

# MF, retail ownership in listed firms at new high

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Mutual fund (MF) and retail shareholding in NSE-listed companies hit fresh record highs during the quarter ended June 2024, while that of foreign portfolio investors (FPIs) declined to its lowest level in 12 years.

This is a continuation in trend where domestic institutions are tightening their grip on locally-listed companies amid exodus of foreign capital.

According to data tracker Prime Infobase, MFs holding rose to 9.17 per cent on June 30, 2024 from 8.93 per cent on March 31, 2024. The increase in ownership was on the back

of net inflows of ₹1.1 trillion by domestic MFs.

Meanwhile, retail holding rose 12 basis points (bps) quarter-on-quarter (Q-o-Q) to 7.64 per cent on June 30. Besides MFs and retail, government holding also rose on a Q-o-Q basis to 10.64 per cent.

FPI holding fell by 34 bps to 17.38 per cent on the back of ₹7,700-crore outflow during the June quarter. Besides FPIs, Life Insurance Corporation of India (LIC), high net worth individuals (HNIs) and private promoters also saw a decline in their ownership.

LIC's share declined to an all-time low of 3.64 per cent as on June 30 from 3.75 per cent on March 31. This was despite

net buying of ₹12,400 crore during the quarter. Ownership of domestic institutional investors (DIIs) as a whole increased to 16.23 per cent from 16.07 per cent during the quarter. This has resulted in the gap between FPI and DII holding narrowing to a fresh low.

The widest gap between FPI and DII shareholding was in the quarter ending March 2015, when it stood at 49.82 per cent.

The share of the government (as promoter) increased to a seven-year high of 10.64 per cent on the back of strong performance by several PSUs. On the other hand, the share of private promoters declined to a five-year low of 40.88 per cent.