India Ownership Tracker

Q2 FY27 | Vol. 8, Issue 2

Who owns India Inc.? Domestic ownership deepens; FPI share at a 21-year low

The September 2026 edition of our flagship quarterly report, *India Inc. Ownership Tracker*, [1] examines evolving ownership trends across NSE-listed companies, focusing on domestic participation, FPI ownership, household equity wealth and the broadening of portfolios across sectors and market-cap segments. The report also examines household equity wealth creation, sectoral positioning, market-cap allocations and portfolio concentration across major investor categories. Key takeaways include:

1) **FPI[2] (foreign portfolio investors) ownership declined further despite modest buying (US$1.5bn in Q2), as domestic participation continued to strengthen. Their share in NSE-listed companies fell to a 21-year low of 14.7%, while that in the Nifty 50 and Nifty 500 fell to 15- and 17.5-year lows of 20.9% and 16%, respectively.**

2) **DMF (domestic mutual funds) share rose for the 13th consecutive quarter to a fresh high of 11.8% in the September quarter (Active: 9.7%, Passive: 2.1%)[3], supported by sustained equity buying and steady SIP inflows. Overall domestic institutional investors' [4] (DIIs) ownership in NSE-listed companies stood at 19.6%, exceeding FPI ownership for the eighth consecutive quarter, with the gap widening to a record 4.9pp.**

3) **Direct individual ownership rose by 10bps QoQ to 9.6%, supported by continued, albeit smaller, secondary-market purchases. Including indirect holdings through mutual funds, combined individual ownership rose by 26bps QoQ to a record 19.5%.**

4) **Combined direct and indirect holdings stood at Rs 90.4 lakh crore, having grown at an annualised rate of 30.3% since March 2020. Estimated household equity wealth fell by Rs 87k crore during Q2 FY27, even as cumulative wealth accretion since April 2020 remained significant at Rs 55.5 lakh crore.**

5) **Total promoter share in NSE-listed companies rose by 20bps QoQ to a seven-quarter high of 50.4%, aided by higher private promoter share, while that in the Nifty 50 and Nifty 500 fell to 40.0% and 49.3% respectively.**

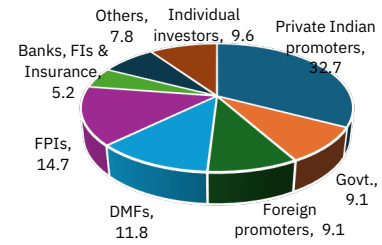
6) **FPIs retained their preference for Financials and Communication Services, with both remaining the only two OW[5] sectors, although the extent of overweighting in Financials fell further. FPIs remained UW on Consumer Staples, Industrials and Materials, turned marginally positive on Healthcare and remained neutral elsewhere.**

7) **DMFs maintained their OW on Financials, retained a positive tilt towards Consumer Discretionary and moved Healthcare into OW territory. They also retained their UW stance on Materials and Energy, and negative bias towards Consumer Staples, with Materials emerging as the largest UW.**

8) **Institutional allocation to Nifty 50 stocks fell further to a fresh record-low of 54.6%, even as top-decile exposure increased, reflecting higher allocations to companies outside the Nifty 50 within that cohort.**

Promoter share inched up in the broader listed universe but declined in the Nifty 50 and Nifty 500: Total promoter ownership in NSE-listed companies rose for the third consecutive quarter, up 20bps QoQ to a seven-quarter high of 50.4% in Q2 FY27. The increase was led by higher private Indian and foreign promoter holdings, partly offset by a dip in Government share. In contrast, promoter ownership in the Nifty 50 and Nifty 500 fell by 37bps and 23bps QoQ to 40.0% and 49.3%, respectively. While the decline in the Nifty 50 was driven primarily by lower Government ownership, partly offset by an increase in private Indian promoter share, the fall in the Nifty 500 largely reflected reduced Government holdings. In value terms, promoter holdings across NSE-listed companies fell by 0.8% QoQ to Rs 233 lakh crore, following a 15.2% rise in the previous quarter.

Who owns India Inc.? Ownership patter in NSE listed companies in Sep'26



[1] The *"India Inc. Ownership Tracker"* report examines quarterly ownership trends and patterns in Indian companies listed on the NSE since 2001.
[2] FII ownership includes ownership through depository receipts held by custodians.
[3] Passive funds track an index by maintaining a portfolio that mimics the index, while active funds involve active investment decisions on the part of the fund manager.
[4] Includes DMFs, Insurance, Banks and other domestic institutions.
[5] Overweight (OW), neutral (N) or underweight (UW) stance on any sector is with respect to the sector's weight in the Index. An OW/UW position on a sector implies more than 100bps higher/lower allocation to the sector than its weight in the Index. A 'N' position on a sector implies an allocation within +/- 100bps of the sector's weight

Government share fell further: Government ownership in NSE-listed companies, Nifty 50 and Nifty 500 companies fell by 62bps, 6bps and 55bps QoQ to 9.1%, 7.6% and 10.2% respectively. This reflected a combination of relative underperformance of large Government-owned companies and the Government's stake sale in LIC. The Nifty CPSE Index, for instance, declined by nearly 7% during the September quarter, almost twice the 3.6% fall in the Nifty Total Market Index. In value terms, however, Government holdings still 7.4% QoQ to Rs 42.3 lakh crore, exceeding the 1.2% decline in overall market capitalisation.

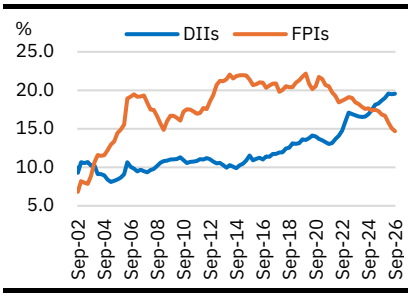
FPI ownership fell to a 21-year low despite modest buying: FPI ownership in NSE-listed companies declined further by 38bps QoQ to 14.7% in the September 2026 quarter, the lowest in 21 years and the first sub-15% reading in over 17 years. Their share in Nifty 50 companies also fell by 23bps QoQ to a nearly 15-year low of 20.9%, while that in the Nifty 500 declined by 12bps to 16%. The continued erosion in FPI ownership came despite modest buying during the quarter. Following record net outflows of US$19.6bn in FY26 and US$15.1bn in Q1FY27, FPIs turned modest net buyers in Q2FY27, with inflows of US$1.5bn. However, net DII purchases remained substantially higher at US$17.8bn, further strengthening the domestic institutional ownership base. In value terms, FPI holdings in NSE-listed companies fell by 3.7% QoQ to Rs 68.1 lakh crore.

FPI sectoral positioning remained broadly unchanged in the September 2026 quarter, with Financials and Communication Services continuing as the only two OW sectors. The extent of overweighting in Financials narrowed further despite its relative outperformance, while Communication Services retained its preferred status. FPIs remained UW on Consumer Staples and Industrials, while positioning on Materials turned more cautious. Elsewhere, allocations remained broadly neutral, with a mild positive bias towards Energy, Utilities and Real Estate, although the latter weakened during the quarter. Healthcare saw an improvement in positioning, turning marginally positive, while Information Technology retained a mild negative bias.

DMF ownership scaled fresh highs: DMF ownership in NSE-listed companies rose for the 13th consecutive quarter, increasing by 19bps QoQ to a record 11.8% in September 2026. Their share in Nifty 50 companies also reached a fresh high of 14.8% (+21bps QoQ), while that in the Nifty 500 stood at 12.5% (+35bps QoQ). DMFs invested another Rs 1.17 lakh crore on a net basis in Q2 FY27, following record purchases of Rs 1.42 lakh crore in the previous quarter, marking the 22nd consecutive quarter of net inflows. Average monthly SIP contributions rose by 3.1% QoQ and 12.4% YoY to Rs 32,248 crore, with September recording a fresh monthly high of Rs 32,490 crore. Within overall DMF ownership, passive funds' share remained steady at 2.1%, while actively managed funds gained another 20bps QoQ to a record 9.7%. In value terms, DMF holdings rose by 0.4% QoQ to Rs 54.6 lakh crore, despite the decline in overall market capitalisation

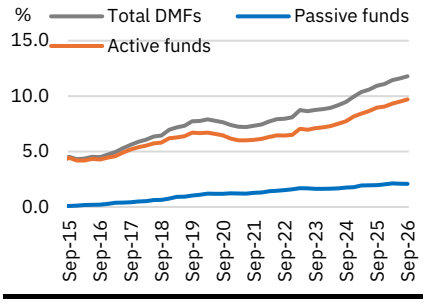
Financials remained the most consistent OW in DMF portfolios during the September quarter, although the extent narrowed marginally. Consumer Discretionary retained its positive bias, while Healthcare moved into OW territory after three quarters of neutral positioning. Among commodity-linked sectors, Materials emerged as the largest UW, with Energy also remaining UW. Consumer Staples retained its longstanding negative bias, albeit less pronounced.

DII vs. FPI ownership in NSE-listed companies

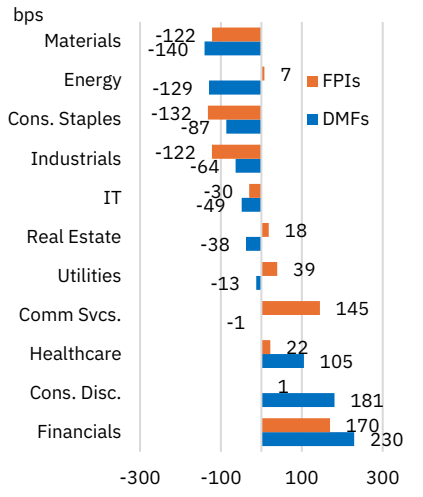


Source: CMIE Prowess, NSE EPR

DMF ownership in NSE-listed companies



FPI and DMF portfolio OW/UW in Nifty 500 vs. the index (September 2026)



Source: CMIE Prowess, AMFI, SEBI, NSE EPR.

Elsewhere, positioning was broadly neutral, with mild negative biases in Information Technology and Industrials, while Real Estate turned incrementally more negative. Utilities and Communication Services remained neutral.

Individuals' combined ownership rose to a fresh record high: Direct individual ownership in NSE-listed companies rose for the second consecutive quarter, increasing by 10bps QoQ to 9.6% in September 2026. Their share in Nifty 50 companies also increased by 21bps to 8.0%, while that in the Nifty 500 remained broadly steady at 8.5%. Individuals remained net buyers in NSE's secondary markets, although net purchases eased to Rs 4.9k crore in Q2FY27 from a six-quarter high of Rs 42.7k crore in the previous quarter. In value terms, direct individual holdings remained steady at Rs 44.6 lakh crore, just 0.8% below the Sep'24 peak, having grown at an annualised rate of 34.4% since March 2020.

Including indirect holdings through mutual funds, combined individual ownership rose by 26bps QoQ to a record 19.5%, with holdings valued at Rs 90.4 lakh crore, translating into an annualised growth of 30.3%. This marked the eighth consecutive quarter in which combined individual ownership exceeded FPI ownership, with the gap widening to a record 4.8pp from 4.2pp in June. Adjusting for net fresh investments, estimated household equity wealth declined by Rs 87k crore, even as the cumulative wealth accretion since April 2020 remains significant at Rs 55.5 lakh crore.

Institutional allocation to Nifty 50 fell to a record low, even as top-decile exposure rose: The share of Nifty 50 stocks in overall institutional holdings fell by 1.4pp QoQ to an all-time low of 54.6% in September 2026, taking the cumulative decline in 2026 to 6.3pp. This is now 17.8pp below the pre-pandemic peak of 72.4% recorded in December 2019. Among institutions, DMF allocation to Nifty 50 stocks fell by 2pp QoQ to a 21-year low of 49.4%, slipping below 50% for the first time during this period, while FPI allocation declined by 1.3pp to a record low of 56.2%. Individual investors also reduced their Nifty 50 exposure for the third consecutive quarter, by 68bps QoQ to a record low of 32.8%. Interestingly, a decile-wise analysis presents a contrasting picture, with DMFs, FPIs and individuals increasing their allocations to the top market-cap decile by 4.2pp, 2.8pp and 4.1pp QoQ, respectively. This divergence was driven largely by higher exposure to top-decile companies outside the Nifty 50, indicating a continued broadening of portfolios beyond the largest benchmark constituents.

HHI levels declined further across investor categories in Q2 FY27: The Herfindahl–Hirschman Index (HHI), a measure of portfolio concentration, declined further across investor categories in the September 2026 quarter, reinforcing the post-pandemic broadening of ownership. The aggregate institutional HHI fell from 145 in June to a record low of 132, less than half its September 2020 peak of 320. Among institutions, DMF concentration eased to a 35-quarter low of 119, while FPI concentration declined for the third consecutive quarter, from 260 in December 2025 to a record low of 164. Banks, financial institutions and insurers also recorded a new low of 163. Individual investors continued to have the most dispersed holdings, with their HHI falling from 56 to a record low of 50. Despite this broad-based decline, concentration remains elevated in select sectors, particularly Energy and Communication Services.

Decile-wise portfolio share (Sep'26)

Deciles	FPIs	DMFs	Ind.	Total mkt cap
1	91.9	87.6	68.1	82.3
2	6.0	9.1	15.3	10.1
3	1.5	2.5	7.7	4.0
4	0.4	0.6	4.2	1.8
5	0.1	0.1	2.3	0.9
6	0.0	0.0	1.2	0.5
7	0.0	0.0	0.7	0.2
8	0.0	0.0	0.3	0.1
9	0.0	0.0	0.2	0.1
10	0.0	0.0	0.1	0.0

Source: CMIE Prowess, NSE EPR.

Sector-wise HHI of portfolios (Sep'26)

Sector	FPIs	DMFs	Ind.
Comm. Svcs.	6,115	4,462	1,060
Cons. Disc.	553	357	240
Cons. Staples	757	897	682
Energy	4,701	4,125	3,964
Financials	1,012	794	362
Health Care	524	380	231
Industrials	436	402	242
IT	1,311	952	424
Materials	425	379	164
Real Estate	1,497	1,242	477
Utilities	1,199	1,302	730
Total	**164**	**119**	**50**

Source: CMIE Prowess, NSE EPR.

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Annual India Inc. ownership trends

Table 1: Ownership trend across promoters and non-promoters in the NSE-listed universe

	Promoters (%)				Non-promoters (%)			Market cap (Rs lakh crore) *
	Private Indian promoters	Government	Foreign	Total promoters	Institutional	Non-Institutional	Total non-promoters	
FY01	32.2		8.9	41.1	21.6	37.3	58.9	6.1
FY02	33.3		8.0	41.3	19.6	39.1	58.7	7.1
FY03	33.8		6.2	40.1	18.5	41.4	59.9	6.9
FY04	40.8		5.5	46.2	20.7	33.0	53.8	13.1
FY05	43.8		5.7	49.6	21.1	29.4	50.4	17.7
FY06	43.2		6.2	49.3	24.7	26.0	50.7	29.8
FY07	30.9	15.5	7.7	54.1	28.6	17.3	45.9	33.9
FY08	31.0	19.0	6.5	56.6	27.1	16.3	43.4	48.8
FY09	26.4	23.0	8.2	57.6	25.7	16.8	42.4	29.1
FY10	26.5	22.3	7.6	56.3	27.5	16.2	43.7	60.3
FY11	26.6	22.1	7.2	55.9	28.2	15.9	44.1	67.1
FY12	27.3	19.8	8.0	55.1	28.7	16.2	44.9	61.0
FY13	28.4	16.9	7.5	52.8	31.2	15.9	47.2	62.5
FY14	29.4	13.9	8.4	51.7	32.3	15.9	48.3	72.8
FY15	29.6	11.9	9.5	51.0	32.4	16.5	49.0	100.5
FY16	31.0	10.1	9.3	50.4	31.9	17.7	49.6	94.5
FY17	30.4	10.7	8.9	50.1	32.0	18.0	49.9	120.7
FY18	31.3	9.7	9.4	50.4	32.0	17.6	49.6	142.4
FY19	31.5	8.7	9.2	49.4	34.0	16.5	50.6	149.7
FY20	33.3	6.6	11.1	50.9	34.6	14.5	49.1	112.0
FY21	34.7	5.9	9.4	50.0	35.0	15.0	50.0	203.1
FY22	36.3	5.7	8.7	50.7	32.9	16.3	49.3	261.0
FY23	33.2	7.9	8.8	49.9	36.2	13.9	50.1	254.2
FY24	32.7	10.7	8.0	51.4	34.4	14.2	48.6	382.1
FY25	32.5	9.5	8.1	50.1	35.6	14.3	49.9	408.9
FY26	31.8	9.7	8.4	50.0	35.4	14.6	50.0	408.6
Q1FY27	32.1	9.2	8.9	50.2	34.6	15.2	49.8	468.8
Q2FY27	32.7	8.6	9.1	50.4	34.2	15.4	49.6	463.3

Source: CMIE Prowess, NSE EPR.

Notes: 1. Ownership across promoters and non-promoters are based on total market cap and add up to 100.

2. Market cap is for all companies whose ownership data was available for the quarter.

3. Government ownership was not available separately prior to FY07 and was a part of private Indian promoters.

Table 2: Ownership trend across non-promoter shareholders by total market cap in the NSE-listed universe

	Non-promoters (%) ^										Market cap (Rs lakh crore) #
	Institutional					Non-institutional					
	Domestic MFs	Banks, FIs & Insurance	FPIs*	Other inst.	Total	Non-promoter corporate	Ind. investors	Other non-inst. **	Total	Total	
FY01	5.8	7.0	8.7	0.0	21.6	16.0	16.9	4.4	37.3	58.9	6.1
FY02	4.3	6.5	8.8	0.0	19.6	18.1	16.6	4.4	39.1	58.7	7.1
FY03	3.4	7.1	8.0	0.0	18.5	19.1	16.8	5.5	41.4	59.9	6.9
FY04	3.1	6.0	11.6	0.0	20.7	12.7	13.6	6.8	33.0	53.8	13.1
FY05	2.7	5.4	13.0	0.0	21.1	10.4	12.9	6.1	29.4	50.4	17.7
FY06	3.5	5.6	15.5	0.0	24.7	7.9	11.6	6.5	26.0	50.7	29.8
FY07	3.8	5.4	19.2	0.3	28.6	4.2	10.1	3.0	17.3	45.9	33.9
FY08	3.8	5.4	17.5	0.4	27.1	4.3	9.1	2.9	16.3	43.4	48.8
FY09	3.8	6.7	14.9	0.3	25.7	4.5	8.7	3.6	16.8	42.4	29.1
FY10	3.9	6.9	16.4	0.3	27.5	4.5	8.5	3.3	16.2	43.7	60.3
FY11	3.6	6.9	17.5	0.3	28.2	4.5	8.2	3.2	15.9	44.1	67.1
FY12	3.6	7.2	17.7	0.2	28.7	4.4	8.5	3.2	16.2	44.9	61.0
FY13	3.5	6.9	20.7	0.1	31.2	4.3	8.0	3.6	15.9	47.2	62.5
FY14	3.4	6.8	22.1	0.1	32.3	4.0	8.0	4.0	15.9	48.3	72.8
FY15	3.9	5.9	22.0	0.6	32.4	4.2	8.7	3.7	16.5	49.0	100.5
FY16	4.4	6.4	20.8	0.3	31.9	5.8	9.1	2.8	17.7	49.6	94.5
FY17	4.9	6.2	20.6	0.2	32.0	5.8	9.3	2.9	18.0	49.9	120.7
FY18	6.1	5.6	20.1	0.3	32.0	5.6	9.0	3.0	17.6	49.6	142.4
FY19	7.2	5.5	21.0	0.4	34.0	5.0	8.6	3.0	16.5	50.6	149.7
FY20	7.9	5.5	20.8	0.4	34.6	3.3	8.4	2.7	14.5	49.1	112.0
FY21	7.2	5.1	21.5	1.2	35.0	3.1	9.0	2.9	15.0	50.0	203.1
FY22	7.7	4.5	19.2	1.5	32.9	3.6	9.7	3.1	16.3	49.3	261.0
FY23	8.7	6.1	19.1	2.3	36.2	1.7	9.4	2.8	13.9	50.1	254.2
FY24	8.9	5.6	17.9	2.0	34.4	1.9	9.5	2.7	14.2	48.6	382.1
FY25	10.4	5.6	17.5	2.2	35.6	1.9	9.5	2.9	14.3	49.9	408.9
FY26	11.4	5.6	15.8	2.6	35.4	1.8	9.1	3.7	14.6	50.0	408.6
Q1FY27	11.6	5.3	15.1	2.6	34.6	1.8	9.5	3.9	15.2	49.8	468.8
Q2FY27	11.8	5.2	14.7	2.6	34.2	1.9	9.6	3.9	15.4	49.6	463.3

Source: CMIE Prowess, NSE EPR.

Notes: 1. Ownership shares provided here for non-promoters are based on total market cap and therefore do not add up to 100.

2. Institutional and non-institutional share add up to the total non-promoter share.

3. *FPI ownership includes ownership through depository receipts held by custodians.

4. **Other non-institutions include other non-institutional non-promoters and government non-promoter.

5. #Market cap is for all companies whose ownership data was available for the quarter.

Listed universe ownership trends

Ownership pattern of the NSE-listed universe (September 2026)

Total promoter share rose further by 20bps QoQ to 50.4% in the September 2026 quarter, led by a rise in private Indian and foreign promoter share.

Private promoters drive overall promoter ownership in NSE-listed companies to a seven-quarter high in September quarter...: Promoter ownership in NSE-listed companies rose by 20bps QoQ to a seven-quarter high of 50.4% in the September quarter, marking the third consecutive quarterly increase. In value terms, promoter holdings declined by a modest 0.8% QoQ to Rs 233 lakh crore, following a sharp 15.2% increase in the previous quarter. The decline was, however, lower than the 1.2% QoQ fall in the aggregate market capitalisation of NSE-listed companies. The increase in promoter ownership was driven by higher holdings of private Indian and foreign promoters, partly offset by a further decline in Government promoter ownership.

Private Indian promoter ownership rose sharply by 58bps QoQ to an eight-quarter high of 32.7% as of September 2026, taking the cumulative increase in H1 FY27 to 87bps. This was driven entirely by individual private promoters, whose share surged by 67bps QoQ to a 69-quarter high of 7.9%. In contrast, the share of non-individual private promoters declined by another 10bps QoQ to a 37-quarter low of 24.8%. In value terms, holdings of individual promoters rose by 3.9% QoQ to an all-time high of Rs 36.4 lakh crore, despite the broad-based market sell-off during the quarter. This, coupled with the sharp increase in their ownership share, suggests increased stake accumulation by individual promoters, potentially taking advantage of the correction in market valuations.

Foreign promoter ownership also continued to rise, increasing by 22bps QoQ to 9.1%—its highest level in four years. In value terms, their holdings increased by a modest 1.3% QoQ to a fresh all-time high of Rs 42.3 lakh crore, following a sharp 21% increase in the previous quarter.

Government ownership in the listed space fell by 62bps QoQ to a 13- quarter low of 9.1% in the September quarter.

...while Government ownership declined further: Government ownership in NSE-listed companies, including both promoter and non-promoter holdings, declined steadily between 2010 and 2022, largely reflecting the Government's disinvestment strategy. This trend reversed sharply between April 2022 and March 2024, with Government ownership rising by nearly 5.2pp, driven primarily by LIC's listing and the strong performance of public sector enterprises. The increase, however, proved short-lived, with ownership moderating through FY25 before recovering modestly in FY26.

The trend reversed again in H1 FY27, with Government ownership declining by nearly 1.2pp, including a sharp 62bps fall in Q2, to a 13-quarter low of 9.1% as of September 2026. In value terms, Government holdings fell by 7.4% QoQ to Rs 42.3 lakh crore, exceeding the fall in aggregate market capitalisation. This reflected a combination of relative underperformance of large Government-owned companies and the Government's stake sale in LIC. The Nifty CPSE Index, for instance, declined by nearly 7% during the September quarter, almost twice the 3.6% fall in the Nifty Total Market Index.

FPI share in the NSE listed companies fell for the sixth quarter in a row by 38bps QoQ to a 21-year low of 14.7%.

FPI ownership in the listed universe dropped for the sixth quarter in a row to 21-year lows...: Barring brief upticks in just two of the last 14 quarters, FPI ownership in NSE-listed companies has been on a sustained decline since March 2023, reflecting volatile foreign portfolio flows and the growing dominance of domestic institutional investors. The decline, which intensified through FY26, continued into FY27, with FPI ownership falling by another 38bps QoQ to 14.7% in the September 2026 quarter—the lowest level in 21 years. This also marked the first time in 17.5 years that FPI ownership fell below the 15% mark. The sustained erosion in FPI share reflects the combined impact of foreign portfolio

outflows and strong domestic institutional purchases, which have steadily expanded the DII ownership base.

Following record annual net outflows of US$19.6bn in FY26 and record quarterly outflows of US$15.1bn in Q1 FY27, FPIs turned modest net buyers in Q2 FY27, with inflows of US$1.5bn. DII purchases, however, remained substantially higher at US$17.8bn during the quarter, reinforcing the growing importance of domestic institutions in supporting equity market demand. Despite the return of foreign inflows, the value of FPI holdings in NSE-listed companies declined by 3.7% QoQ to Rs 68.1 lakh crore as of September 2026.

The recent decline in FPI ownership, however, needs to be viewed in a longer-term perspective. The value of FPI holdings in NSE-listed companies has grown at a CAGR of 17.9% in rupee terms since Mar'20. Further, despite sustained selling over the last two years, FPIs have remained net buyers of Indian equities in 19 of the last 27 years, highlighting India's continued importance as a long-term destination for foreign capital.

...while DMF shareholding rose further to a fresh record high: DMF ownership in NSE-listed companies rose for the 13th consecutive quarter, increasing by another 19bps QoQ to a fresh record high of 11.8% as of September 2026, taking the cumulative increase over the last five years to 4.5pp. In value terms, DMF holdings increased by a modest 0.4% QoQ to a record Rs 54.6 lakh crore, despite a decline in aggregate market capitalisation, supported by sustained equity inflows. DMFs made net equity purchases of Rs 1.17 lakh crore during the September quarter, following a record Rs 1.42 lakh crore in Q1 FY27, marking the 22nd consecutive quarter of net inflows.

DMF share in NSE listed universe rose further to a fresh all-time high of 11.8% in the September 2026 quarter, expanding by 4.5pp in the last five years.

This sustained buying has been supported by steady retail participation through systematic investment plans (SIPs). Average monthly SIP inflows rose to Rs 32,248 crore in Q2 FY27, up 3.1% QoQ and 12.4% YoY, and well above the FY26 monthly average of Rs 29,132 crore. Monthly SIP inflows also touched a fresh record of Rs 32,490 crore in September. Within overall DMF ownership, the share of passive funds remained broadly steady near its all-time high of 2.1%, while that of actively managed funds rose by another 20bps QoQ to 9.7%.

Ownership by banks, financial institutions and insurance companies, however, fell by 15bps QoQ to a 17-quarter low of 5.2%. That said, their combined share has been within a narrow range of 5.2–5.6% over the last 12 quarters, indicating stable participation.

Overall domestic institutional ownership remained broadly unchanged at 19.6% in the September 2026 quarter, exceeding FPI ownership for the eighth consecutive quarter. Notably, the gap between DII and FPI ownership widened to a record 4.9pp, the highest since the beginning of our analysis in March 2001.

Individual investors' combined direct and indirect ownership in NSE-listed companies rose to a fresh record high in the September quarter: Direct ownership by individual investors in NSE-listed companies rose for the second consecutive quarter, increasing by 10bps QoQ to 9.6% as of September 2026, bringing it within 20bps of the post-pandemic peak of 9.8% recorded in December 2024.

Individuals' share in equity markets as non-promoter shareholders (direct and indirect) surged to a fresh record-high of 19.5% in the September 2026 quarter.

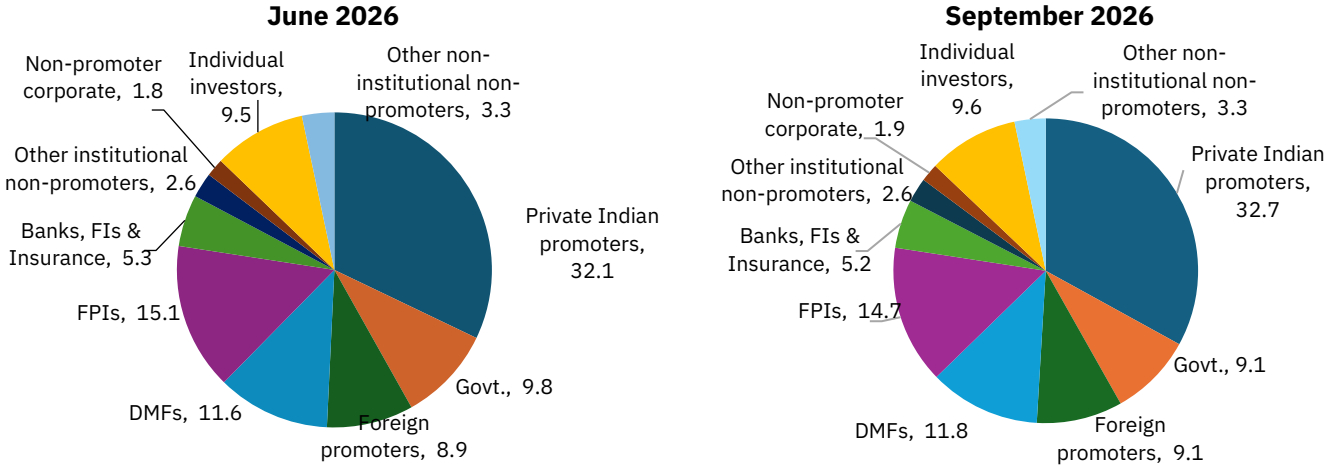
The increase was supported by continued net buying by individuals in the secondary equity market. After turning modest net sellers in FY26 for the first time in seven years, individual investors returned as buyers in FY27, with net purchases of Rs 42.7k crore in the June quarter—the highest in six quarters—followed by another Rs 4.9k crore in the September quarter. In value terms, direct individual holdings remained broadly steady QoQ at Rs 44.6 lakh crore as of September-end, just 0.8% below the September 2024

peak, when equity markets were at record highs. Since March 2020, the value of direct individual holdings has grown at an annualised rate of 34.4%, reflecting sustained investor participation and substantial wealth creation over this period.

Including indirect ownership through mutual funds, where individuals (retail investors and HNIs) accounted for nearly 84% of equity AUM as of June 2026, the combined non-promoter ownership share of individuals rose by 26bps QoQ to a fresh record high of 19.5%. In value terms, their combined direct and indirect holdings stood at Rs 90.4 lakh crore, having grown at an annualised rate of 30.3% since March 2020.

Consequently, the gap between combined individual ownership and FPI ownership widened further to 4.8pp, highlighting the growing significance of domestic household participation in India's equity ownership landscape.

Figure 1: NSE-listed universe: Ownership pattern by total market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians. Government ownership includes promoter as well as non-promoter ownership.

Table 3: NSE-listed universe: Value held by key stakeholders over the last three years

Rs lakh crore	Private Indian promoters	Govt.@	Foreign promoters	Passive DMFs ^	Active DMFs $	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual Investor	Others **	Total
Dec-23	118.9	36.6	28.6	5.9	25.8	20.0	65.5	7.1	34.7	16.3	359.5
Mar-24	124.9	42.7	30.6	6.3	27.9	21.3	68.3	7.4	36.4	16.3	382.1
Jun-24	140.0	49.5	35.9	7.3	32.5	23.3	76.0	8.3	41.6	18.1	432.5
Sep-24	153.6	49.1	38.8	8.2	36.2	25.2	82.7	9.2	45.0	20.3	468.3
Dec-24	142.7	43.5	35.7	7.8	35.7	23.3	75.8	8.6	42.8	20.6	436.6
Mar-25	132.8	40.7	33.2	7.9	34.5	22.8	71.5	7.6	38.9	19.0	408.9
Jun-25	147.3	46.3	37.1	8.9	39.5	25.0	79.2	8.6	43.9	21.3	457.2
Sep-25	143.6	44.7	37.3	8.8	40.0	24.2	75.2	8.3	42.7	21.4	446.1
Dec-25	151.7	46.3	39.2	9.6	42.6	25.9	78.7	8.5	43.9	24.4	470.7
Mar-26	130.0	42.0	34.5	8.7	38.1	22.7	64.6	7.2	37.4	23.5	408.6
Jun-26	150.5	45.7	41.7	9.8	44.6	25.0	70.7	8.7	44.6	27.6	468.8
Sep-26	151.5	42.3	42.3	9.7	45.0	24.0	68.1	8.8	44.6	27.2	463.3
% QoQ	*0.6%*	*-7.4%*	*1.3%*	*-1.5%*	*0.9%*	*-3.9%*	*-3.7%*	*2.1%*	*-0.1%*	*-1.3%*	*-1.2%*

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters. ^ Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. $ Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding. @ Includes shares held by the Government as promoters as well as non-promoters.

Table 4: NSE-listed universe: Ownership trend of key stakeholders by total market cap over the last three years

%	Private Indian promoters	Govt.@	Foreign promoters	Passive DMFs ^	Active DMFs $	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual Investor	Others **
Dec-23	33.1	10.2	7.9	1.6	7.2	5.6	18.2	2.0	9.7	4.5
Mar-24	32.7	11.2	8.0	1.7	7.3	5.6	17.9	1.9	9.5	4.3
Jun-24	32.4	11.5	8.3	1.7	7.5	5.4	17.6	1.9	9.6	4.2
Sep-24	32.8	10.5	8.3	1.7	7.7	5.4	17.7	2.0	9.6	4.3
Dec-24	32.7	10.0	8.2	1.8	8.2	5.3	17.4	2.0	9.8	4.7
Mar-25	32.5	10.0	8.1	1.9	8.4	5.6	17.5	1.9	9.5	4.6
Jun-25	32.2	10.1	8.1	1.9	8.6	5.5	17.3	1.9	9.6	4.7
Sep-25	32.2	10.0	8.4	2.0	9.0	5.4	16.9	1.9	9.6	4.8
Dec-25	32.2	9.8	8.3	2.0	9.1	5.5	16.7	1.8	9.3	5.2
Mar-26	31.8	10.3	8.4	2.1	9.3	5.6	15.8	1.8	9.1	5.7
Jun-26	32.1	9.8	8.9	2.1	9.5	5.3	15.1	1.8	9.5	5.9
Sep-26	32.7	9.1	9.1	2.1	9.7	5.2	14.7	1.9	9.6	5.9
QoQ change	*58bps*	*-62bps*	*22bps*	*-1bps*	*20bps*	*-15bps*	*-38bps*	*6bps*	*10bps*	*-1bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters. ^ Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. $ Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding. @ Includes shares held by the Government as promoters as well as non-promoters.

Institutional ownership in NSE free float declined for the third quarter in a row on continued dip in FPI share: DMF ownership in the free float of NSE-listed companies rose for the 13th consecutive quarter, increasing by 47bps QoQ to a fresh record high of 23.8% as of September 2026. This took the cumulative increase over the last five years to 8.9pp, with gains spread across market segments.

In contrast, FPI ownership in the NSE free float declined sharply by 65bps QoQ to 29.6%, its lowest level in nearly 21 years, marking the sixth consecutive quarterly decline. FPI ownership is now 16.1pp below its March 2014 peak. Ownership by banks, financial institutions and insurance companies also fell by 25bps QoQ to a 17-quarter low of 10.4%. Consequently, overall institutional ownership in the NSE free float declined by 38bps QoQ to a four-year low of 69.0%, marking the third consecutive quarterly decline and taking it 3.3pp below the all-time high of 72.3% recorded in March 2023.

Individual investors' ownership in the NSE free float, on the other hand, rose for the second consecutive quarter, increasing by 28bps QoQ to a seven-quarter high of 19.4%. This took the cumulative increase in H1 FY27 to over one percentage point. The rise was driven primarily by large- and micro-cap companies, while mid- and small-cap companies witnessed some moderation. Reflecting this divergence, individual ownership in companies outside the Nifty 500 surged by 86bps QoQ to 43.1%, while their share in Nifty 500 companies excluding the Nifty 50 fell by 55bps QoQ to an all-time low of 20.5%. Despite the recent recovery, individual ownership in the NSE free float remains 9.7pp below its historical peak over the last 26 years.

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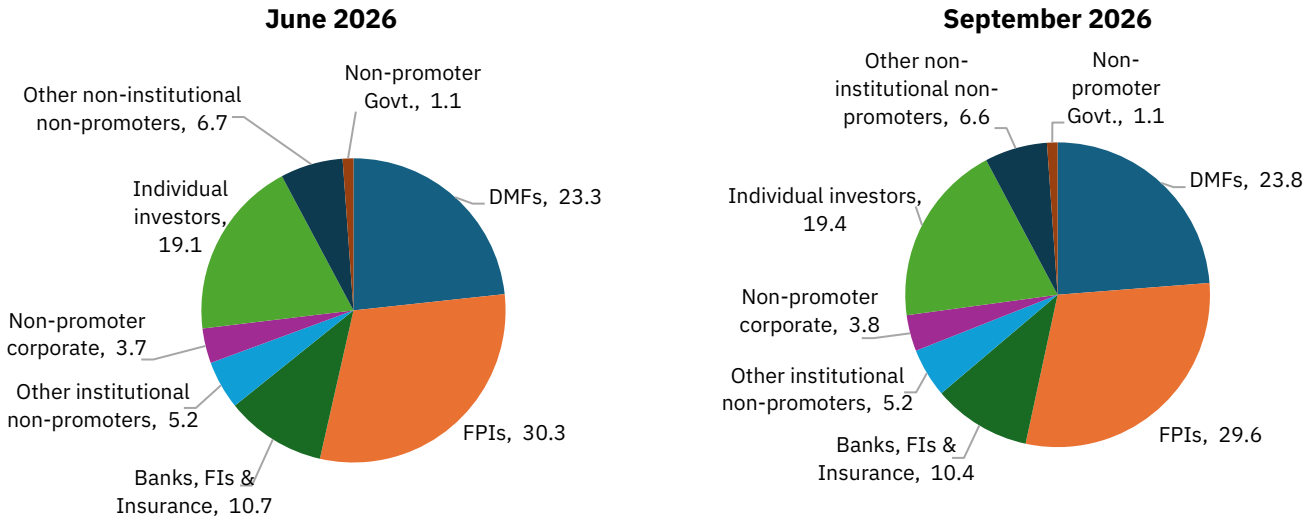
Figure 2: NSE-listed universe: Ownership pattern by free float market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 5: NSE-listed universe: Ownership across key stakeholders by floating stock over the last three years

%	Passive DMFs ^	Active DMFs $	Banks, FIs & Insurance	FPIs*	Non-promoter corporate	Individual Investor	Others**
Dec-23	3.3	14.6	11.3	37.0	4.0	19.6	10.2
Mar-24	3.4	15.0	11.4	36.7	4.0	19.6	9.8
Jun-24	3.5	15.5	11.1	36.3	4.0	19.9	9.8
Sep-24	3.6	15.8	11.0	36.1	4.0	19.6	9.9
Dec-24	3.6	16.5	10.8	35.0	4.0	19.8	10.4
Mar-25	3.9	16.9	11.2	35.0	3.7	19.1	10.2
Jun-25	3.9	17.3	10.9	34.6	3.8	19.2	10.3
Sep-25	4.0	17.9	10.9	33.7	3.7	19.2	10.6
Dec-25	4.1	18.1	11.0	33.3	3.6	18.6	11.4
Mar-26	4.2	18.6	11.1	31.6	3.5	18.3	12.6
Jun-26	4.2	19.1	10.7	30.3	3.7	19.1	13.0
Sep-26	4.2	19.6	10.4	29.6	3.8	19.4	13.0
QoQ change	*0bps*	*47bps*	*-25bps*	*-65bps*	*14bps*	*28bps*	*1bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across key non-promoter stakeholders is based on free float market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters. ^ Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. $ Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Long-term ownership trend of the NSE-listed universe

Promoter ownership: From post-2009 decline to recent recovery: Promoter ownership in NSE-listed companies rose steadily through the 2000s, peaking at 57.6% in March 2009, before declining over the following decade and becoming largely range-bound thereafter. The reversal after 2010 coincided with SEBI's decision to raise the minimum public shareholding requirement from 10% to 25%, while the subsequent decline was driven primarily by lower Government promoter ownership amid efforts to widen public participation in CPSEs and mobilise resources through disinvestment.

Private promoter ownership, comprising Indian and foreign promoters, partly offset this decline, rising by nearly 11.6pp between June 2010 and December 2021 before moderating thereafter. This trend has seen a reversal in recent quarters, with the combined share of private Indian and foreign promoters rising by another 1.6pp in the first half of FY27 to 41.8%. The latest increase was driven primarily by private Indian

promoters, particularly individuals, whose ownership rose sharply during the quarter despite the broader market correction. These gains more than offset the continued decline in Government promoter ownership, lifting overall promoter share by 20bps QoQ to a seven-quarter high of 50.4%—the third consecutive quarterly increase. Despite this recovery, overall promoter ownership remains 7.2pp below its March 2009 peak, reflecting the structural increase in public and institutional ownership over the last decade and a half.

Barring a pandemic-led dip in FY21, DMF ownership has been steadily rising since FY15 to touch fresh record-highs in the June 2026 quarter, aided by strong SIP inflows.

DMF ownership gains from a structural shift in household savings towards equities: DMF ownership in NSE-listed companies has risen steadily over the past decade, barring a brief interruption in FY21, reflecting the growing financialisation of household savings. Rising retail participation, expanding SIP contributions, strong equity market performance and easier digital access have supported a structural shift towards equities. The share of equities, held directly and indirectly through mutual funds, in household gross financial savings rose from 1.8% in FY12 to 15.2% in FY25, while their share in household financial assets increased from 11.2% to nearly 23% over the same period.

The temporary decline in DMF ownership in FY21 coincided with pandemic-related pressures on household finances, weaker SIP inflows and higher redemptions, alongside a sharp rise in direct individual ownership. The subsequent recovery in SIP contributions supported renewed growth in DMF ownership, which has now risen for 13 consecutive quarters to a record 11.8% as of September 2026, up 4.5pp over the last five years. DMFs recorded their 22nd consecutive quarter of net equity purchases in Q2 FY27, while average monthly SIP inflows reached a record Rs 32,248 crore.

In contrast, ownership by banks, financial institutions and insurance companies has broadly trended lower since 2012, barring a temporary 158bps increase in FY23. Their combined share fell to a 17-quarter low of 5.2% in September 2026, although it has remained within a narrow 5.2–5.6% range over the last three years.

FPI ownership has trended lower amid rising domestic participation and global headwinds: FPI ownership in NSE-listed companies rose steadily between 2002 and 2015, barring a temporary setback during the Global Financial Crisis. It moderated thereafter amid global uncertainties, including the US–China trade dispute and Brexit, before recovering through end-2019. The pandemic triggered another sharp but short-lived decline, followed by a strong rebound in foreign flows in the second half of 2020, supported by unprecedented global monetary and fiscal stimulus.

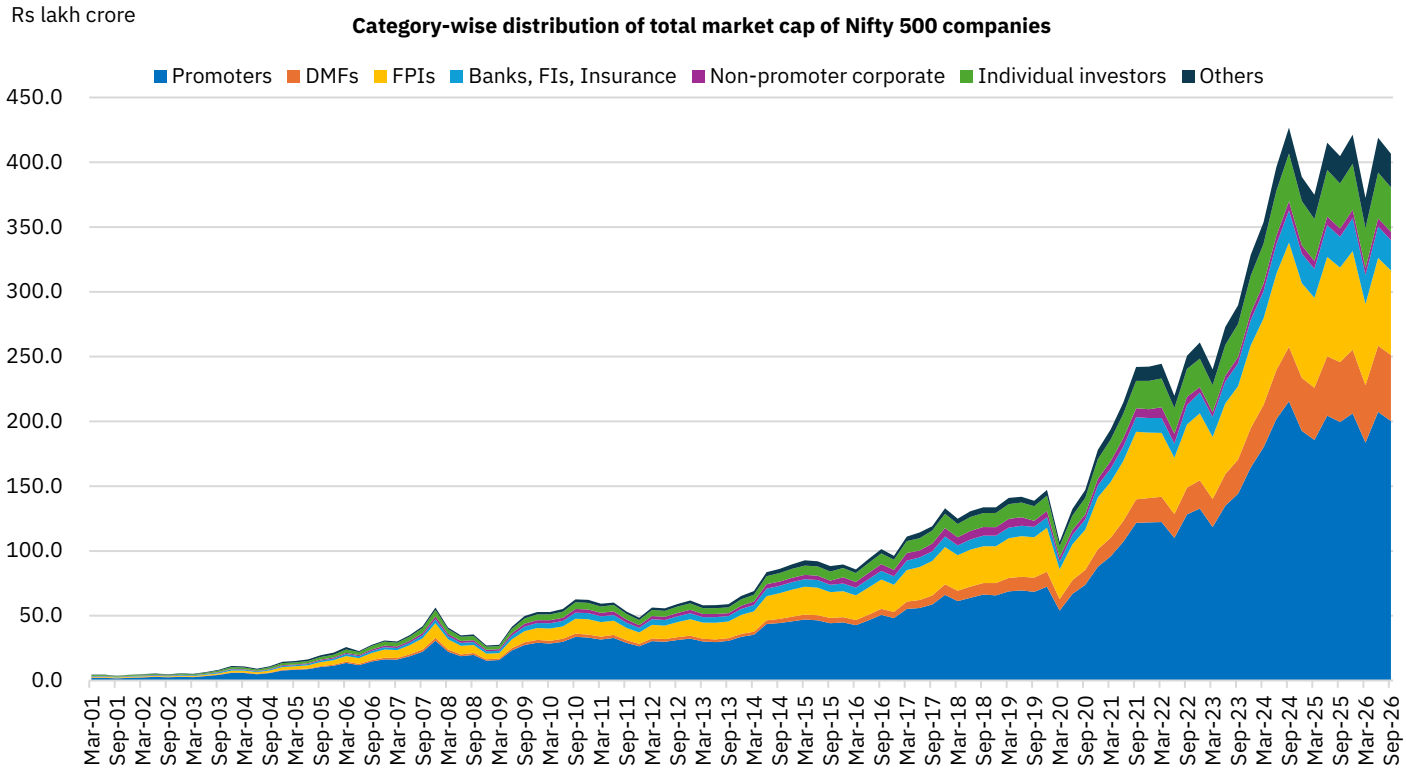
The trend has reversed decisively since then. Sustained domestic mutual fund inflows and growing direct equity participation have progressively increased the domestic ownership base. Meanwhile, monetary tightening in advanced economies, geopolitical and trade uncertainties, elevated crude oil prices, relatively rich Indian equity valuations and the recent rotation of global capital towards AI-led markets have weighed on foreign allocations. Consequently, FPI ownership has declined in 12 of the last 14 quarters, falling by another 38bps QoQ to a 21-year low of 14.7% as of September 2026—the first time in 17.5 years that it has slipped below 15%. This represents a decline of 6.8pp since December 2019 and roughly 4pp over the last three years. Notably, FPI ownership continued to fall in Q2 FY27 despite modest net foreign inflows, reflecting substantially stronger domestic institutional buying.

Direct individual ownership remains relatively stable despite growing household participation in equities: After declining steadily between 2001 and 2012, direct

individual ownership in NSE-listed companies recovered gradually and has since remained broadly within an 8–10% range. The share rose for the second consecutive quarter to 9.6% as of September 2026, just 20bps below its post-pandemic peak of 9.8% recorded in December 2024.

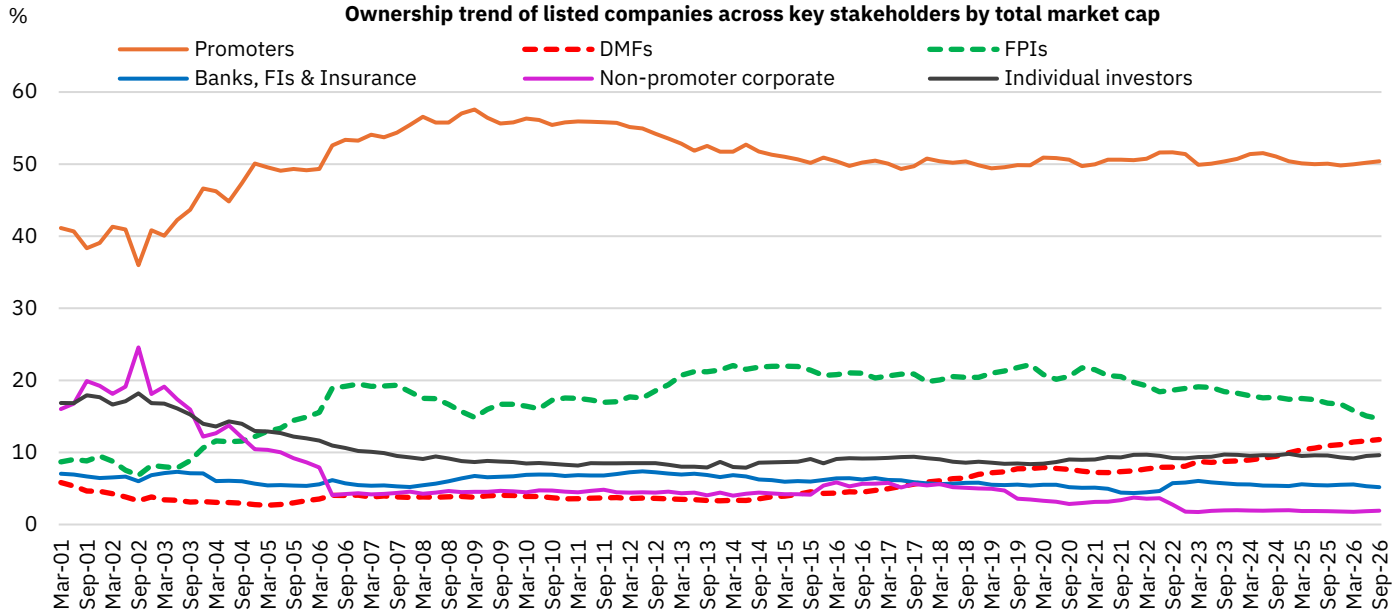
This relative stability contrasts with the sustained rise in SIP-led mutual fund participation, with DMF ownership increasing by 4.5pp over the last five years to a record 11.8%. The divergence reflects the growing preference for mutual funds alongside direct equity investments. Including indirect holdings through mutual funds, the combined non-promoter ownership share of individuals reached a record 19.5% in September 2026, with holdings valued at Rs 90.4 lakh crore. This highlights the growing significance of household participation in equities, even as their direct ownership share has remained largely range-bound.

Figure 3: NSE-listed universe: Long-term trend of market cap distribution across key shareholder categories



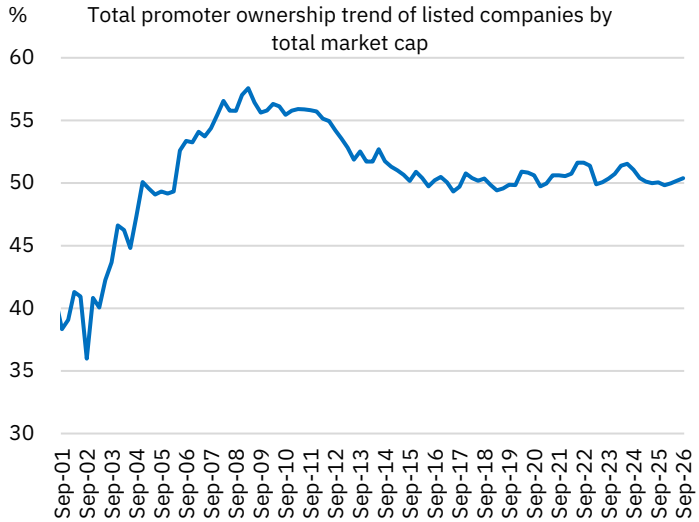
Source: CMIE Prowess, NSE EPR.
Notes: 1. FPI ownership includes ownership through depository receipts held by custodians.
2. Only includes companies where shareholding data is available as of the end of every quarter.

Figure 4: NSE-listed universe: Long-term ownership trend across key stakeholders by total market cap



Source: CMIE Prowess, NSE EPR.
Notes: 1. FPI ownership includes ownership through depository receipts held by custodians.
2. Only includes companies where shareholding data is available as of the end of every quarter.

Figure 5: Total promoter ownership trend of NSE-listed companies by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 6: Indian and foreign promoter ownership trend of NSE-listed companies by total market cap

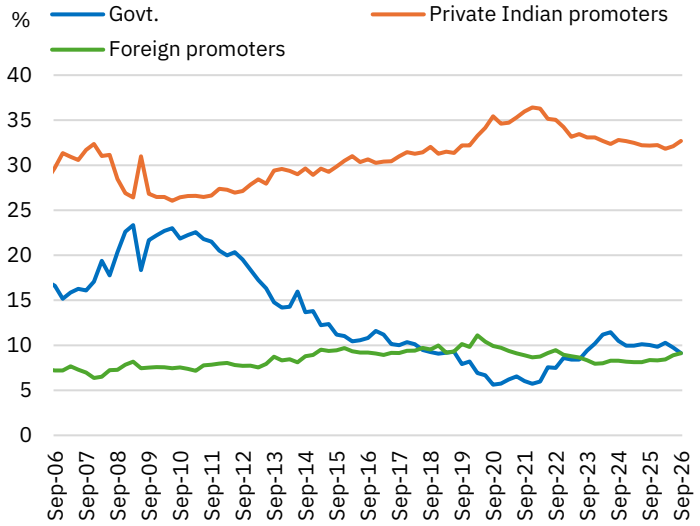


Figure 7: DMF ownership trend of NSE-listed companies by total market cap

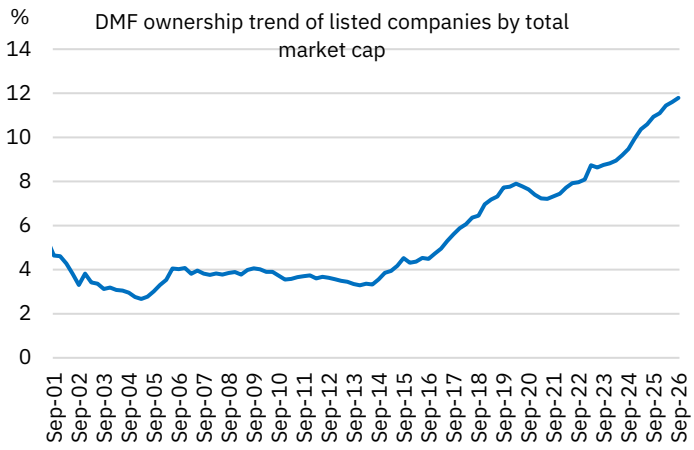
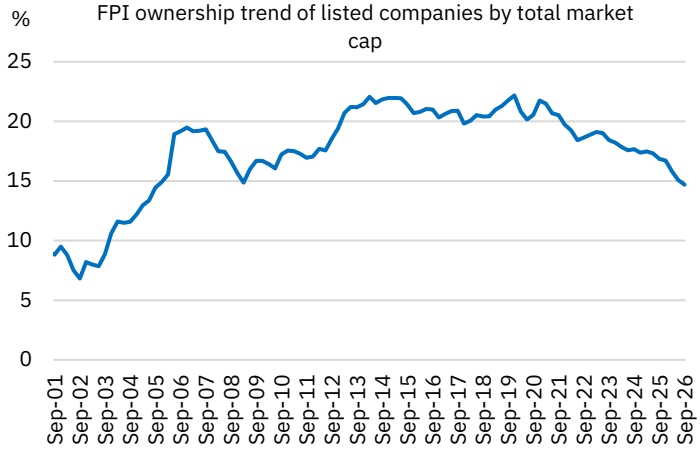


Figure 8: FPI ownership* trend of NSE-listed companies by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 9: Banks, FIs & Insurance ownership trend of NSE-listed companies by total market cap

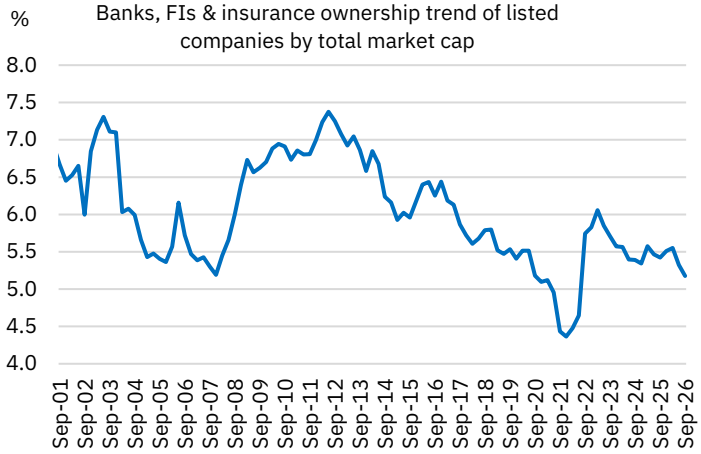
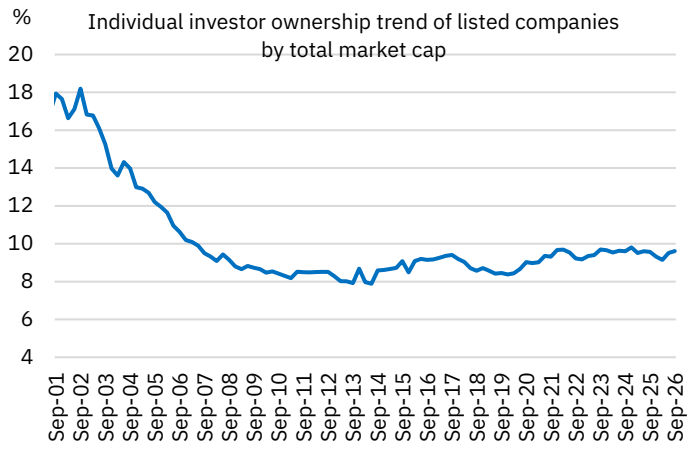
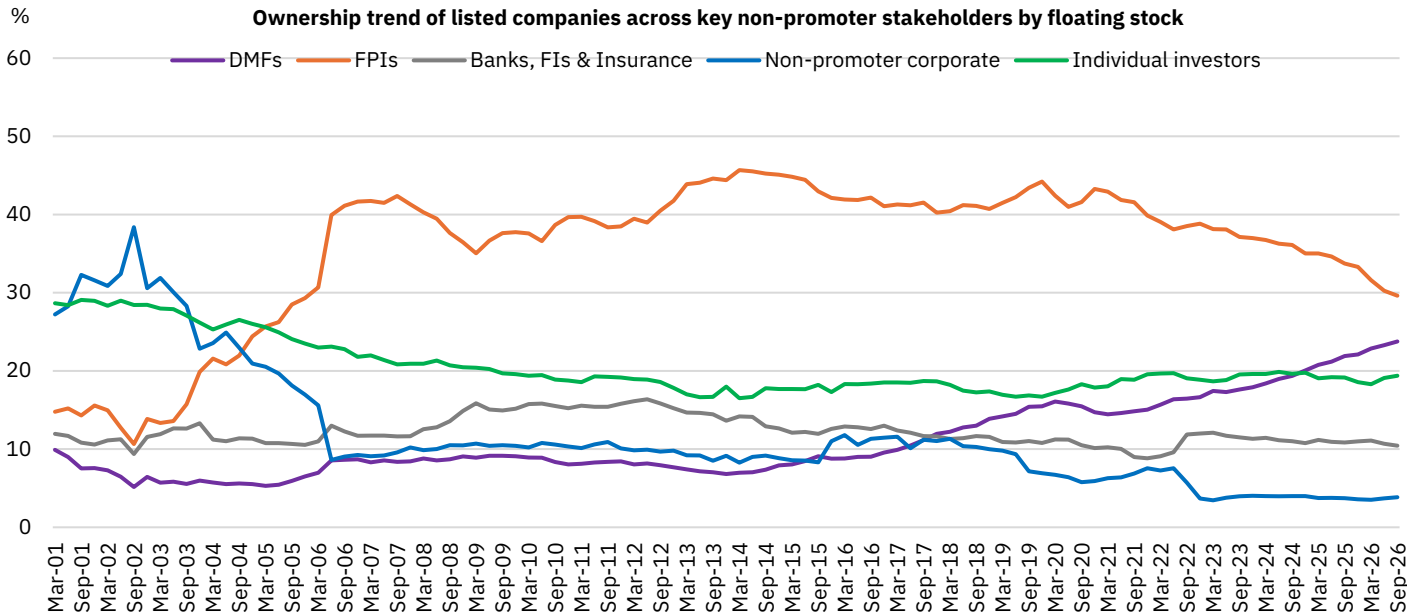


Figure 10: Individual ownership trend of NSE-listed companies by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 11: NSE-listed universe: Long-term ownership trend across key stakeholders by free float market cap



Source: CMIE Prowess, NSE EPR. Notes: 1. FPI ownership includes ownership through depository receipts held by custodians. 2. Only includes companies where shareholding data is available as of the end of every quarter.

Figure 12: DMF ownership trend of NSE-listed companies by free float market cap

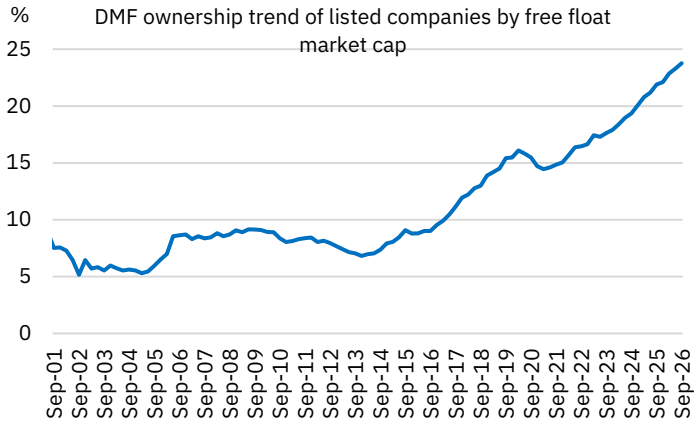
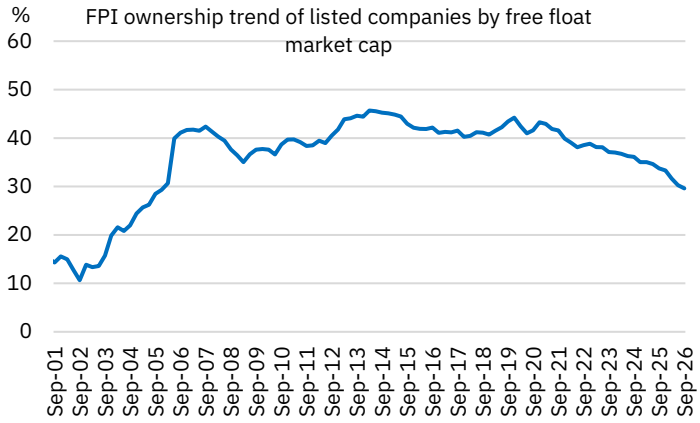


Figure 13: FPI ownership trend of NSE-listed companies by free float market cap



Source: CMIE Prowess, NSE EPR.

Figure 14: Banks, FIs & Insurance ownership trend of NSE-listed companies by free float market cap

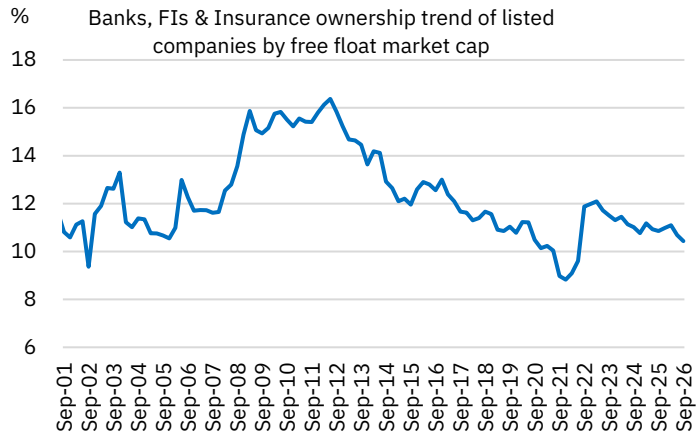
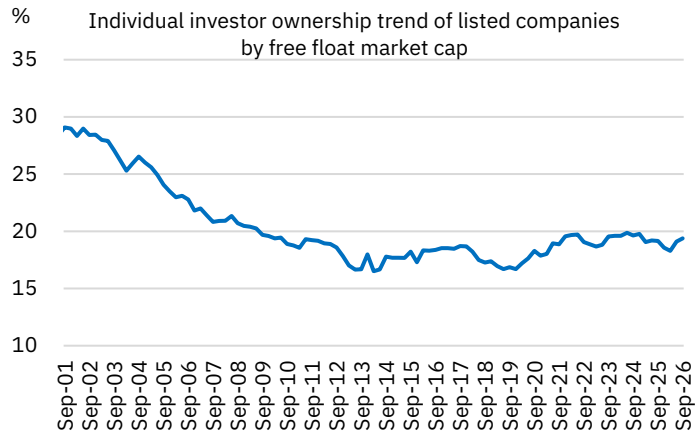


Figure 15: Individual ownership trend of NSE-listed companies by free float market cap



Source: CMIE Prowess, NSE EPR.

SIP inflows remain resilient amid market volatility: Systematic investment plans (SIPs) have emerged as a major channel for individual participation in equity markets, with inflows rising steadily since the brief pandemic-related disruption in FY21. The recovery began in late 2020, with only a short interruption during the second wave of the pandemic and has continued despite intermittent market corrections.

Average monthly SIP inflows continued to rise, up 12.4% YoY to Rs 32,490 crore in Q2 FY27.

Average monthly SIP inflows rose by 3.1% QoQ and 12.4% YoY to a record Rs 32,248 crore in Q2 FY27, marking the 24th consecutive quarter of sequential growth. Monthly inflows touched a fresh high of Rs 32,490 crore in September, despite the broad-based market sell-off. Notably, three-month rolling QoQ growth in SIP inflows has remained positive since November 2020, reflecting the consistency of household contributions across market cycles.

These sustained inflows have supported the steady expansion of DMF ownership and strengthened domestic institutional demand, providing an important counterweight to volatile foreign portfolio flows.

Figure 16: Monthly SIP inflows into mutual funds

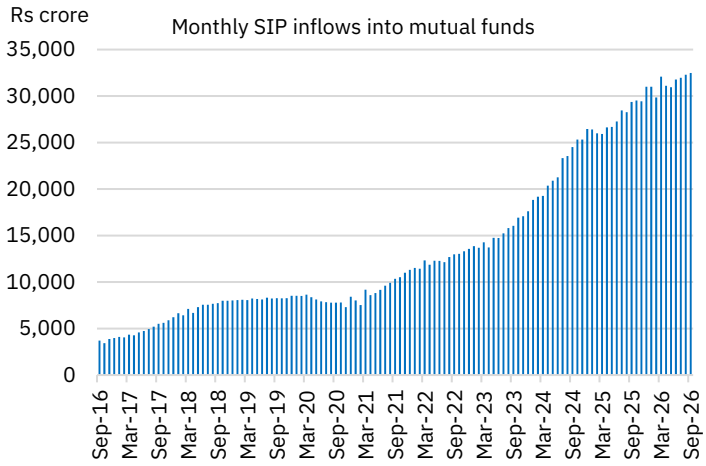
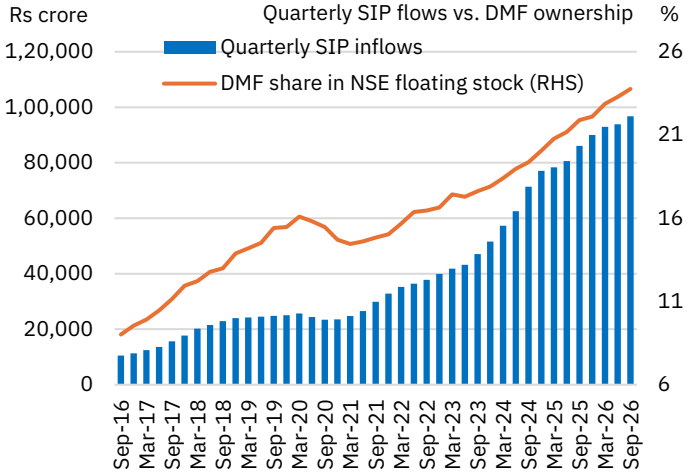


Figure 17: Quarterly SIP inflows vs DMF ownership



Source: AMFI, NSE EPR.

Active funds drive further gains in DMF ownership; passive funds continue to gain scale: Passive investments by DMFs in NSE-listed companies, primarily through ETFs and index funds, have expanded rapidly over the past decade. Passive equity fund AUM has grown at a CAGR of 45.7%, substantially outpacing the 25.3% growth in actively managed funds, albeit from a smaller base. The number of passive funds has also increased nearly six-fold since the pandemic, reflecting the growing adoption of index-based investment strategies.

In Q2 FY27, passive equity fund AUM stood at Rs **9.7 lakh crore (-1.5% QoQ)**, while their ownership in NSE-listed companies remained broadly steady near its all-time high of 2.1%. Actively managed equity fund AUM stood at Rs **45 lakh crore (+0.9 QoQ)**, supported by sustained domestic inflows. Their ownership share rose by another 20bps QoQ to a fresh record high of 9.7%, marking the 13th consecutive quarterly increase.

Measured against free-float market capitalisation, passive funds' share remained broadly steady near 4.2%, while that of actively managed funds increased to approximately 19.6%, taking overall DMF ownership to a record 23.8%. While passive strategies continue to gain scale, actively managed funds remain the dominant contributor to domestic mutual fund ownership

Figure 18: DMF holding in NSE listed universe

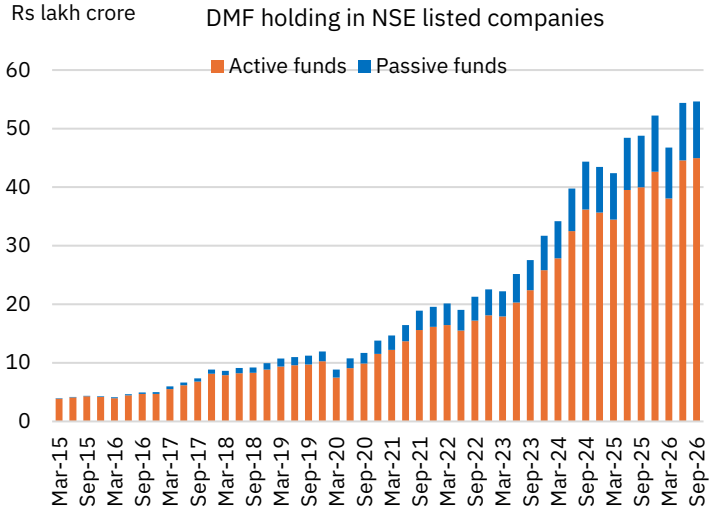
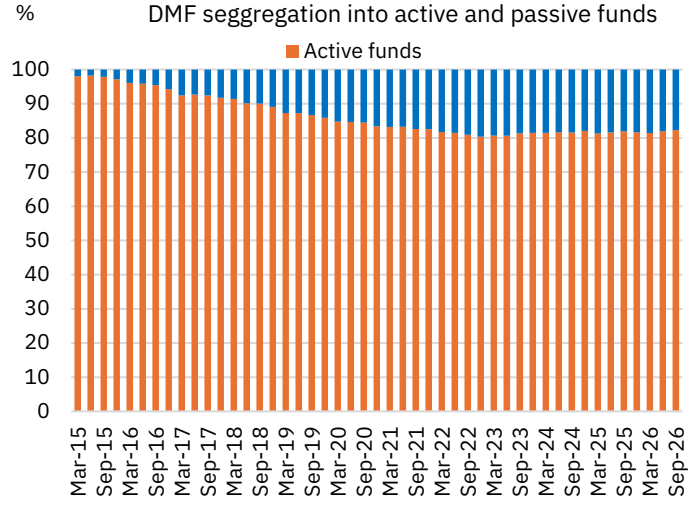
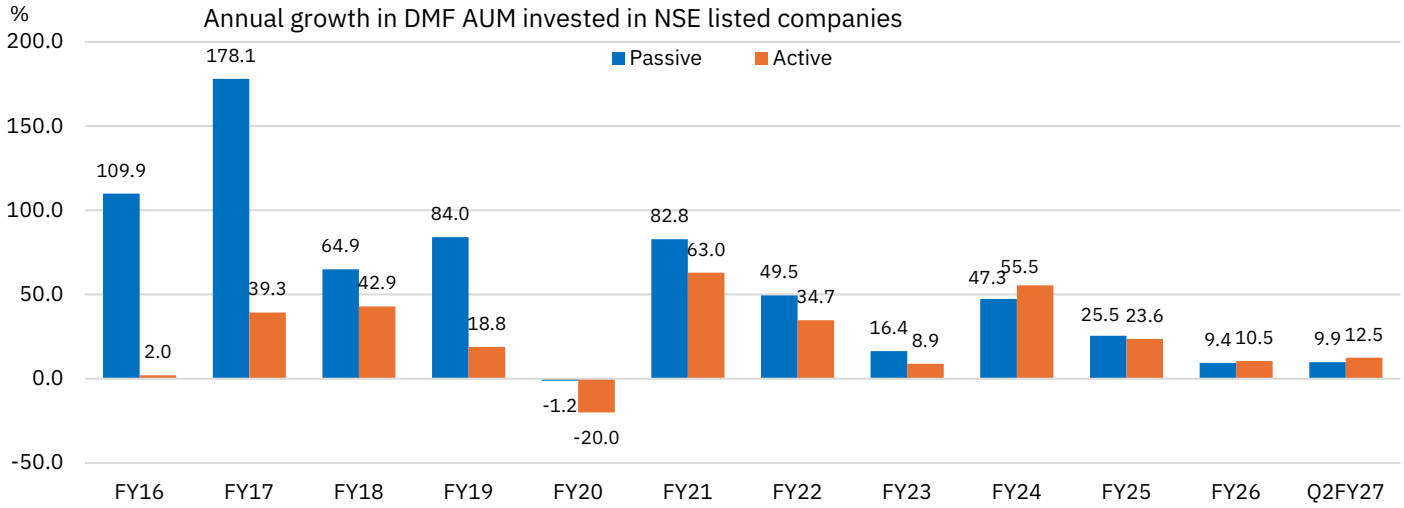


Figure 19: DMF segregation: active and passive funds



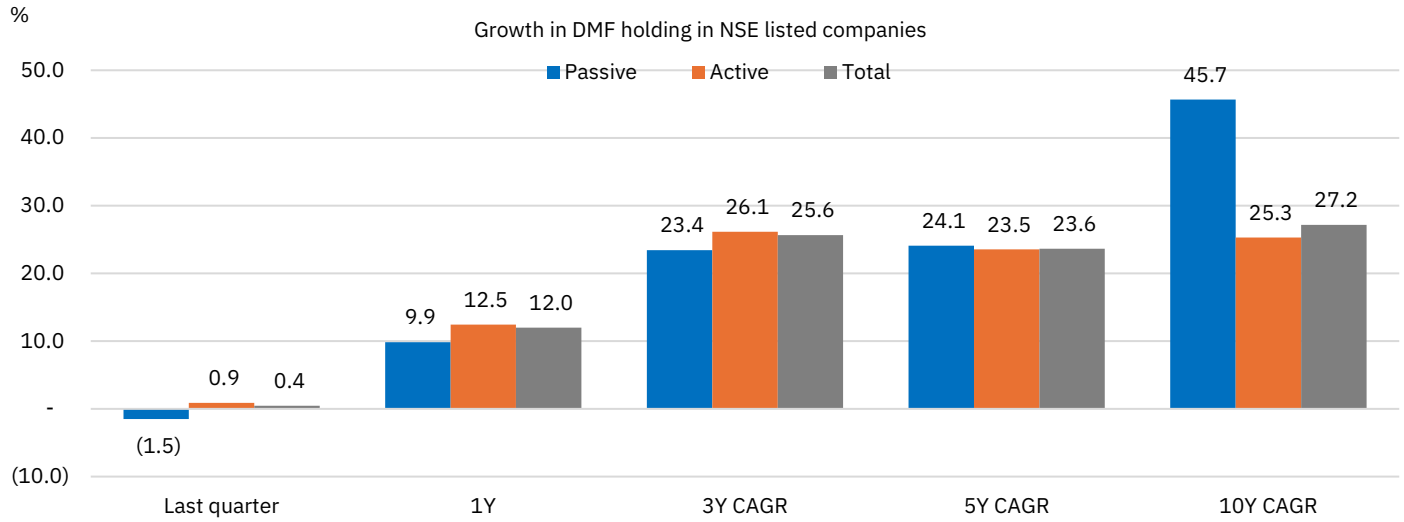
Source: AMFI, MFI Explorer, NSE EPR. Note: Passive mutual funds track an index by maintaining a portfolio that mimics the index. Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Figure 20: Annual growth of DMF holding in the NSE-listed universe



Source: AMFI, MFI Explorer, NSE EPR. Note: Passive funds track indices by replicating their constituents and weights. Active funds are those which involve active investment decisions on the part of the fund manager; their share is estimated by deducting passive AUM from the overall DMF holding.

Figure 21: CAGR of DMF holding in the NSE-listed universe



Source: AMFI, MFI Explorer, NSE EPR. Note: Passive funds track indices by replicating their constituents and weights. Active funds are those which involve active investment decisions on the part of the fund manager; their share is estimated by deducting passive AUM from the overall DMF holding. * Data is as of Sep 30th, 2026.

Figure 22: DMF ownership in total market cap of NSE listed companies

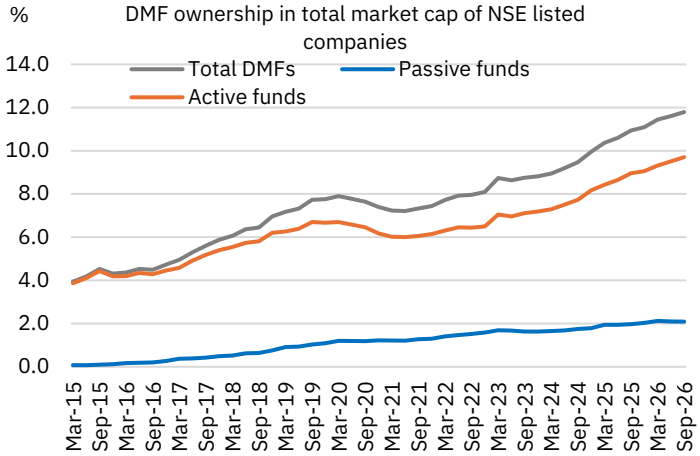
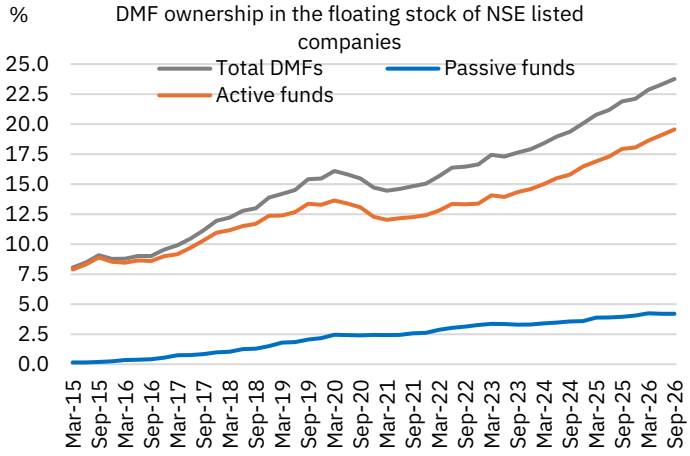


Figure 23: DMF ownership in floating market cap of NSE listed companies



Source: CMIE Prowess, AMFI, MFI Explorer, NSE EPR. Note: Passive funds track indices by replicating their constituents and weights. Active funds are those which involve active investment decisions on the part of the fund manager; their share is estimated by deducting passive AUM from the overall DMF holding.

Table 6: Shareholding of DMFs across active and passive funds in the NSE listed companies

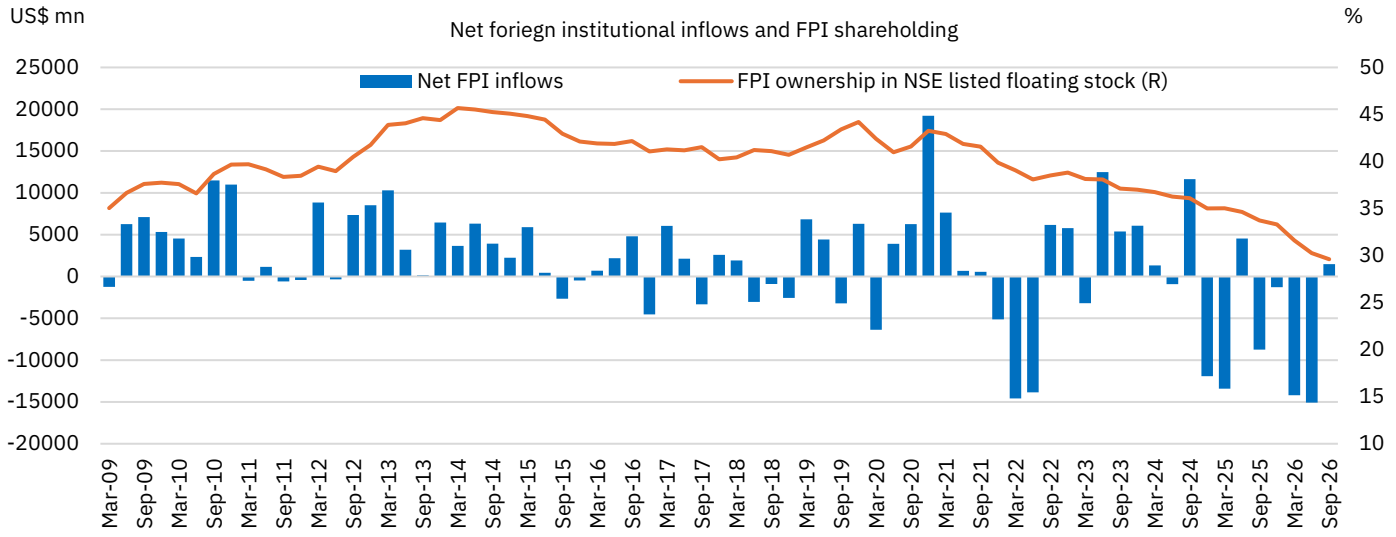
%	AUM (Rs lakh crore)			Ownership in NSE total market cap (%)			Ownership in NSE floating stock (%)		
	Active	Passive	Total	Active	Passive	Total	Active	Passive	Total
FY15	3.9	0.1	4.0	3.9	0.1	3.9	7.9	0.2	8.1
FY16	4.0	0.2	4.1	4.2	0.2	4.4	8.5	0.3	8.8
FY17	5.5	0.4	6.0	4.6	0.4	4.9	9.2	0.7	9.9
FY18	7.9	0.7	8.6	5.5	0.5	6.1	11.2	1.0	12.2
FY19	9.4	1.4	10.7	6.3	0.9	7.2	12.4	1.8	14.2
FY20	7.5	1.3	8.8	6.7	1.2	7.9	13.6	2.5	16.1
FY21	12.2	2.5	14.7	6.0	1.2	7.2	12.0	2.4	14.5
FY22	16.5	3.7	20.1	6.3	1.4	7.7	12.8	2.9	15.7
FY23	17.9	4.3	22.2	7.0	1.7	8.7	14.1	3.4	17.4
FY24	27.9	6.3	34.2	7.3	1.7	8.9	15.0	3.4	18.4
FY25	34.5	7.9	42.4	8.4	1.9	10.4	16.9	3.9	20.8
FY26	38.1	8.7	46.8	9.3	2.1	11.4	18.6	4.2	22.9
Q1FY27	44.6	9.8	54.4	9.5	2.1	11.6	19.1	4.2	23.3
Q2FY27	45.0	9.7	54.6	9.7	2.1	11.8	19.6	4.2	23.8

Source: CMIE Prowess, AMFI, MFI Explorer, NSE EPR. Note: Passive mutual funds track an index by maintaining a portfolio that mimics the underlying assets of an index. Active funds are those which involve active investment decisions on the part of the fund manager; share of these funds has been arrived at by subtracting passive AUM from the overall DMF holding.

Net FPI outflows in Q1FY27 stood at a record quarterly high of US$15.1bn.

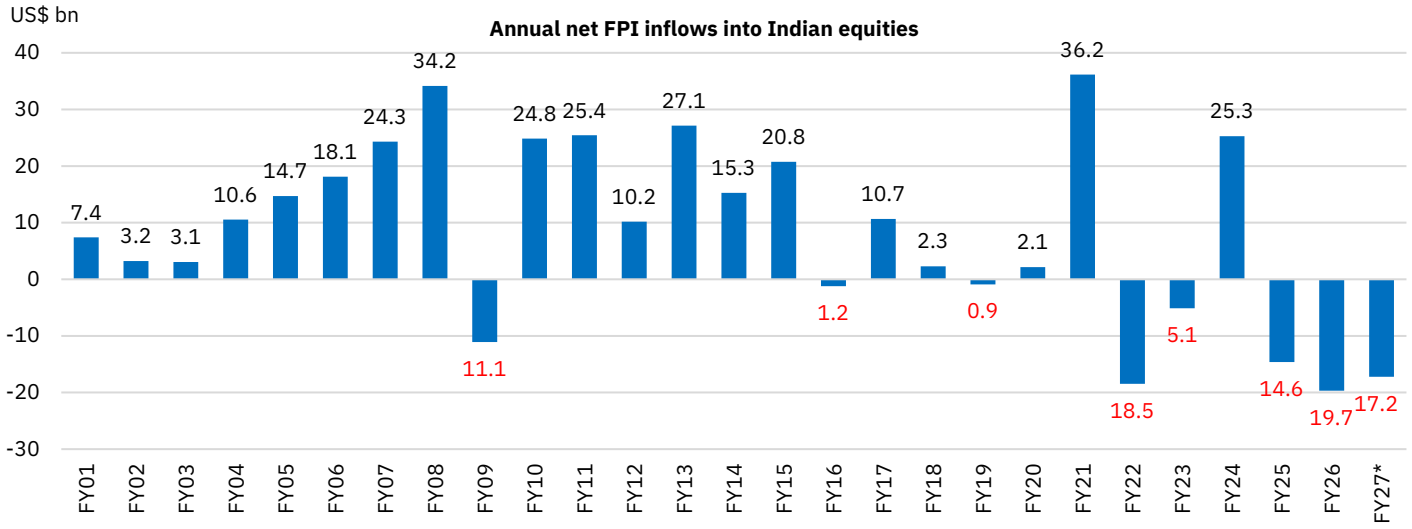
FPIs turn modest net buyers in the September quarter, but ownership falls further: Following record net outflows of US$15.1bn in Q1 FY27, FPIs returned as modest net buyers in Q2, with inflows of US$1.5bn. The recovery was concentrated in July and August, with the latter recording net inflows of US$3.1bn—the highest in nearly two years—supported by some stabilisation in the rupee, improving corporate earnings and more attractive valuations in select sectors. However, foreign selling resumed in September amid persistent geopolitical tensions, elevated global yields, crude oil volatility and concerns over India's relative valuations. Despite the modest return of foreign inflows, FPI ownership in NSE-listed companies declined by another 38bps QoQ to a 21-year low of 14.7%, slipping below 15% for the first time in 17.5 years. In value terms, FPI holdings fell by 3.7% QoQ to Rs 68.1 lakh crore, compared with a 1.2% decline in aggregate market capitalisation. Meanwhile, DII net purchases of US$17.8bn during the quarter substantially exceeded FPI inflows, further widening the gap between domestic and foreign institutional ownership.

Figure 24: Net foreign institutional inflows and FPI shareholding in the NSE-listed floating stock



Source: Bloomberg, CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians.

Figure 25: Annual net FPI inflows trend



Source: Refinitiv Datastream, NSE EPR. * As of October 30th, 2026.

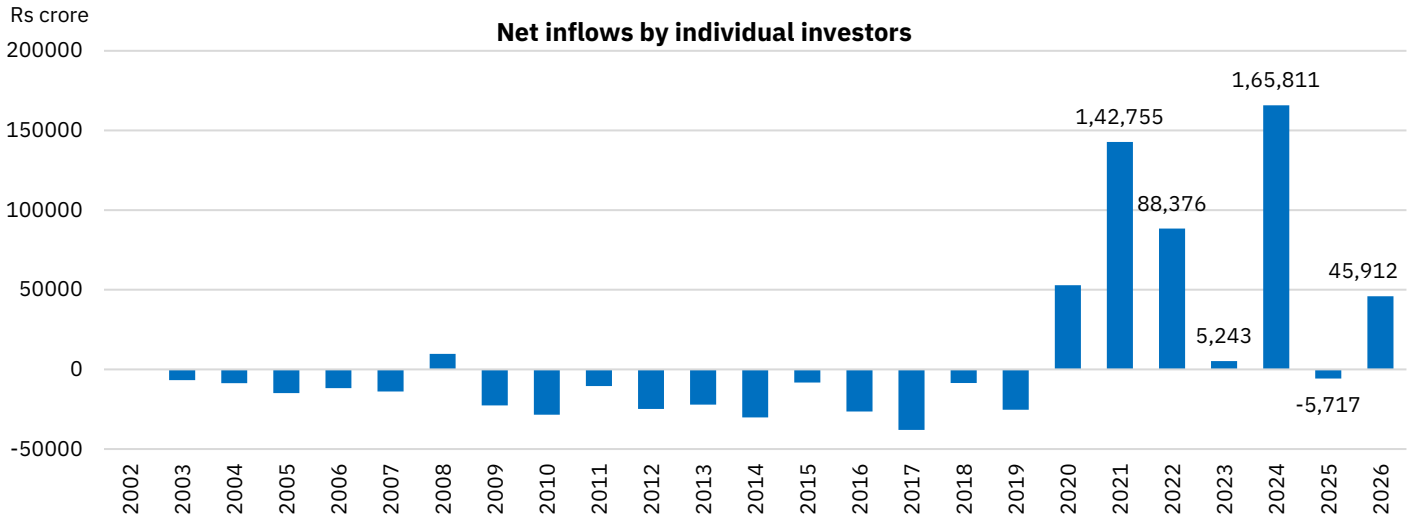
Direct individual participation remains resilient, although net buying moderated in the September quarter: Individual investor participation in Indian equities rose sharply during 2020 and 2021, supported by the steep market correction in March 2020 and the strong recovery that followed. Retail investors turned net buyers for the first time in over a decade, with cumulative net investments of Rs 2.8 lakh crore in NSE's secondary markets between January 2020 and December 2022, before moderating through 2023.

Participation strengthened again in FY25, with individuals recording net purchases of Rs 1.25 lakh crore, exceeding the combined inflows of the preceding two fiscal years. In FY26, however, individuals turned modest net sellers for the first time in seven years, with net outflows of Rs 5,804 crore. This trend reversed in FY27, with net purchases of Rs 42.7k crore in the June quarter—the highest in six quarters—followed by a more modest Rs 4.9k crore in the September quarter. Cumulative net purchases in H1 FY27 thus stood at Rs 47.6k crore, indicating continued buying despite the broader market correction.

Beyond secondary-market flows, the structural expansion of the individual investor base has continued. Unique registered investors on NSE have more than quadrupled since March 2020 to 13.8 crore as of October 2026, while the number of individuals trading at least once in the preceding 12 months (ending September 2026) has risen more than three-fold to 382 lakh. Direct individual ownership also increased for the second consecutive quarter to 9.6% as of September 2026, approaching its post-pandemic peak of 9.8%.

The expansion is equally evident in demat accounts, with the combined number across NSDL and CDSL reaching 24.1 crore as of September 2026, an increase of 5.9 times since March 2020. Nearly 83% of outstanding accounts have been added over this period, highlighting the sustained broadening of India's investor base despite recent fluctuations in secondary-market flows.

Figure 26: Net inflows by individual investors in the NSE's CM segment (2002-)



Source: NSE EPR.
Note: 1. Note: Retail investors: individual domestic investors, NRIs, sole proprietorship firms and HUFs.
2. Net flows include investments in securities in EQ, BE, SM, and ST series including ETFs only.
3. Net flows are calculated as buy traded value – sell traded value.
4. Data for 2026 is for the period Jan-Oct 2026.

Figure 27: Annual trend of unique registered investors at NSE

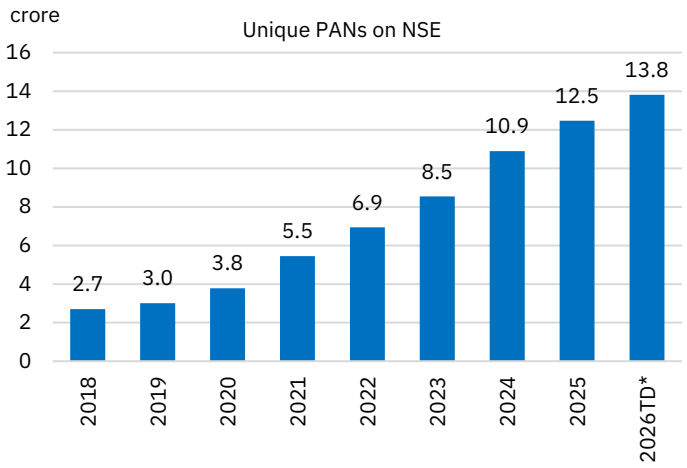
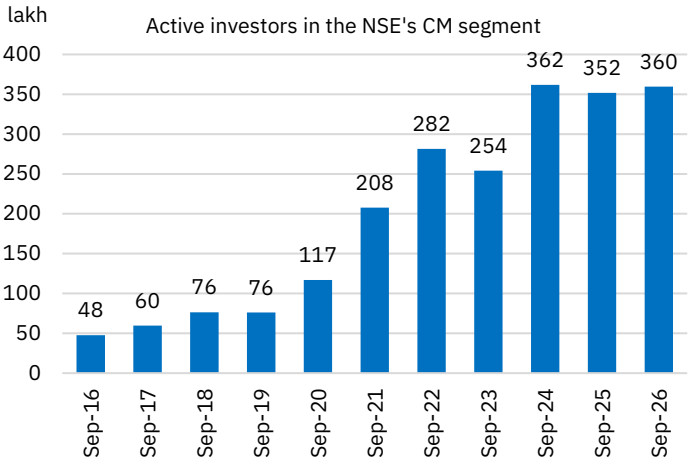


Figure 28: Active investors in a 12-month period of respective month-ends



Source: NSE EPR. Active investors are defined as investors who have traded at least once in the 12-month period.

Figure 29: Quarterly trend of number of investor accounts with depositories

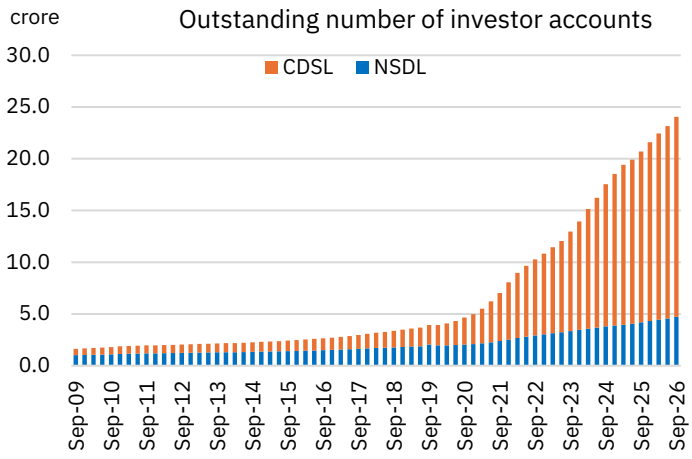
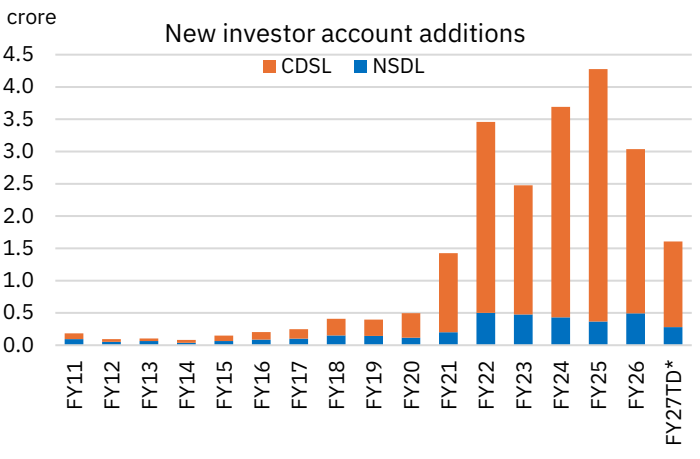


Figure 30: Annual trend of new investor account additions with depositories



Source: SEBI Bulletin, NSE EPR.

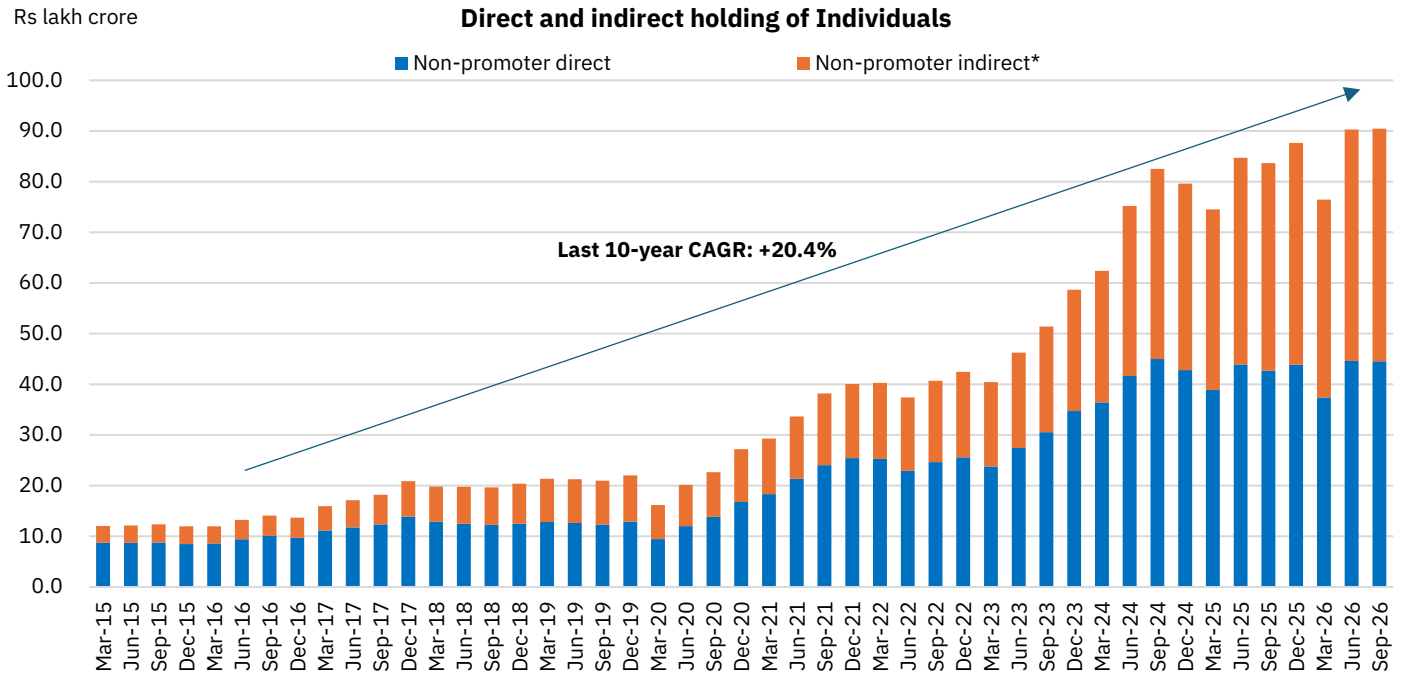
Combined individual ownership rises to a fresh record high in the September quarter: Individual investors, both directly and through mutual funds, have emerged as an increasingly important force in Indian equities since the pandemic. Direct individual ownership in NSE-listed companies rose for the second consecutive quarter, increasing by 10bps QoQ to 9.6% as of September 2026, just 20bps below its post-pandemic peak of December 2024. In value terms, direct holdings remained broadly steady at Rs 44.6 lakh crore despite a 1.2% decline in aggregate market capitalisation, supported by continued net buying during the quarter. Since March 2020, the value of direct individual holdings has grown at an annualised rate of 26.9%.

Indirect participation through mutual funds has strengthened even more significantly. Individuals, comprising retail investors and HNIs, accounted for nearly 84% of mutual funds' equity AUM as of June 2026. Based on this share, their estimated indirect ownership in NSE-listed companies rose to approximately 9.9% in September 2026, compared with 9.7% in the previous quarter and more than three times its level 12 years ago. In value terms, indirect holdings increased modestly to Rs 45.9 lakh crore, representing an annualised increase of 34.4% since March 2020.

Taken together, direct and indirect individual holdings remained broadly steady QoQ at a record Rs 90.4 lakh crore as of September 2026, despite the broader market correction. Their combined ownership share rose by 26bps QoQ to a fresh record high of 19.5%, the highest since the beginning of our analysis in 2001. In value terms, combined holdings have grown at an annualised rate of 30.3% since March 2020 and a 10-year CAGR of 20.4%.

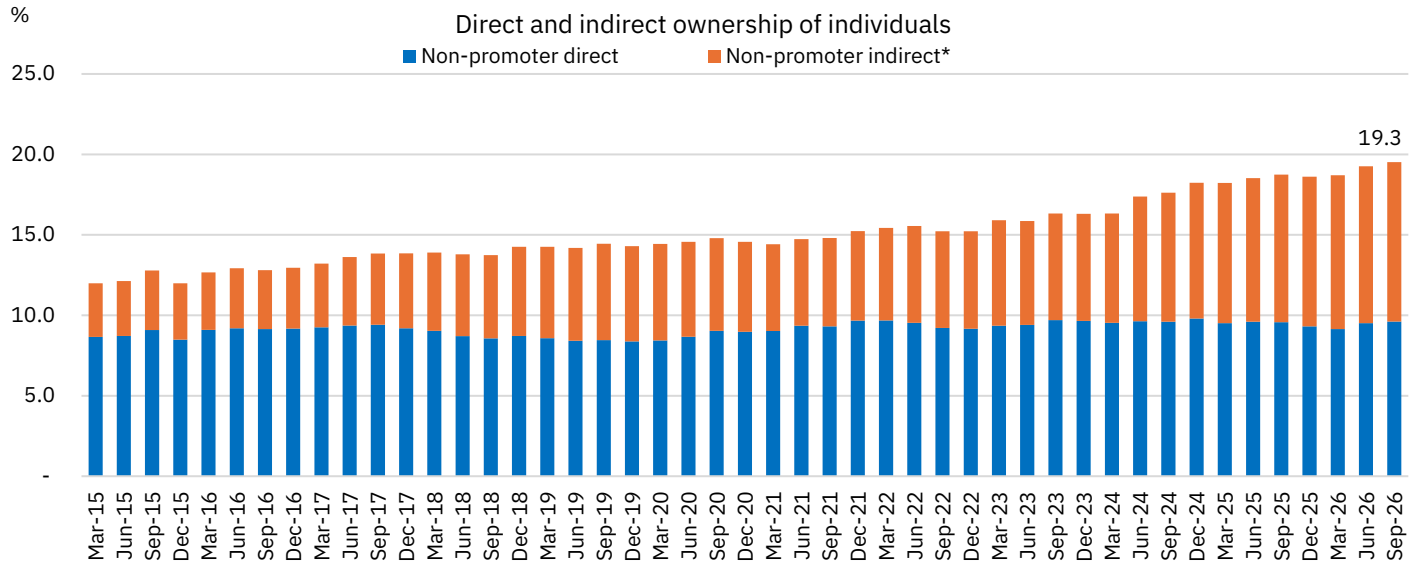
Importantly, combined individual ownership has now exceeded FPI ownership for eight consecutive quarters, marking a structural shift first seen in 2024 after nearly two decades of FPI dominance. From a deficit of nearly 11pp relative to FPI ownership in March 2014, the gap has now reversed to a record positive 4.8pp, highlighting the growing significance of domestic individual participation in Indian equities.

Figure 31: Non-promoter direct and indirect holding of individuals in equity markets in value terms



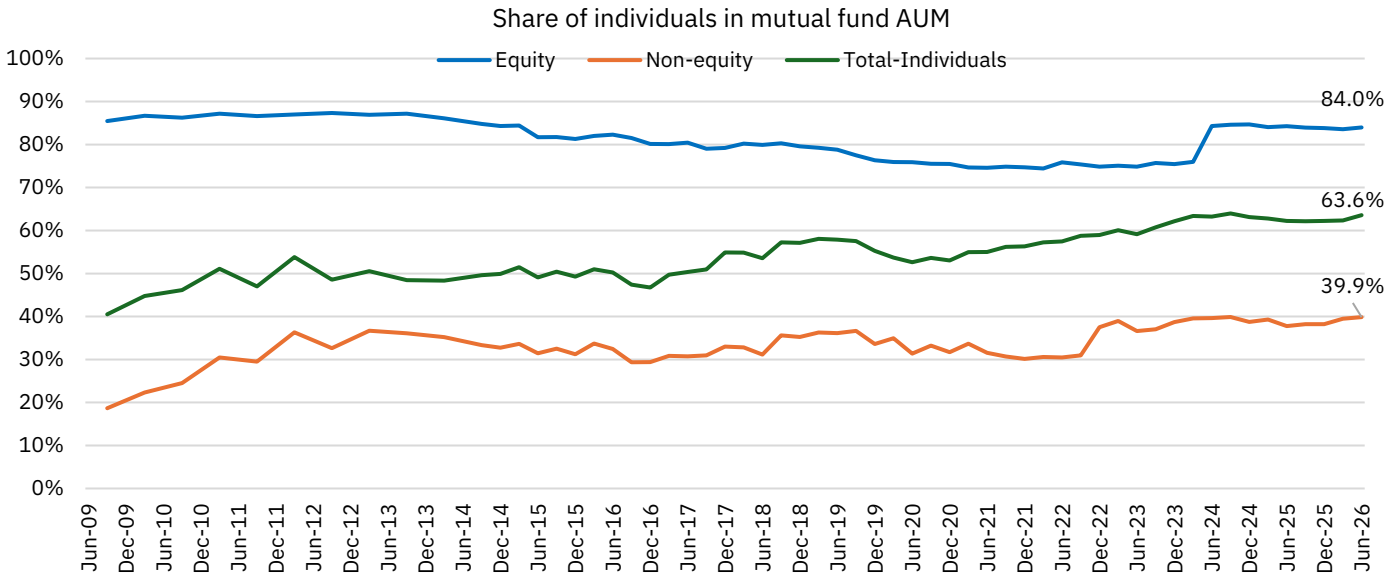
Source: CMIE Prowess, AMFI, NSE EPR. * Holding through mutual funds. Share of individual investors in the equity AUM of domestic mutual funds is assumed at the same level as in June 2026.

Figure 32: Non-promoter direct and indirect ownership of individuals in equity markets



Source: CMIE Prowess, AMFI, NSE EPR. * Holding through mutual funds.

Figure 33: Share of individuals in mutual fund AUM



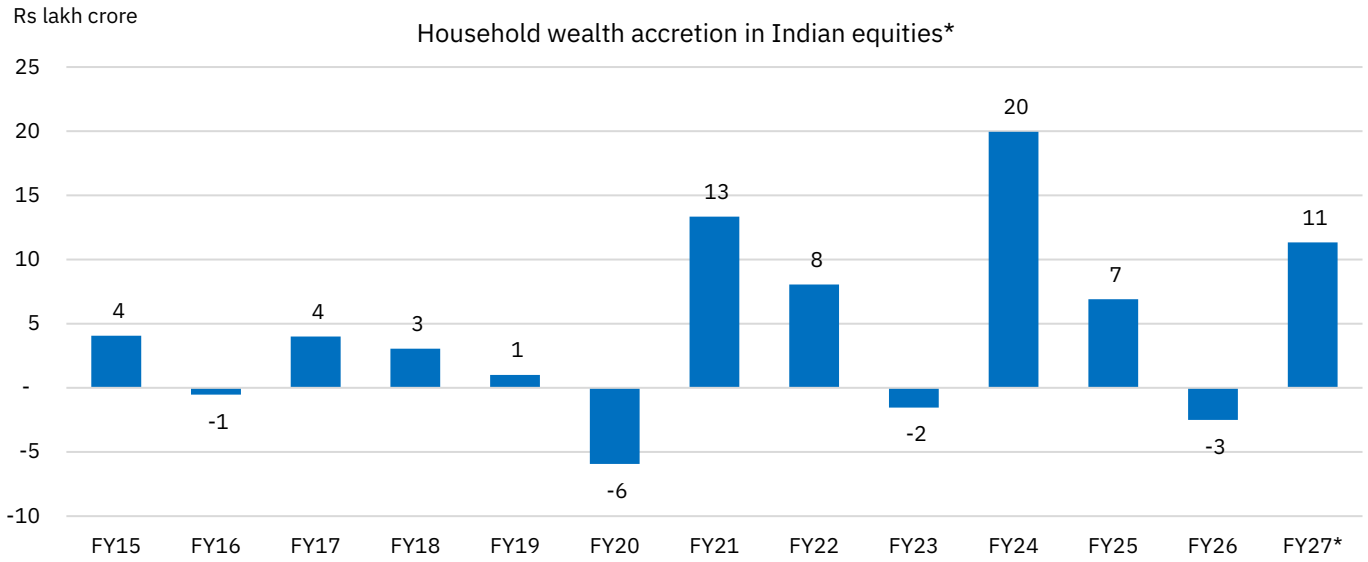
Source: CMIE Prowess, AMFI, NSE EPR. * Holding through mutual funds.

Household equity holdings remain resilient despite the September-quarter correction; cumulative wealth accretion since April 2020 remains substantial: Following a strong recovery in Q1 FY27, when household equity wealth increased by Rs 12.2 lakh crore, the September quarter witnessed a broad-based market correction. Despite this, total household equity holdings—comprising direct investments and indirect exposure through mutual funds—remained broadly steady at Rs 90.4 lakh crore as of September 2026, compared with Rs 90.3 lakh crore in June. Continued household investments through both channels helped offset the decline in market valuations. After adjusting for net fresh investments, household equity wealth during the quarter declined by Rs 87k crore.

Notwithstanding the volatility over the last two years, cumulative household equity wealth accretion since April 2020 remains substantial at an estimated Rs 55.5 lakh crore,

equivalent to approximately 61% of total household equity holdings as of September 2026. These estimates are based on quarterly changes in the value of individual holdings in NSE-listed companies, adjusted for net fresh investments. Indirect holdings are estimated by applying individuals' share in mutual funds' equity AUM to the total value of equity holdings by mutual funds.

Figure 34: Accretion to household wealth in Indian equity markets



Source: CMIE Prowess, AMFI, NSE EPR calculations.
* NSE listed companies considered for the analysis.

Sector-wise ownership of the NSE-listed universe (September 2026): Sectoral ownership patterns in Q2 FY27 continued to reflect the dominance of promoters across most sectors. Real Estate retained the highest promoter share at 63.4% (+71bps QoQ), followed by Utilities at a 15-quarter high of 61.4% (+10bps QoQ). Materials stood at 55.7% (-7bps QoQ), followed by Industrials at 55.5% (+62bps QoQ) and Energy at 53.5% (+33bps QoQ). Consumer Staples recorded its third consecutive quarterly increase, rising to a 15-quarter high of 52.8%. In contrast, promoter ownership in Information Technology declined for the sixth consecutive quarter to a 17.5-year low of 50.3%. Healthcare (51.1%) and Communication Services (48.7%) also witnessed a recovery in promoter ownership, reversing the previous quarter's decline.

Government share remained the highest in Energy, followed by Utilities and Financials.

Financials retained the top spot in terms of DMF share, followed by Consumer Discretionary and Healthcare.

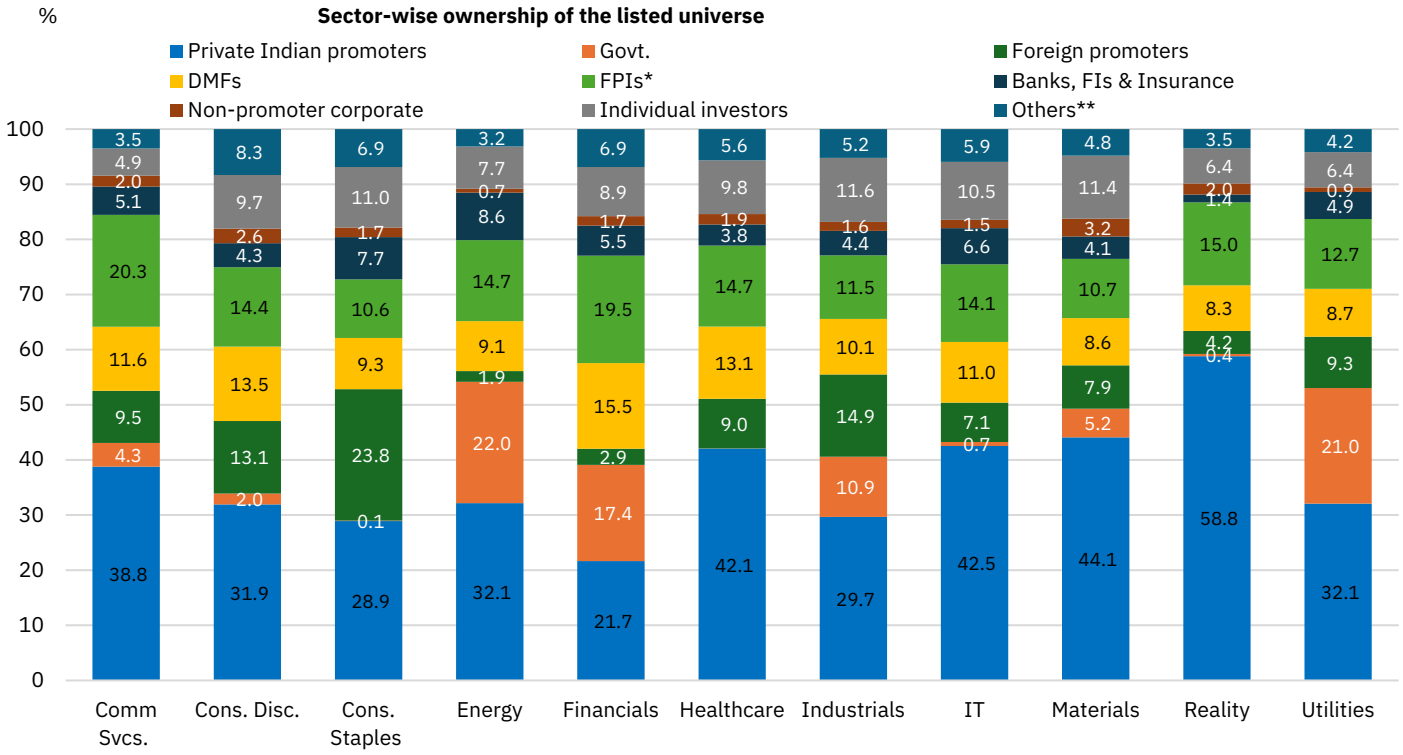
Government ownership declined across most sectors with significant public sector presence, barring Energy, where its share rose by 58bps QoQ to 22.0%, partly reversing the previous quarter's decline. Utilities followed at 21.0% (-9bps QoQ), its lowest level in 15 quarters. Government ownership in Financials declined for the second consecutive quarter, falling by 78bps QoQ to a 13-quarter low of 17.4%, while Industrials recorded a 31bps QoQ decline to a three-year low of 10.9%.

DMF ownership, on the other hand, rose or remained steady across most sectors, barring Real Estate and Consumer Discretionary. Financials continued to have the highest DMF ownership for the 10th consecutive quarter, rising by 60bps QoQ to a fresh record of 15.5%—the 11th successive quarterly increase. Consumer Discretionary followed at 13.5% (-11bps QoQ), while Healthcare reached a fresh high of 13.1%. Overall, DMF ownership touched new highs in five of the 11 sectors during the September quarter, reflecting the broad-based expansion of domestic mutual fund participation.

FPI ownership declined across nine of the 11 sectors in the September quarter, with Information Technology and Consumer Discretionary being the exceptions. Communication Services recorded the steepest sequential decline for yet another quarter, although it continued to have the highest FPI ownership at 20.3%. Financials and Energy also witnessed sizeable declines of 45bps and 61bps QoQ, taking their respective ownership shares to 23-year and nine-and-a-half-year lows of 19.9% and 15.3%. The decline in Financials has been particularly pronounced over the longer term, with FPI ownership now 19.0pp below its March 2015 peak of 38.9%. In contrast, FPI ownership in Information Technology recovered by 21bps QoQ to 14.1%, following a decline to its lowest level since the beginning of our analysis in the previous quarter. It nevertheless remains 13.4pp below its peak of 27.5%, recorded nearly 18 years ago. Ownership in Consumer Discretionary remained broadly steady at 14.4%, near its lowest level in over 21 years.

Sector-wise, all sectors, barring Information Technology and Consumer Discretionary, saw a decline in FPI share in the September quarter led by Communication Services and Energy.

Figure 35: NSE-listed universe: Sector-wise ownership pattern across key stakeholders (September 2026)



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians. **Others include other institutional and non-institutional non-promoter investors

Sector allocation in the NSE-listed universe for key stakeholders (September 2026): The table below presents the sectoral allocation of holdings across major shareholder categories in NSE-listed companies as of September 2026. Government holdings remained highly concentrated in Financials, Energy, Utilities and Industrials, which together accounted for 88.1% of the total. Among foreign promoters, Industrials had the largest allocation at 24.0% (-45bps QoQ), followed by Consumer Discretionary at 18.8% (+36bps QoQ). In contrast, the allocation to Consumer Staples declined sharply by 1.8pp QoQ to a more than 16-year low of 15.5%. For DMFs, Financials remained the largest sectoral allocation at 30.8%, despite a 64bps QoQ decline, followed by Consumer Discretionary at 14.9% (+54bps QoQ) and Industrials at 12.5% (-34bps QoQ). Financials also retained the largest share of FPI holdings, although its allocation declined sharply by 1.3pp QoQ to 31.0%, narrowing the gap with the corresponding DMF allocation to just 20bps.

Table 7: Sector allocation of the NSE-listed universe for key stakeholders (September 2026)

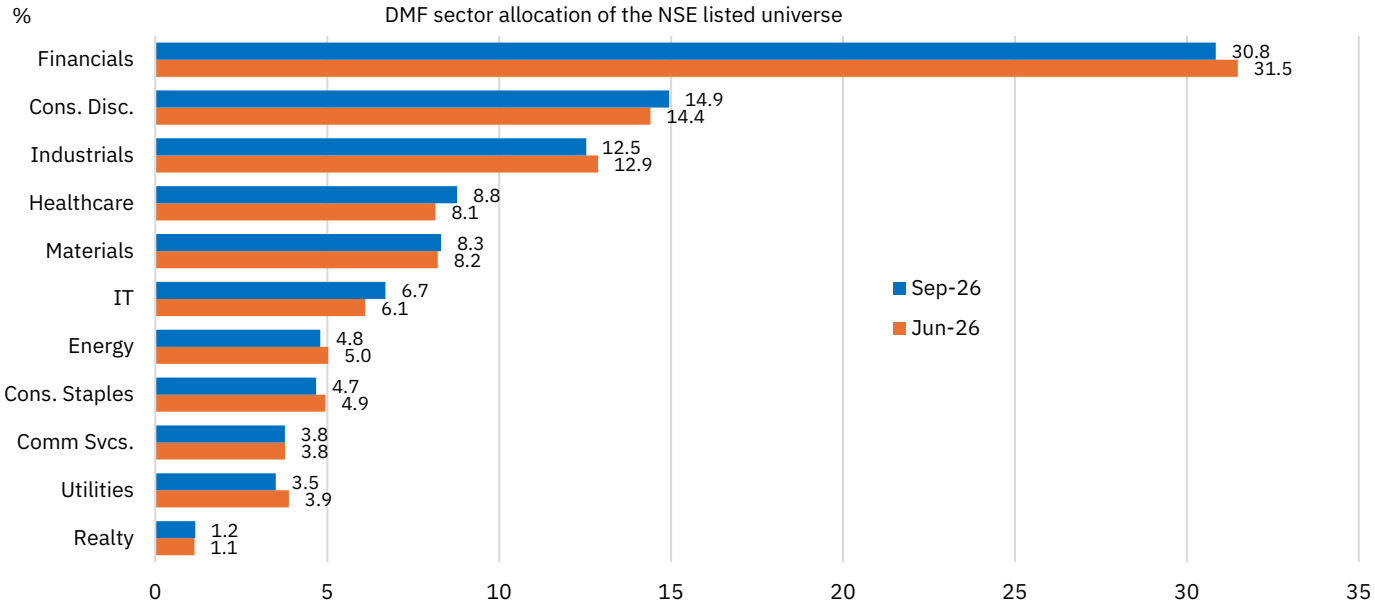
%	Pvt. Indian promoters	Govt^	Foreign promoters	Domestic MFs	FPIs*	Banks, FIs, Insurance	Non-promoter corporate	Individuals
Communication Services	4.5	1.8	4.0	3.8	5.3	3.8	4.0	2.0
Consumer Discretionary	12.7	2.8	18.8	14.9	12.8	11.0	18.1	13.2
Consumer Staples	5.2	0.1	15.5	4.7	4.3	8.8	5.4	6.8
Energy	6.1	15.0	1.3	4.8	6.2	10.4	2.2	5.0
Financials	15.5	44.7	7.6	30.8	31.0	24.7	21.0	21.7
Health Care	10.2	0.0	7.8	8.8	7.9	5.8	7.9	8.0
Industrials	13.3	17.5	24.0	12.5	11.5	12.6	12.6	17.7
Information Technology	9.3	0.6	5.6	6.7	6.9	9.1	5.6	7.8
Materials	15.4	6.5	9.9	8.3	8.3	9.0	19.3	13.6
Real Estate	3.0	0.1	0.8	1.2	1.7	0.5	1.7	1.1
Utilities	4.7	10.9	4.9	3.5	4.1	4.5	2.1	3.2
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians. ^ Includes Government ownership as promoters as well as non-promoters.

DMFs strengthened their OW position on Financials and remained negative on commodity sectors and Industrials: Despite a decline in their portfolio allocation to Financials, DMFs strengthened their OW position in the sector for the fourth consecutive quarter, as the sector's share of aggregate market capitalisation fell more sharply than its weight in DMF portfolios. They also increased their overweight position in Consumer Discretionary and maintained a mild overweight in Healthcare.

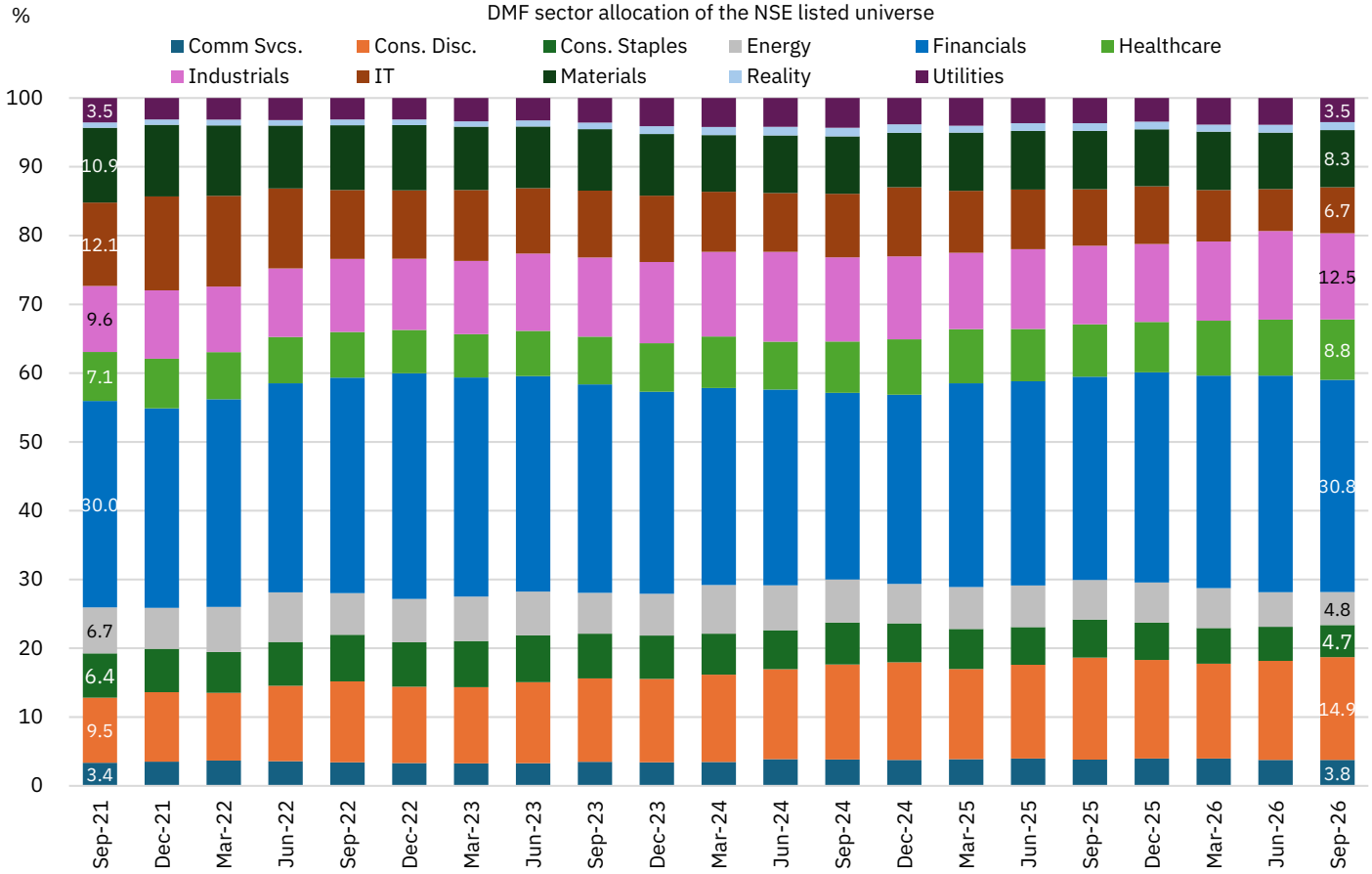
In contrast, DMFs deepened their underweight (UW) position in Industrials for the eighth consecutive quarter, taking the extent of underweighting to its highest level since the beginning of our analysis in 2001. They also remained underweight in Energy, Materials, Utilities and Consumer Staples, while maintaining broadly neutral positions in Communication Services, Information Technology and Real Estate.

Figure 36: DMF sector allocation of the NSE-listed universe (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR.

Figure 37: DMF sector allocation of the NSE-listed universe over last five years

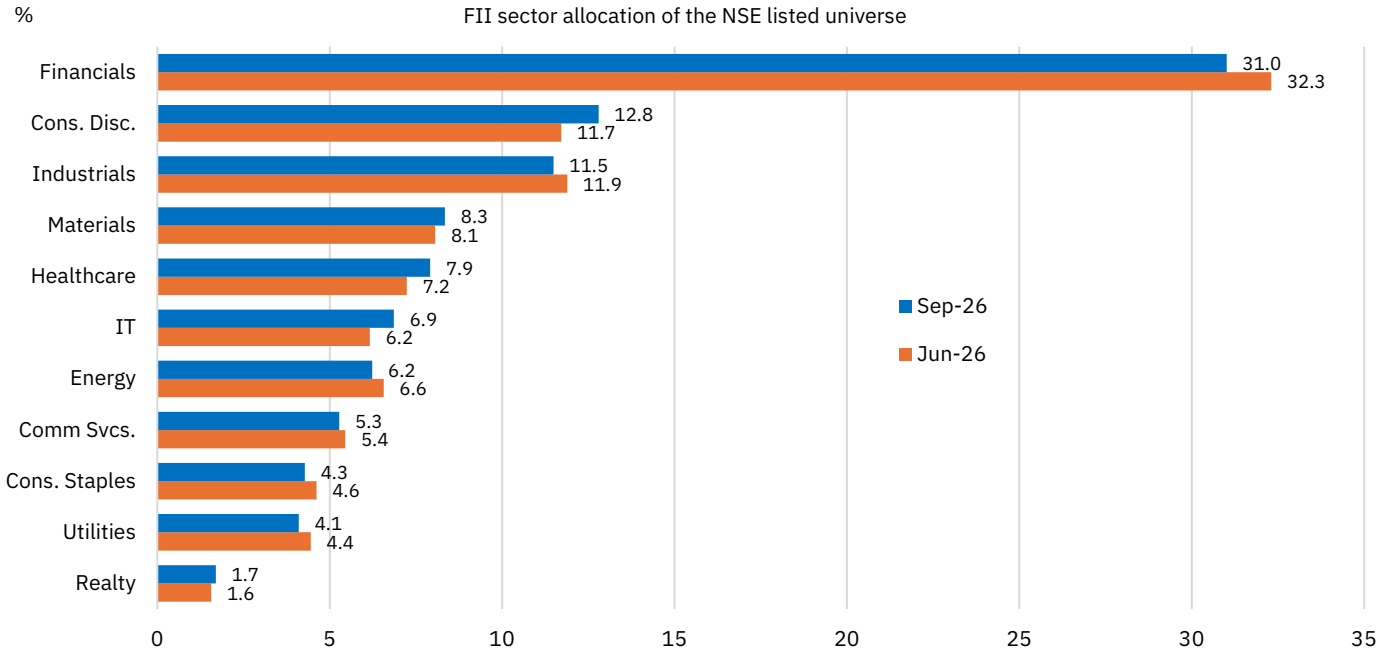


Source: CMIE Prowess, NSE EPR.

FPIs maintained broadly steady sectoral positioning in the September quarter: FPIs retained their long-standing OW position in Financials, although the extent of overweighting narrowed further. The sector accounted for 31.0% of FPI holdings in NSE-listed companies, compared with its 23.4% share in aggregate market capitalisation, implying an overweight of 7.6pp. FPIs also maintained an overweight position in Communication Services despite reduced exposure. These remained the only two sectors where FPIs were overweight in the broader listed universe.

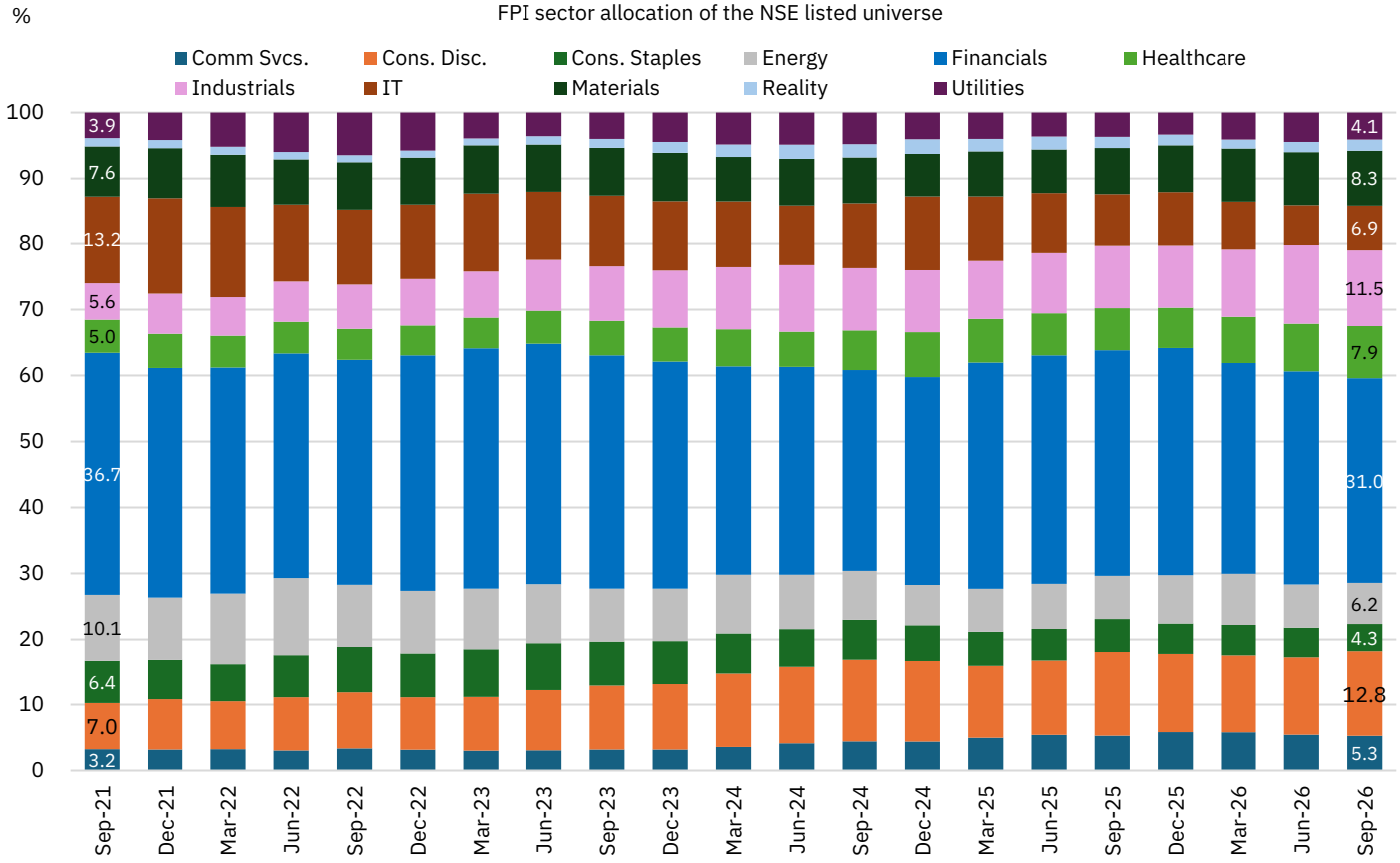
In contrast, FPIs remained underweight in Materials, Industrials and Consumer Staples, while maintaining broadly neutral positions in Utilities, Consumer Discretionary, Energy, Information Technology, Healthcare and Real Estate.

Figure 38: FPI sector allocation of the NSE-listed universe (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians

Figure 39: FPI sector allocation of the NSE-listed universe over last five years



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians.

Nifty 50 ownership trends

Ownership pattern of the Nifty 50 universe (September 2026)

Promoter ownership in Nifty 50 companies declined by 37bps QoQ to 40.0% in the quarter ending September 2026.

Promoter stake in the Nifty 50 universe declined further in Q2FY27: Promoter ownership in Nifty 50 companies, unlike in the broader listed universe, declined by 37bps QoQ to 40.0% in the September 2026 quarter, extending the decline seen in the previous quarter. In value terms, promoter holdings fell by 5.6% QoQ to Rs 73.2 lakh crore, exceeding the 4.7% decline in the index's aggregate market capitalisation. The reduction was driven by a fall across all promoter categories.

Private Indian promoter ownership fell for the third quarter in a row by 23bps QoQ to a 29-quarter low of 26.9%, with the value of their holdings fell by 2.8% QoQ to Rs 50.6 lakh crore. Government ownership, including both promoter and non-promoter holdings, declined for the third consecutive quarter, albeit by a modest 6bps QoQ to 7.6%. This was primarily on the back of the Government's stake sale in LIC, excluding which Government ownership in Nifty 50 companies rose by 23bps QoQ to 5.3%. In value terms, Government holdings declined for the second consecutive by 5.5% QoQ to a four-quarter low of Rs 14 lakh crore.

Foreign promoter ownership also moderated after a sharp increase in the previous quarter, declining by 9bps QoQ to 5.7% as of September 2026. In value terms, their holdings fell by 6.0% QoQ to Rs 10.5 lakh crore.

DMF ownership in the Nifty 50 market cap rose by 21bps QoQ to a fresh record high of 14.8% in the September 2026 quarter, supported by strong SIP inflows.

FPI share dipped further by 23pp QoQ to 20.9%—the lowest level in nearly 15 years.

Institutional ownership in the Nifty 50 remained broadly steady in the September quarter: Institutional ownership in Nifty 50 companies remained broadly unchanged at 47.3% in the September 2026 quarter, as continued gains in DMF ownership were almost entirely offset by a further decline in FPI share.

DMF ownership in Nifty 50 market capitalisation rose by another 21bps QoQ to a fresh record high of 14.8%, marking the 13th consecutive quarterly increase and taking the cumulative rise over this period to 5pp. The sustained increase was supported by robust domestic inflows, underpinned by steady household participation through SIPs. In value terms, however, DMF holdings declined by 3.4% QoQ to Rs 27.0 lakh crore, partly reversing the sharp increase in the previous quarter, although the decline was lower than the 4.7% fall in the index's aggregate market capitalisation.

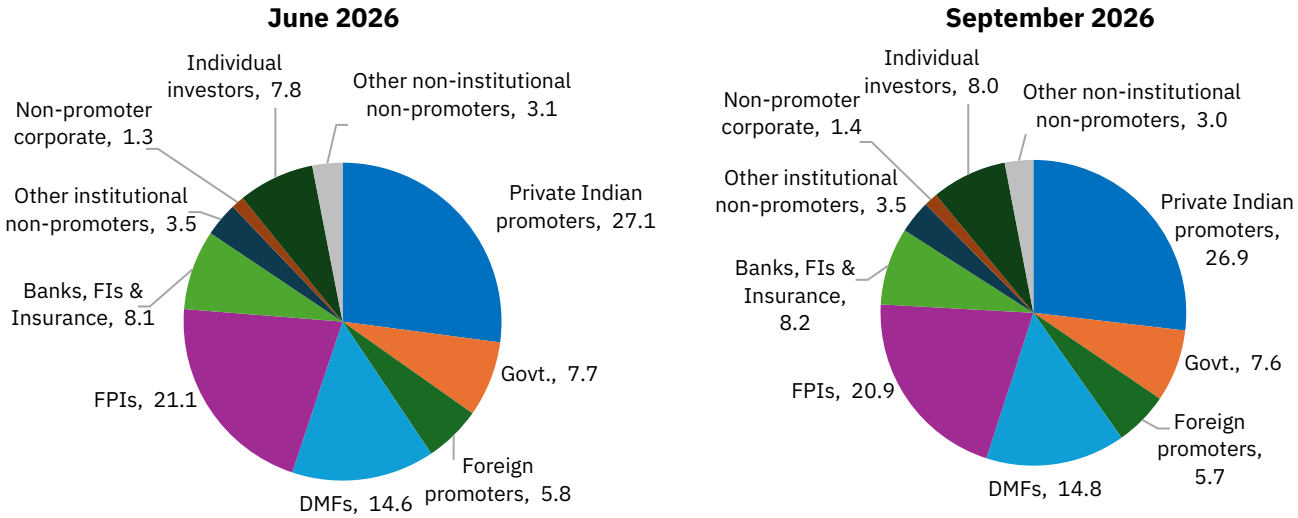
In contrast, FPI ownership in Nifty 50 companies fell by 23bps QoQ to a nearly 15-year low of 20.9%, broadly mirroring the trend in the wider listed universe. This marked the fifth consecutive quarterly decline, taking the cumulative fall over this period to 3.6pp. FPI ownership now stands 7.5pp below its December 2019 peak. In value terms, FPI holdings declined by 5.8% QoQ, exceeding the fall in overall Nifty 50 market capitalisation and reflecting the continued erosion of foreign ownership in India's largest listed companies.

Meanwhile, ownership by banks, financial institutions and insurance companies remained broadly steady at 8.2%, continuing to move within a narrow 8.0–8.2% range over the last 17 quarters.

Individual investors' ownership in Nifty50 companies inched up further in Q2FY27: Direct individual ownership in Nifty 50 companies recovered by 21bps QoQ to 8.0% as of September 2026, reversing the decline seen in the previous quarter. In value terms, individual holdings declined by 2.1% QoQ to Rs 14.6 lakh crore, considerably less than

the 4.7% fall in aggregate Nifty 50 market capitalisation. Despite the recent recovery, individual ownership in Nifty 50 companies has remained broadly range-bound between 7.5% and 8.5% for over 32 quarters, reflecting relative stability in direct individual exposure to India's largest listed companies.

Figure 40: Nifty 50: Ownership pattern by total market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 8: Nifty 50: Value held by key stakeholders over the last three years

Rs lakh crore	Private Indian promoters	Govt.	Foreign promoters	DMFs	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual Investor	Others **	Total
Dec-23	50.4	10.7	11.1	17.5	13.8	43.0	2.1	14.0	8.5	171.2
Mar-24	53.5	12.6	11.3	18.9	14.3	43.9	2.2	14.5	8.5	179.6
Jun-24	56.0	13.7	11.8	21.3	15.4	46.8	2.2	15.3	8.8	191.3
Sep-24	59.6	15.4	13.3	23.8	16.8	51.0	2.5	16.5	9.8	208.6
Dec-24	53.3	13.4	11.0	22.9	15.4	45.7	2.2	15.0	9.0	188.0
Mar-25	53.5	12.8	10.3	23.7	15.3	45.6	2.5	14.9	9.1	187.7
Jun-25	57.6	13.5	11.0	26.3	16.4	49.7	2.6	16.0	9.8	202.8
Sep-25	54.6	13.5	11.5	26.7	15.9	47.6	2.5	15.5	9.9	197.8
Dec-25	59.4	14.1	11.8	28.7	17.1	50.2	2.6	16.3	10.6	210.8
Mar-26	49.3	15.0	9.9	25.4	14.8	39.4	2.2	13.6	11.2	180.9
Jun-26	52.0	14.8	11.1	28.0	15.6	40.6	2.5	14.9	12.5	192.1
Sep-26	49.1	14.0	10.5	27.0	15.0	38.2	2.6	14.6	11.9	183.0
% QoQ	***-5.6%***	***-5.5%***	***-6.0%***	***-3.4%***	***-4.1%***	***-5.8%***	***5.2%***	***-2.1%***	***-5.1%***	***-4.7%***

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

Table 9: Nifty 50: Ownership trend across key stakeholders by total market cap over the last three years

%	Private Indian promoters	Govt	Foreign promoters	Domestic MFs	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual investors	Others*
Dec-23	29.4	6.3	6.5	10.2	8.0	25.1	1.3	8.2	5.0
Mar-24	29.8	7.0	6.3	10.5	8.0	24.5	1.2	8.1	4.7
Jun-24	29.3	7.1	6.2	11.1	8.1	24.5	1.2	8.0	4.6
Sep-24	28.5	7.4	6.4	11.4	8.0	24.4	1.2	7.9	4.7
Dec-24	28.4	7.1	5.8	12.2	8.2	24.3	1.2	8.0	4.8
Mar-25	28.5	6.8	5.5	12.6	8.2	24.3	1.4	7.9	4.8
Jun-25	28.4	6.7	5.4	13.0	8.1	24.5	1.3	7.9	4.8
Sep-25	27.6	6.8	5.8	13.5	8.1	24.1	1.3	7.8	5.0
Dec-25	28.2	6.7	5.6	13.6	8.1	23.8	1.2	7.7	5.0
Mar-26	27.3	8.3	5.5	14.0	8.2	21.8	1.2	7.5	6.2
Jun-26	27.1	7.7	5.8	14.6	8.1	21.1	1.3	7.8	6.5
Sep-26	26.9	7.6	5.7	14.8	8.2	20.9	1.4	8.0	6.5
QoQ change	*-23bps*	*-6bps*	***-8bps***	***21bps***	***6bps***	***-23bps***	***14bps***	***21bps***	***-2bps***

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

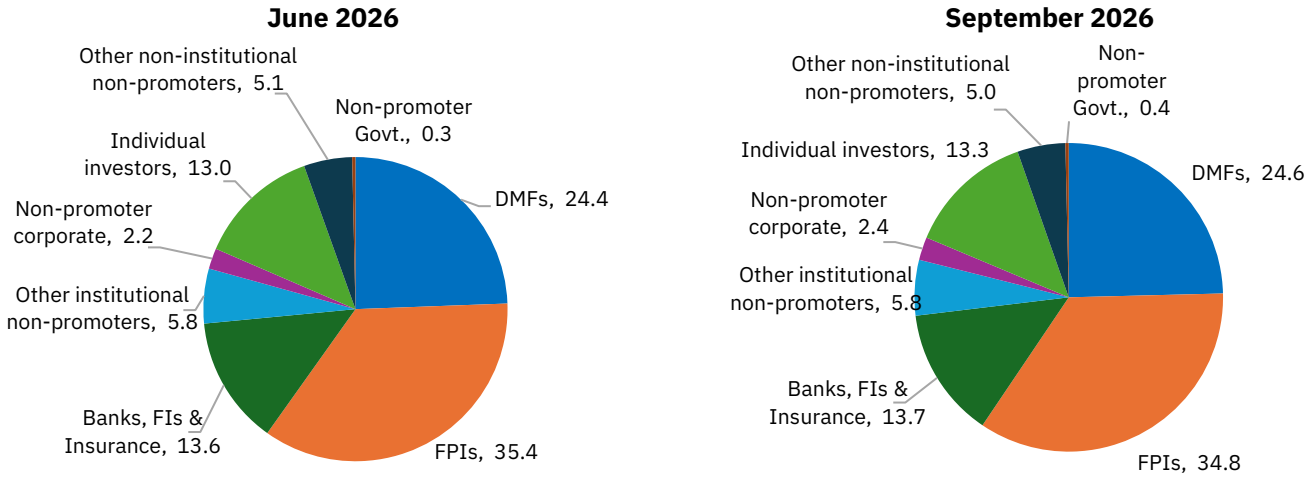
Institutional ownership of Nifty50 floating stock fell for the third quarter in a row in Q2FY27: Institutional ownership in the Nifty 50 free float declined for the third consecutive quarter, falling by 38bps QoQ to 78.9% in Q2 FY27. The decline was driven primarily by FPIs, whose share fell by 60bps QoQ to a 22-year low of 34.8%. This marked the fifth consecutive quarterly decline, taking the cumulative fall over this period to 6.2pp. FPI ownership in the Nifty 50 free float now stands 16.9pp below its December 2014 peak of nearly 52%.

DMFs, in contrast, continued to gain share, with their ownership in the Nifty 50 free float rising by 19bps QoQ to a fresh record high of 24.6% as of September 2026, marking the 13th consecutive quarterly increase. Ownership by banks, financial institutions and insurance companies remained broadly steady at 13.7%, continuing to move within a narrow 13.4–14.1% range over the last 17 quarters.

Meanwhile, individual investors' share in the Nifty 50 free float rose by another 27bps QoQ to a six-quarter high of 13.3%. Despite the recent recovery, their ownership remains 1.7pp below the post-pandemic peak of 15.0% recorded in June 2022, reflecting the growing importance of indirect household participation through mutual funds alongside direct equity investments.

Among other investor categories, ownership by non-institutional, non-promoter entities—primarily trusts, clearing members and HUFs—declined by 11bps QoQ to 5.0%, partly reversing the previous quarter's increase. Other institutional non-promoter ownership remained unchanged at its all-time high of 5.8%.

Figure 41: Nifty 50: Ownership pattern by free float market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 10: Nifty 50: Ownership trend across key stakeholders by free float market cap over last the three years

%	Domestic MFs	Banks, FIs & Insurance	FPIs*	Non-promoter corporate	Individual Investors	Others**
Dec-23	17.6	13.8	43.3	2.2	14.1	8.9
Mar-24	18.4	14.0	42.8	2.1	14.1	8.7
Jun-24	19.3	14.0	42.4	2.0	13.9	8.4
Sep-24	19.7	13.9	42.2	2.1	13.7	8.5
Dec-24	20.7	13.9	41.3	2.0	13.5	8.5
Mar-25	21.3	13.7	40.9	2.3	13.4	8.5
Jun-25	21.7	13.5	41.0	2.2	13.2	8.4
Sep-25	22.5	13.4	40.1	2.1	13.0	8.7
Dec-25	22.8	13.6	39.9	2.1	12.9	8.8
Mar-26	23.7	13.8	36.8	2.1	12.7	10.9
Jun-26	24.4	13.6	35.4	2.2	13.0	11.3
Sep-26	24.6	13.7	34.8	2.4	13.3	11.2
QoQ change	*19bps*	*1bps*	*-60bps*	*21bps*	*27bps*	*-10bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across key non-promoter stakeholders is based on free float market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

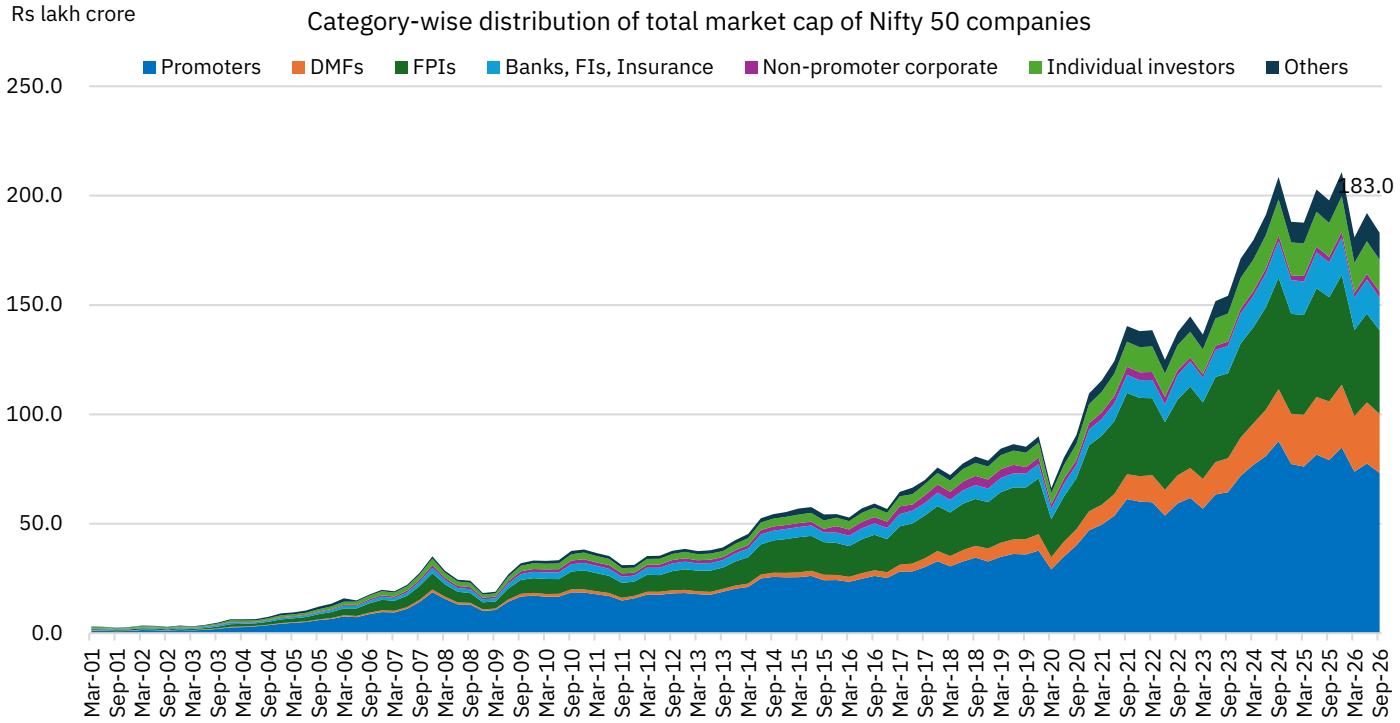
Long-term ownership trend of the Nifty 50 universe: The long-term ownership trajectory of the Nifty 50 broadly mirrors that of the wider listed universe, albeit with some differences across investor categories. Promoter ownership declined steadily between 2009 and March 2019, followed by a brief recovery before moderating again. The initial decline was driven largely by lower Government ownership, even as private Indian promoter share increased over much of this period. Since 2019, Government ownership has inched up marginally until the recent decline, while private Indian promoter ownership has fallen by 5.3pp from the post-pandemic highs. Foreign promoter ownership has remained broadly stable over the longer term, barring some post-pandemic fluctuations. More recently, overall promoter ownership declined for the second consecutive quarter to 40.0% as of September 2026, in contrast to the recovery seen in the broader listed universe.

DMF ownership, on the other hand, has risen steadily since 2014, barring a brief interruption during the pandemic. Supported by sustained domestic institutional inflows and growing household participation through mutual funds, DMF ownership has now increased for 13 consecutive quarters to a record 14.8% as of September 2026, a

cumulative rise of 5pp over this period. FPI ownership followed a different trajectory, rising after the Global Financial Crisis to a peak of 28.3% in March 2015 and remaining broadly range-bound until 2019. Since the pandemic, however, FPI ownership has trended lower, barring a brief rebound in late 2020, falling to a nearly 15-year low of 20.9% in September 2026.

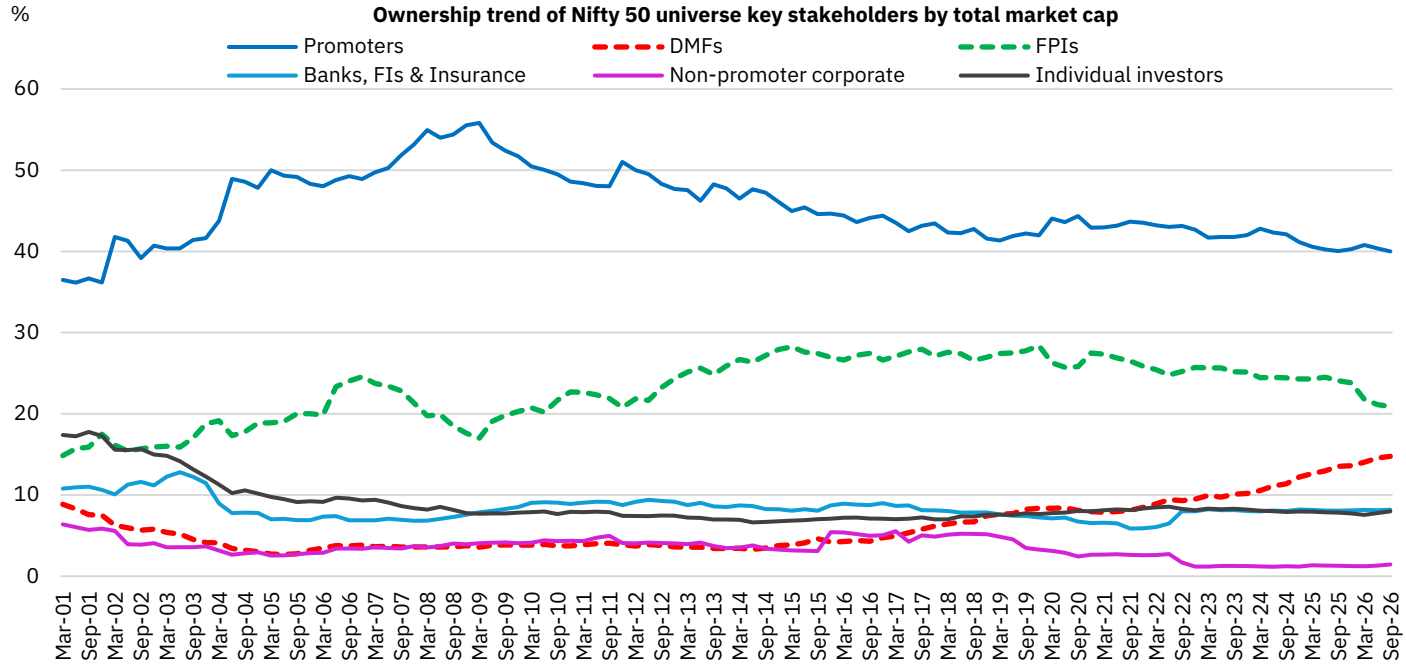
Unlike the broader NSE-listed universe, direct individual ownership in the Nifty 50 rose gradually between 2014 and 2022 before moderating thereafter. Despite a modest recovery to 8.0% in September 2026, its share has remained within a narrow 7.5–8.5% range for over eight years. This relative stability, alongside the sustained rise in DMF ownership, reflects the growing importance of mutual funds as a channel for household participation in large-cap equities.

Figure 42: Nifty 50: Long-term trend of market cap distribution across key shareholder categories



Source: CMIE Prowess, NSE EPR.
Notes: 1. FPI ownership includes ownership through depository receipts held by custodians.
2. Only includes companies where shareholding data is available as of the end of every quarter.

Figure 43: Nifty 50: Long-term ownership trend across key stakeholders by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 44: Total promoter ownership trend of the Nifty 50 universe by total market cap

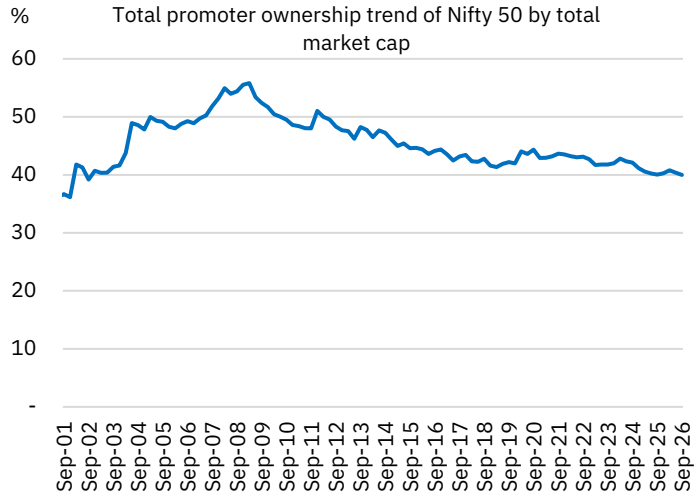
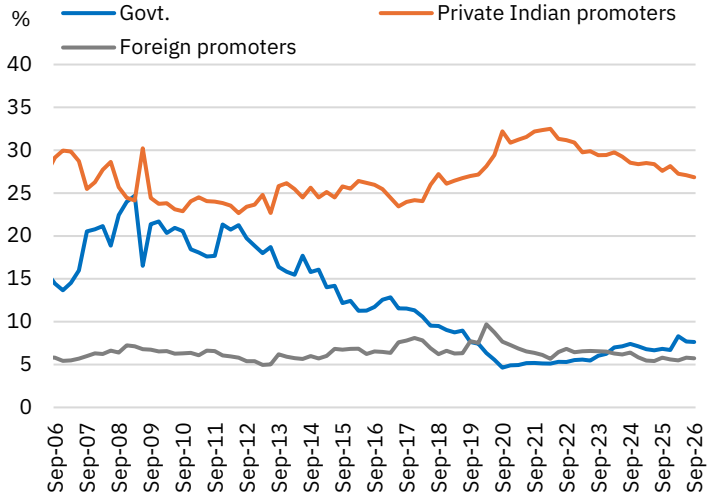


Figure 45: Indian and foreign promoter ownership trend of the Nifty 50 universe by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 46: DMF ownership trend of Nifty 50 universe by total market cap

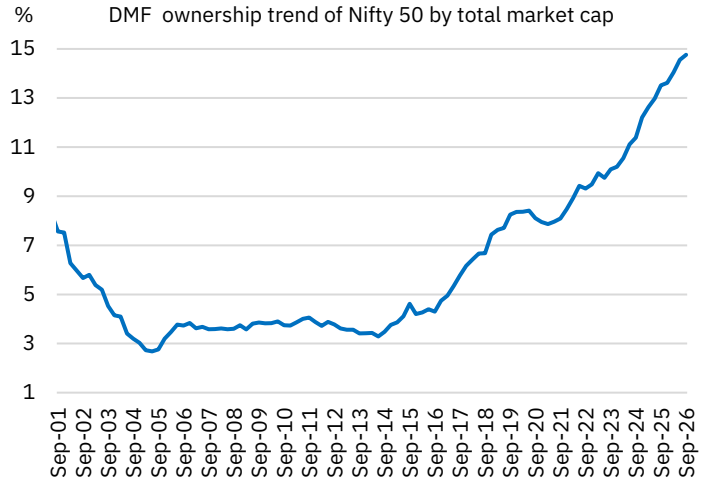
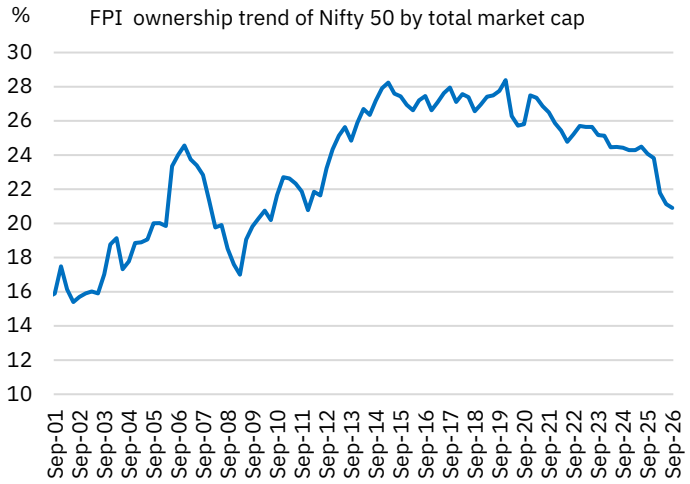


Figure 47: FPI ownership trend of Nifty 50 universe by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 48: Banks, FIs & Insurance ownership trend of Nifty 50 universe by total market cap

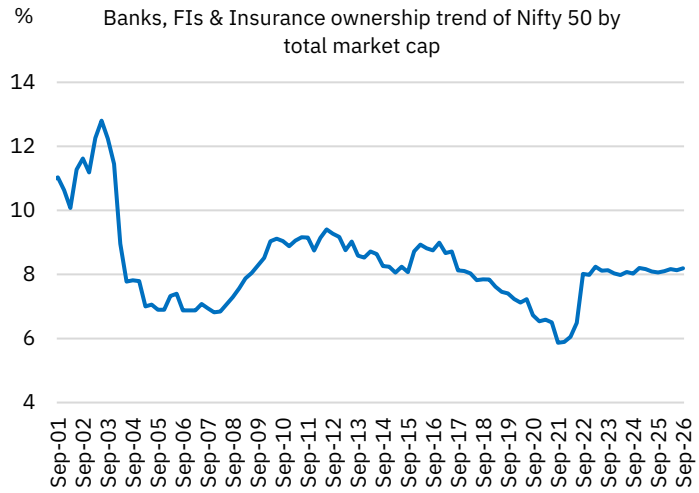
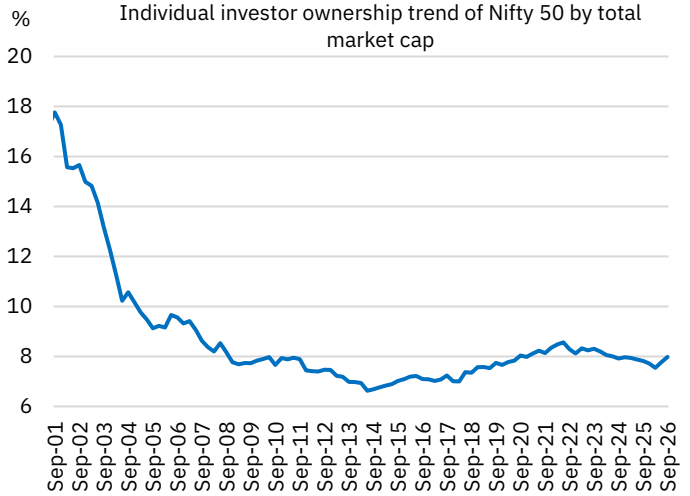


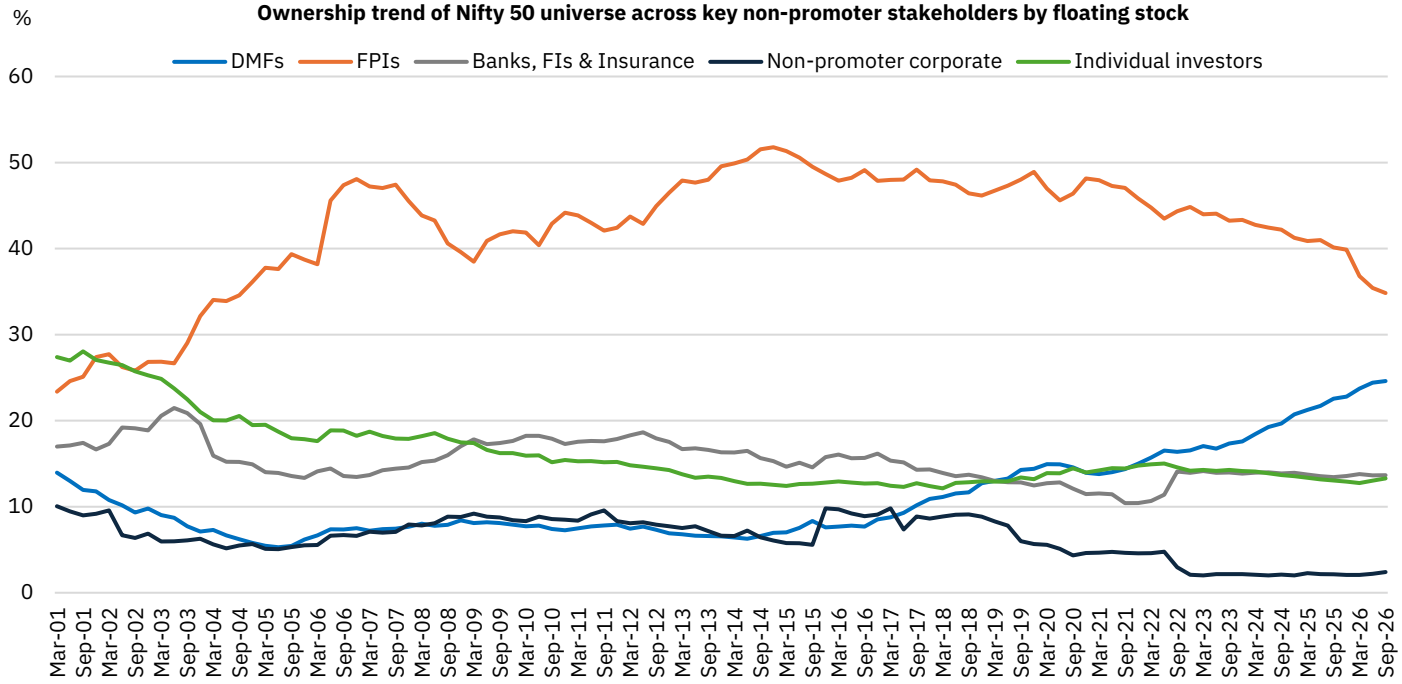
Figure 49: Individuals' ownership trend of Nifty 50 universe by total market cap



Source: CMIE Prowess, NSE EPR.

Our long-term ownership analysis on the free float market cap of the Nifty 50 Index also shows that while DMF ownership is currently at the highest ever level of 24.6%, while FPI ownership is ~16.9pp lower than the peak share of 51.8% observed in December 2014.

Figure 50: Nifty 50: Long-term ownership trend across key stakeholders by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 51: DMF ownership trend of the Nifty 50 universe by free float market cap

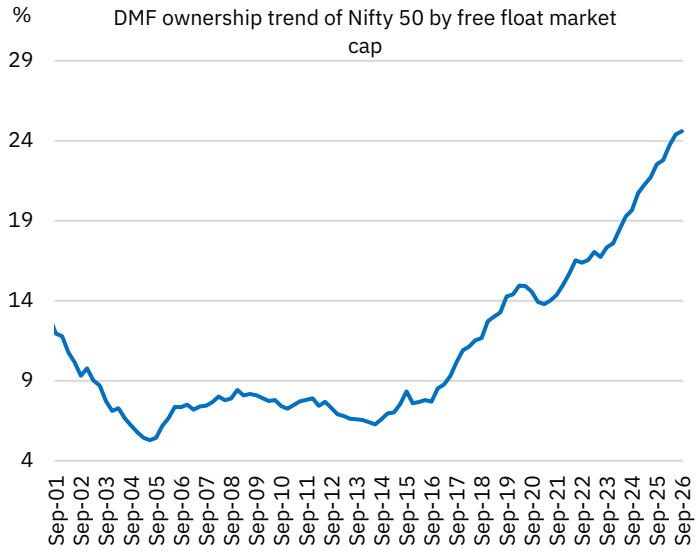
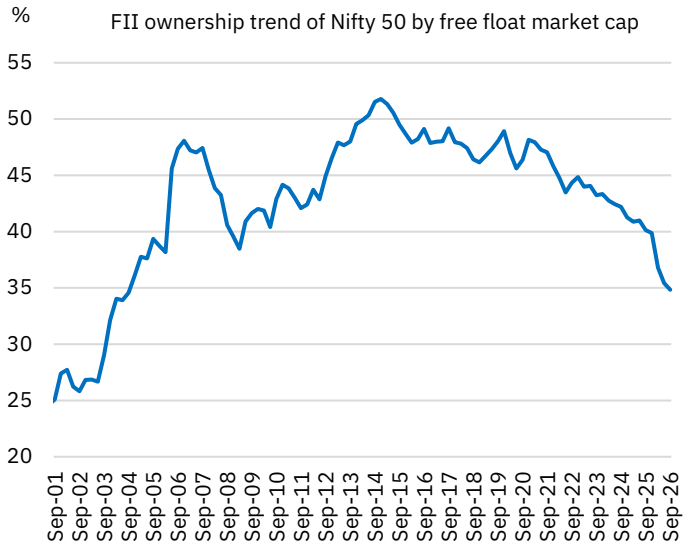


Figure 52: FPI ownership trend of the Nifty 50 universe by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 53: Banks, FIs & Insurance ownership trend of the Nifty 50 universe by free float market cap

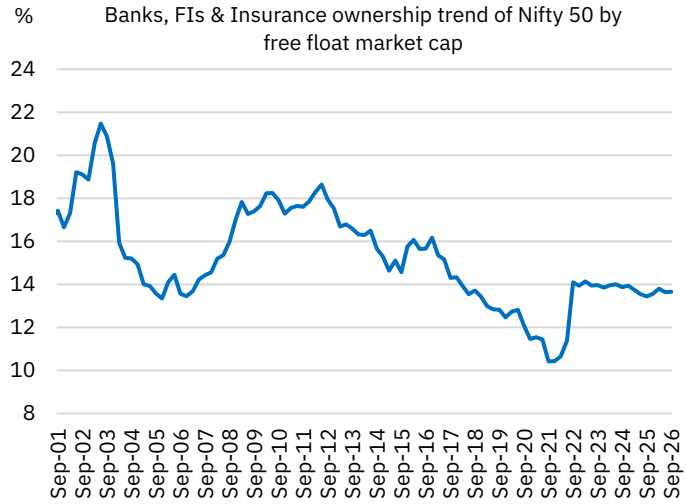
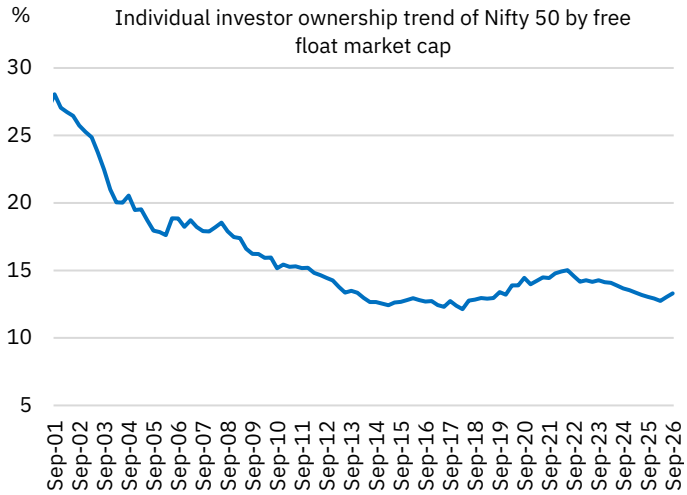


Figure 54: Individual ownership trend of the Nifty 50 universe by free float market cap



Source: CMIE Prowess, NSE EPR.

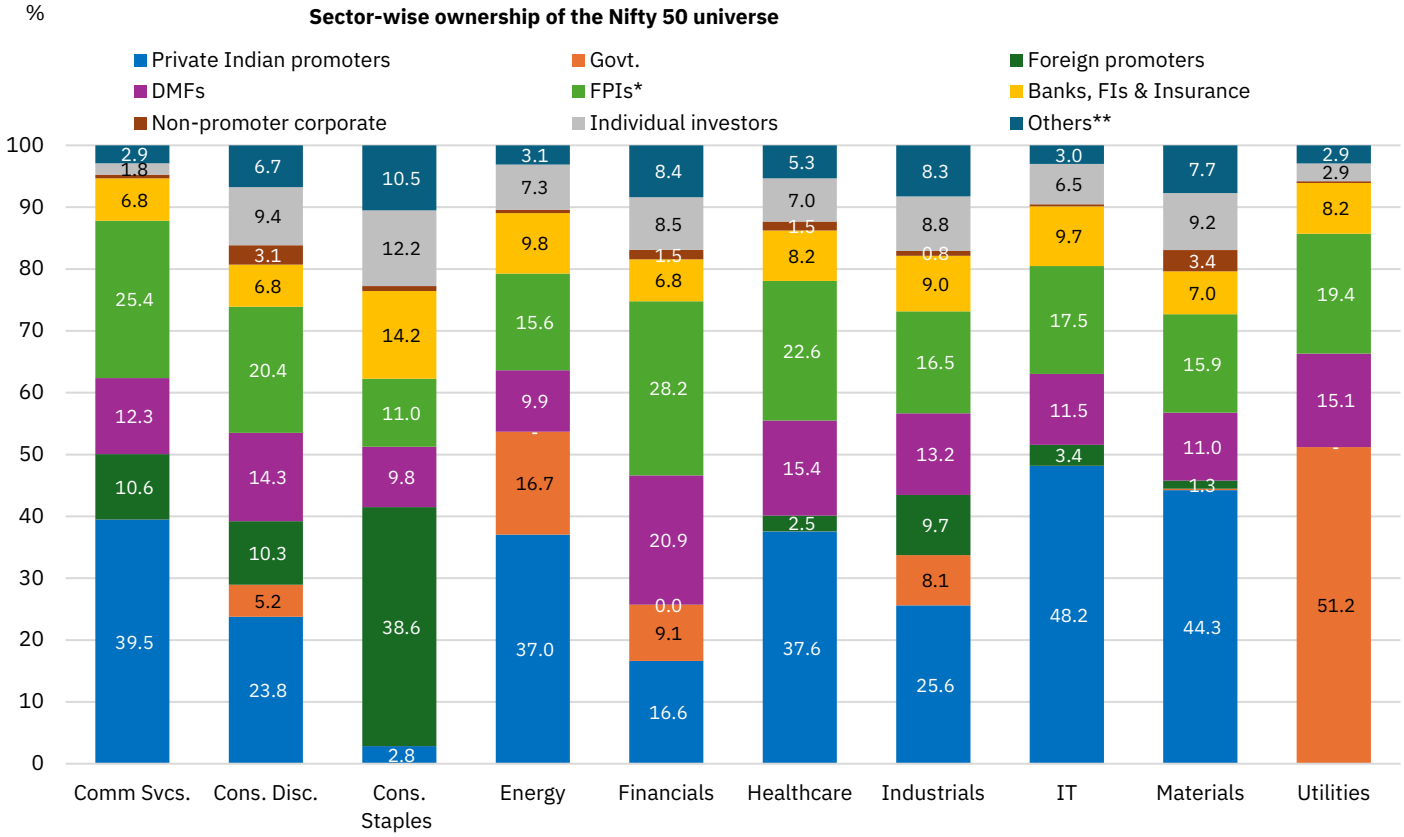
Sector-wise ownership of the Nifty 50 universe (September 2026): Promoter ownership across Nifty 50 sectors saw some notable shifts in the September 2026 quarter. Energy overtook Information Technology to record the highest promoter ownership among Nifty 50 sectors in the September 2026 quarter, rising by 10bps QoQ to a 27-quarter high of 52.2%. Information Technology followed at 51.5%, after a sharp 1.8pp QoQ decline, while Utilities remained steady at 51.2%. Communication Services recorded the largest quarterly increase of 1.2pp, taking promoter ownership to 50.1%.

DMF ownership in Financials rose to a fresh record high of 20.9%, retaining its position as the sector with the highest DMF share for the 11th consecutive quarter. This narrowed the gap with FPI ownership to 7.3pp—the lowest since the beginning of our analysis. DMF ownership also reached fresh highs in Energy and Healthcare, while Information Technology recorded the largest quarterly increase of 91bps to a more than 25-year high of 11.5%. In contrast, DMF ownership declined in Utilities, Consumer Discretionary and Industrials, while rising modestly across most other sectors.

FPI ownership, on the other hand, declined across most Nifty 50 sectors, barring Information Technology, Consumer Discretionary and, to some extent, Industrials. Communication Services recorded the steepest fall of 1.7pp QoQ to 25.5%. Financials also witnessed a sizeable decline of 82bps QoQ to a 23-year low of 28.2%, taking the cumulative fall since December 2023 to 12.3pp. Nevertheless, Financials continued to have the highest FPI ownership, followed by Communication Services (25.5%), Healthcare (22.6%) and Consumer Discretionary (20.4%).

Despite the sustained decline, FPIs remained the largest non-promoter shareholder category across most Nifty 50 sectors, with Consumer Staples being the sole exception, reflecting their continued importance in the ownership structure of India's large-cap companies.

Figure 55: Nifty 50: Sector-wise ownership pattern across key stakeholders (September 2026)



Source: CMIE Prowess, NSE EPR.

* FPI ownership includes ownership through depository receipts held by custodians **Others include other institutional and non-institutional non-promoter investors.

Sector allocation of the Nifty 50 universe for key shareholders (September 2026): Sectoral allocations across Nifty 50 constituents remained concentrated among major shareholder categories in September 2026, although the quarter witnessed some shifts in portfolio composition.

Government holdings remained heavily concentrated in Financials, Energy and Utilities, which together accounted for 81.1% of total Government ownership in the Nifty 50, down 74bps QoQ. Within this, allocation to Financials declined by 38bps QoQ to 35.1%, partly reversing the 2.2pp increase in the previous quarter. Energy's share recovered by 50bps QoQ to 25.6%, following a decline to a 17-year low in June. Government holdings in the Nifty 50 remained more concentrated than in the broader listed universe, where these three sectors accounted for 70.7% of the total.

Foreign promoter holdings continued to be dominated by consumption-oriented sectors, with Consumer Staples and Consumer Discretionary together accounting for 62.9% of the total. However, their respective allocations declined by 1.7pp and 2.2pp QoQ to 41.2% and 21.6%, with Consumer Staples reaching an eight-and-a-half-year low following its second consecutive quarterly decline. These reductions were accompanied by higher allocations to Communication Services (+2.5pp QoQ to a five-quarter high of 11.1%), Information Technology (+95bps to 5.3%) and Industrials (+39bps to a nearly two-decade high of 16.9%). Together, Consumer Staples, Consumer Discretionary, Industrials and Communication Services accounted for 90.7% of foreign promoter holdings. Within overall promoter holdings, Financials retained the largest sectoral allocation for the fifth consecutive quarter at 18.9% (+16bps QoQ), followed by Energy at 15.4% (-22bps QoQ). Information Technology's share declined by 49bps QoQ to 11.5%, taking the cumulative

fall since December 2024 to 11.4pp, while Consumer Discretionary rose by 16bps to 7.5%.

Among domestic institutions, DMFs increased their allocations to Financials, Information Technology and Materials. Financials' share rose for the fourth consecutive quarter, increasing by 32bps QoQ to a 14-quarter high of 41.6%. Information Technology gained 35bps QoQ to 6.9%, although its allocation remains 11.1pp below the December 2021 level. Materials also rose by 20bps QoQ to an 18-quarter high of 6.1%. These gains were accompanied by lower allocations to Utilities (-34bps QoQ to an 18-quarter low of 3.1%) and Industrials (-23bps to 8.8%), alongside modest declines in Consumer Staples, Energy and Healthcare.

FPI allocations, in contrast, saw a modest reduction in Financials, although the sector remained the largest component of their Nifty 50 portfolios at 39.6% (-26bps QoQ). Energy's share also declined by 45bps QoQ to 8.8%, alongside smaller reductions in Communication Services (7.3%), Healthcare (5.0%), Consumer Staples (3.2%) and Utilities (2.8%). Consumer Discretionary and Information Technology gained share, rising by 70bps and 45bps QoQ to 11.7% and 7.4%, respectively.

Table 11: Sector allocation of the Nifty 50 universe for key stakeholders (September 2026)

%	Private Indian promoters	Govt	Foreign promoters	Domestic MFs	FPIs*	Banks, FIs & Insurance	Non-promoter corporate	Individual Investors
Communication Services	8.8	0.0	11.1	5.0	7.3	5.0	2.5	1.4
Consumer Discretionary	10.6	8.1	21.6	11.6	11.7	10.0	26.1	14.2
Consumer Staples	0.6	0.0	41.2	4.0	3.2	10.6	3.4	9.4
Energy	16.2	25.6	0.0	7.9	8.8	14.1	4.4	10.8
Financials	18.2	35.1	0.1	41.6	39.6	24.4	31.2	31.4
Health Care	6.5	0.0	2.1	4.9	5.0	4.7	4.7	4.1
Industrials	9.4	10.5	16.8	8.8	7.8	10.8	5.4	10.9
Information Technology	16.0	0.0	5.3	6.9	7.4	10.5	2.0	7.3
Materials	13.6	0.2	1.9	6.1	6.3	7.0	19.6	9.6
Utilities	0.0	20.3	0.0	3.1	2.8	3.0	0.6	1.1
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

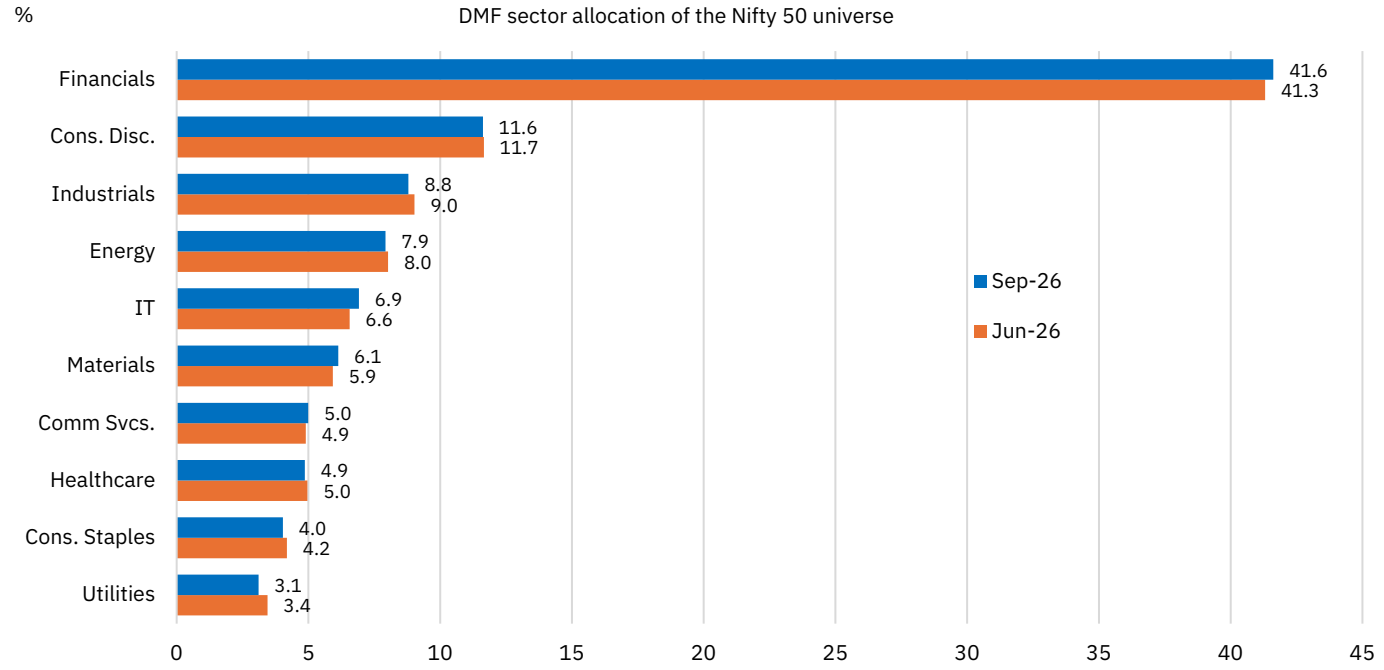
Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

DMFs maintained their overweight stance on Financials while remaining cautious on commodity-oriented sectors: DMFs retained their OW position in Financials during the September 2026 quarter, although the extent of overweighting narrowed marginally. Financials remained the only sector in which DMFs were overweight within the Nifty 50 for the fourth consecutive quarter.

DMFs maintained their OW stance on Financials, remained negative on Energy, Materials and Consumer Staples, and a broadly neutral position on the rest.

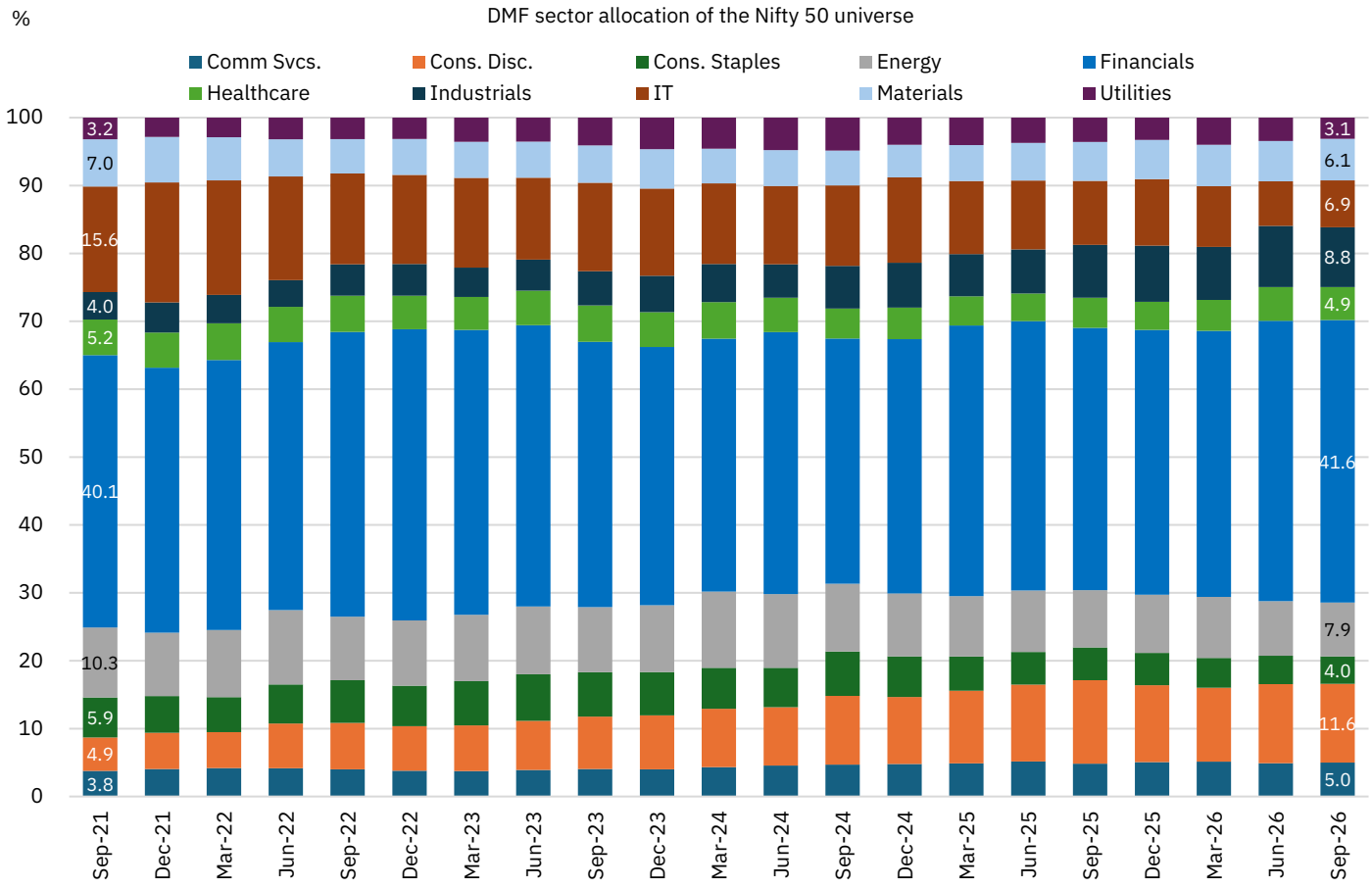
DMFs also maintained their UW stance on commodity-linked sectors, with Materials remaining underweight for the second consecutive quarter and Energy for the sixth. Consumer Staples continued to be underweight, a position maintained for 11 years, although the extent of underweighting moderated slightly. Elsewhere, DMFs remained broadly neutral on Consumer Discretionary, Information Technology, Communication Services, Healthcare, Industrials and Utilities.

Figure 56: DMF sector allocation of the Nifty 50 universe (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR.

Figure 57: DMF sector allocation of the Nifty 50 universe over the last five years



Source: CMIE Prowess, NSE EPR.

Figure 58: DMF sector allocation vs sector weight in Nifty 50 (September 2026)

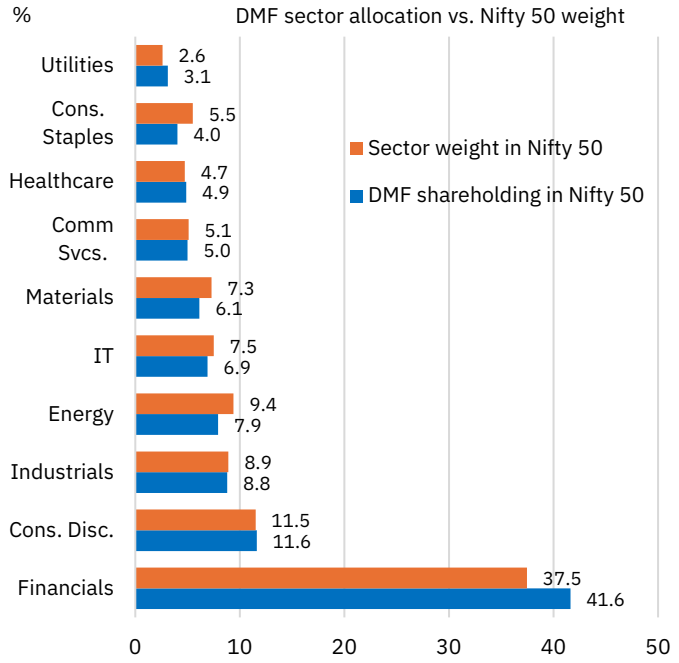
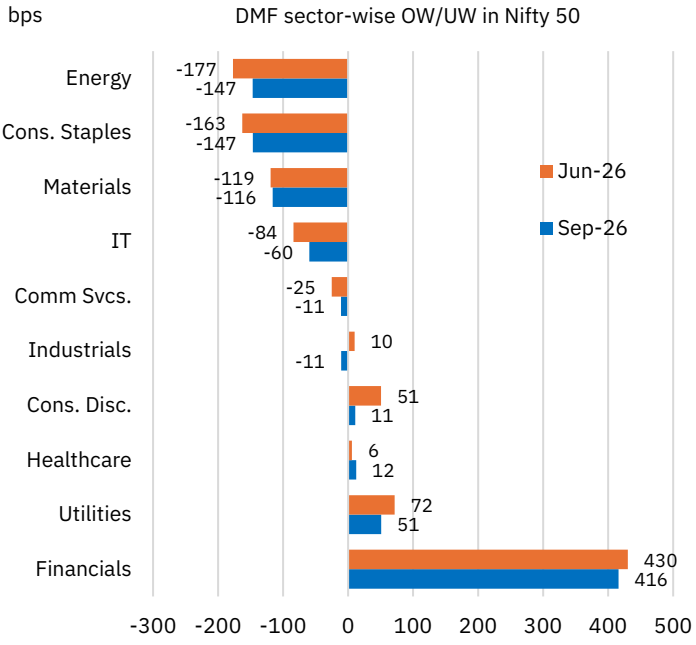
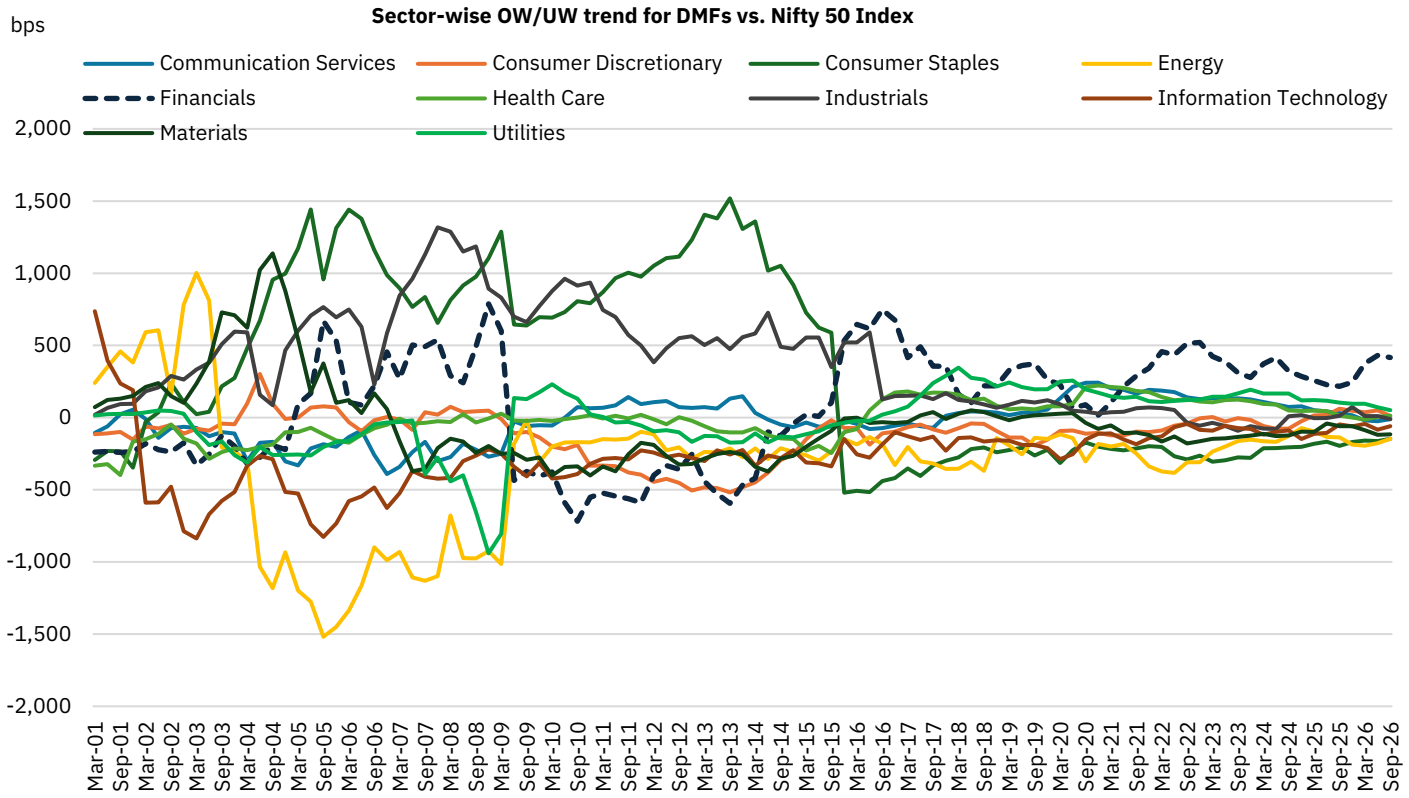


Figure 59: DMF sector-wise OW/UW in Nifty 50 relative to sector weight in the index (September 2026)



Source: CMIE Prowess, NSE EPR.

Figure 60: DMF vs Nifty 50—Sector-wise OW/UW trend (bps)



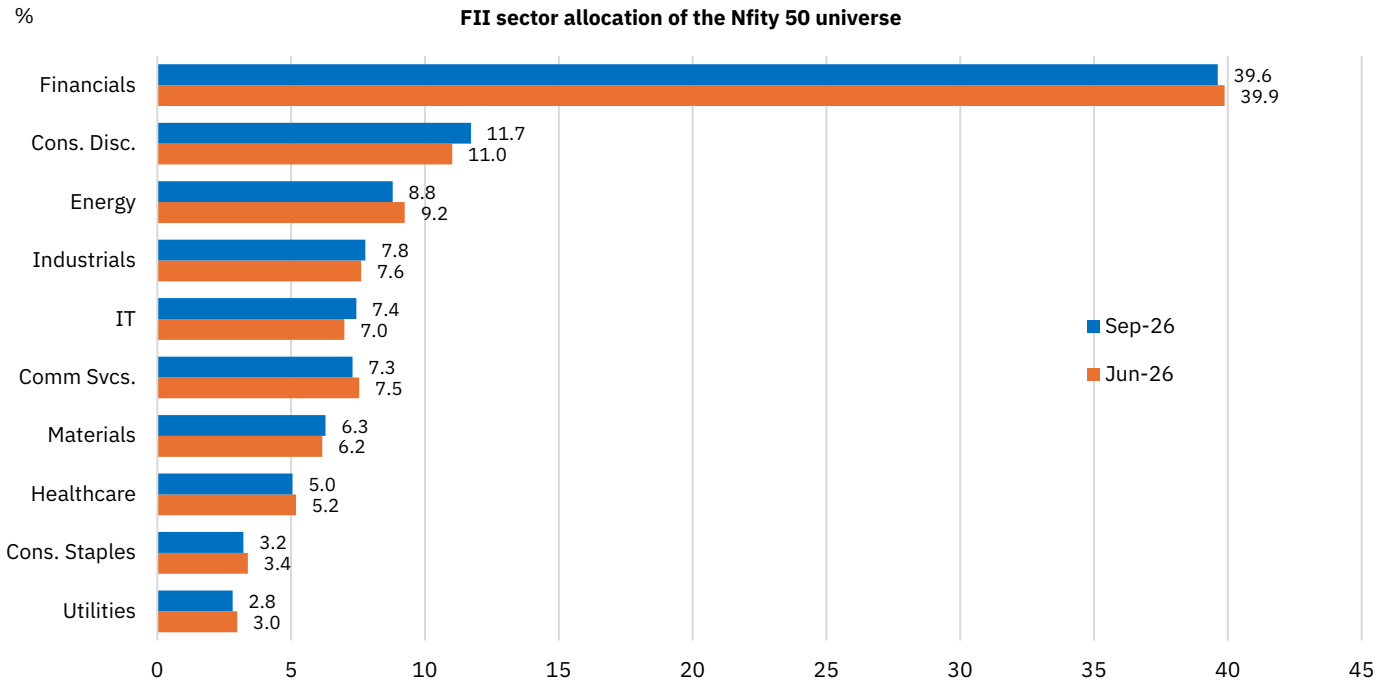
Source: CMIE Prowess, NSE EPR.

FPIs further trimmed exposure to Financials, while retaining the OW stance, turned UW on Materials, and remained negative on Consumer Staples and Industrials.

FPIs further trimmed their overweight in Financials, turned UW on Materials and remained negative on Consumer Staples and Industrials: FPIs retained their OW positions in Financials and Communication Services in the September 2026 quarter, the only two sectors where they remained overweight within the Nifty 50. The extent of overweighting in Financials narrowed for the fifth consecutive quarter to its lowest level since the beginning of our analysis in 2001, despite the sector's relative outperformance. Communication Services, meanwhile, remained overweight for the ninth consecutive quarter.

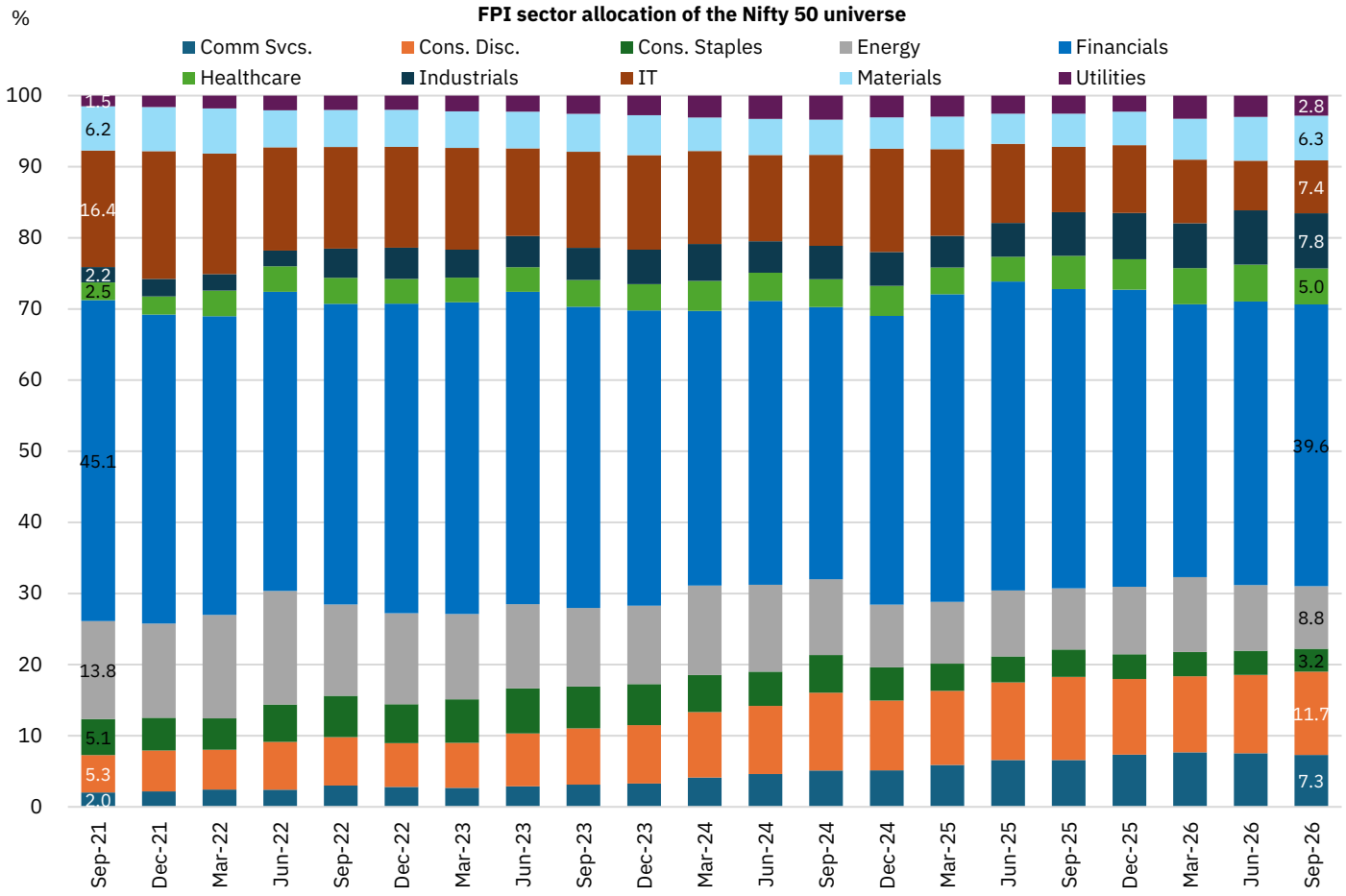
Among commodity-linked sectors, FPIs reverted to an underweight (UW) position in Materials after briefly turning neutral in the previous quarter, while maintaining a neutral stance on Energy for the third consecutive quarter. They also remained underweight in Consumer Staples and Industrials, with broadly neutral positions in Consumer Discretionary, Healthcare, Information Technology and Utilities.

Figure 61: FPI sector allocation of the Nifty 50 universe (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 62: FPI sector allocation of the Nifty 50 universe over last five years



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 63: FPI sector allocation vs sector weight in Nifty 50 (September 2026)

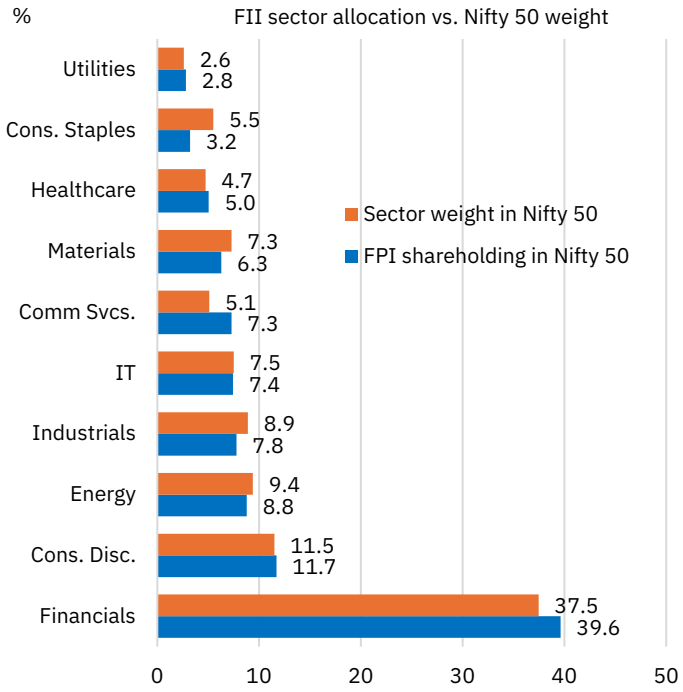
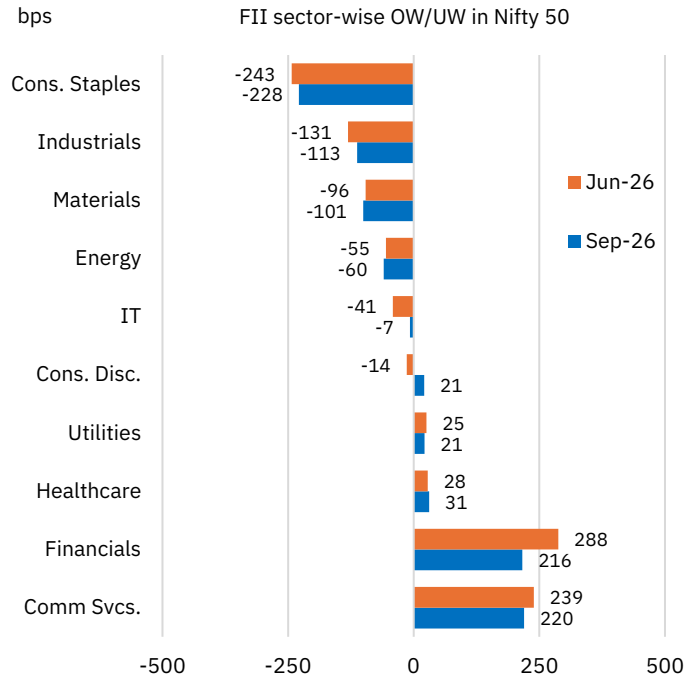
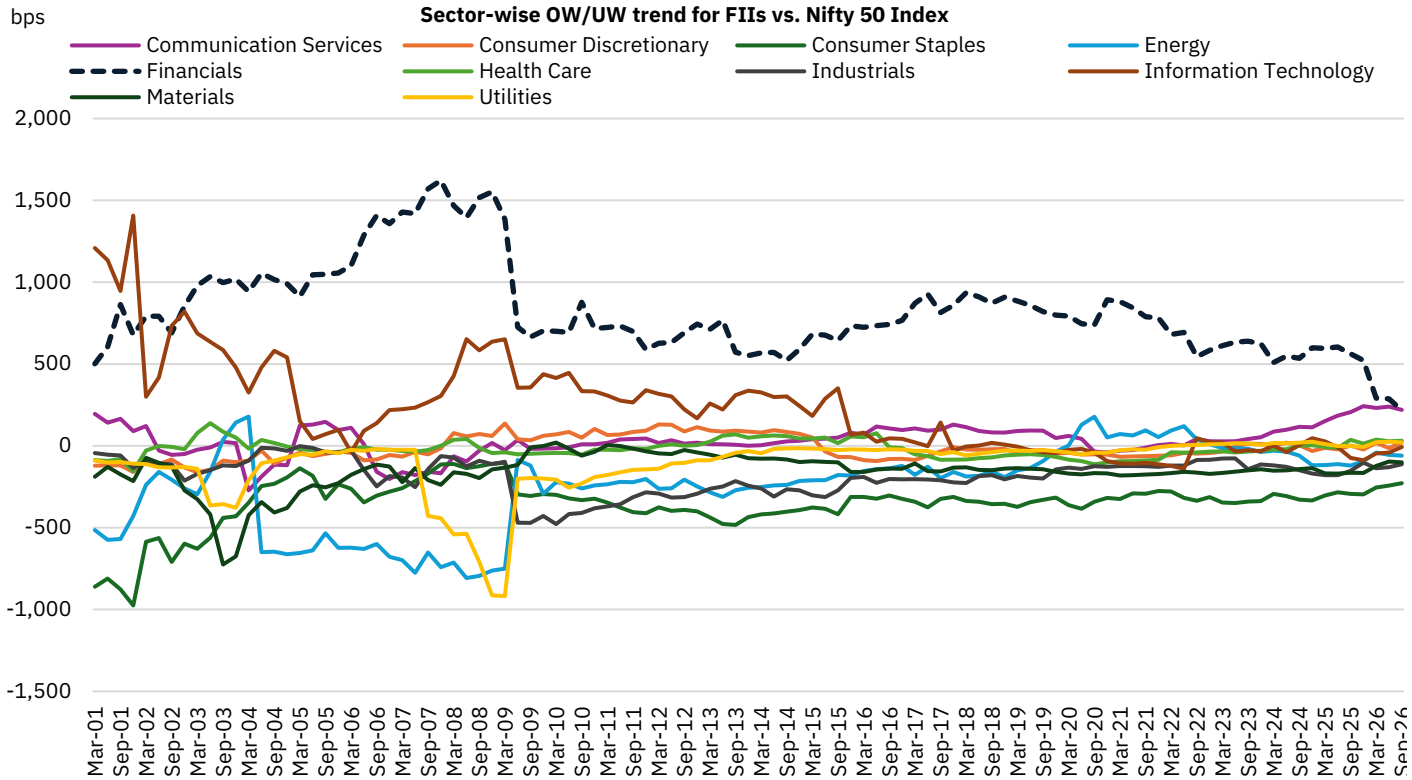


Figure 64: FPI sector-wise OW/UW in Nifty 50 relative to sector weight in the index (September 2026)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Figure 65: FPI vs Nifty 50—Sector-wise OW/UW trend (bps)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Nifty 500 ownership trends

Ownership pattern of the Nifty 500 universe (September 2026)

Promoter ownership at a three-quarter low and marginally below the 50% mark: Promoter ownership in the Nifty 500 universe, which has remained range-bound and marginally below the 50% mark over the last eight quarters, declined by 23bps QoQ to 49.3% in September 2026, its lowest level in three quarters. This was largely driven by a 90bps QoQ decline in Government ownership to a 12-quarter low of 9.8%, slipping into single digits for the first time since September 2023. The decline appears to reflect the relatively weaker performance of public sector undertakings. This is also evident in the 11.1% QoQ contraction in the market value of Government holdings, compared with a relatively modest 1.2% decline for private Indian promoters. The fall in Government ownership was partly offset by a 56bps QoQ increase in private Indian promoter ownership to 31.2%, the highest since June 2025. Within this category, individual promoter ownership rose to a near 69-month high of 6.1%, compared with an average of around 5.2% over the preceding four quarters.

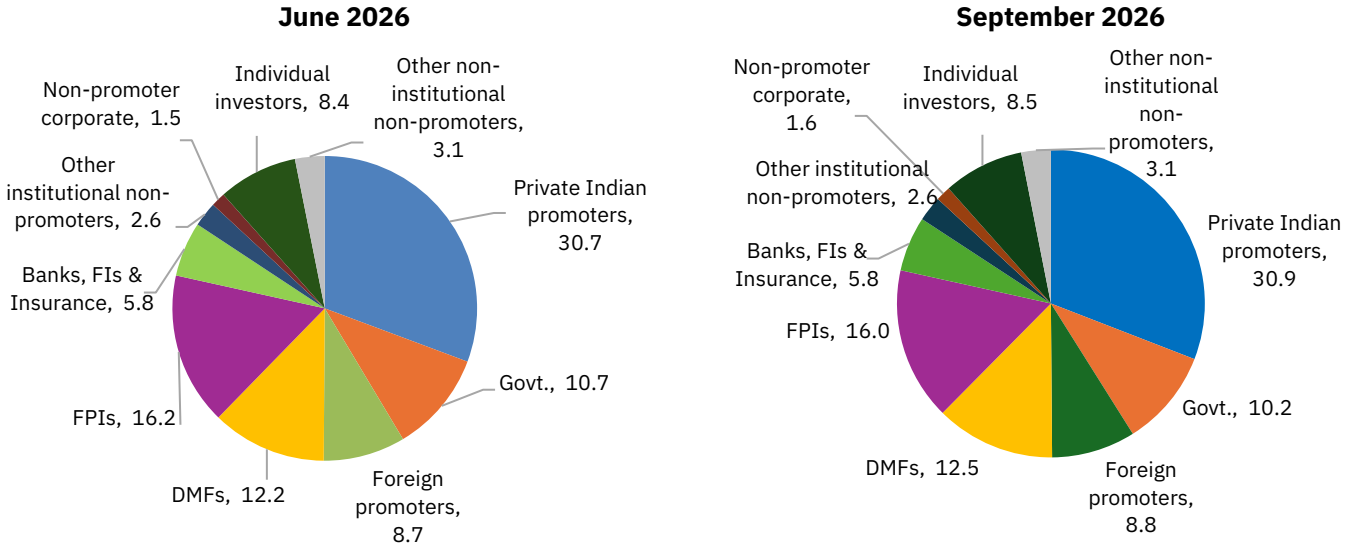
DMF ownership rose for the 11th consecutive quarter to record high levels: Mirroring the trend of record-high ownership in the Nifty 50 universe, DMF ownership in the Nifty 500 rose for the 11th consecutive quarter to 12.5% in September 2026, increasing by 35bps QoQ and 1.1pp YoY. Despite heightened uncertainty surrounding the West Asia crisis, elevated market volatility and MTM losses of 4% in the Nifty 500 during Q2, DMFs recorded robust inflows of Rs 1.2 lakh crore during the quarter. However, these inflows were largely offset by valuation losses, leaving the market value of DMF holdings broadly unchanged sequentially, even as it grew by 10.2% YoY. At 12.5%, DMF ownership in the Nifty 500 remained below that in the Nifty 50 (14.8%) but significantly exceeded the 6.4% share in companies outside the Nifty 500 universe. Meanwhile, ownership of banks, financial institutions and insurance companies moderated for the third consecutive quarter to 5.76%, its lowest level since September 2022.

FPI ownership declines to a 17.5-year low, widening the gap with DIIs: FPI ownership in the Nifty 500 universe declined for the third consecutive quarter to a 17.5-year low of 16% in September 2026, falling by 12bps QoQ and nearly 2pp YoY. FPI flows during Q2FY27 remained volatile amid heightened geopolitical tensions in West Asia, elevated crude oil prices, rising US bond yields and rupee depreciation. Despite these headwinds, FPIs recorded net inflows of US$1.5bn in Q2 FY27, reversing the substantial outflows of US$15.1bn in the preceding quarter. However, the recovery in flows was accompanied by MTM losses, with the market value of FPI holdings declining by 3.7% QoQ and 10.6% YoY in rupee terms. Meanwhile, DII ownership exceeded FPI ownership for the seventh consecutive quarter, reaching a record high of 21% and widening the ownership gap to nearly 5pp. This marks a significant reversal from December 2019, when FPI ownership exceeded that of DIIs by 9.1pp, reflecting the sustained rise in domestic institutional participation alongside declining FPI ownership. At 16%, FPI ownership in the Nifty 500 remained below its share in the Nifty 50 (20.9%), but significantly higher than the 5% recorded for companies outside the Nifty 500 universe.

Individual investors' ownership inched up marginally in September quarter: Individual investor ownership in the Nifty 500 universe edged up marginally to 8.5% in September 2026, supported by modest net inflows of US$0.5bn during the quarter. However, MTM losses weighed on the value of individual holdings, which declined by 2.7% QoQ and remained 6.9% below the peak recorded in September 2024. Over the last three

years, individual investor ownership has remained range-bound between 8.24% and 8.77%, indicating broadly stable participation despite market volatility. At 8.5%, individual investor ownership in the Nifty 500 remained higher than that in the Nifty 50 (8.0%), but significantly below the 17.9% share in companies outside the Nifty 500 universe.

Figure 66: Nifty 500: Ownership pattern by total market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 12: Nifty 500: Value held by key stakeholders over the last three years

Rs lakh crore	Private Indian promoters	Govt.	Foreign promoters	DMFs	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual Investor	Others **	Total
Dec-23	104.5	35.0	26.6	30.4	19.6	63.8	5.5	28.6	14.4	328.5
Mar-24	111.9	41.3	28.6	32.7	20.9	66.8	6.0	30.7	14.8	353.7
Jun-24	123.1	47.8	33.3	37.8	22.9	74.2	6.5	34.6	16.0	396.2
Sep-24	133.4	48.0	36.3	42.1	24.8	80.4	7.1	36.9	17.6	426.8
Dec-24	120.6	42.5	31.5	40.8	22.8	73.1	6.4	34.1	16.9	388.8
Mar-25	117.4	39.9	30.2	40.2	22.3	69.5	6.1	32.3	16.9	374.9
Jun-25	128.6	45.4	32.6	45.8	24.5	76.7	6.7	35.9	18.8	415.1
Sep-25	123.5	44.0	34.2	46.3	23.8	72.9	6.4	34.7	18.8	404.7
Dec-25	128.9	45.4	34.5	49.2	25.4	76.1	6.4	35.6	19.7	421.2
Mar-26	113.2	41.3	31.3	44.4	22.3	62.7	5.6	30.7	21.0	372.4
Jun-26	128.6	44.9	36.4	51.1	24.3	67.7	6.3	35.4	24.2	418.9
Sep-26	125.6	41.4	35.8	51.0	23.4	65.2	6.3	34.4	23.4	406.6
% QoQ	***-2.3%***	***-7.9%***	***-1.7%***	***-0.1%***	***-3.8%***	***-3.7%***	***0.1%***	***-2.7%***	***-3.2%***	***-3.0%***

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

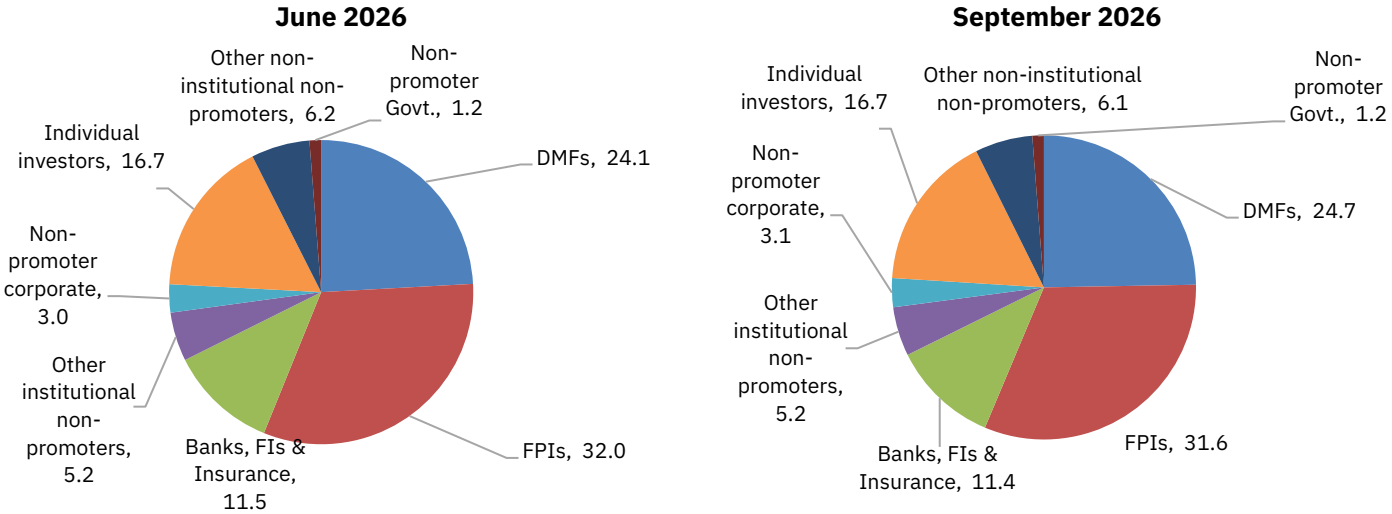
Table 13: Nifty 500: Ownership trend across key stakeholders by total market cap over last the three years

%	Private Indian promoters	Govt.	Foreign promoters	Domestic MFs	Banks, FIs & Insurance	FPIs *	Non-promoter corporate	Individual Investor	Others**
Dec-23	31.8	10.7	8.1	9.3	6.0	19.4	1.7	8.7	4.4
Mar-24	31.6	11.7	8.1	9.3	5.9	18.9	1.7	8.7	4.2
Jun-24	31.1	12.1	8.4	9.5	5.8	18.7	1.6	8.7	4.0
Sep-24	31.3	11.3	8.5	9.9	5.8	18.8	1.7	8.7	4.1
Dec-24	31.0	10.9	8.1	10.5	5.9	18.8	1.7	8.8	4.3
Mar-25	31.3	10.6	8.1	10.7	6.0	18.5	1.6	8.6	4.5
Jun-25	31.0	10.9	7.9	11.0	5.9	18.5	1.6	8.7	4.5
Sep-25	30.5	10.9	8.5	11.4	5.9	18.0	1.6	8.6	4.7
Dec-25	30.6	10.8	8.2	11.7	6.0	18.1	1.5	8.5	4.7
Mar-26	30.4	11.1	8.4	11.9	6.0	16.8	1.5	8.2	5.6
Jun-26	30.7	10.7	8.7	12.2	5.8	16.2	1.5	8.4	5.8
Sep-26	30.9	10.2	8.8	12.5	5.8	16.0	1.6	8.5	5.8
QoQ change	***20bps***	***-55bps***	***11bps***	***35bps***	***-5bps***	***-12bps***	***5bps***	***2bps***	***-1bps***

Source: CMIE Prowess, NSE EPR. Note: Ownership across promoters and non-promoters are based on total market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

The divergence between DMF and FPI ownership within the free float of Nifty 500 companies has become increasingly pronounced, with gains in DMF ownership accompanied by declining shares of FPIs, individual investors, and banks, financial institutions and insurance companies. DMF ownership rose by 59bps QoQ to a record high of 24.7% in September 2026. In contrast, FPI ownership declined for the 11th consecutive quarter to 31.6%, its lowest level since December 2004, reflecting a sustained shift in the composition of institutional ownership. Meanwhile, the share of banks, financial institutions and insurance companies fell by 15bps QoQ to 11.4%, while individual investor ownership moderated by 4bps to 16.7%. The latter has followed a broadly declining trend over the last two years, notwithstanding intermittent increases.

Figure 67: Nifty 500: Ownership pattern by free float market cap (%)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Table 14: Nifty 500: Ownership trend across key stakeholders by free float market cap over the last three years

%	Domestic MFs	Banks, FIs & Insurance	FPIs*	Non-promoter corporate	Individual Investor	Others**
Sep-23	18.2	12.1	38.9	3.4	17.5	10.0
Dec-23	18.5	11.9	38.9	3.4	17.4	9.8
Mar-24	18.8	12.0	38.4	3.4	17.6	9.6
Jun-24	19.5	11.8	38.2	3.4	17.8	9.5
Sept-24	19.9	11.7	38.1	3.4	17.5	9.4
Dec-24	20.8	11.6	37.3	3.3	17.4	9.6
Mar-25	21.3	11.8	36.7	3.2	17.1	9.9
Jun-25	21.8	11.6	36.4	3.2	17.1	10.0
Sept-25	22.6	11.6	35.5	3.1	16.9	10.3
Dec-25	22.9	11.8	35.4	3.0	16.6	10.4
Mar-26	23.5	11.8	33.2	3.0	16.3	12.3
Jun-26	24.1	11.5	32.0	3.0	16.7	12.7
Sep-26	24.7	11.4	31.6	3.1	16.7	12.6
QoQ change	*59bps*	*-15bps*	*-39bps*	*8bps*	*-4bps*	*-9bps*

Source: CMIE Prowess, NSE EPR. Note: Ownership across key non-promoter stakeholders is based on free float market cap and add up to 100. *FPI ownership includes ownership through depository receipts held by custodians. ** Others include other institutional non-promoters, other non-institutional non-promoters and government non-promoters.

Long-term ownership trend of the Nifty 500 universe: Overall promoter ownership in Nifty 500 has also seen a steady decline since 2009 until March 2019, albeit at a slower pace than the Nifty 50 Index, entirely led by a sharp dip in Government ownership, while the share of private Indian promoters has significantly increased during this period. Post the COVID-19 pandemic in March 2020, promoter share has been range-bound in the 49-51% range and has remained below 50% for the previous seven consecutive quarters. In the last two fiscals (FY25-FY26), promoter ownership has cumulatively fallen by 159 bps, after gaining 153 bps in FY24.

FPI ownership in Nifty 500 saw a steady rise post the GFC until 2015, hovered in the 21-23% range until 2021 only to drop steadily to record low levels currently.

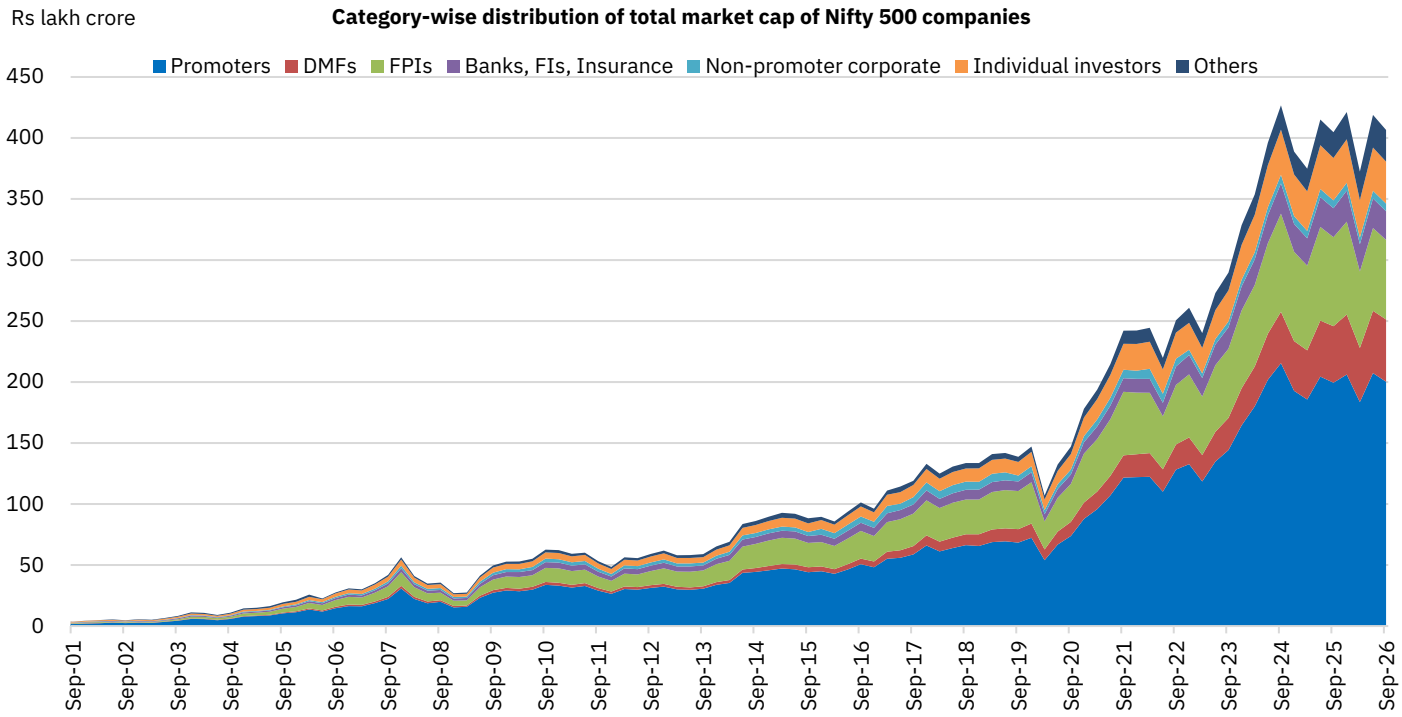
Individual ownership has oscillated in a narrow range of 8.2%-8.8% during the previous three years.

Over the past five years, foreign promoter ownership has remained broadly stable in the 8-9% range. Private Indian promoter shareholding has been falling at gradual pace in the last four years from 35.5% in FY22 to 30.4% in FY26. Government promoter ownership, which rose sharply following the LIC listing and the subsequent rally in public sector stocks, has eased in recent years, though it has remained in double digits for 12th consecutive quarter. The 135bps decline in overall promoter ownership in FY25 marks the steepest annual drop since FY13. In FY26, the fall in Indian promoter ownership has been partly offset by gains in foreign promoter (+35bps) and Government ownership (+32bps).

DMF ownership in the Nifty 500 Index saw a gradual increase beginning 2014, barring a temporary decline in the COVID year, to reach record levels, aided by strong SIP inflows. FPI ownership in the Nifty 500 universe improved meaningfully post the GFC until 2015 but has since hovered between 21-23% band until 2021, post which there has been a steady decline. Over the last few years, FPI sentiments have been weighed by a slew of unfavorable developments on the global front including recurring COVID variants, followed by the Russia-Ukraine war, elevated inflation, steep rate hikes by global central banks and China slowdown. This decline has been accentuated further owing to the West Asia crisis alongside surge in US treasury yields, translating into outflows and dragging the share to multi-year lows. Over the last five years (ended September 2026), the DMF ownership has increased by 5pp, helping cushion the impact of FPI outflows, even as FPI ownership declined by 5.5pp during the same period. Banks, financial institutions, and insurance have been steadily reducing their exposure to Indian equities over the last decade until 2021 only to see a meaningful spike in Sept'22-Mar'23. Since then, the share

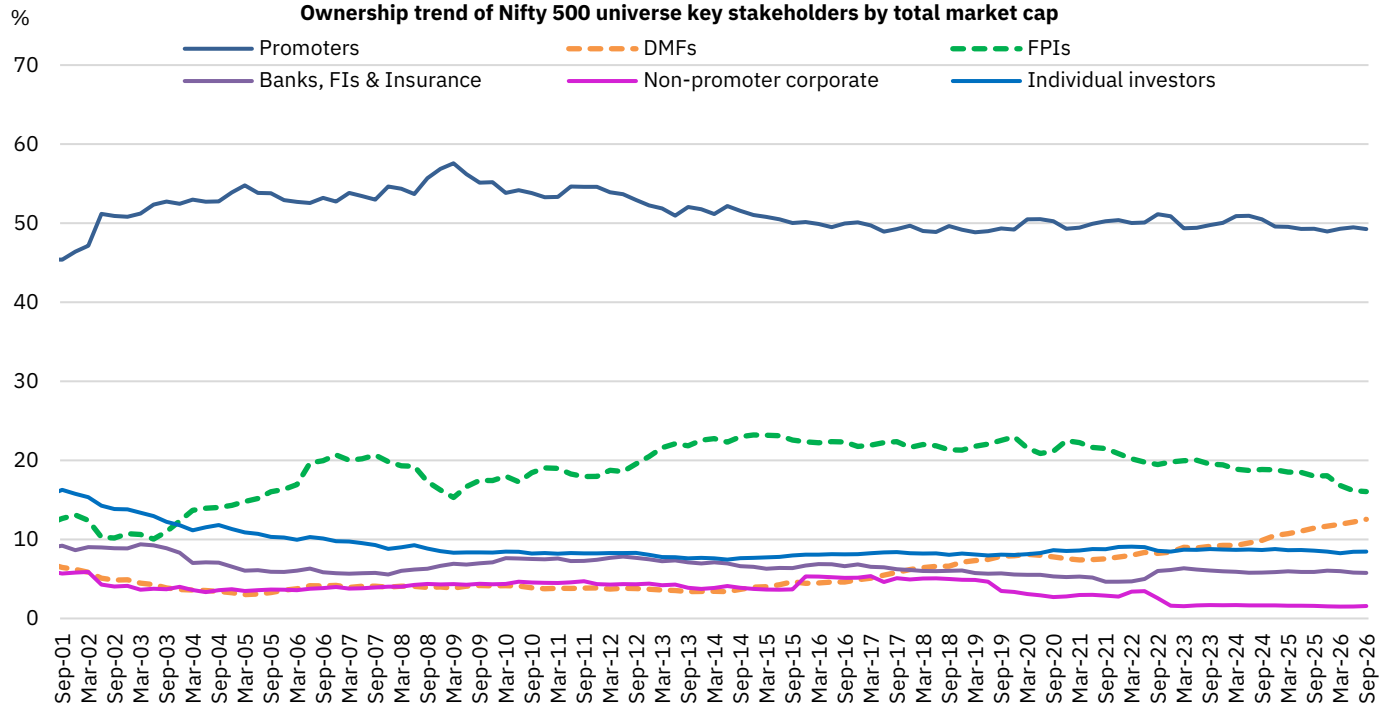
tapered off and has remained range-bound during the previous three years. Individual investor ownership in the Nifty 500 universe fell sharply from the north of 16% in 2001 to sub-8% in 2013 and hovered around these levels until December 2019 only to rise steadily until FY22. The share of individual investors has oscillated in a narrow range of 8.2%-8.8% in the last three years.

Figure 68: Nifty 500: Long-term trend of market cap distribution across key shareholder categories



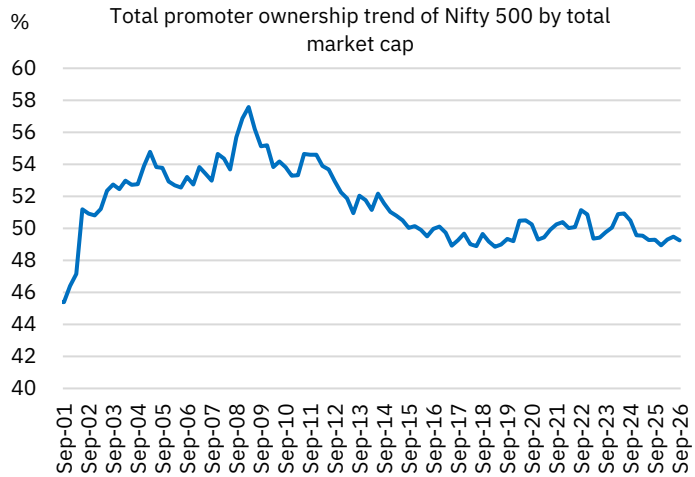
Source: CMIE Prowess, NSE EPR.
Notes: 1. FPI ownership includes ownership through depository receipts held by custodians.
2. Only includes companies where shareholding data is available as of the end of every quarter.

Figure 69: Nifty 500: Long-term ownership trend across key stakeholders by total market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 70: Total promoter ownership trend of the Nifty 500 universe by total market cap



Source: CMIE Prowess, NSE EPR.

Figure 71: Indian and foreign promoter ownership trend of the Nifty 500 universe by total market cap

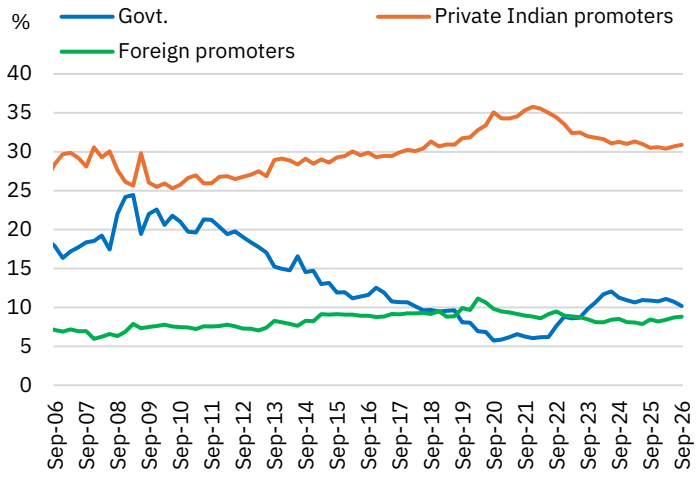


Figure 72: DMF ownership trend of the Nifty 500 universe by total market cap

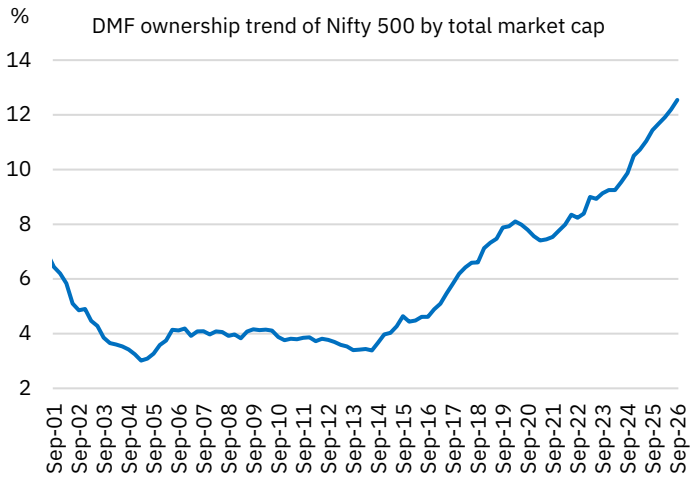
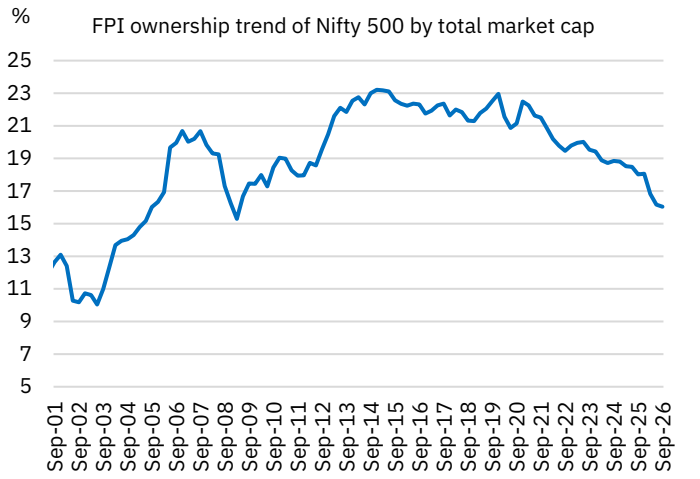
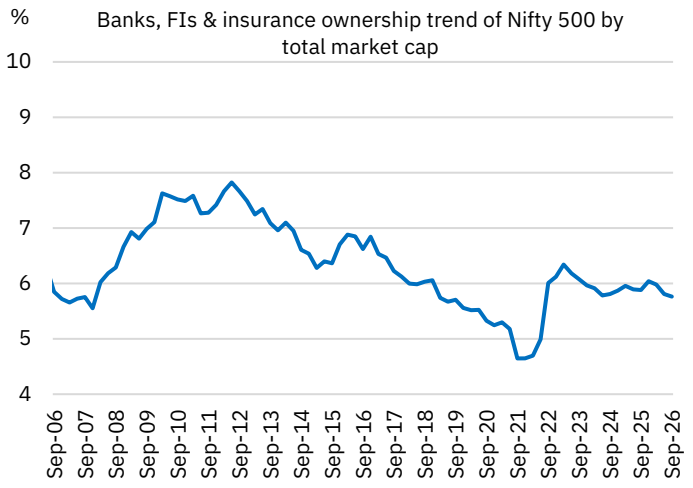


Figure 73: FPI ownership trend of the Nifty 500 universe by total market cap



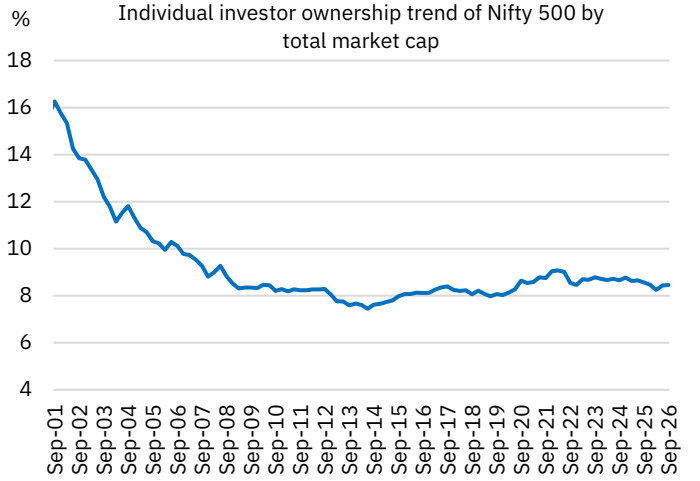
Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 74: Banks, FIs & Insurance ownership trend of the Nifty 500 universe by total market cap



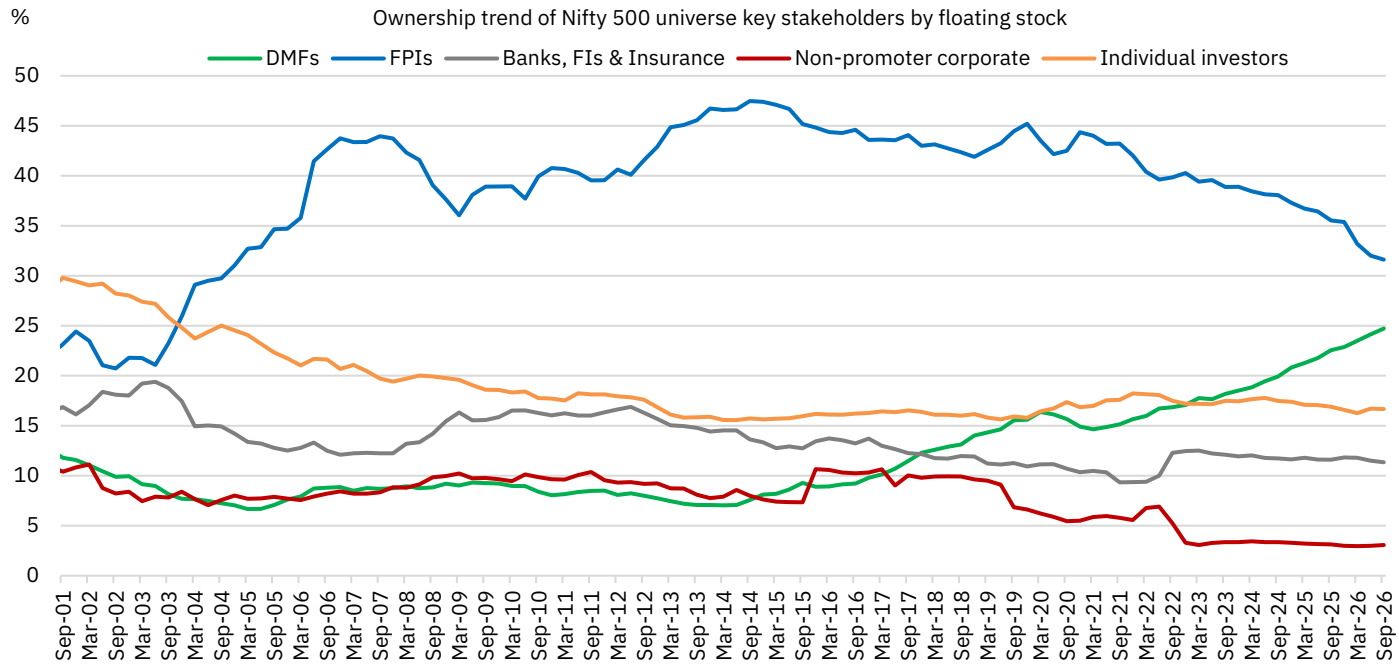
Source: CMIE Prowess, NSE EPR.

Figure 75: Individual ownership trend of the Nifty 500 universe by total market cap



Our long-term ownership analysis on the floating stock of the Nifty 500 universe also shows that while DMF ownership is currently at the highest level since 2001, the current FPI ownership has declined to over 20-year low in March 2026 — 15.5 pp lower than the peak of 47.5% observed in the quarter ending September 2014.

Figure 76: Nifty 500: Long-term ownership trend across key stakeholders by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 77: DMF ownership trend of the Nifty 500 universe by free float market cap

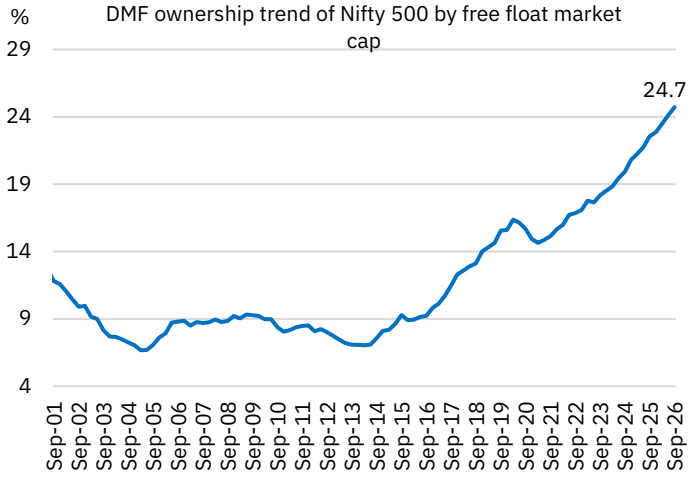
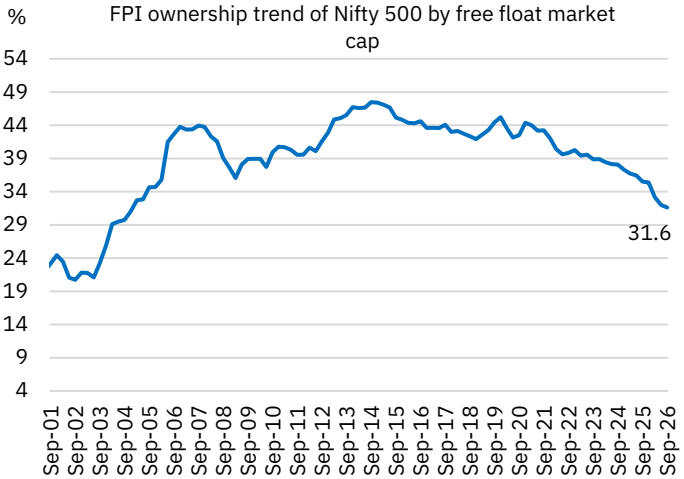


Figure 78: FPI ownership trend of the Nifty 500 universe by free float market cap



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 79: Banks, FIs & Insurance ownership trend of the Nifty 500 universe by free float market cap

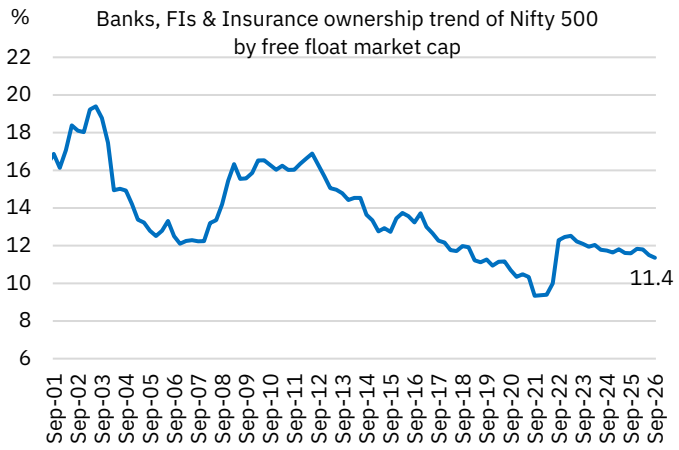
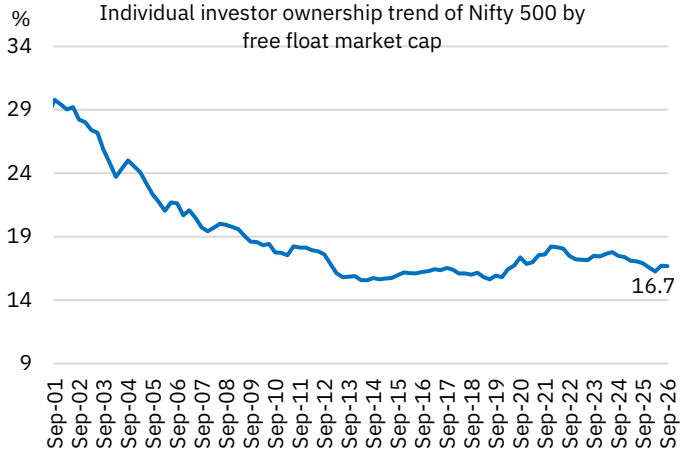


Figure 80: Individual ownership trend of the Nifty 500 universe by free float market cap



Source: CMIE Prowess, NSE EPR.

Category-wise market cap share across sectors of the Nifty 500 universe (September 2026): Beyond market-level trends, sectoral ownership patterns reveal considerable variation in promoter holdings. Real Estate continues to have the highest promoter ownership at 64%, followed by Utilities (62%) and Materials (54.6%), indicating relatively lower free-float availability in these sectors. In contrast, promoter ownership in Communication Services, Consumer Discretionary, Financials and Healthcare remains below the 50% mark.

Notably, promoter share in the Information Technology sector at 50.6% declined by nearly 1pp QoQ to its lowest level of in almost 18 years, significantly below the pre-pandemic level of 57.5% in December 2019. Meanwhile, Communication Services recorded a modest reversal after touching a record low in June 2026, with promoter ownership recovering by 90bps QoQ to 48.5%. Energy also witnessed a gradual increase in promoter ownership to 53.3%, its highest level in 32 quarters, compared with a low of 50.7% in September 2020. On a YoY basis, Utilities recorded a notable increase of 1.4pp, followed by Communication Services (+1.1pp), while IT witnessed a decline of 1.4pp, highlighting divergent ownership trends across sectors.

Government share, including both promoter and non-promoter holdings, remains the highest in Energy (22.3%), Utilities (21.4%), Financials (18.1%) and Industrials (13.3%). In contrast, Government share remains negligible in Real Estate, Healthcare, Consumer Staples and Information Technology, with shares below 1% in each sector. During the quarter ended September 2026, Government ownership in Materials declined sharply by 1.4pp QoQ to its lowest level in six quarters of 5.4%.

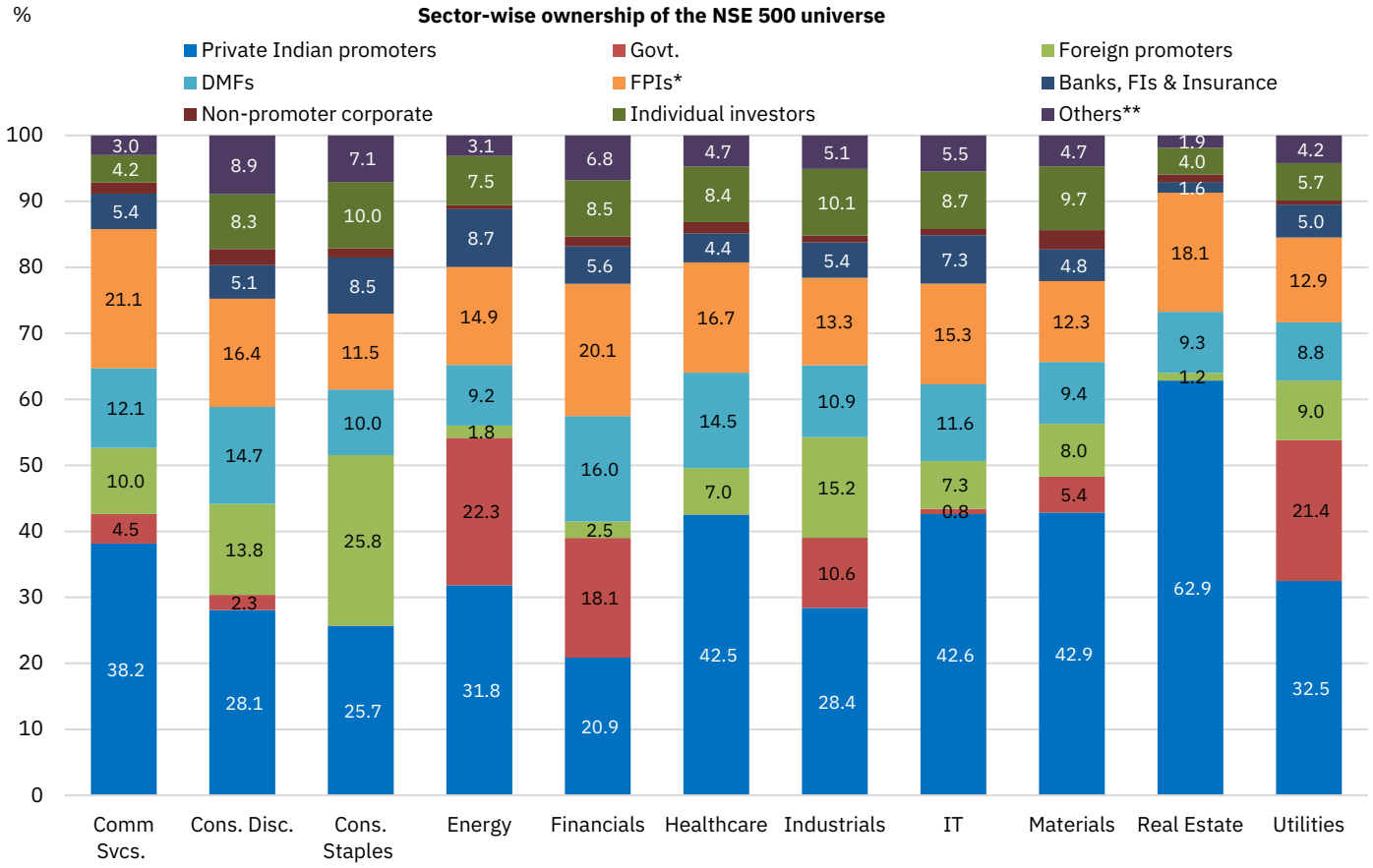
DMF ownership across sectors has also scaled multi-year highs. Seven of the eleven GICS sector- Communication Services, Consumer Discretionary, Consumer Staples, Financials, Healthcare, Information Technology and Materials —recorded DMF ownership at record-high levels, underscoring sustained domestic inflows and increasingly diversified sectoral positioning.

Financials continue to account for a significant share of DMF portfolios, supported by sustained credit growth, improving asset quality and healthy profitability. Consumer Discretionary has emerged as another preferred sector, with the second-highest DMF ownership share of 14.7%, reflecting continued investor interest in long-term consumption growth and premiumisation. Amid heightened macroeconomic uncertainty,

Healthcare and Consumer Staples have attracted greater interest given their relatively defensive characteristics, while Materials has benefited from the ongoing domestic capex cycle. Communication Services has also seen rising DMF participation, supported by improving pricing discipline and expanding digital infrastructure. Meanwhile, DMF ownership in Real Estate has increased by nearly 1.4pp YoY to 9.3%, aided by increasing formalisation of the sector and sustained demand across residential and commercial segments.

FPI ownership in Communication Services recorded the steepest sequential decline of 1.2pp to a 10-quarter low of 21.1% in September 2026, reflecting sustained foreign selling amid concerns over delayed tariff hikes. In contrast, Consumer Discretionary recorded the largest increase in FPI ownership to 16.4%, supported by lagged GST rationalisation and stronger automobile sales, while the second highest increase was seen in Information Technology, led by a partial recovery in the sector. Notably, FPI ownership in Energy rose to a 38-quarter high of 14.9%, despite broader foreign selling during the quarter. A comparison with DMF ownership trends reveals some convergence in Consumer Discretionary, reflecting continued institutional interest in India's consumption prospects. However, Communication Services witnessed a contrasting trend, with rising domestic mutual fund participation alongside a sharp decline in foreign ownership during this quarter, highlighting the divergence in institutional positioning across sectors.

Figure 81: Nifty 500: Sector-wise ownership pattern across key stakeholders (September 2026)



Source: CMIE Prowess, NSE EPR. * FPI ownership includes ownership through depository receipts held by custodians.
**Others include other institutional and non-institutional non-promoter investors.

Sector allocation of the Nifty 500 universe for key stakeholders (September 2026): The table below shows sector-wise allocation across key stakeholder groups in Nifty 500 companies as of September 2026. Private Indian promoter holdings remained concentrated in Financials (17.2%), Materials (14.8%), Industrials (11.2%) and Consumer Discretionary (11.1%), which together accounted for nearly 54.3% of their Nifty 500 portfolio. The allocations to Financials, Utilities, Energy and Consumer Staples have declined, which has been offset by gains in Materials, Consumer Discretionary, Healthcare and Information Technology.

Government holdings (promoter and non-promoter) remained highly concentrated in Financials (45.3%), Energy (15.4%) and Industrials (17.6%) which together accounted for nearly 78% of its holdings in the Nifty 500 universe. Notably, the allocations to Financials and Materials have fallen about 70bps each, with sequentially higher allocation seen in Energy, Industrials and Consumer Discretionary.

DMFs and FPIs displayed broadly similar sectoral positioning, although differences were evident in their relative allocations. Financials remained the largest sectoral exposure for both investor groups, with DMFs allocating a marginally higher share than FPIs (32.4% vs. 31.8%) in the Nifty 500 universe. A similar pattern was observed in Industrials (11.7% vs. 11.1%), while the domestic institutional tilt was more pronounced in Consumer Discretionary (14.3% vs. 12.5%) and Healthcare (8.5% vs. 7.6%). In contrast, FPIs had relatively higher allocations to Communication Services (5.4% vs. 4.0%), Energy (6.5% vs. 5.1%) and Utilities (4.2% vs. 3.6%). Allocations to Information Technology (6.9% vs. 6.7%) and Materials (8.1% vs. 8.0%) were broadly comparable across the two groups. Overall, Financials, Consumer Discretionary and Industrials accounted for around 58% of DMF holdings, compared with 55% for FPIs, indicating a relatively higher concentration of domestic mutual fund portfolios in these sectors.

Table *15*: Sector allocation of the Nifty 500 universe for key stakeholders (September 2026)

%	Private Indian promoters	Govt	Foreign promoters	Domestic MFs	FPIs*	Banks, FIs, & Insurance	Non-promoter corporate	Individual Investors
Communication Services	5.1	1.8	4.7	4.0	5.4	3.8	4.4	2.0
Consumer Discretionary	11.1	2.8	19.1	14.3	12.5	10.8	19.3	12.0
Consumer Staples	4.9	0.0	17.3	4.7	4.2	8.7	5.3	7.0
Energy	7.2	15.4	1.5	5.1	6.5	10.6	2.6	6.2
Financials	17.2	45.3	7.1	32.4	31.8	24.9	24.4	25.6
Health Care	10.1	0.0	5.8	8.5	7.6	5.6	7.9	7.3
Industrials	11.2	17.6	23.3	11.7	11.1	12.6	8.7	16.1
Information Technology	10.0	0.6	6.0	6.7	6.9	9.2	4.3	7.4
Materials	14.8	5.7	9.7	8.0	8.1	8.9	19.9	12.2
Real Estate	3.0	0.0	0.2	1.1	1.6	0.4	1.1	0.7
Utilities	5.4	10.9	5.3	3.6	4.2	4.5	2.0	3.5
Grand Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

DMFs remained OW in the Financials, Consumer Discretionary and Healthcare sector while was UW on Energy and Materials.

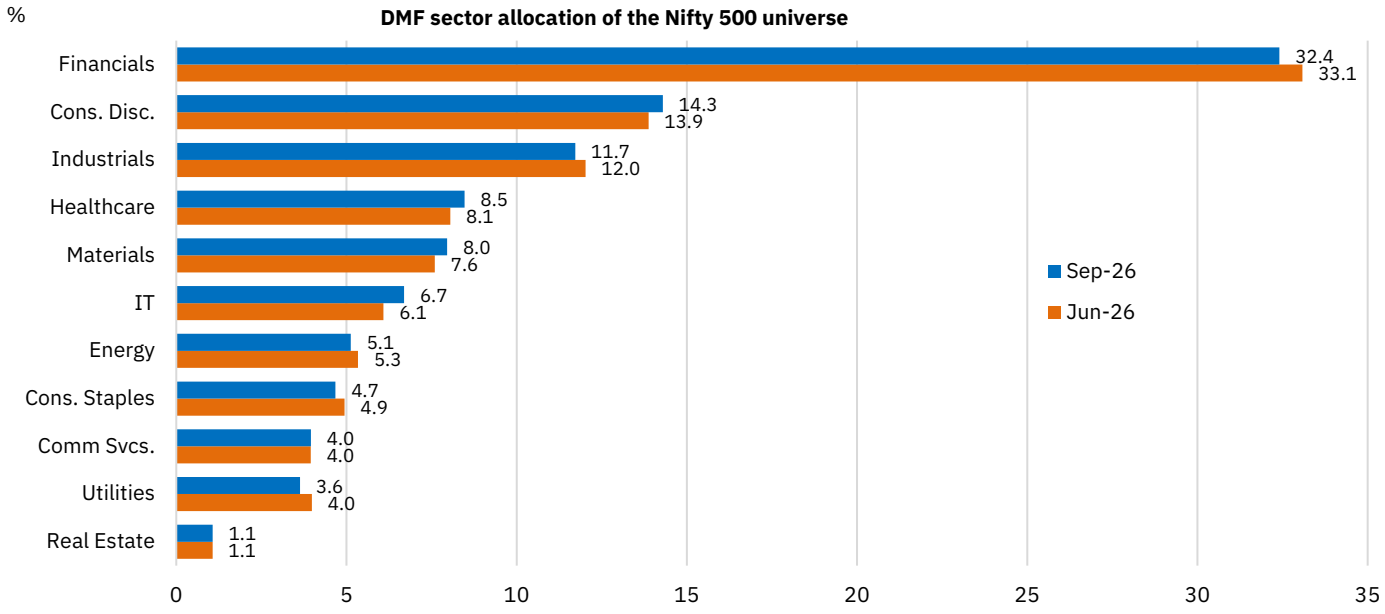
DMFs have an OW stance on Consumer Discretionary, Financials and Healthcare; UW on Energy and Materials: For the quarter ended September 2026, DMFs remained OW on Financials and Consumer Discretionary, and Healthcare also moved into OW territory, after being neutral for the last three quarters.

Financials remained OW for the third consecutive quarters. This was underpinned by healthy earnings visibility, stronger balance sheets, improved asset quality and sustained credit growth. Consumer Discretionary retained its OW position for the 20th consecutive quarter, though the overweight narrowed to some extent. This continued to reflect sustained conviction in India's structural consumption story, supported by rising incomes, urbanisation, premiumisation and resilient discretionary demand. The overweight in Healthcare rose to 105 bps from 79 bps, supported by the sector's defensive characteristics and relatively stable earnings outlook.

DMFs remained UW on Energy for the fourth consecutive quarter and on Materials for the third consecutive quarter. Materials became the largest UW position, likely reflecting sensitivity to global commodity cycles. The sustained underweight position in Energy reflected longer-term transition risks, alongside a greater preference for domestic consumption and financial-sector themes.

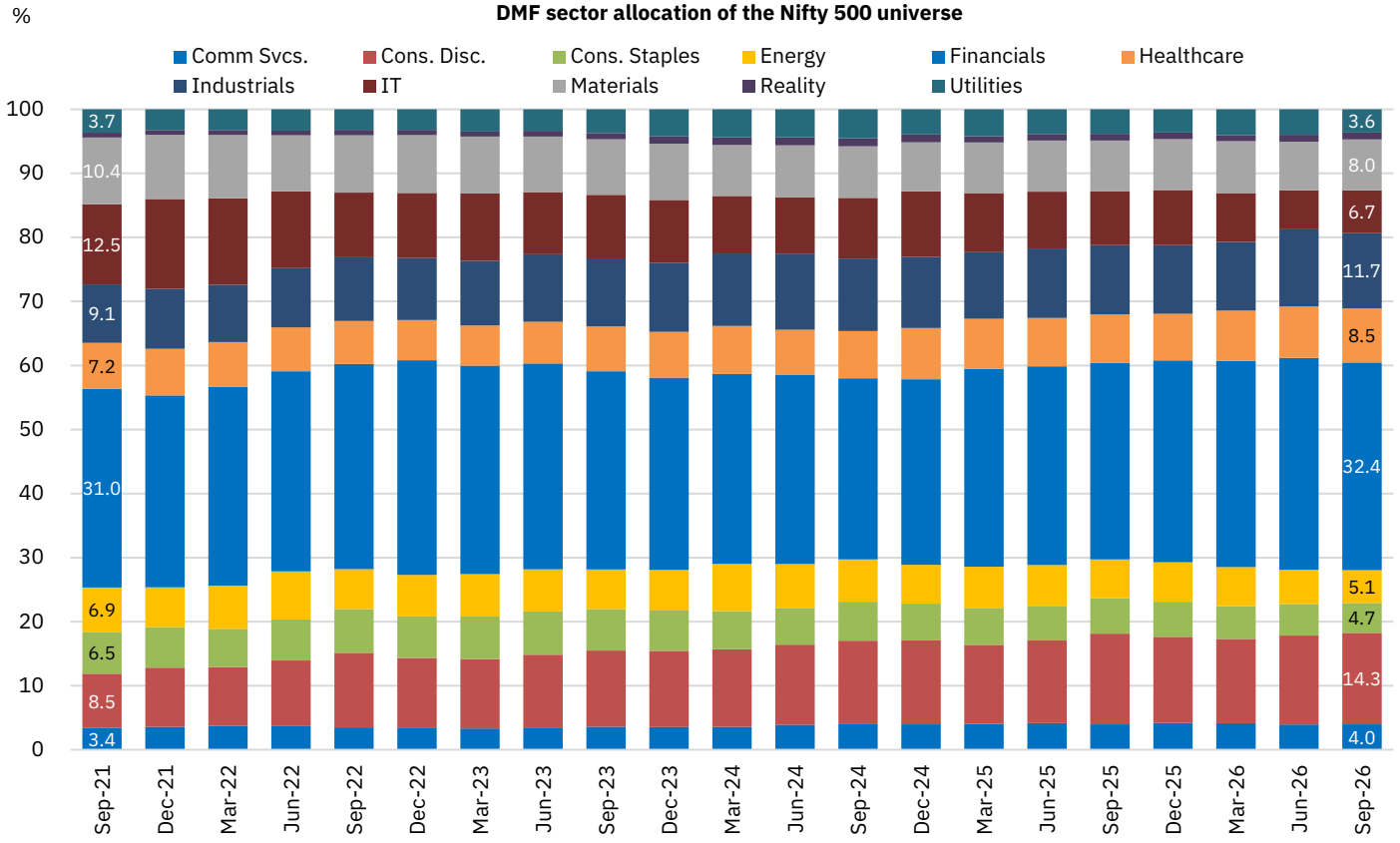
DMFs maintained a broadly neutral stance across most sectors, including Consumer Services, Consumer Staples, Industrials, Information Technology, Real Estate and Utilities. However, Consumer Staples (-87bps), Industrials (-64bps) and Information Technology (-49bps) exhibited a neutral stance with a negative bias, while Real Estate witnessed a shift towards a negative bias despite retaining its broadly neutral positioning.

Figure 82: DMF sector allocation of the Nifty 500 universe (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR.

Figure 83: DMF sector allocation of the Nifty 500 universe over last five years



Source: CMIE Prowess, NSE EPR.

Figure 84: DMF sector allocation vs sector weight in Nifty 500 (September 2026)

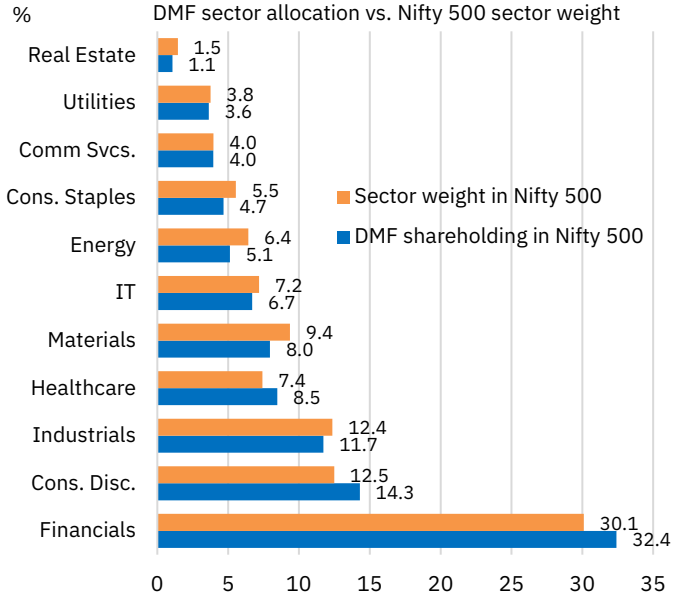
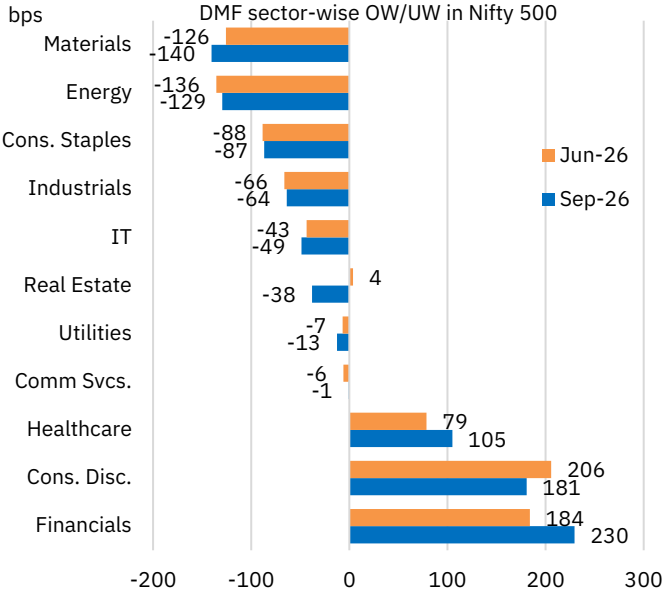
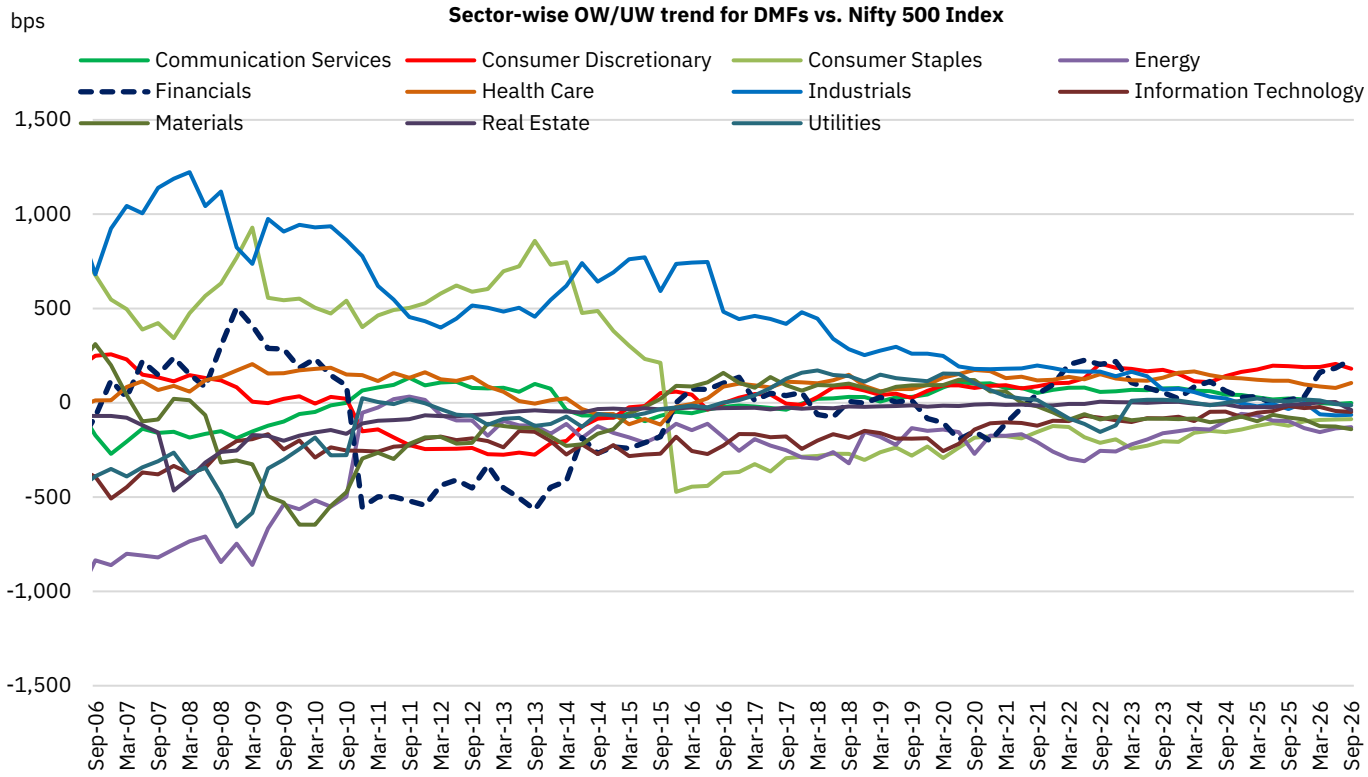


Figure 85: DMF sector-wise OW/UW in Nifty 500 relative to sector weight in the index (September 2026 vs June 2026)



Source: CMIE Prowess, NSE EPR.

Figure 86: DMF vs Nifty 500—Sector-wise OW/UW trend (bps)



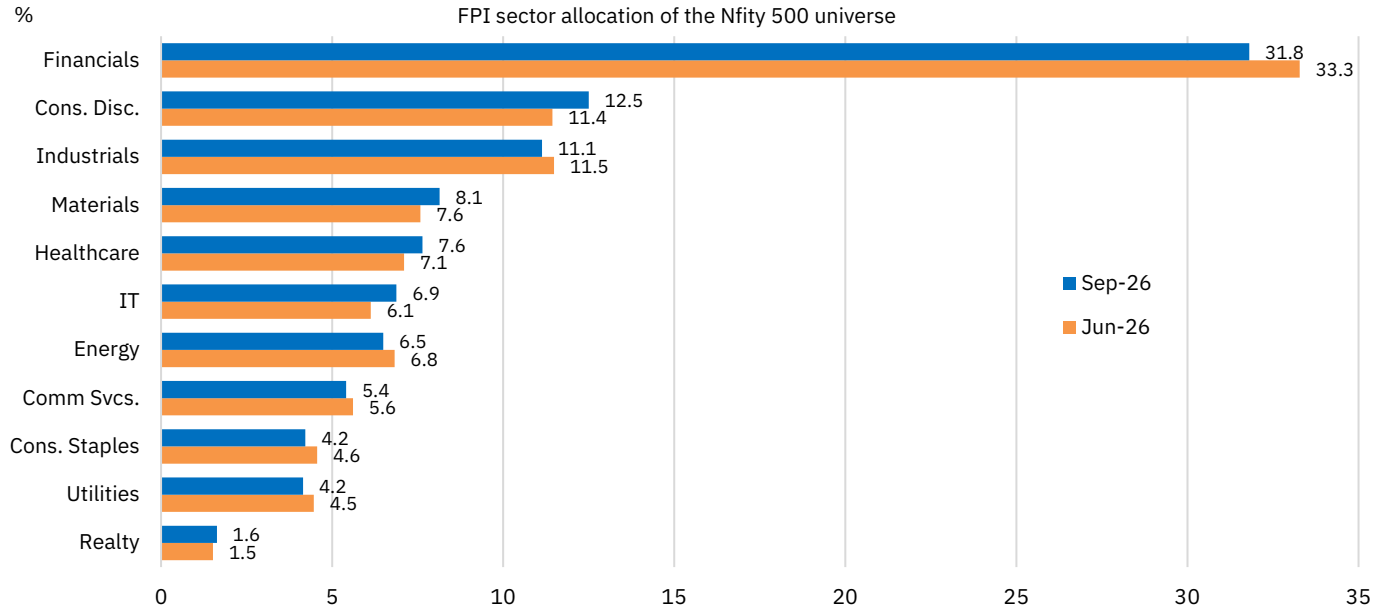
Source: CMIE Prowess, NSE EPR.

FPIs are OW on Communication Services & Financials; UW on Consumer Staples, Industrials and Materials: Notwithstanding the allocation of FPIs towards Communication Services, it maintained the OW for the seventh consecutive quarter, supported by rising data consumption and continued digital adoption. FPIs maintained their overweight (OW) position in Financials, although the degree of OW moderated amid elevated global yields and persistent macroeconomic uncertainty. In contrast, FPIs remained UW in Consumer Staples, reflecting subdued earnings growth, and in Materials, given the sector's sensitivity to global commodity cycles, volatile input prices and uncertain external demand. Industrials also remained UW despite support from the ongoing domestic capex cycle.

FPIs remained OW on Financials and Communication Services while maintained an UW stance on Consumer Staples, Industrials and Materials.

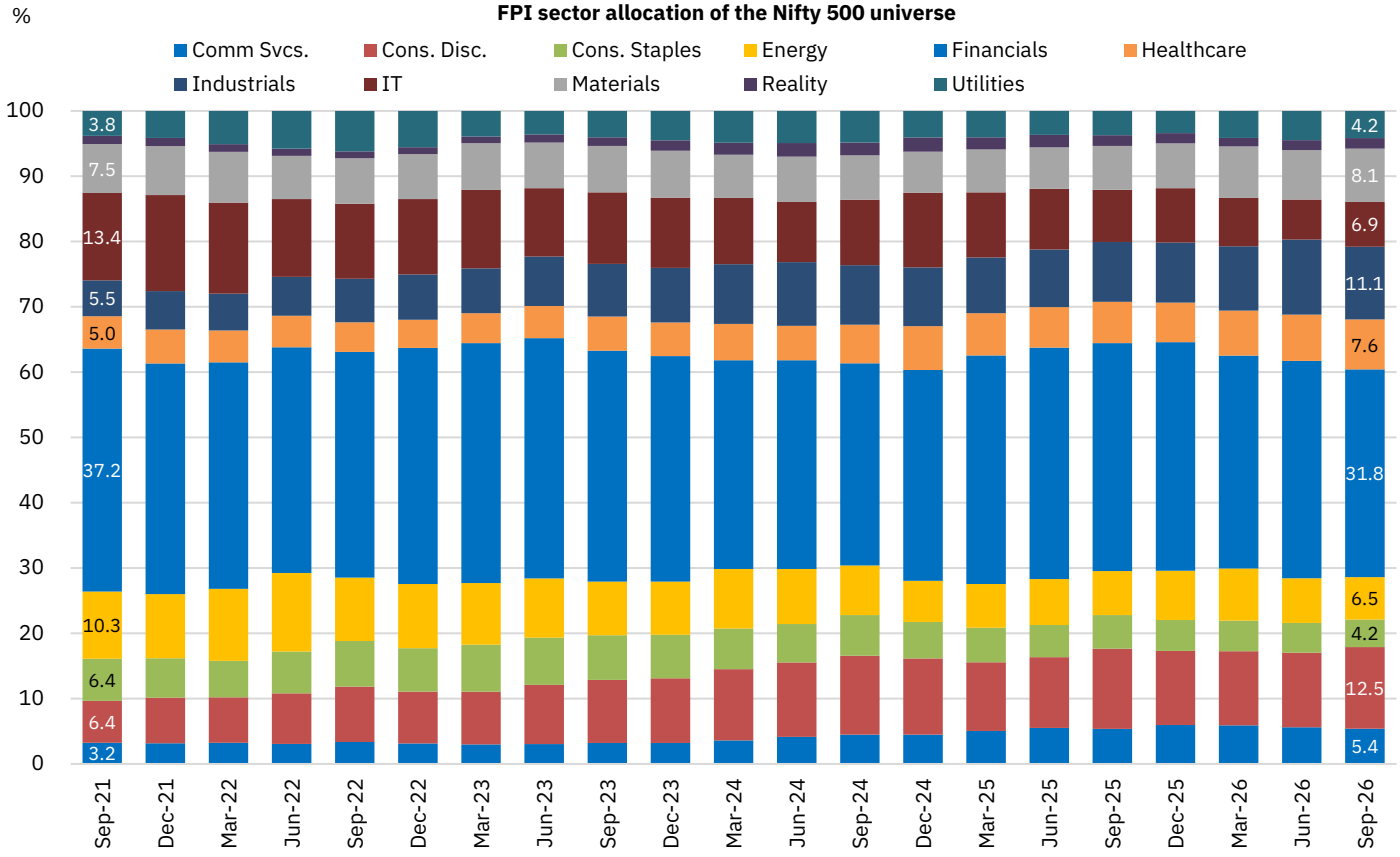
FPI positioning remained broadly neutral across the remaining sectors. IT retained a negative bias, although it moderated, while Healthcare shifted from a negative to a positive bias. Utilities, Real Estate and Energy maintained a positive bias, though it weakened notably in Real Estate.

Figure 87: FPI sector allocation of the Nifty 500 universe (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 88: FPI sector allocation of the Nifty 500 universe over last five years



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Figure 89: FPI sector allocation vs sector weight in Nifty 500 (September 2026)

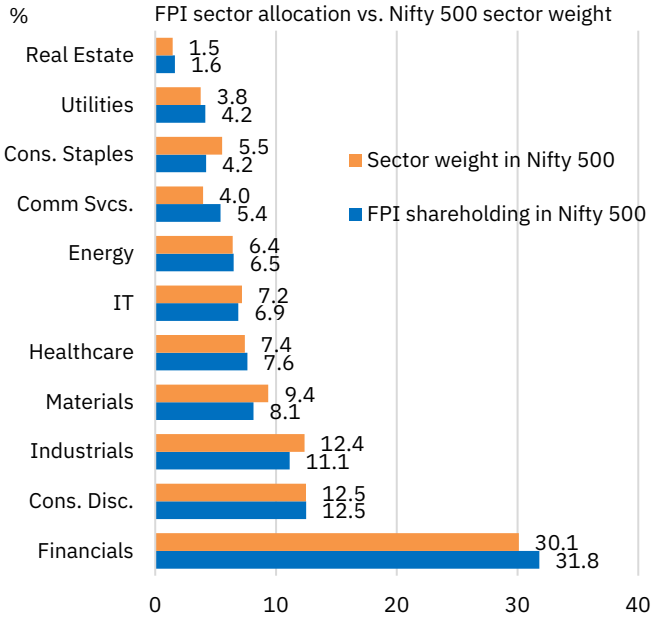
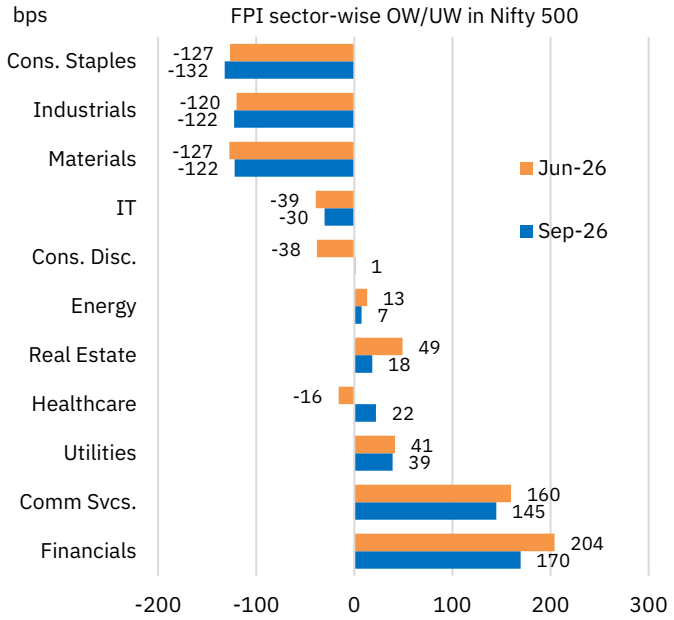
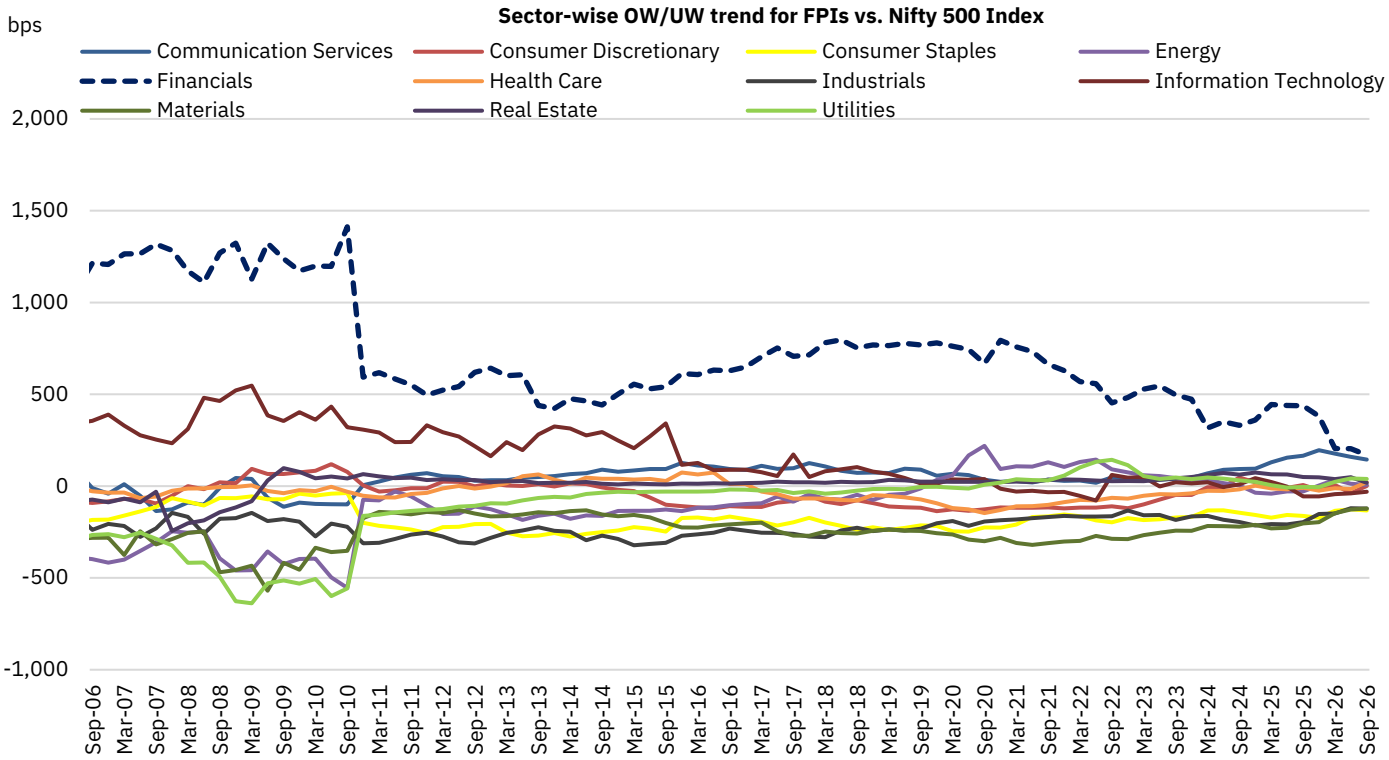


Figure 90: FPI sector-wise OW/UW in Nifty 500 relative to sector weight in the index (Sep 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Figure 91: FPI vs Nifty 500—Sector-wise OW/UW trend (bps)



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

Ownership concentration analysis

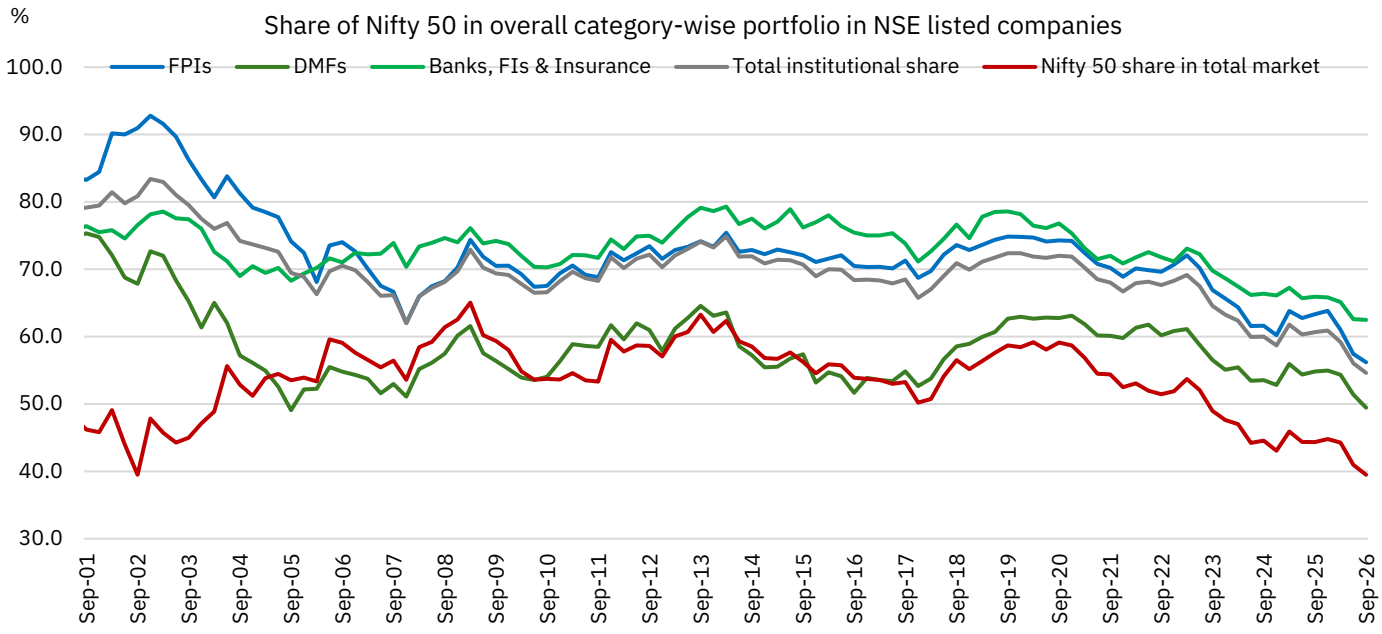
The share of Nifty50 companies in overall institutional investments declined for the third quarter in a row 1.4pp QoQ to a fresh all-time low of 54.6%.

Institutional investor allocation to Nifty50 declined further in the September 2026 quarter to fresh all-time lows...: Quarterly institutional ownership data points to a continued shift away from Nifty 50 companies towards the broader market in the September 2026 quarter, extending the trend seen in the previous two quarters. Institutional portfolios have historically been concentrated in Nifty 50 stocks, although this concentration has weakened considerably since the pandemic. After falling to a 24-year low in December 2024, their share recovered modestly through 2025, supported partly by the relative resilience of large-caps amid heightened global uncertainty, before declining again in 2026.

As of September 2026, Nifty 50 constituents accounted for 54.6% of total institutional holdings in NSE-listed companies, down 1.4pp QoQ and a sharp 6.3pp in the first nine months of 2026. This is the lowest share since the beginning of our analysis in 2001 and 17.8pp below the pre-pandemic peak of 72.4% recorded in December 2019. Nevertheless, institutional exposure to the Nifty 50 remains disproportionately high relative to the index's 39.5% share in aggregate NSE-listed market capitalisation. Relative market performance has reinforced this shift. Over the three- and five-year periods ending September 2026, the Nifty 50 delivered annualised returns of 4.8% and 5.1%, respectively, compared with 13.0% and 14.0% for the Nifty Midcap 150 and 13.3% and 13.7% for the Nifty Smallcap 250.

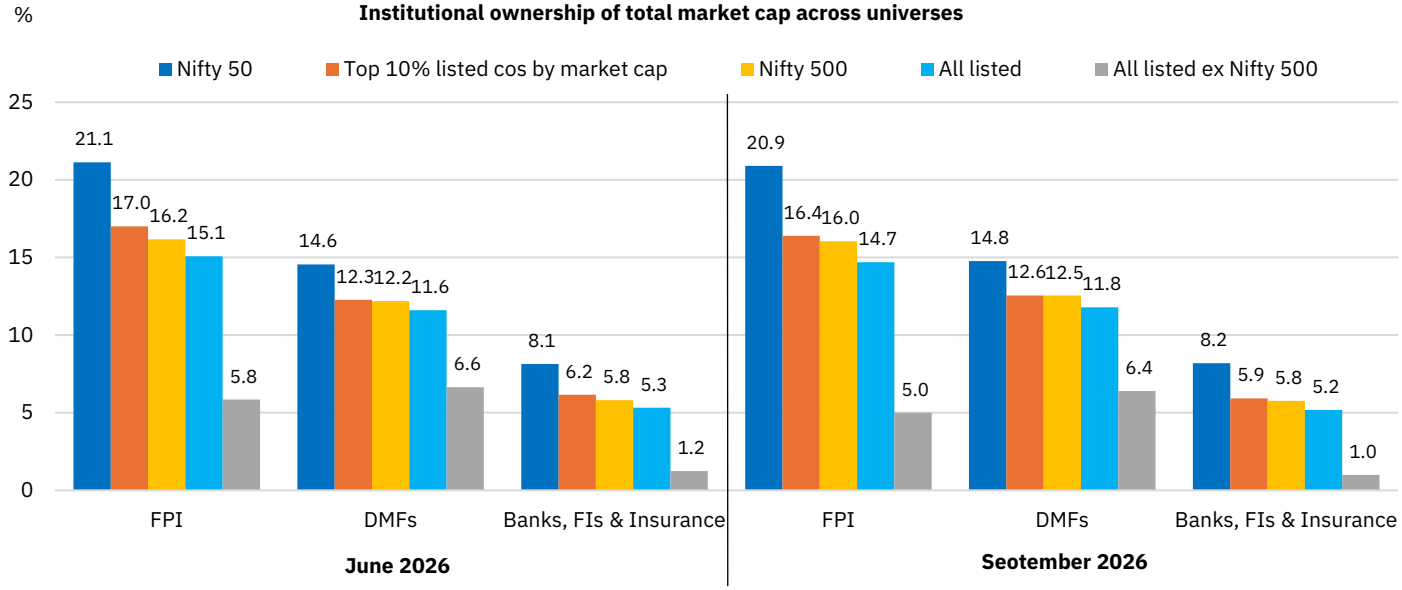
Across institutional categories, banks, financial institutions and insurance companies remained the most concentrated in Nifty 50 stocks, although their allocation declined by 11bps QoQ to an all-time low of 62.4%. FPIs reduced their large-cap exposure more sharply, with the Nifty 50 share in their portfolios falling by 1.3pp QoQ to a fresh record low of 56.2%, broadly in line with the drop seen in Nifty 50's share in overall market capitalisation. DMFs recorded an even steeper 2pp QoQ decline to a 21-year low of 49.4%, slipping below 50% for the first time in this period. Their allocation is now 13.5pp below the Dec'19 peak of 63.0%. The sustained decline across investor categories reflects the broadening of institutional portfolios beyond India's largest listed companies.

Figure 92: Trend of category-wise portfolio allocation to Nifty 50 companies



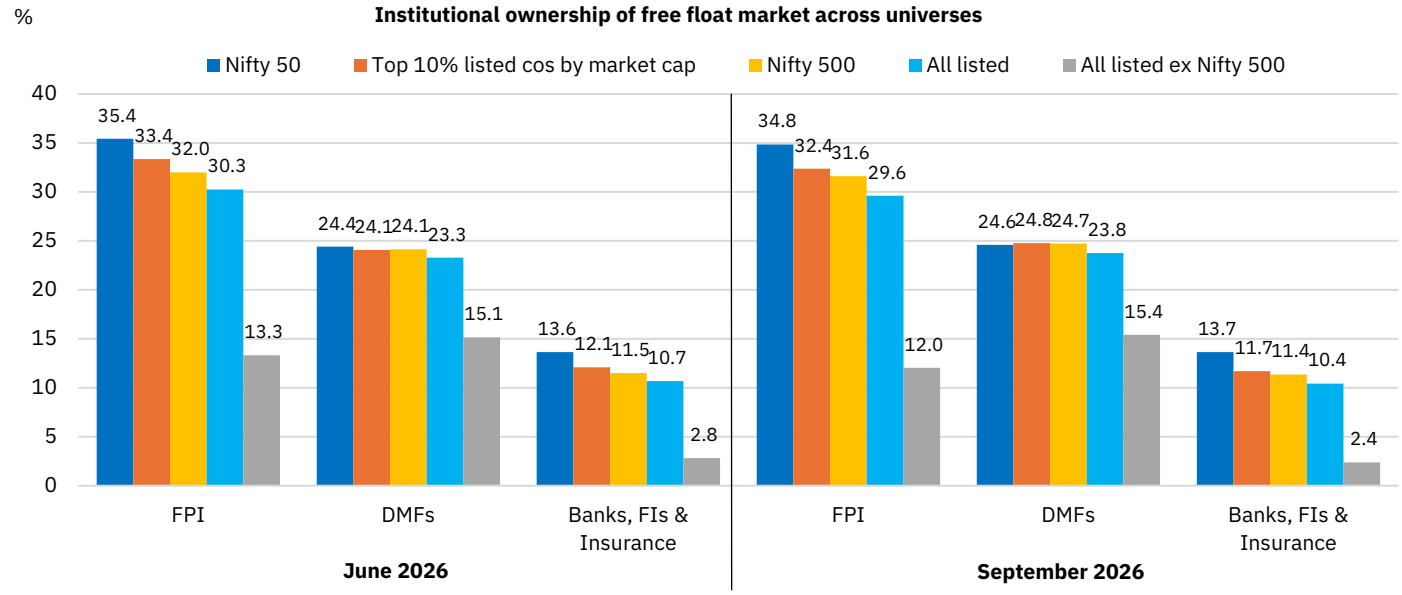
Source: CMIE Prowess, NSE *FPI ownership includes ownership through depository receipts held by custodians.

Figure 93: Institutional share of total market cap (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE *FPI ownership includes ownership through depository receipts held by custodians.

Figure 94: Institutional ownership of floating stock (September 2026 vs. June 2026)

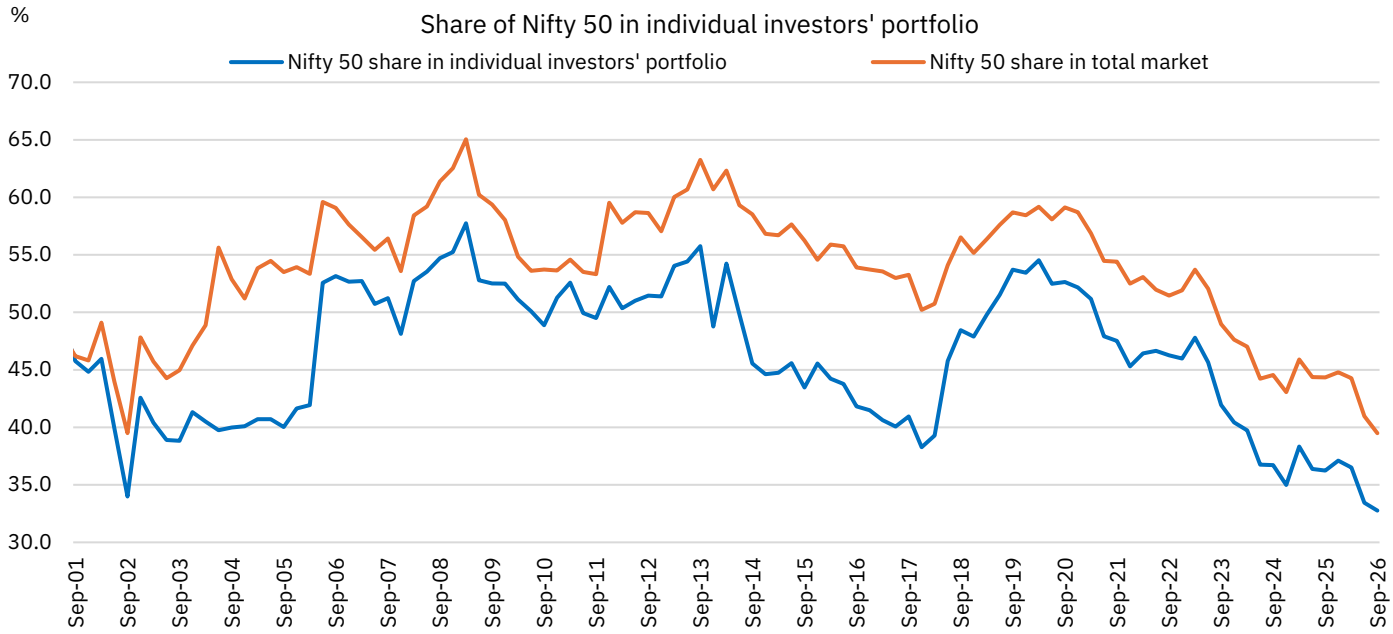


Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians.

...And so is for individual investors: Individual investors also reduced their allocation to Nifty 50 companies in the September 2026 quarter, with their portfolio share declining by 68bps QoQ to 32.8%—the lowest since the beginning of our analysis in 2001 and the third consecutive quarterly decline. The fall was, however, smaller than the 1.4pp decline in the Nifty 50's share of aggregate market capitalisation, indicating some narrowing of individual investors' relative underweight position in large-cap stocks during the quarter.

The longer-term shift away from the Nifty 50 has been more pronounced. Between March 2020 and September 2026, the index's share in individual portfolios declined by 21.8pp, exceeding the 19.7pp fall in its share of overall market capitalisation. This suggests a gradual broadening of individual portfolios beyond large-cap companies, supported by the stronger multi-year performance of mid- and small-cap stocks and growing participation in these segments.

Figure 95: Trend of Nifty 50 share in individual investors' portfolio



Source: CMIE Prowess, NSE EPR.

Figure 96: Individual share of total market cap (September 2026 vs. June 2026)

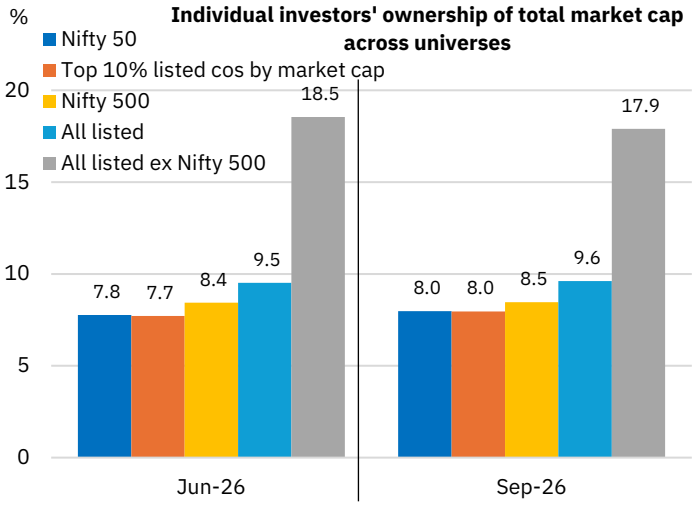
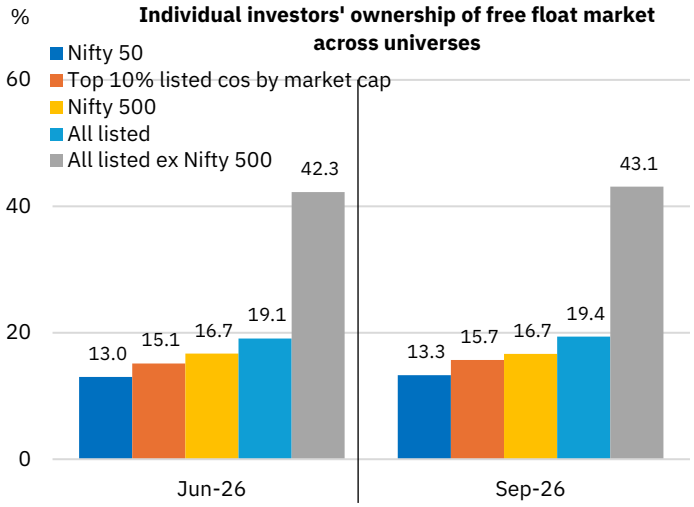


Figure 97: Individual ownership of floating stock (September 2026 vs. June 2026)



Source: CMIE Prowess, NSE EPR.

Decile-wise analysis shows a sharp increase in the share of top decile stocks in institutional investors' portfolio: Portfolio distribution across market-cap deciles in the September 2026 quarter paints a contrasting picture, with the share of top decile stocks in portfolios across categories rising sharply. However, this seems to be primarily led by higher exposure to mid-cap stocks within that cohort, as reflected in a much steeper QoQ increase in exposure to stocks outside of the Nifty 50 companies within that cohort.

Individual investors increased their allocation to the top decile by a sharp 4.1pp QoQ to 68.1%, with the share of non-Nifty 50 companies within this cohort rising by an even higher 4.8pp. Allocations declined across all nine remaining deciles. The bottom five deciles together accounted for just 2.4% of individual holdings, down 1.3pp QoQ and 1.9pp below the 17-year high of 4.3% recorded in December 2024.

DMFs also increased their top-decile allocation sharply, rising by 4.2pp QoQ to 87.6%, almost entirely reversing the previous quarter's decline. This was driven primarily by non-Nifty 50 constituents, whose share in DMF portfolios rose by a much higher 6.1pp QoQ. In contrast, the next two deciles, comprising largely small- and micro-cap stocks, saw their combined allocation fall by 3.1pp QoQ to 11.7%, with the decline being higher than the corresponding contraction in their share of aggregate market capitalisation.

FPIs recorded a relatively smaller increase in top-decile allocation of 2.8pp QoQ to 91.9%, even as their exposure to Nifty 50 stocks declined. The share of the roughly 270 other companies within the top decile rose by a sharper 4.1pp QoQ to a record 35.7%—the highest since the beginning of our analysis. Meanwhile, the next three deciles, comprising around 750 stocks, saw their combined allocation fall by 2.6pp QoQ to 7.9%.

Banks, financial institutions and insurance companies retained the strongest large-cap bias, with a 2.8pp QoQ increase in top-decile allocation. At 94.2%, their portfolios remained overwhelmingly concentrated in the largest listed companies, underscoring their continued preference for market leaders.

Table 16: Distribution of total value held by individual investors across market capitalization deciles

Rs lakh cr	FY23				FY24				FY25				FY26				FY27	
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep
1	16.1	16.7	17.7	16.5	18.4	20.1	22.6	24.1	27.2	29.0	27.0	25.6	28.4	28.4	29.3	26.5	28.6	30.3
2	3.0	3.3	3.3	3.0	3.6	4.3	4.9	5.2	5.9	6.4	6.3	5.6	6.7	6.3	6.2	5.3	6.9	6.8
3	1.6	1.8	1.9	1.8	2.2	2.6	3.0	3.0	3.7	3.9	3.8	3.3	3.7	3.5	3.7	2.6	3.9	3.4
4	0.9	1.1	1.1	1.0	1.3	1.5	1.7	1.7	2.0	2.3	2.4	1.8	2.1	2.0	2.0	1.4	2.2	1.9
5	0.6	0.8	0.7	0.7	0.8	0.9	1.1	1.0	1.2	1.5	1.5	1.2	1.3	1.2	1.3	0.8	1.4	1.0
6	0.4	0.4	0.4	0.4	0.5	0.6	0.7	0.7	0.8	0.9	0.9	0.6	0.7	0.6	0.7	0.4	0.8	0.5
7	0.2	0.3	0.2	0.2	0.3	0.3	0.4	0.4	0.5	0.5	0.5	0.4	0.4	0.4	0.4	0.2	0.4	0.3
8	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.2	0.2
9	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**22.9**	**24.7**	**25.6**	**23.8**	**27.4**	**30.5**	**34.7**	**36.4**	**41.6**	**45.0**	**42.8**	**38.9**	**43.9**	**42.7**	**43.9**	**37.4**	**44.6**	**44.6**

Source: CMIE Prowess, NSE EPR.

Table 17: Market cap decile-wise share of individuals' portfolio in NSE listed companies

	FY23				FY24				FY25				FY26				FY27	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q3	Q1	Q2
1	70.0	67.8	69.3	69.4	67.3	65.7	65.1	66.3	65.2	64.5	63.2	65.9	64.8	66.5	66.7	70.9	64.0	68.1
2	13.3	13.3	13.0	12.5	13.0	14.0	14.1	14.2	14.2	14.1	14.7	14.4	15.3	14.7	14.1	14.2	15.4	15.3
3	6.9	7.4	7.3	7.5	7.9	8.6	8.6	8.3	8.8	8.7	8.9	8.5	8.4	8.1	8.4	7.0	8.8	7.7
4	4.1	4.5	4.3	4.3	4.7	4.8	4.9	4.6	4.7	5.2	5.5	4.7	4.9	4.7	4.6	3.7	4.9	4.2
5	2.6	3.2	2.7	2.8	3.1	3.1	3.1	2.8	3.0	3.2	3.4	3.0	3.0	2.8	2.9	2.0	3.1	2.3
6	1.5	1.8	1.6	1.7	1.9	2.0	2.0	1.9	2.0	2.0	2.0	1.6	1.7	1.5	1.6	1.0	1.8	1.2
7	0.9	1.1	0.9	1.0	1.1	1.0	1.1	1.0	1.1	1.2	1.2	1.0	1.0	0.9	0.9	0.6	1.0	0.7
8	0.5	0.6	0.5	0.5	0.6	0.5	0.6	0.5	0.6	0.6	0.7	0.6	0.5	0.5	0.5	0.3	0.5	0.3
9	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.3	0.2
10	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1

Source: CMIE Prowess, NSE EPR.

Figure 98: Share of the top decile companies by market cap in individuals' portfolio and overall listed universe

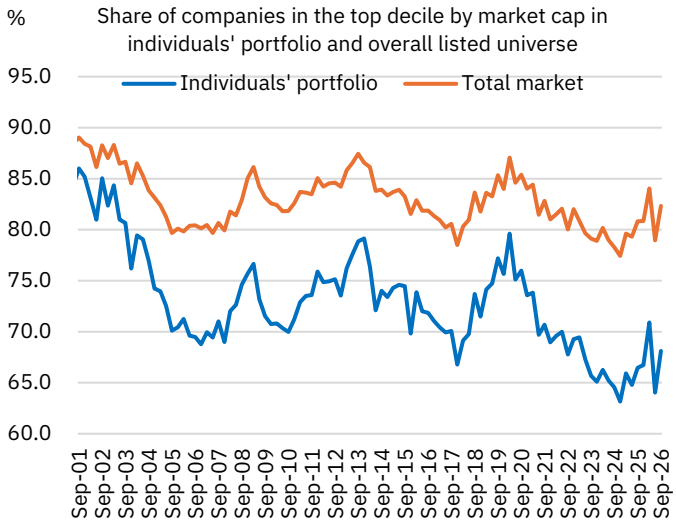
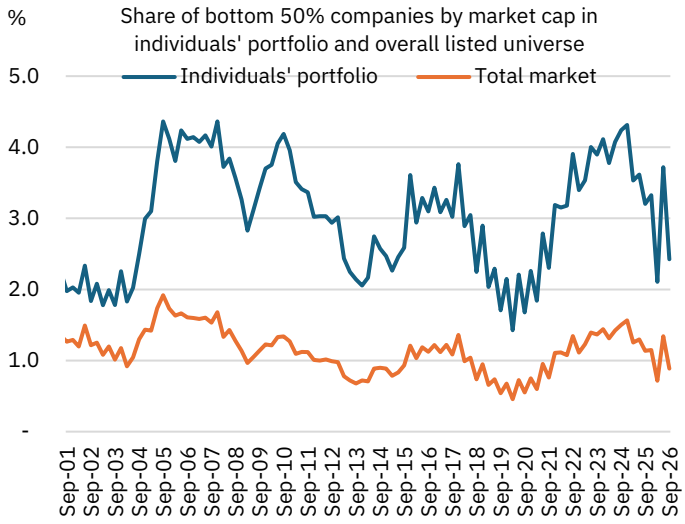


Figure 99: Share of bottom 50% companies by market cap in individuals' portfolio and overall listed universe



Source: CMIE Prowess, NSE EPR. Note: Deciles are created based on market capitalisation at the end of each quarter.

Table 18: Distribution of total value held by DMFs across market capitalization deciles

Rs lakh cr	FY23				FY24				FY25				FY26				FY27	
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep
1	15.8	17.0	18.7	18.1	20.0	22.0	25.4	27.5	31.6	35.3	34.9	35.0	40.0	41.3	43.9	41.0	45.4	47.9
2	2.3	2.9	2.6	2.8	3.5	3.7	4.2	4.5	5.5	6.0	5.4	4.7	5.6	5.1	5.5	4.2	5.9	5.0
3	0.7	0.9	0.8	0.9	1.1	1.2	1.4	1.4	1.7	2.0	2.0	1.7	1.9	1.7	1.9	1.2	2.1	1.4
4	0.2	0.3	0.3	0.3	0.5	0.5	0.6	0.6	0.7	0.8	0.8	0.7	0.7	0.5	0.6	0.3	0.7	0.3
5	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.3	0.2	0.2	0.2	0.1	0.2	0.0	0.2	0.0
6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**19.1**	**21.3**	**22.6**	**22.2**	**25.2**	**27.5**	**31.7**	**34.2**	**39.8**	**44.4**	**43.4**	**42.4**	**48.4**	**48.8**	**52.2**	**46.8**	**54.4**	54.6

Source: CMIE Prowess, NSE EPR.

Table 19: Market cap decile-wise share of DMFs' portfolio in NSE listed companies

	FY23				FY24				FY25				FY26				FY27	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q3	Q1	Q2
1	82.7	80.0	83.0	81.5	79.5	79.8	80.0	80.6	79.5	79.5	80.4	82.6	82.5	84.7	84.2	87.8	83.5	87.6
2	12.0	13.4	11.6	12.7	13.8	13.6	13.3	13.2	13.8	13.5	12.4	11.2	11.5	10.4	10.6	9.0	10.9	9.1
3	3.6	4.2	3.7	3.9	4.3	4.3	4.3	4.0	4.2	4.4	4.6	4.1	4.0	3.5	3.6	2.5	3.9	2.5
4	1.1	1.6	1.2	1.4	1.8	1.8	1.8	1.7	1.9	1.9	1.9	1.5	1.4	1.1	1.2	0.6	1.3	0.6
5	0.4	0.6	0.4	0.4	0.5	0.4	0.5	0.4	0.4	0.6	0.5	0.5	0.5	0.3	0.4	0.1	0.4	0.1
6	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	0.0	0.1	0.0	0.1	0.0
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CMIE Prowess, NSE EPR.

Figure 100: Share of the top decile cos. by market cap in DMFs' portfolio and overall listed universe

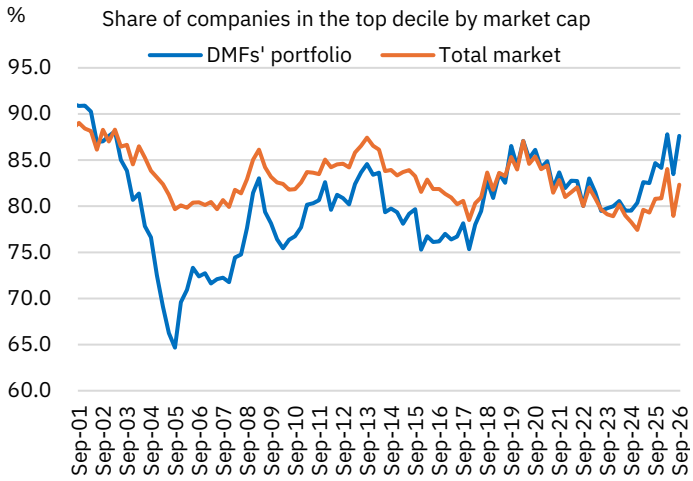
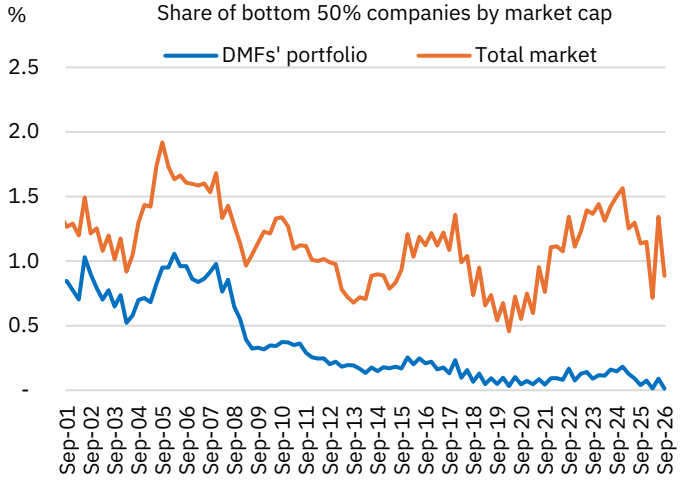


Figure 101: Share of bottom 50% cos. by market cap in DMFs' portfolio and overall listed universe



Source: CMIE Prowess, NSE EPR. Note: Deciles are created based on market capitalisation at the end of each quarter.

Table 20: Distribution of total value held by FPIs across market capitalization deciles

Rs lakh cr	FY23				FY24				FY25				FY26				FY27	
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep
1	40.3	44.7	48.1	43.9	49.8	51.9	58.6	61.0	67.3	73.1	66.8	63.7	70.5	67.9	71.1	59.5	62.9	62.5
2	2.8	3.4	3.2	3.1	3.8	4.0	4.5	4.9	5.9	6.3	5.7	5.2	5.8	5.0	5.0	3.9	5.0	4.1
3	0.8	1.1	0.9	1.0	1.2	1.4	1.5	1.5	1.9	2.3	2.2	1.7	2.0	1.6	1.7	0.9	1.9	1.0
4	0.2	0.4	0.3	0.3	0.4	0.4	0.6	0.6	0.7	0.7	0.8	0.6	0.6	0.4	0.5	0.2	0.5	0.3
5	0.1	0.2	0.1	0.1	0.2	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.1	0.2	0.1
6	0.0	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.0	0.1	0.0
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**44.3**	**49.8**	**52.6**	**48.6**	**55.5**	**58.0**	**65.5**	**68.3**	**76.0**	**82.7**	**75.8**	**71.5**	**79.2**	**75.2**	**78.7**	**64.6**	**70.7**	**68.1**

Source: CMIE Prowess, NSE EPR.

Table 21: Market cap decile-wise share of FPIs' portfolio in NSE listed companies

	FY23				FY24				FY25				FY26				FY27	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q3	Q1	Q2
1	91.0	89.7	91.3	90.4	89.8	89.5	89.5	89.3	88.4	88.3	88.1	89.1	89.1	90.3	90.4	92.0	89.0	91.9
2	6.3	6.8	6.0	6.5	6.8	7.0	6.9	7.2	7.7	7.6	7.5	7.3	7.3	6.7	6.4	6.0	7.1	6.0
3	1.8	2.3	1.8	2.0	2.1	2.4	2.3	2.3	2.5	2.8	2.9	2.4	2.5	2.2	2.2	1.4	2.7	1.5
4	0.5	0.7	0.6	0.7	0.8	0.8	0.9	0.8	0.9	0.9	1.0	0.8	0.7	0.5	0.6	0.3	0.8	0.4
5	0.2	0.3	0.2	0.2	0.3	0.3	0.3	0.2	0.2	0.3	0.3	0.2	0.2	0.2	0.2	0.1	0.3	0.1
6	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.0
7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CMIE Prowess, NSE EPR.

Figure 102: Share of the top decile cos. by market cap in FPIs' portfolio and overall listed universe

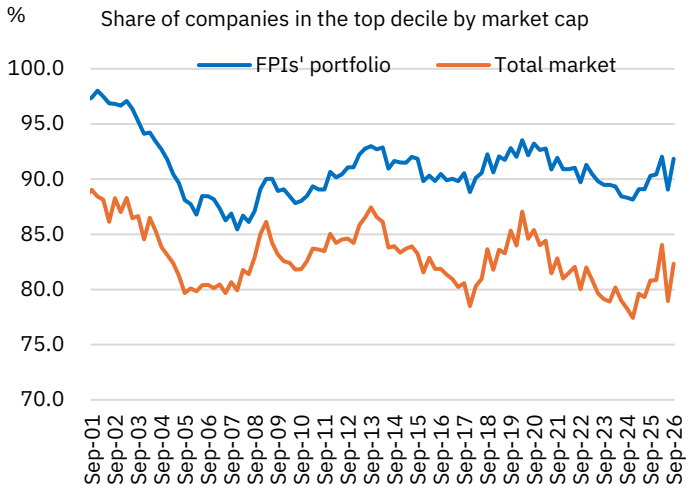
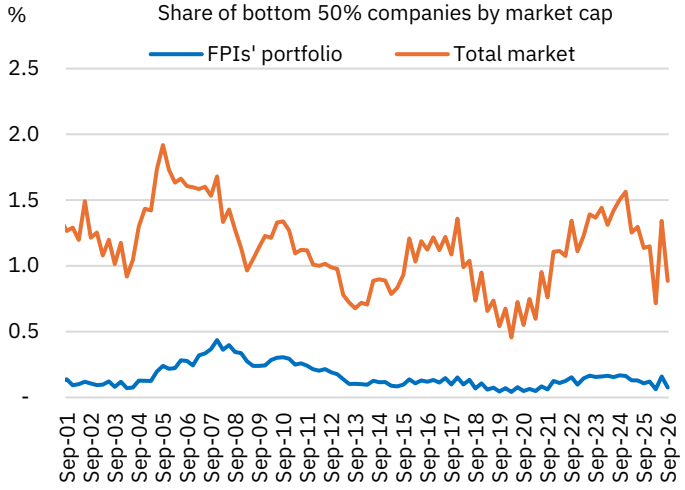


Figure 103: Share of bottom 50% cos. by market cap in FPIs' portfolio and overall listed universe



Source: CMIE Prowess, NSE EPR. Note: Deciles are created based on market capitalisation at the end of each quarter.

Table 22: Market capitalization of NSE listed companies distributed across deciles

Rs lakh cr	FY23				FY24				FY25				FY26				FY27	
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep
1	197.3	214.0	228.7	205.5	232.3	249.1	283.7	306.4	341.6	366.6	338.1	325.5	362.6	360.5	380.6	343.4	370.1	381.4
2	24.5	29.3	28.0	26.9	32.1	35.0	40.3	40.7	48.6	54.1	51.9	45.4	51.0	47.0	48.9	38.6	52.8	46.9
3	9.3	11.4	10.8	10.6	12.8	14.8	17.1	17.2	20.5	22.9	22.3	18.8	21.6	19.7	20.7	14.6	22.4	18.6
4	4.4	5.8	5.3	5.2	6.7	7.4	8.6	8.3	10.3	11.5	11.5	9.3	10.4	9.2	9.9	6.2	11.1	8.2
5	2.5	3.2	2.9	2.8	3.7	4.1	4.7	4.5	5.4	6.1	6.0	4.8	5.6	4.7	5.2	3.0	6.0	4.0
6	1.3	1.9	1.6	1.6	2.1	2.3	2.7	2.6	3.2	3.6	3.5	2.6	3.0	2.5	2.8	1.5	3.2	2.1
7	0.7	1.0	0.8	0.8	1.1	1.2	1.4	1.4	1.7	1.9	1.9	1.4	1.6	1.3	1.5	0.8	1.7	1.1
8	0.4	0.5	0.4	0.4	0.5	0.6	0.7	0.7	0.8	1.0	1.0	0.7	0.8	0.7	0.7	0.4	0.9	0.6
9	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.4	0.4	0.4	0.3	0.4	0.4	0.3	0.2	0.4	0.3
10	0.0	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total	**240.5**	**267.4**	**278.9**	**254.2**	**291.6**	**314.8**	**359.5**	**382.1**	**432.5**	**468.3**	**436.6**	**408.9**	**457.2**	**446.1**	**470.7**	**408.6**	**468.8**	**463.3**

Source: CMIE Prowess, NSE EPR.

Table 23: Market cap decile-wise share in total market capitalization of NSE listed companies

	FY23				FY24				FY25				FY26				FY27	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q3	Q1	Q2
1	82.1	80.0	82.0	80.9	79.7	79.1	78.9	80.2	79.0	78.3	77.4	79.6	79.3	80.8	80.9	84.0	79.0	82.3
2	10.2	11.0	10.1	10.6	11.0	11.1	11.2	10.6	11.2	11.6	11.9	11.1	11.2	10.5	10.4	9.4	11.3	10.1
3	3.8	4.3	3.9	4.2	4.4	4.7	4.8	4.5	4.7	4.9	5.1	4.6	4.7	4.4	4.4	3.6	4.8	4.0
4	1.8	2.2	1.9	2.0	2.3	2.3	2.4	2.2	2.4	2.5	2.6	2.3	2.3	2.1	2.1	1.5	2.4	1.8
5	1.0	1.2	1.1	1.1	1.3	1.3	1.3	1.2	1.2	1.3	1.4	1.2	1.2	1.1	1.1	0.7	1.3	0.9
6	0.6	0.7	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.6	0.7	0.6	0.6	0.4	0.7	0.5
7	0.3	0.4	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.4	0.3	0.3	0.2	0.4	0.2
8	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.2	0.1
9	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1
10	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: CMIE Prowess, NSE EPR.

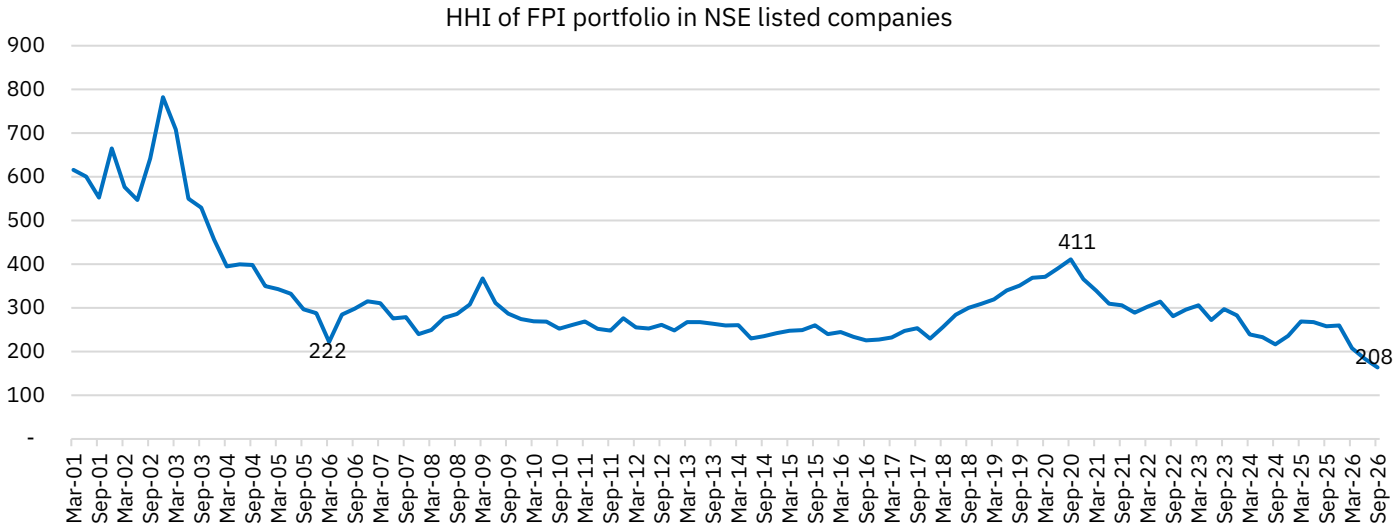
HHI levels fell further in the September quarter, reflecting widening exposure: The Herfindahl–Hirschman Index (HHI), a measure of portfolio concentration, has broadly trended lower across investor categories since the pandemic, following a temporary increase in 2020 as portfolios became more concentrated in larger, liquid stocks. For overall institutional holdings in NSE-listed companies, the HHI declined from 145 in June to 132 in September 2026, the lowest since the beginning of our analysis in 2001. It is now less than half the post-pandemic peak of 320 recorded in September 2020, reflecting a sustained broadening of institutional portfolios beyond the largest companies.

Among institutional categories, DMF concentration eased further, with the HHI declining to a 35-quarter low of 119, well below the December 2020 peak of 189. FPI concentration also fell for the third consecutive quarter, from 260 in December 2025 to 183 in June 2026 and further to a record low of 164 in September. This is less than half the post-pandemic peak of 411 recorded in September 2020. The wider dispersion of FPI holdings is also reflected in the number of companies with FPI ownership, which has doubled from around 1,200 in 2021 to over 2,400, following nearly a decade of limited expansion. Banks, financial institutions and insurance companies also recorded a modest decline in their HHI to a record low of 163, leaving FPIs only marginally more concentrated than this group.

Individual investors continued to have the lowest concentration across investor categories, with their HHI declining from 56 in June to a record low of 50 in September. This is consistent with their relatively greater exposure to mid-, small- and micro-cap stocks and a wider dispersion of holdings across the listed universe.

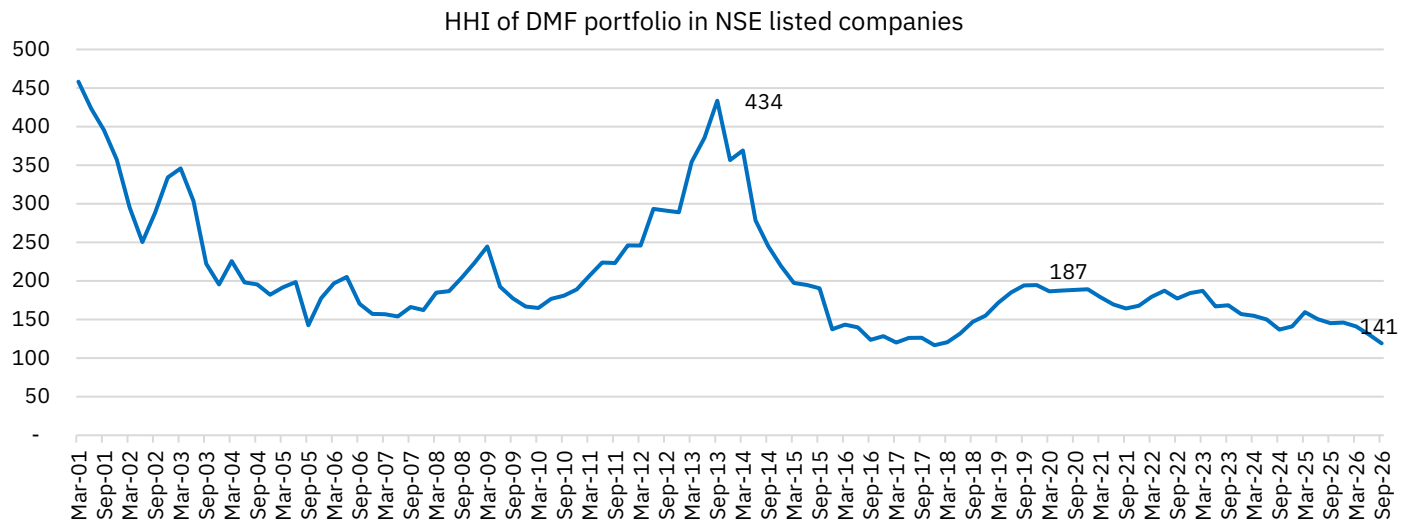
Importantly, the decline in concentration across investor categories came despite a sharp increase in their allocations to the top market-cap decile during the quarter, suggesting a broader distribution of holdings within that cohort, particularly beyond the Nifty 50.

Figure 104: HHI of FPI portfolio in NSE listed companies



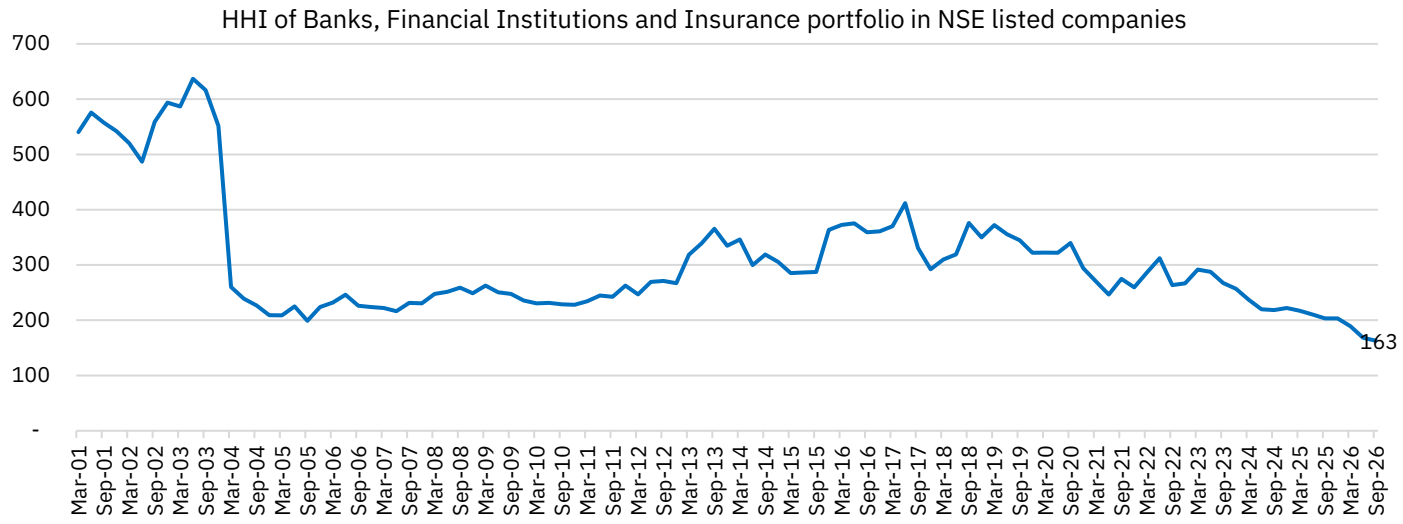
Source: CMIE Prowess, NSE EPR.

Figure 105: HHI of DMF portfolio in NSE listed companies



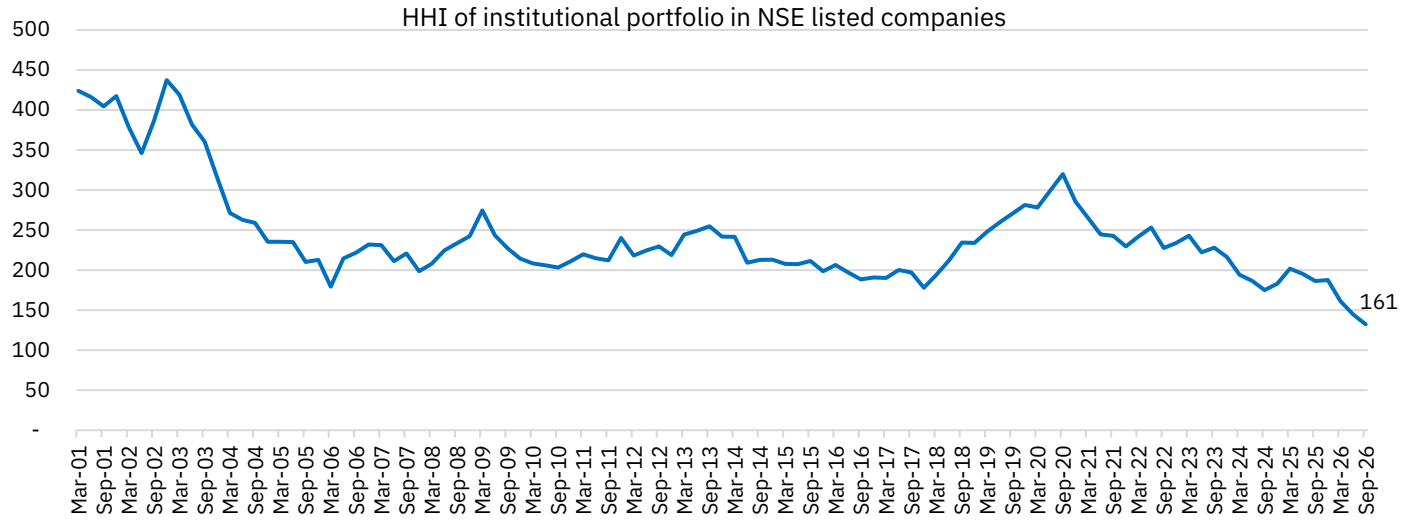
Source: CMIE Prowess, NSE EPR.

Figure 106: HHI of Banks, Financial Institutions & Insurance portfolio in NSE listed companies



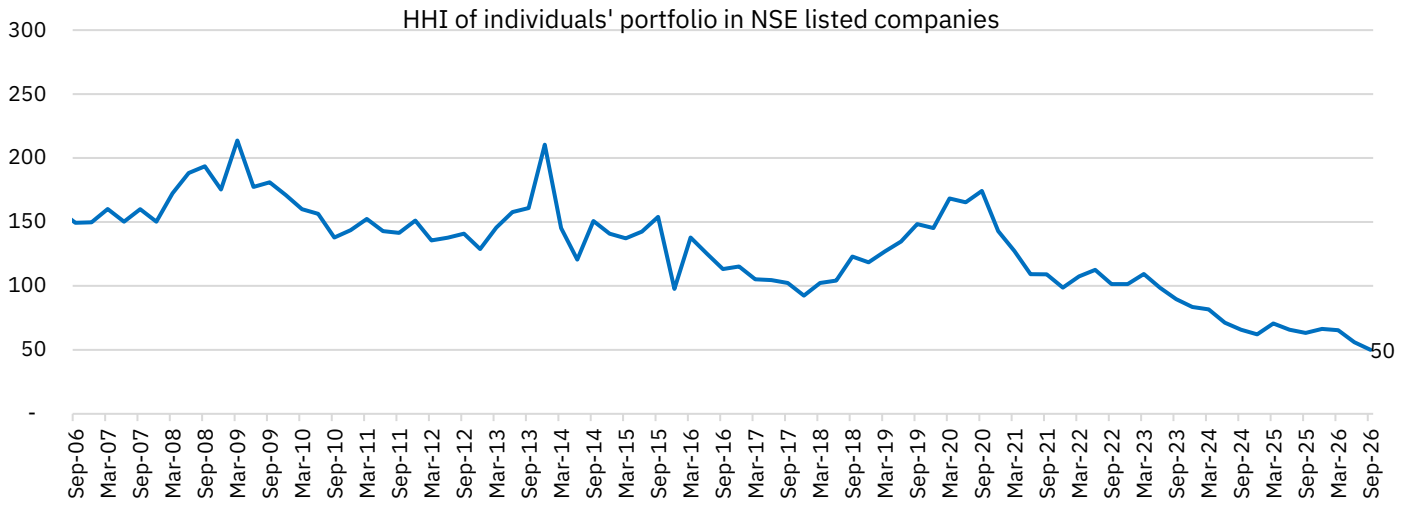
Source: CMIE Prowess, NSE EPR.

Figure 107: HHI of institutional investors' portfolio in NSE listed companies



Source: CMIE Prowess, NSE EPR.

Figure 108: HHI of individuals' portfolio in NSE listed companies



Source: CMIE Prowess, NSE EPR.

Sector-wise HHI differs meaningfully: Sectoral HHI readings reveal considerable variation in portfolio concentration across investor categories, despite the broader decline in concentration at the aggregate level. Individual investor holdings remained relatively dispersed across most sectors in September 2026, with Energy continuing to exhibit the highest concentration (HHI: 3,964), although this has moderated considerably over the past few years.

Among institutional investors, FPI and DMF holdings remained particularly concentrated in Energy and Communication Services, with HHI readings exceeding 4,000 levels for both the categories. This largely reflects the market structure of these sectors, where a few large companies account for a substantial share of market capitalisation. In addition to Energy and Communication Services, Banks, financial institutions and insurance companies also continued to exhibit relatively high concentration in Consumer Staples (HHI: 2,475) relative to their other institutional counterparts, reflecting their greater exposure to large, established companies.

Outside these sectors, concentration has generally trended lower across investor categories over time, indicating a gradual broadening of ownership across companies.

Table 24: Sector-wise HHI of FPI portfolio in NSE listed companies

Sector	Sep-06	Sep-11	Sep-16	Sep-21	Sep-26
Comm. Svcs.	3,418	3,630	1,657	2,551	6,115
Cons. Disc.	1,132	1,163	948	593	553
Cons. Staples	2,346	1,718	1,698	1,275	757
Energy	4,061	3,480	3,063	7,688	4,701
Financials	1,534	1,264	1,194	1,239	1,012
Health Care	957	1,126	1,029	614	524
Industrials	1,039	910	667	704	436
IT	3,339	3,866	2,560	2,270	1,311
Materials	851	581	588	599	425
Real Estate	3,131	1,800	1,344	1,860	1,497
Utilities	2,566	1,321	1,875	1,246	1,199
Total	**298**	**248**	**226**	**306**	**164**

Source: CMIE Prowess, NSE EPR.

Table 25: Sector-wise of DMF portfolio in NSE listed companies

Sector	Sep-06	Sep-11	Sep-16	Sep-21	Sep-26
Comm. Svcs.	1,669	3,278	1,098	4,831	4,462
Cons. Disc.	466	444	543	317	357
Cons. Staples	4,759	5,564	1,267	1,201	897
Energy	2,934	1,617	1,693	3,930	4,125
Financials	969	920	839	981	794
Health Care	551	737	809	690	380
Industrials	515	1,205	544	612	402
IT	1,731	2,587	2,169	1,996	952
Materials	485	340	311	346	379
Real Estate	1,791	1,210	1,245	1,287	1,242
Utilities	1,781	1,093	1,353	1,951	1,302
Total	**170**	**223**	**124**	**164**	**119**

Source: CMIE Prowess, NSE EPR.

Table 26: Sector-wise HHI of Individuals' portfolio in NSE listed companies

Sector	Sep-06	Sep-11	Sep-16	Sep-21	Sep-26
Comm. Svcs.	3,406	864	6,436	695	1,060
Cons. Disc.	371	529	345	338	240
Cons. Staples	1,922	1,656	1,286	1,202	682
Energy	3,881	4,080	3,056	6,179	3,964
Financials	646	491	478	574	362
Health Care	938	604	494	307	231
Industrials	375	1,107	867	511	242
IT	2,168	2,286	1,552	1,267	424
Materials	406	570	262	246	164
Real Estate	2,936	944	665	950	477
Utilities	1,961	959	791	651	730
Total	**149**	**142**	**113**	**109**	**50**

Source: CMIE Prowess, NSE EPR.

Table 27: Sector-wise HHI of Banks, Financial Inst. & Insurance portfolio in NSE listed companies

Sector	Sep-06	Sep-11	Sep-16	Sep-21	Sep-26
Comm. Services	2,378	3,537	4,927	2,986	6,892
Cons. Disc.	1,058	1,312	1,223	916	621
Cons. Staples	4,200	4,842	6,701	3,531	2,475
Energy	2,431	3,019	2,248	4,945	4,016
Financials	1,455	1,128	954	968	652
Health Care	1,449	1,091	2,337	1,502	821
Industrials	890	2,200	3,151	1,734	1,314
IT	2,057	3,074	3,415	3,333	1,613
Materials	690	769	586	541	495
Real Estate	2,752	1,516	1,211	2,176	1,171
Utilities	2,105	1,719	2,324	1,622	1,287
Total	**226**	**242**	**359**	**275**	**163**

Source: CMIE Prowess, NSE EPR.

Institutional ownership continues to broaden across the listed universe: Institutional holdings in NSE-listed companies have become progressively more dispersed since the pandemic, both in terms of the number of companies held and the extent of meaningful ownership stakes. The expansion has been particularly pronounced among FPIs, whose presence has widened considerably beyond the traditional large-cap universe.

The number of companies with FPI ownership has nearly doubled from around 1,200 in December 2020 to nearly 2,400 as of September 2026, barring a temporary setback in FY23. The number of companies in which FPIs held stakes of at least 5% also increased to 804, from 742 in the previous quarter and 540 in September 2020. However, such companies now account for only 33.7% of the FPI investee universe, compared with nearly half before the pandemic. This suggests that while FPI participation has expanded substantially, the increase in the number of companies with sizeable ownership stakes has been relatively modest.

DMFs have followed a similar trajectory, with a greater depth of ownership. Their presence has expanded from around 1,100 companies five years ago to 1,603 as of September 2026. Over the same period, the number of companies in which DMFs held stakes of at least 5% increased from around 420 to 734, accounting for 45.8% of their investee universe. This is substantially higher than the corresponding FPI share of 33.7%, indicating a greater prevalence of meaningful ownership stakes among DMF holdings.

Overall, the data point to a sustained broadening of institutional participation beyond the largest listed companies, consistent with the decline in portfolio concentration observed over recent years. DMFs, in particular, have combined this wider coverage with a relatively greater depth of ownership, supported by the continued expansion of domestic institutional assets.

Figure 109: Number of listed cos with FPI holding >5%

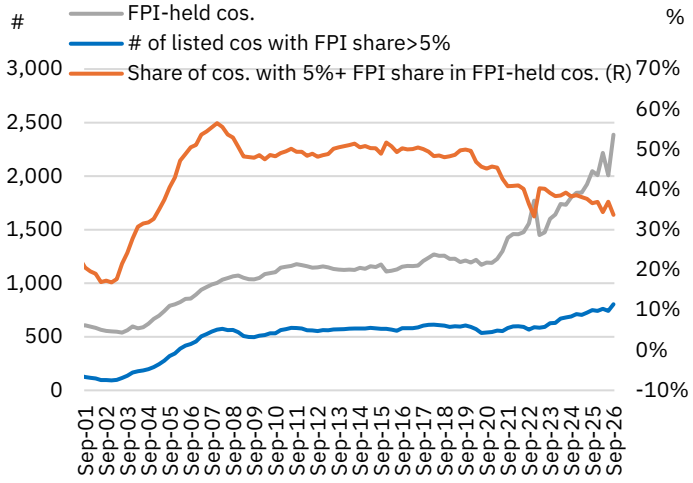
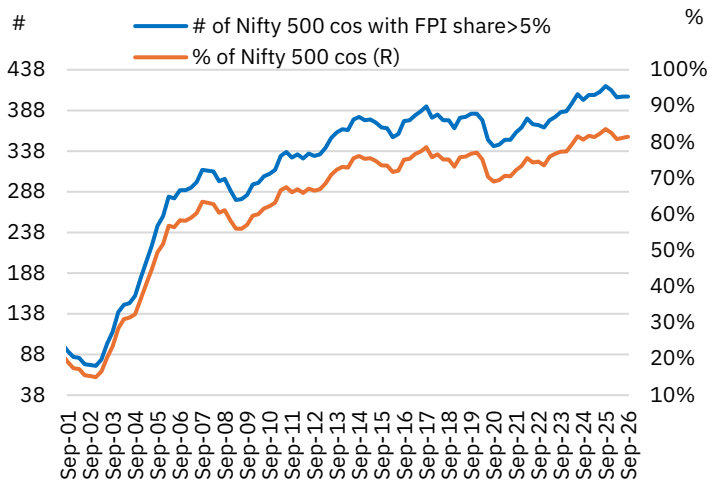


Figure 110: Number of Nifty500 cos with FPI holding >5%



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 111: Number of listed cos with DMF holding >5%

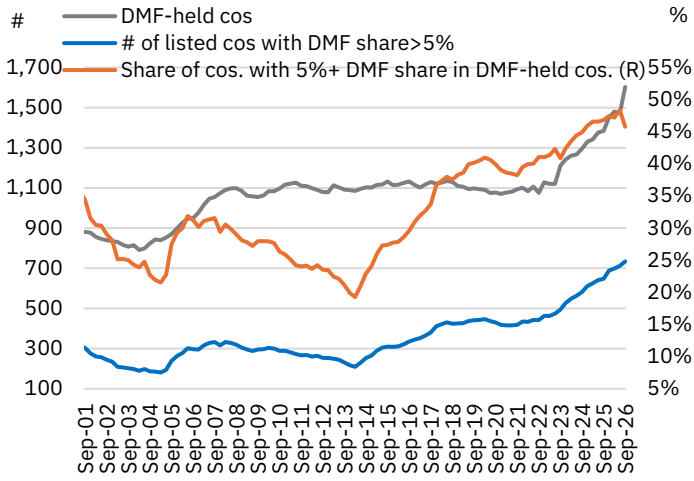
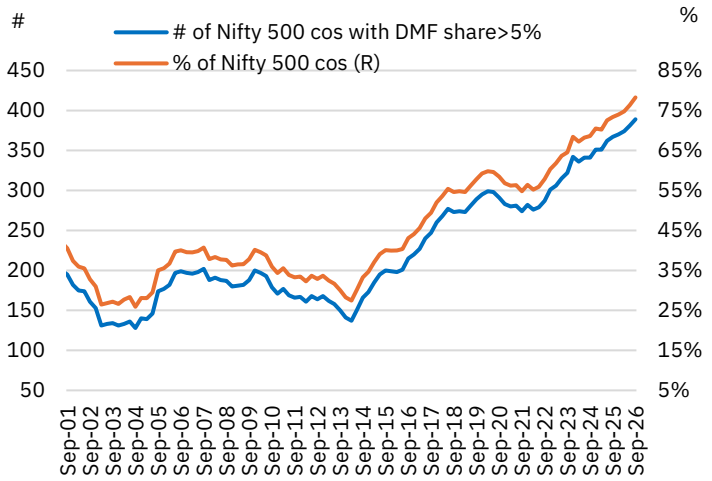


Figure 112: Number of Nifty500 cos with DMF share >5%



Source: CMIE Prowess, NSE EPR. *FPI ownership includes ownership through depository receipts held by custodians

Figure 113: Number of listed companies with Banks, FIs & Insurance holding >5%

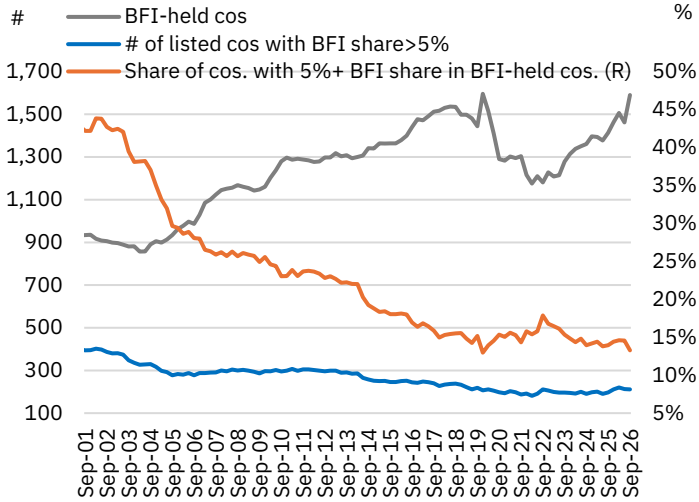
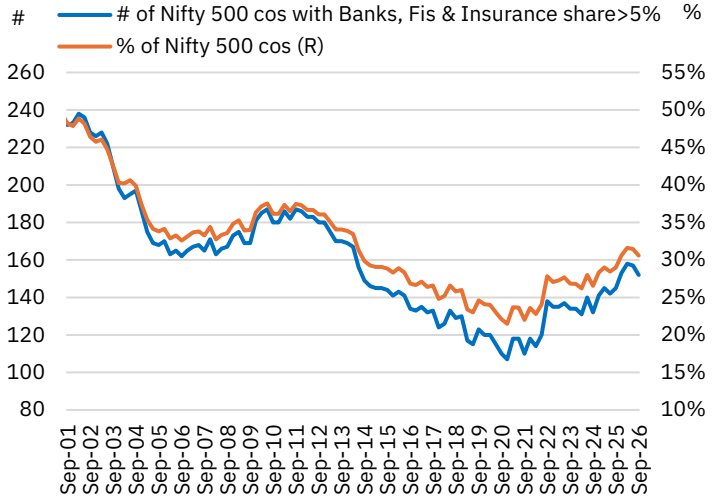


Figure 114: Number of Nifty500 companies with Banks, FIs & Insurance holding >5%



Source: CMIE Prowess, NSE EPR. BFI = Banks, Financial Institutions, and Insurance Companies.

Economic Policy & Research

Name	Email Id	Contact no.
Tirthankar Patnaik, PhD	tpatnaik@nse.co.in	+91-22-26598149
Prerna Singhvi, CFA	psinghvi@nse.co.in	+91-22-26598316
Ashiana Salian	asalian@nse.co.in	+91-22-26598163
Prosenjit Pal	ppal@nse.co.in	+91-22-26598163
Sushant Hede	shede@nse.co.in	+91-22-26598163
Stuti Bakshi	sbakshi@nse.co.in	
Aratrik Chakraborty	aratrikc@nse.co.in	
Sahil Bagdi	sbagdi@nse.co.in	
Anuska Mukherjee	anuskam@nse.co.in	
Anoushka Singh	anoushkas@nse.co.in	
Research Associates		
Taruna Bajaj	consultant_shashidh@nse.co.in	
Akancha Kaushal	consultant_akaushal@nse.co.in	
Khushi Kumari Singh	consultant_ksingh@nse.co.in	
Shruti Tayal	consultant_stayal@nse.co.in	
Arpan Das	consultant_adas@nse.co.in	
Soham Mahesh Raut	consultant_sraut@nse.co.in	

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