

# FII stock up on Indian equities in December quarter

Even as retail investors are choosing to stay away from [equities](#), promoters and foreign institutional investors are busy increasing their stakes in listed companies. The December 2013 quarter has been a hectic one for foreign investors with their investments in equities hitting a record Rs 61,000 crore (\$6.58 billion). Foreign ownership of Indian equities is at a multi-year high, claim analysts. [FII](#) holdings for a median firm stood at 17 per cent (BSE 200 universe) in the December quarter against seven per cent in March 2004.

So what are foreign investors buying? The top ten stocks that FIIs have bought aggressively during the December quarter are: Power Grid, Tech Mahindra, UPL (United Phosphorus earlier), [HDIL](#), [YES Bank](#), [Zee Entertainment](#), Torrent Pharma, Karnataka Bank, Larsen & Toubro and Tata Steel. According to [Ambit Capital](#), the increase in FII holding in Power Grid appears to be a result of the FPO apart from the fact that the company has received approval from shareholders to raise the FII shareholding limit from 24% to 30% of its paid-up capital. Having actually reduced their stakes significantly in the preceding two quarters, FIIs have raised their stake in Yes Bank and Karnataka Bank in the December 2013 quarter. FII holding in Power Grid increased to 25.4 per cent in December from 16.9 per cent in September quarter. Foreign ownership in Tech Mahindra jumped to 40.4 per cent in December from 32.6 per cent in September. FII interest in HDIL also continues to increase on a quarterly basis despite the problems faced by the company. Foreign ownership in the company increased from 33.6 per cent in September to 38.2 per cent in December.

The top stocks that FIIs reducing their holding in during the December quarter included Multi-Commodity Exchange, Hexaware Tech, Apollo Tyres, Strides Arcolab, Unitech, Ashok Leyland, Wockhardt, Bank of India, Federal Bank and Canara Bank.

(Business Standard)