

Domestic MFs halve ownership gap with FIIs in NSE-listed firms to 5.5% in Dec '25



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DOMESTIC MUTUAL funds (MFs) have halved their shareholding gap with FIIs in NSE-listed companies from 10.51% at the end of December 2022 to 5.5% by the end of December 2025, fuelled by strong inflows from retail investors, according to a report by PRIME database.

At its peak, the gap was 17.14% on March 31, 2015 with FIIs' share at 20.70% and MFs' share at just 3.56%. "The balance of ownership in Indian equities is tilting inward, reinforcing the market's growing *atmanirbharta*, as MFs alone seem set to overtake FIIs in the coming quarters. This trend started with demonetisation in 2016 and accelerated during Covid years," said Pranav Haldea, MD, PRIME Database Group.

In the three years to December 2025, the net AUM in equity-oriented schemes surged 134%. MFs, flush with retail money coming through SIPs, invested Rs 1.06 lakh crore in the December quarter on a net basis. In contrast, net FII outflows stood at Rs 11,765 crore. Supported by MF higher inflows, the share of DIIs' ownership in local firms hit peak of 18.72% as on December 31, 2025, from 18.28% on September 30. FULL REPORT ON

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