



PRESS RELEASE

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INDIAN CAPITAL MARKET CONTINUES MARCH TOWARDS ATMANIRBHARTA:
primeinfobase.com

The share of Domestic Institutional Investors (DIIs)[#] along with Retail and High Net-worth Individual (HNI) investors in companies listed on NSE reached yet another all-time high of 25.72 per cent as on March 31, 2023, from 24.44 per cent as on December 31, 2022, as per primeinfobase.com, an initiative of PRIME Database Group. According to Pranav Haldea, Managing Director, PRIME Database Group, this was the sixth consecutive quarter where their combined share has increased, breaching the 25 per cent or one-fourth mark for the first time in the process, and showcases the steadfastly march of the Indian Capital Market towards *Atmanirbharta*. Net inflows from DIIs stood at INR 83,200 crore during the quarter.

Meanwhile, despite net outflows from Foreign Institutional Investors (FIIs)[^] of INR 26,211 crore during the quarter, FII share increased marginally to 20.56 per cent as on March 31, 2023, up by 32 bps from 20.24 per cent as on December 31, 2022. FIIs pulled out INR 35,048 crore from Oil, Gas & Consumable Fuels and Financial Services sector during the quarter while investing INR 12,994 crore in Services & Capital Goods sector.

According to Haldea, a structural shift in relation to foreign and domestic investors has taken place in the Indian market over the last 8 years. To put this in perspective, as on March 31, 2015, FII share was 23.30 per cent while the combined share of DII, Retail and HNI was just 18.47 per cent.

The gap between FII and DII holding decreased to its lowest level ever in this quarter, DII holding now being just 20.46 per cent lower than FII holding (On December 31, 2022, DII holding was 24.30 per cent lower than FII holding). The widest gap between FII and DII holding was in quarter ending March 31, 2015, when DII holding was 55.45 per cent lower than FII holding. The FII to DII ownership ratio also declined to an all-time low of 1.26 as on March 31, 2023 down from 1.32 as on December 31, 2022.

Meanwhile, the total share of institutional investors viz. FII and DII also reached an all-time high of 36.91 per cent in quarter ending March 31, 2023, up from 35.56 in quarter ending December 31, 2022.

Share of domestic Mutual Funds (MFs) rose for the seventh quarter running and also reached yet another all-time high of 8.74 per cent as on March 31, 2023, up from 8.09 per cent as on December 31, 2022. The share of domestic MFs during the quarter has increased on the back of net inflows by domestic MFs of INR 54,942 crore. MFs increased their exposure to Financial Services and Industrials sectors while trimming down their exposure to Diversified and FMCG.

Share of Insurance companies as a whole also increased to a 6-year high of 5.87 per cent as on March 31, 2023 up from 5.65 per cent as on December 31, 2022. LIC continues to command a lion's share of investments in equities by insurance companies (at least 68 per cent share or INR 10.05 lakh crore). LIC's share (across 273 companies where its holding is more than 1 per cent), increased to 3.99 per cent as on March 31, 2023 from 3.95 per cent as on December 31, 2022. Insurance companies increased their exposure to Energy and FMCG sectors while trimming down their exposure to Diversified and Consumer Discretionary.

Following from the above, the share of DIIs as a whole also increased to an all-time high of 16.35 per cent as on March 31, 2023 from 15.32 per cent as on December 31, 2022.

Share of retail investors (individuals with up to INR 2 lakh shareholding in a company) also increased to an all-time high of 7.48 per cent as on March 31, 2023 from 7.23 as on December 31, 2022 while the share of High Net Worth Individuals (HNIs) (individuals with more than INR 2 lakh shareholding in a company) declined marginally to 1.88 per cent as on March 31, 2023



from 1.89 percent on December 31, 2022. As such, the combined retail and HNI share stood at 9.36 per cent **as on March 31, 2023, up from 9.12 per cent as on December 31, 2022.**

The share of the Government (as promoter) in companies listed on NSE declined to 7.75 per cent as on March 31, 2023 from 7.99 per cent as on December 31, 2022. Over a 13-year period (since June 2009), the share of the Government has been steadily declining, from 22.48 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.

The share of private promoters in companies listed on NSE decreased to a 3-year low of 41.97 per cent as on March 31, 2023 from 43.25 per cent on December 31, 2022. Over a 13-year period (since June 2009), private promoter share has been steadily increasing, having increased from 33.60 per cent on June 30, 2009. While 'Indian' private promoters share has gone up from 26.44 per cent to 33.79 per cent over the last 13 years, 'foreign' promoters' share has gone up from 7.16 per cent to just 8.19 per cent.

There were 18 companies in which the trinity of promoters, FIIs and DIIs all increased their stake during the quarter these being (in descending order by market capitalisation) Bajaj Holdings & Investment, Shriram Finance, Deepak Nitrite, Natco Pharma, NCC, Eclerx Services, Jindal Saw, Anant Raj, Hikal, Dhanuka Agritech, Jai Corp, PSP Projects, IOL Chemicals & Pharmaceuticals, Barbeque-Nation Hospitality, Cosmo First, RPG Life Sciences, Pix Transmissions and Linc.

[#] includes domestic MFs, Insurance Companies, Banks, Financial Institutions, Pension Funds, Non-Banking Financial Companies (NBFCs), Domestic Sovereign Wealth Funds (SWFs), Asset Reconstruction Companies (ARCs) etc.

[^] includes Foreign Portfolio Investors (FPIs), Foreign Direct Investment (FDI), Foreign SWFs and ownership through Depository Receipts (DRs) held by custodians

Holding of shareholders across sectors

	Private	GOI	FII	MF	Insurance	Retail	HNI	Others	Total
COMMODITIES	53.5	4.9	13.	6.	5.1	8.	1.	6.	1
CONSUMER DISCRETIONARY	53.5	0.8	16.	8.	3.9	8.	2.	6.	1
DIVERSIFIED	69.0	-	3.	4.	2.8	9.	1.	9.	1
ENERGY	38.4	13.9	19.	6.	8.7	6.	0.	5.	1
FAST MOVING CONSUMER GOODS	47.5	-	21.	5.	8.5	9.	1.	5.	1
FINANCIAL SERVICES	21.5	16.9	30.	11.	5.7	6.	1.	5.	1
HEALTHCARE	50.3	0.0	18.	10.	4.8	7.	2.	4.	1
INDUSTRIALS	39.9	9.9	12.	10.	5.1	11.	2.	8.	1
INFORMATION TECHNOLOGY	54.4	-	19.	7.	6.6	6.	1.	3.	1
SERVICES	50.1	6.2	20.	6.	4.3	5.	2.	4.	1
TELECOMMUNICATION	54.8	1.7	18.	9.	5.4	3.	1.	5.	1
UTILITIES	34.5	24.2	17.	6.	4.7	4.	1.	6.	1

Source: primeinfobase.com



Who is the wisest of them all?

	December 2022 to March 2023 quarter				
	No. of companies where holding increased	Average stock price change during the quarter (%)		No. of companies where holding decreased	Average stock price change during the quarter (%)
FII s	609	-6.13		714	-14.21
DI s	529	-6.20		438	-11.83
MF s	417	-6.08		290	-9.50
Insurance Companies	237	-6.15		287	-8.62
LIC	63	-10.50		82	-8.89
Private Promoters	221	-10.68		272	-9.48
GOI (as Promoter)	0	N.A.		1	7.90
Retail	819	-17.62		972	-7.56
HNI	812	-12.56		784	-12.43

Source: primeinfobase.com

Note: This analysis is based on Shareholding Patterns filed by 1838 of the total 1864 companies listed on NSE (main board) for the quarter ending March 31, 2023. As on April 22, 2023, 26 companies were still to file their shareholding patterns. The data coverage is from June 2009 onwards.

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

To download consolidated historical shareholding data, [Click here](#).