



PRESS RELEASE

08<sup>th</sup> February, 2021

**FPI HOLDING AT 5-YEAR HIGH AS GOVERNMENTS' & LIC'S  
HOLDING REACHES ALL TIME LOW IN DECEMBER 2020 QUARTER:**  
**[primeinfobase.com](http://primeinfobase.com)**

Holding of Foreign Portfolio Investors (FPIs) reached a 5-year high of 22.74 per cent as on December 31, 2020, up from 21.51 per cent as on September 30, 2020, on the back of net inflows of a huge INR 1,41,914 crore during the quarter as per [primeinfobase.com](http://primeinfobase.com), an initiative of PRIME Database Group. In INR value terms, FPI ownership reached an all-time high of INR 41.83 lakh crore (or INR 41,829 bn) as on December 31, 2020, up 29 per cent from INR 32.47 lakh crore as on September 30, 2020. Sensex and Nifty rose by 25 per cent during this period.

On the other hand, the percentage holding of the Government (as promoter) in companies listed on NSE hit yet another all-time low (fourth quarter in a row) of 5.08 per cent as on December 31, 2020, down from 5.10 per cent as on September 30, 2020, according to Pranav Haldea, Managing Director, PRIME Database Group. Over an 11-year period (since June 2009), the holding has been steadily declining, from 22.46 per cent as on June 30, 2009, due to the Government's divestment programme, not enough new listings as also lackluster performance of many CPSEs relative to their private peers.

LIC's holding (across 290 companies where its holding is more than 1 per cent) also slipped to an all-time low of 3.70 per cent as on December 31, 2020, down from 3.91 per cent as on September 30, 2020 and from all-time high of 5 per cent as on June 30, 2012. In INR value terms though, it reached an all-time high of INR 6.81 lakh crore in quarter ending December 31, 2020, an increase of 15.40 per cent over previous quarter. LIC also continues to command a lion's share of investments in equities by insurance companies (74 per cent share).

According to Haldea, retail holding (individuals with up to INR 2 lakh shareholding) in companies listed on NSE declined to 6.90 per cent as on December 31, 2020 from 7.01 per cent on September 30, 2020, as retail investors took advantage of the market rally to book profits. In INR value terms though, retail holding in companies listed on NSE also reached an all-time high of INR 12.69 lakh crore from INR 10.58 lakh crore on September 30, 2020.

On an overall basis, retail holding went up in 634 companies listed on NSE in the last 1 quarter. The average stock price of these companies in the same period increased by 23.77 per cent. On the other hand, retail holding went down in 929 companies. The average stock price of these companies increased by a much higher 34.61 per cent. According to Haldea, this further validates the oft-used phrase that retail buys at the peak and sells at lows.

The percentage holding of private promoters in companies listed on NSE declined marginally to 44.46 per cent as on December 31, 2020 from 45.38 per cent on September 30, 2020. Over an 11-year period (since June 2009), private promoter ownership has been steadily increasing, having increased from 33.61 per cent on June 30, 2009. In INR value terms, private promoter holding in companies listed on NSE has gone up nearly 6 times to INR 81.77 lakh crore from just INR 14.51 lakh crore on June 30, 2009, of course, aided by new listings too. While 'Indian' private promoters holding has gone up from 26.45 per cent to 35.42 per cent over the last 11 years, 'foreign' promoters' holding has gone up from 7.16 per cent to 9.05 per cent.



Holding of domestic Mutual Funds in companies listed on NSE reduced to 7.42 per cent as on December 31, 2020 down from 7.65 per cent as on September 30, 2020. **According to Haldea, holding of Mutual Funds has now declined for three consecutive quarters, after 24 quarters of continuous rise (from 2.80 per cent as on March 31, 2014 to 7.96 per cent as on March 31, 2020).** Net outflows by domestic Mutual Funds stood at a huge INR 71,532 crore during the quarter, again as retail investors booked profits. In INR value terms though, the holding of domestic Mutual Funds went up by 18.20 per cent to INR 13.64 lakh crores as on December 31, 2020 from INR 11.54 lakh crores on September 30, 2020.

Holding of Insurance companies as a whole also declined to 5 per cent as on December 31, 2020 down from 5.17 per cent as on September 30, 2020. In INR value terms, it went up by 17.93 per cent from the previous quarter to INR 9.20 lakh crores as on December 31, 2020.

On the back of decrease in holdings of Mutual Funds and Insurance companies, holding of Domestic Institutional Investors (DII), which includes domestic Mutual Funds, Insurance Companies, Banks, Financial Institutions, Pension Funds etc., as a whole, also decreased to 13.55 per cent as on December 31, 2020 from 13.94 per cent as on September 30, 2020. In INR value terms though, DII holding went up to INR 24.93 lakh crore as on December 31, 2020, an increase of 18.47 per cent over the last quarter.

As a result, the gap between FPI and DII holding has widened, DII holding now being 40.41 per cent lower than FPI holding (On September 30, 2020, DII holding was 35.20 per cent lower than FPI holding). The widest gap between FPI and DII holding was in quarter ending March 31, 2015, when DII holding was 55.43 per cent lower than FPI holding. Over an 11-year period (since June 2009), FPI ownership has increased from 16.02 per cent to 22.74 per cent while DII ownership has increased from 11.38 per cent to 13.55 per cent.

However, on the back of huge increase in FPI holding, total institutional ownership viz. FPI and DII increased to 36.30 per cent in quarter ending December 31, 2020, up from 35.45 in quarter ending September 30, 2020.

Institutional money, though, continues to incrementally get more concentrated to the top 10 per cent companies by market cap, reflecting a heightened risk-off environment. The top 10 per cent companies by market capitalisation accounted for 51.27 per cent of overall FPI holding as on December 31, 2020 (down slightly from 51.80 per cent on September 30, 2020), 34.05 per cent of overall DII holding (down from 34.86 per cent on September 30, 2020) and 35.06 per cent of overall MF holding (up from 34.94 per cent on September 30, 2020).

What is also significant **to note** is that since disclosure of holdings of **FPIs by name** is only available for holdings in a company greater than 1 per cent, such cases represent only 17.36 per cent of the overall FPI holding (INR 7.26 lakh crore of the INR 41.83 lakh crore). **According to Haldea, FPIs are the largest non-promoter shareholders in the Indian market and their investment decisions have a huge bearing on the stock prices and overall direction of market. It is thus time that complete details of all their holdings are made mandatory to be disclosed in India.**

Holding of High Net Worth Individuals (HNIs) **(individuals with more than INR 2 lakh shareholding)**, in companies listed on NSE increased to 2.00 per cent as on December 31, 2020 from 1.93 per cent as on September 30, 2020.

**There were 8 companies in which the trinity of promoters, FPIs and DIIs all increased their stake during the quarter** these being Brigade Enterprises, IRB Infrastructure Developers, CSB



Bank, Karur Vysya Bank, Surya Roshni, Triveni Engineering & Industries, Somany Ceramics and Sreeleathers.

*Note: This analysis is based on Shareholding Patterns filed by 1629 of the total 1678 companies listed on NSE (main board) for the quarter ending 31st December 2020. As on 4<sup>th</sup> February, 2021, 49 companies were still to file their shareholding patterns.*

To view detailed report, [Click here](#).

---

**About [www.primeinfobase.com](http://www.primeinfobase.com): Developed & Powered by PRIME Database Group**  
[www.primeinfobase.com](http://www.primeinfobase.com) is an initiative of PRIME Database Group to provide value added corporate data on Insider Trading, Share Pledging, transactions under Takeover Code, Shareholding, Board of Directors, AGM/EGM/Postal Ballot Resolutions, Board Meeting Resolutions, Investor Meets, Auditors, Annual Reports, CSR, Corporate Actions, Key Managerial Personnel, Company Contact Details, Financial Results, All-in-1 Shareholding and Corporate Event Calendar. All databases are updated daily and are available on an annual subscription basis on the website [www.primeinfobase.com](http://www.primeinfobase.com). The key idea behind these databases is to provide timely, complete, credible and clean information on corporates in an extremely easy-to-use and searchable manner. Apart from the above databases, we also offer a unique service of creating, maintaining & hosting the Investors section of the websites of listed and unlisted corporates in India.

**About PRIME Database Group (PRIME)**  
PRIME Database Group is India's leading provider of data on the capital markets. Apart from [www.primeinfobase.com](http://www.primeinfobase.com), the Group runs several other databases/ websites: [primedatabase.com](http://primedatabase.com)- India's first and still the only database dedicated to the primary capital market covering fund raising by the Indian corporate sector and the Government through equity, debt or securitisation, in India or abroad, [watchoutinvestors.com](http://watchoutinvestors.com)- a website which aims at alerting and protecting the investors, and is a national registry of information on companies/persons who have been indicted for an economic malpractice/non-compliance of laws/regulations/default by over 35 regulatory bodies, [primemfdatabase.com](http://primemfdatabase.com)- data on portfolios and league tables of AuMs of Mutual Funds, [primebbdatabase.com](http://primebbdatabase.com)- database of all bulk and block deals, [primecrmdatabase.com](http://primecrmdatabase.com)- database of credit rating migrations, [primecbdatabase.com](http://primecbdatabase.com)- database of public and privately placed corporate bonds containing both primary market (issuance) and secondary market (trading) data, [primemcadatabase.com](http://primemcadatabase.com)- database of RoC-filings of over 17 lakh companies, [primepevcdatabase.com](http://primepevcdatabase.com)- database of PE/VC Firms investing into India and Service Providers to this industry, [primedirectors.com](http://primedirectors.com)- an online platform to enroll professionals who are competent and willing to become independent directors on companies and for the companies to search for them and [msmmentor.in](http://msmmentor.in)- an online platform for helping MSMEs in finding Professionals who can add value to their enterprises. The Group also provides a variety of other services including database creation and management, content generation, website development and management, information consulting and data cleaning and standardization. By leveraging our deep understanding of information management, our clients are able to take better business decisions, improve their internal information processes and systems and also significantly enhance their public information platforms.

For more information, please visit: [www.primedatabasegroup.com](http://www.primedatabasegroup.com)