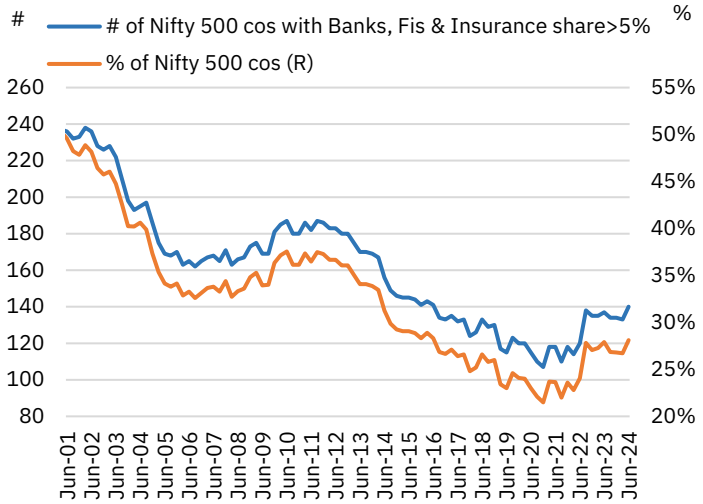


Figure 101: Number of Nifty500 companies with Banks, FIs & Insurance holding >5%



Source: CMIE Prowess, NSE EPR. BFI = Banks, Financial Institutions, and Insurance Companies.

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We gratefully acknowledge the contribution of Shantanu Sharma, Abhijay Nair, Dhruvi Shah, Mihir Raravikar, Ranjeet Singh and Shashidharan Sharma (Research Associates) to this publication.

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