

# MFs' stake in NSE firms hits new high; 11-year low for FPIs

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**MUTUAL FUNDS' OWNERSHIP** in NSE-listed companies reached an all-time high of 8.92% in three months ended March 2024 propelled by net inflows of ₹81,539 crore during the quarter, according to primeinbase.com, an initiative of Prime Database Group.

In comparison, the holding of mutual funds was at 8.81% in the quarter ended December 2023.

LIC, the single-largest domestic institutional investor, saw its share (across 280 companies where it owns more than 1%) increasing to 3.75% as of March 2024 from 3.64% as of December 2023.

The share of Domestic Institutional Investors (DIIs), which includes domestic mutual funds, insurance companies, banks, financial institutions, pension funds, Non-Banking Financial Companies (NBFCs) as a whole increased to 16.05% in the

quarter under review from 15.96% in the preceding quarter.

This increase was on the back of a huge inflow of ₹1.08 trillion.

On the other hand, the share of Foreign Portfolio Investors' (FPIs) declined to an 11-year low of 17.68% as of March 2024, down from 18.19% as on December 2023, resulting in the gap between FPI and DII holding narrowing to an all-time low with DII holding now being just 9.23% lower than FPI holding. The widest gap between FPI and DII holding was in the quarter ended March 31, 2015, when DII holding was at 49.82%.

"Indian markets are moving towards Atmanirbharta (self-reliance) with the share of DIIs set to overtake that of FPIs in the next few quarters," Pranav Haldea, managing director, Prime Database Group, said.

This analysis is based on shareholding patterns filed by 1,956 of the total 1,989 companies listed on NSE for the quarter ended March 2024.