



## REALITY CHECK.

# Indian equity market on the path to *atmanirbhar* too?

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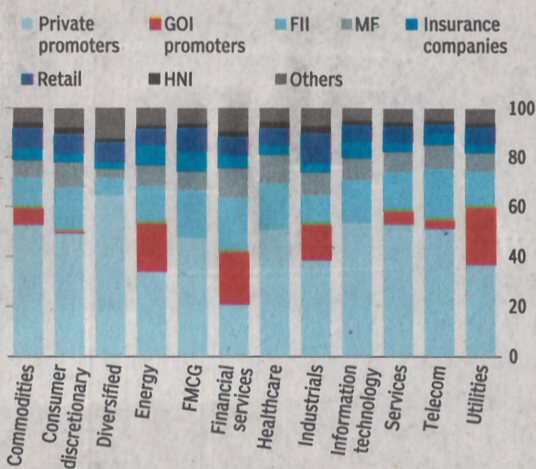
FII's relentless selling has taken centerstage recently, owing to various macro factors; but to name two, valuation-wise charged-up domestic markets and US markets showing optimism over the return of Trump. A slowdown in India Inc's earnings starting from Q2 FY25 acted as a catalyst.

At this juncture, PRIME Infobase, a provider of corporate databases in India, recently came out with its quarterly shareholding tracker updated as of Q3 FY25. This data is compiled with the data of all NSE-listed companies except 36 that have not submitted their shareholding pattern for Q3.

Here are three interesting data points taken from the report, looking at where different types of investors have their monies parked within the listed equity space and how they compare against each other.

HDFC Bank and ICICI Bank stand as favourites of both FIIs and DIIs, enjoying highest holding in market value terms from both the segments. Sector-wise too, FIIs stand as the largest shareholder category, per the shareholding pattern, in the financial services sector, beating both private promoters and the Government of

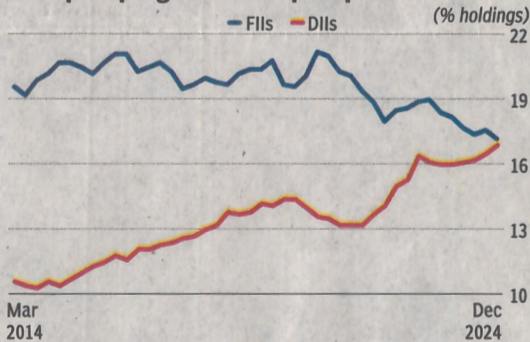
### Shareholding pattern across sectors (%)



### India.

FII to DII ratio plummeted to yet another decadal low in Q3 FY25, sequentially dropping quarter on quarter since Q2 FY24. With the selloff by FIIs extending into Q4 FY25 and DIIs continuing to load up supported by strong retail SIPs, DIIs could well overtake FIIs.

### DII-s pumping in as FII-s pump out



Private promoters continued to dilute their holdings with 20 basis points fall year on year. While promoter stake sale is an obvious reason, record qualified institutional placements (QIPs) done this year also added up. GoI's share in the holdings, on the other hand, have been on the rise since Covid-19, thanks to the rally in PSUs. While nominally low in Q3 FY25, the recent sell-off is the culprit.

### Private promoters continue to tap-out since covid-19

