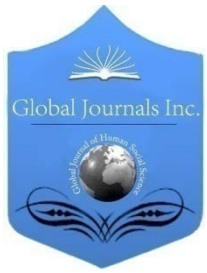
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Ownership Trends in BSE 100-Index Companies from 2000 – 2014: Evidence and Implications

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Abstract- Ownership and control of corporations under the watchful stewardship and surveillance of their boards have a significant influence in shaping corporate behavior and the equitable management of relationships between and among themselves, the society and communities they serve, and the governments of the countries they operate in. This paper tracks the movements in corporate ownership in India among its top companies indexed in BSE-100 in the first decade of the new millennium and moving forward in to the second. The paper is organized as follows: section I provides a brief overview of the development of the corporate format of business organizations; section II provides literature related to the topic and describes the sample and its categorization for analysis,; section III methodology; and section IV sets out the findings, interpretation and conclusions.

Keywords: *corporate governance, ownership structure, BSE, trend analysis.*

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Ownership Trends in BSE 100-Index Companies from 2000 – 2014: Evidence and Implications

Nahila Nazir [α] & Amarjeet Kaur Malhotra [σ]

Abstract- Ownership and control of corporations under the watchful stewardship and surveillance of their boards have a significant influence in shaping corporate behavior and the equitable management of relationships between and among themselves, the society and communities they serve, and the governments of the countries they operate in. This paper tracks the movements in corporate ownership in India among its top companies indexed in BSE-100 in the first decade of the new millennium and moving forward in to the second. The paper is organized as follows: section I provides a brief overview of the development of the corporate format of business organizations; section II provides literature related to the topic and describes the sample and its categorization for analysis,; section III methodology; and section IV sets out the findings, interpretation and conclusions.

Keywords: corporate governance, ownership structure, BSE, trend analysis.

I. Introduction

Corporate governance as a subject has gained strong rise globally both in scientific and cultural community as well as in organization level. The separation of ownership and control is exactly what creates the necessity for corporate and business governance, which include mechanisms to ensure advisable decision making and earnings maximization. Ownership structure is an important aspect of corporate governance system. Berle and Means 1932 call focus on the prevalence of broadly held corporations in the United States in which ownership of capital is dispersed among small shareholders, but still control is concentrated in the hands of professionals. Jensen and Meckling (1976) or Grossman and Hart (1980) indicated that the modern field of corporate and business finance is rolling out around the round the same image of a broadly held corporation.

Looking back at the evolutionary background of the corporation as known today one could detect at least three major defining trends. First was the artificial creation of the corporate entity by the legal practice, followed launch of limited liability, the popularity of the corporations' to spend money on and hold stock of another firm, and lastly, the switch from democratic to plutocratic voting rights leaving one vote per shareholder to one vote per share and thence to even more skewed differential voting rights. The next was the introduction of the publicly traded (bought and sold) corporation representing a paradigm change in the manner business could be scaled up, where owners of the slice of the organization (represented by the percentage of shares hold) neither got claims to the property (net of liabilities) with their company in kind nor the compulsion to be permanently connected with their shareholdings; they could leave by selling their stocks disposing them off or otherwise. The developments of the organization board itself and its role, accountability and responsibility is the third defining component in modern corporate governance. However, the board is 'elected' by the shareholders but once so elected the board is practically its own arbiter in all matters associated with the company. With the demise of the lively, small time entrepreneurial investor-manager and the ascent of the generally unaggressive absentee shareholders in the organization format of business generally, professional management took over that function subject to the guidance and oversight of the board. The focus of this study is to analyze the trend of ownership structure for the period 2001-2014.

II. Literature Review

Ownership structure has important implications for corporate governance and protection of minority shareholders' interest. Concentrated ownership structures and affiliation of companies with business groups is a common feature of Asian economies (Claessens and Fan, 2002). Influential legal scholars like Adolf Berle (1931), Merrick Dodd (1932), Lynn Stout (2002, 2012), Lucian Bebchuk (2005, 2006), Stephen Bainbridge (2002, 2005) and Leo Strine, Jr. (2006), have been debating the pros and cons of higher shareholder engagement in corporate and business decision making but as of now the absentee shareholders in many jurisdictions need to be satisfied largely using their (theoretical) right of having a say in the election of the directors to the board and thereafter expecting their interests would be reasonably protected. Shareholder primacy is influenced by the ownership structures of the organization. Within the confines of the modern corporation, both accountability and responsibility are heavily influenced by ownership structure. Ownership structure can also settle/interviene firm strategy and behavior (Wright, et al, 1996) and can influence boardroom dynamics and stakeholder management

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(Goodstein and Boecker, 1991), executive compensation (David, Kochhar and Levitas, 1998; Balasubramanian, et al, 2013), and R&D investment (Baysinger, Kosnik and Turk, 1991). Knowledge of ownership patterns and trends can thus lead us to more nuanced knowledge of organizational behavior and its own predictability.

a) Ownership Trends around the World

Research on firm ownership has often been controlled by studies centered on the United States and the United Kingdom both with dispersed and concentrated ownership structures. Earlier studies by La Porta, et al (1999) of other economies and recently by Aguilera et al (2011) of companies in emerging marketplaces have found concentrated ownership as a general pattern in most other world economies. The La Porta research which included companies from 27 developed countries found that only 30% of the companies showed dispersed ownership. Japan, in effect qualified as concentrated ownership geography because of predominant inter-corporate holdings even after they returned dispersed ownership because of direct ownership not being higher than 20% which was made the study cut-off criterion. Significant ownership concentration, either in the form of holdings by corporate bodies, individuals or the state in their study of corporations in South America was found by Aguilera et al (2011).

b) Classification of Shareholders

Data in this study is analysed under two major categories of shareholders namely (i) Promoters, (ii) Non Promoters Holding sub divided into two other categories namely (iii) Non Promoters Institutional Holding, (iii) Non Promoters Non- Institutional Holding.

i. *Promoters Holding*

Holdings into various categories provide insight into control in the company. Promoters are the entities that floated the company and to a large extent have seats on Board of Directors or the Management. Relatives of the Promoters who hold shares also fall under this class and are termed the Promoter Group. Promoter Holdings show the extent of control Promoters have over running of the business.

ii. *Non Promoters*

Shareholders other than promoters are known as public shareholders. Public shareholding pattern consists of institutional and non-institutional investors.

iii. *Non Promoters' Institutional Holding*

Institutional investors include the pension funds, money managers, mutual funds, insurance companies, investment banks and commercial trusts. They buy large quantities of shares leaving high impact on the stock market's movements. They are considered knowledgeable and experienced. Hence, their footprints are generally followed by small investors.

iv. *Non Promoters' Non Institutional Holding*

Non institutional investors are those who carry their investments through a broker, bank, and real estate agent and so on. They are generally common people or organizations managing money on their own.

III. Methodology

A time series analysis of ownership structures in corporate India for the period 2000-2014 is presented in this section. The research design of the study is descriptive. In the research study the secondary data of different variables related to ownership structure in the Index BSE-100 in Indian stock marketwas extracted from the Prowess databases from CMIE related to the years ended 31 March 2000 to 2014. The descriptive analysis of the variables is done and represented. In descriptive analysis of the variables, the measure of central tendency (mean, median), distribution, minimum and maximum values are estimated. While the focus of this paper is the publicly traded companies, it would be helpful also to recognise the phenomenal growth in the overall corporate sector in the last 15 years to show the trend of ownership structure in India.

a) Results

In the research study, the long term trend is analyzed of the selected variables related Ownership structure. The descriptive analysis of the variables is done and represented. In descriptive analysis of the variables, the measure of central tendency (mean), distribution, minimum and maximum values are estimated for each variable and are represented in the tables below.

i. *Promoters Holding*

Table 1.1 : Average promoters holding of the firms in BSE 100 Index for the period 2000-2014

Company	Mean	min	max
Mangalore Refinery & Petrochemicals Ltd.	85.1514	68.22	88.58
Steel Authority Of India Ltd.	84.9886	80.00	85.82
Godrej Industries Ltd.	80.2914	68.22	88.61
Bharat Electronics Ltd.	75.8000	75.02	75.86
Oil & Natural Gas Corpn. Ltd.	75.2043	68.94	84.11

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Dabur India Ltd.	73.1943	68.64	78.53
Torrent Pharmaceuticals Ltd.	72.9486	71.51	74.09
Tata Communications Ltd.	71.4429	51.12	76.24
Pidilite Industries Ltd.	71.1429	70.06	71.87
Hindustan Zinc Ltd.	68.6221	64.92	94.75
Procter & Gamble Hygiene & Health Care Ltd.	68.6121	65.00	70.64
Bharat Heavy Electricals Ltd.	67.3871	63.06	67.72
Bosch Ltd.	65.4650	56.99	71.18
Bhushan Steel Ltd.	64.8738	43.16	71.22
Shree Cement Ltd.	63.4992	56.45	65.56
Bajaj Electricals Ltd.	63.3407	48.27	74.56
Thermax Ltd.	62.0907	61.98	63.53
Bharat Petroleum Corpn. Ltd.	61.7593	54.93	66.20
Nestle India Ltd.	60.5650	51.23	62.76
Sanofi India Ltd.	60.3914	60.38	60.40
I D B I Bank Ltd.	59.9793	52.67	76.50
State Bank Of India	59.9418	58.60	62.31
Siemens Ltd.	58.9793	51.00	75.00
Oriental Bank Of Commerce	58.6414	51.09	66.48
A B B India Ltd.	58.5700	50.99	75.00
B E M L Ltd.	57.6300	54.03	61.23
Titan Company Ltd.	53.4664	52.65	55.07
S K F India Ltd.	53.4629	50.80	53.96
Cummins India Ltd.	53.2357	51.00	58.02
Lupin Ltd.	53.2157	46.75	67.22
Hindustan Unilever Ltd.	52.9793	51.42	67.25
Kotak Mahindra Bank Ltd.	52.7721	43.58	63.60
Hero Motocorp Ltd.	52.6607	39.92	54.96
SesaSterlite Ltd.	52.6293	51.00	57.03
Reliance Capital Ltd.	52.3750	48.16	62.87
Amara Raja Batteries Ltd.	52.0300	52.00	52.06
Glaxosmithkline Pharmaceuticals Ltd.	51.9286	48.83	75.00
Piramal Enterprises Ltd.	51.3836	49.24	54.41
Bata India Ltd.	51.3671	51.01	52.96
Bajaj Finance Ltd.	51.0893	41.51	62.07
Hindustan Petroleum Corpn. Ltd.	51.0600	51.01	51.11
Colgate-Palmolive (India) Ltd.	51.0000	51.00	51.00
Exide Industries Ltd.	49.8593	45.99	56.07
Britannia Industries Ltd.	49.5629	43.71	50.96
Kajaria Ceramics Ltd.	49.1900	44.04	53.51
J S W Steel Ltd.	49.1307	37.71	65.88
Hindustan Construction Co. Ltd.	48.5029	39.86	60.12
Asian Paints Ltd.	47.9064	42.45	52.79
Rallis India Ltd.	47.8000	45.20	51.07
Crisil Ltd.	47.7771	32.49	67.70
Reliance Industries Ltd.	46.5079	43.24	51.37
Ranbaxy Laboratories Ltd. [Merged]	46.4321	32.04	63.92
Glaxosmithkline Consumer Healthcare Ltd.	46.2171	40.00	72.46
Reliance Infrastructure Ltd.	46.1550	34.45	58.22
C E S C Ltd.	45.8829	34.19	52.49
Ashok Leyland Ltd.	44.0157	38.61	50.93
J K Lakshmi Cement Ltd.	43.1314	39.55	45.96
E I D-Parry (India) Ltd.	43.1207	38.73	47.59
Crompton Greaves Ltd.	42.7771	38.36	52.44
L I C Housing Finance Ltd.	42.5857	34.69	65.07
Century Textiles &Inds. Ltd.	42.1836	40.08	45.36
Max India Ltd.	41.6636	33.78	51.63
Tata Elxsi Ltd.	41.4136	38.15	45.11

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Ramco Cements Ltd.	41.3186	34.31	42.62
Atul Ltd.	40.3643	33.19	50.62
Bharat Forge Ltd.	39.9729	34.32	46.74
Aditya Birla Nuvo Ltd.	39.0157	26.68	57.23
Arvind Ltd.	38.9657	15.41	51.22
BalrampurChini Mills Ltd.	38.9407	31.82	47.07
Cipla Ltd.	38.8529	36.80	40.96
Gujarat State Fertilizers & Chemicals Ltd.	37.8414	37.84	37.85
I F C I Ltd.	37.0200	0.00	55.53
Raymond Ltd.	36.2750	28.42	41.45
Jain Irrigation Systems Ltd.	34.7636	27.46	72.27
Tata Motors Ltd.	33.8129	25.35	41.73
Escorts Ltd.	33.1471	26.78	41.98
Finolex Cables Ltd.	33.0562	28.01	35.86
Bajaj Holdings &Invst. Ltd.	32.7257	28.57	40.17
Tata Global Beverages Ltd.	32.4821	28.60	35.36
Tata Power Co. Ltd.	32.3629	31.22	33.41
Essar Oil Ltd.	31.2250	15.96	62.09
Tata Chemicals Ltd.	29.9679	27.06	31.60
Tata Steel Ltd.	29.5043	26.22	33.95
Trent Ltd.	29.4286	25.18	32.61
A C C Ltd.	29.0614	0.00	50.30
Hindalco Industries Ltd.	28.9679	21.38	37.00
N C C Ltd.	28.7714	19.56	48.22
Lakshmi Machine Works Ltd.	27.5379	21.44	30.62
Voltas Ltd.	27.5286	20.04	30.61
Great Eastern Shipping Co. Ltd.	27.1893	19.14	30.50
M R F Ltd.	26.3621	25.19	27.33
Dr. Reddy'S Laboratories Ltd.	26.2800	25.14	31.48
Satyam Computer Services Ltd. [Merged]	25.3133	8.74	42.67
Mahindra & Mahindra Ltd.	24.8671	22.09	29.20
Grasim Industries Ltd.	23.8071	20.39	25.55
H D F C Bank Ltd.	23.2457	19.38	28.27
Infosys Ltd.	20.2664	15.94	29.15
Federal Bank Ltd.	0.0000	0.00	0.00
Housing Development Finance Corpn. Ltd.	0.0000	0.00	0.00
Larsen & Toubro Ltd.	0.0000	0.00	0.00

In the research study, the trends of *promoter's holding* in the 100 companies selected for the study in BSE-100 Index is analyzed and it is found that, Mangalore Refinery & Petrochemicals Ltd. is having the highest average promoters holding of (85.15 percent) in last 15 years followed by Steel Authority Of India Ltd. (84.98 percent), and Godrej Industries Ltd. (80.29 percent). The companies having no promoters holding are Larsen & Toubro Ltd., Housing Development Finance Corpn. Ltd. and Federal Bank Ltd. The companies with lowest percentage of promoters holding are Infosys Ltd. (20.26 percent), H D F C Bank Ltd. (23.24 percent).and Grasim Industries Ltd. (23.80 percent). The frequency distribution is shown below in Table 1.2.

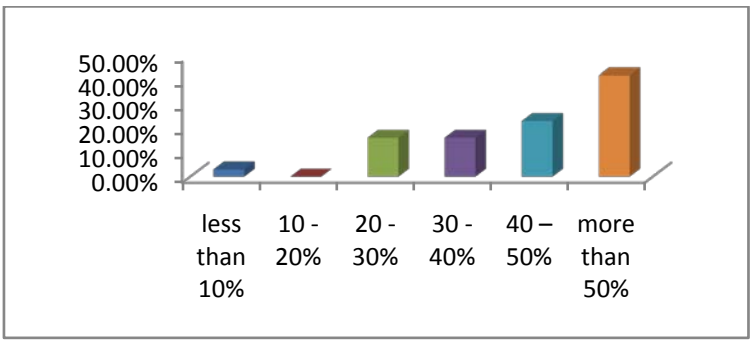
Table 1.2 : Frequency distribution of firm's w.r.t average promoters holding for the period 2000-2014

Average Promoters Holding	Frequency	Percent
less than 10%	3	3.00%
10 - 20%	0	0.00%
20 - 30%	16	16.00%
30 - 40%	16	16.00%
40 – 50%	23	23.00%
more than 50%	42	42.00%
Total	100	100.00%

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In the research study, it is also found that among the 100 companies selected for the study in BSE 100 index, 42percent of firms in BSE 100 index are having average promoters holding of more than 50 percent, 23 percent of the firms are having average promoters holding in the range of 40 - 50 percent of holding, 16percent of the firms are found to have average promoters holding of 30 - 40 percent of holding, 16 percent of firms are found to have average promoters holding in the range of 20 - 30 percent of holding, 0percent of the firms are found to have average promoters holding of 10 - 20 percent of holding and 3 percent of the firms are having the average promoters holding less than less than 10 percent of holding.

The Frequency Distribution is also shown with the help of Graph shown in Figure 1.



ii. *Non Promoters Holding*

Table 1.3 : Average non promoters holding of the firms in BSE 100 Index for the period 2000-2014

Company	Mean	min	max
Housing Development Finance Corpn. Ltd.	100.0000	100.00	100.00
Larsen & Toubro Ltd.	98.2050	95.87	100.00
Federal Bank Ltd.	97.0386	84.69	100.00
I F C I Ltd.	92.0671	44.47	100.00
M R F Ltd.	73.6350	72.67	74.80
Great Eastern Shipping Co. Ltd.	72.7000	69.30	80.85
Voltas Ltd.	72.4700	69.39	79.96
Lakshmi Machine Works Ltd.	72.4621	69.38	78.56
Mahindra & Mahindra Ltd.	71.6621	64.15	77.91
Satyam Computer Services Ltd. [Merged]	71.0400	46.20	86.96
N C C Ltd.	70.9300	51.78	80.41
A C C Ltd.	70.8507	49.70	100.00
Trent Ltd.	70.5700	67.39	74.82
Infosys Ltd.	70.0500	64.31	80.50
Tata Chemicals Ltd.	70.0293	68.40	72.93
Tata Steel Ltd.	69.7736	65.67	73.77
Grasim Industries Ltd.	69.3929	60.05	79.61
Tata Global Beverages Ltd.	67.3079	63.24	71.39
Bajaj Holdings &Invst. Ltd.	66.8607	59.56	71.42
Escorts Ltd.	66.8493	58.02	73.22
Tata Power Co. Ltd.	66.6050	64.31	67.95
H D F C Bank Ltd.	66.3186	55.13	78.00
Hindalco Industries Ltd.	65.7486	53.74	78.61
Jain Irrigation Systems Ltd.	65.0507	27.73	72.32
Finolex Cables Ltd.	64.4823	60.16	71.99
Dr. Reddy'S Laboratories Ltd.	64.1429	55.61	74.24
Raymond Ltd.	62.8921	57.18	71.58
Gujarat State Fertilizers & Chemicals Ltd.	62.1557	62.15	62.16
BalrampurChini Mills Ltd.	61.0550	52.92	68.18
Arvind Ltd.	60.8800	48.78	84.59
Cipla Ltd.	60.6993	59.03	63.11

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Bharat Forge Ltd.	60.0207	53.25	65.68
Reliance Infrastructure Ltd.	59.8079	41.78	100.00
Atul Ltd.	59.6336	49.38	66.80
Aditya Birla Nuvo Ltd.	59.2379	40.33	73.32
Ramco Cements Ltd.	58.6779	57.38	65.68
Tata Elxsi Ltd.	58.5821	54.89	61.85
Max India Ltd.	58.3329	48.36	66.22
Century Textiles &Inds. Ltd.	57.5621	54.63	59.45
L I C Housing Finance Ltd.	57.3129	34.92	65.30
Tata Motors Ltd.	57.2657	44.41	74.65
Crompton Greaves Ltd.	57.0479	47.56	61.64
J K Lakshmi Cement Ltd.	56.4579	53.42	60.44
E I D-Parry (India) Ltd.	56.4550	51.45	61.26
C E S C Ltd.	54.0764	47.43	65.80
Glaxosmithkline Consumer Healthcare Ltd.	53.7821	27.54	60.00
Ranbaxy Laboratories Ltd. [Merged]	52.3143	34.29	67.96
Crisil Ltd.	52.2207	32.30	67.51
Rallis India Ltd.	52.1979	48.93	54.80
Asian Paints Ltd.	52.0907	47.21	57.54
Reliance Industries Ltd.	51.4493	44.92	56.76
Hindustan Construction Co. Ltd.	51.3286	39.88	60.12
Kajaria Ceramics Ltd.	50.8071	46.49	55.95
J S W Steel Ltd.	50.6850	34.11	61.95
State Bank Of India	50.5921	32.40	100.00
Britannia Industries Ltd.	50.4364	49.04	56.28
Exide Industries Ltd.	50.1379	43.93	54.01
Colgate-Palmolive (India) Ltd.	49.0000	49.00	49.00
Hindustan Petroleum Corpn. Ltd.	48.9400	48.89	48.99
Bajaj Finance Ltd.	48.9071	37.93	58.49
Bata India Ltd.	48.6329	47.04	48.99
Piramal Enterprises Ltd.	48.6129	45.58	50.76
Ashok Leyland Ltd.	48.3150	45.24	50.41
Glaxosmithkline Pharmaceuticals Ltd.	48.0714	25.00	51.17
Amara Raja Batteries Ltd.	47.9700	47.94	48.00
Hero Motocorp Ltd.	47.3386	45.04	60.08
Reliance Capital Ltd.	47.3236	37.12	51.84
Kotak Mahindra Bank Ltd.	47.0621	36.39	56.26
Hindustan Unilever Ltd.	47.0164	32.75	48.58
Lupin Ltd.	46.7829	32.78	53.25
SesaSterlite Ltd.	46.7707	36.64	49.00
Cummins India Ltd.	46.7607	41.97	49.00
S K F India Ltd.	46.5350	46.04	49.19
Titan Company Ltd.	46.5321	44.93	47.34
B E M L Ltd.	42.3657	38.76	45.97
A B B India Ltd.	41.4293	25.00	49.00
Oriental Bank Of Commerce	41.3586	33.52	48.91
Siemens Ltd.	41.0186	25.00	48.99
I D B I Bank Ltd.	40.0179	23.50	47.33
Sanofi India Ltd.	39.6086	39.60	39.62
Nestle India Ltd.	39.4350	37.24	48.77
Bharat Petroleum Corpn. Ltd.	38.2364	33.79	45.07
Thermax Ltd.	37.9071	36.47	38.02
Bajaj Electricals Ltd.	36.6571	25.44	51.72
Shree Cement Ltd.	36.5000	34.44	43.54

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Bhushan Steel Ltd.	35.1262	28.78	56.84
Bosch Ltd.	34.5329	28.82	43.00
Bharat Heavy Electricals Ltd.	32.6086	32.27	36.94
Procter & Gamble Hygiene & Health Care Ltd.	31.3850	29.36	35.00
Hindustan Zinc Ltd.	31.3736	5.24	35.08
Pidilite Industries Ltd.	28.8543	28.12	29.94
Essar Oil Ltd.	28.2664	9.46	79.88
Torrent Pharmaceuticals Ltd.	27.0493	25.90	28.49
Dabur India Ltd.	26.8036	21.47	31.36
Tata Communications Ltd.	25.2593	15.09	48.87
Oil & Natural Gas Corpn. Ltd.	24.7950	15.89	31.06
Bharat Electronics Ltd.	24.1957	24.13	24.98
Godrej Industries Ltd.	19.7071	11.39	31.78
Steel Authority Of India Ltd.	15.0014	14.14	19.99
Mangalore Refinery & Petrochemicals Ltd.	14.8486	11.42	31.78

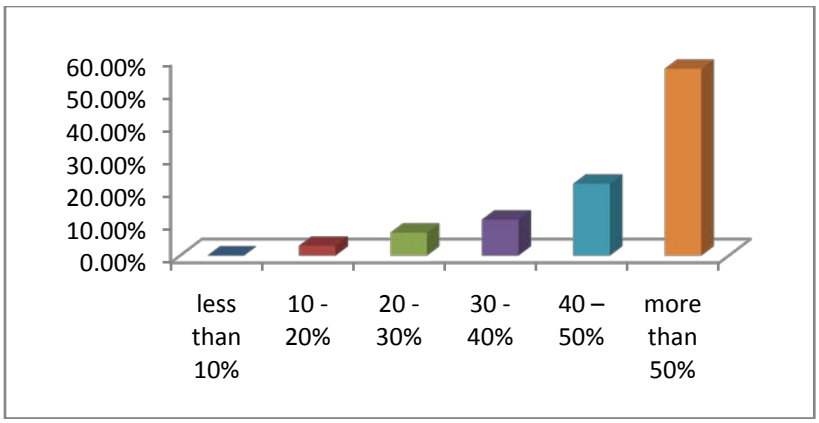
In the research study, the trends of *non-promoter's holding* in the 100 companies selected for the study in BSE 100 index is analyzed and it is found that Housing Development Finance Corpn. Ltd. is having the highest non promoters holding of (100 percent) in last 15 years followed by Larsen & Toubro Ltd. (98.20 percent), and Federal Bank Ltd. (97.04 percent). The companies with lowest percentage of non-promoters holding are Mangalore Refinery & Petrochemicals Ltd. (14.85 percent), Steel Authority Of India Ltd. (15.0014 percent). and Godrej Industries Ltd. (19.7 percent).The frequency distribution is shown below in Table 1.4.

Table 1.4 : Frequency distribution of firm's w.r.t average non- promoters holding for the period 2000-2014

Average Non Promoters Holding	Frequency	Percent
less than 10%	0	0.00%
10 - 20%	3	3.00%
20 - 30%	7	7.00%
30 - 40%	11	11.00%
40 – 50%	22	22.00%
more than 50%	57	57.00%
Total	100	100.00%

In the research study, it is also found that among the 100 companies selected for the study in BSE 100 index, 57percent of firms in BSE 100 index are having average non-promoters holding of more than 50 percent of holding, 22 percent of the firms are having average non-promoters holding in the range of 40 - 50 percent of holding, 11 percent of the firms are found to have average non-promoters holding of 30 - 40 percent of holding, 7percent of the firms are found to have average non-promoters holding of 20-30 percent of holding, 3percent of firms are found to have average non-promoters holding in the range of 10 - 20 percent of holding and there is no holding of average non-promoters holding less than 10percent of holding.

The Frequency Distribution is also shown with the help of Graph shown in Figure 2.



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iii. *Non Promoters Institutional Holding*

Table 1.5 : Average non promoters institutional holding of the firms in BSE 100 Index for the period 2000-2014

Company	Mean	Min	max
I D B I Bank Ltd.	77.0971	54.62	87.67
Mahindra & Mahindra Ltd.	49.6821	43.79	56.42
Federal Bank Ltd.	49.3014	26.86	67.83
Infosys Ltd.	47.7257	17.14	67.34
J K Lakshmi Cement Ltd.	47.0729	38.80	58.03
Satyam Computer Services Ltd. [Merged]	45.0854	12.63	66.96
Tata Power Co. Ltd.	43.3400	33.95	48.51
Grasim Industries Ltd.	42.5964	38.23	48.82
Voltas Ltd.	40.8293	24.34	48.41
Tata Steel Ltd.	39.4893	32.81	44.73
Reliance Infrastructure Ltd.	39.2436	28.13	49.13
State Bank Of India	39.0521	23.09	90.88
Tata Global Beverages Ltd.	38.8293	28.50	45.11
Dr. Reddy'S Laboratories Ltd.	38.6786	29.33	45.30
A C C Ltd.	38.5514	28.97	56.22
Hindustan Construction Co. Ltd.	38.4514	28.16	44.60
Hindustan Unilever Ltd.	38.0564	32.76	41.75
Lakshmi Machine Works Ltd.	37.0043	.69	51.20
H D F C Bank Ltd.	36.9329	21.97	44.00
Hero Motocorp Ltd.	36.9329	21.97	44.00
Tata Chemicals Ltd.	36.0850	25.98	44.92
Kajaria Ceramics Ltd.	35.7429	2.77	57.59
Tata Motors Ltd.	35.3579	25.30	40.63
Crompton Greaves Ltd.	35.0779	20.66	42.47
Hindalco Industries Ltd.	34.9364	28.29	39.03
Gujarat State Fertilizers & Chemicals Ltd.	33.3936	27.28	39.17
Raymond Ltd.	33.2050	24.60	40.05
C E S C Ltd.	32.9843	21.74	42.13
BalrampurChini Mills Ltd.	32.8929	16.44	43.40
N C C Ltd.	32.7100	.42	57.77
Aditya Birla Nuvo Ltd.	32.5379	25.45	41.08
Cummins India Ltd.	31.9521	27.00	35.65
Escorts Ltd.	31.8621	9.06	46.99
Great Eastern Shipping Co. Ltd.	31.4300	18.52	40.52
Oriental Bank Of Commerce	31.1100	13.85	41.20
Ashok Leyland Ltd.	31.0464	26.02	35.63
Exide Industries Ltd.	30.2650	26.27	34.43
Asian Paints Ltd.	30.1886	26.00	36.54
Cipla Ltd.	29.5186	21.15	34.75
Glaxosmithkline Consumer Healthcare Ltd.	29.3114	11.88	34.35
Ranbaxy Laboratories Ltd. [Merged]	29.2686	14.77	41.28
Ramco Cements Ltd.	29.2650	22.88	36.88
Bharat Petroleum Corpn. Ltd.	29.1443	27.55	31.09
Britannia Industries Ltd.	29.0200	26.80	32.65
Reliance Industries Ltd.	28.9557	25.22	32.32
Bharat Forge Ltd.	28.7921	23.89	32.51
Glaxosmithkline Pharmaceuticals Ltd.	28.6386	11.46	34.17
E I D-Parry (India) Ltd.	28.5550	25.57	31.90
Bharat Heavy Electricals Ltd.	28.3143	25.62	32.61
Max India Ltd.	28.0550	1.73	52.78
A B B India Ltd.	27.5914	15.47	34.46
Hindustan Zinc Ltd.	27.5621	18.22	30.35
Sanofi India Ltd.	27.5271	26.39	28.83
Lupin Ltd.	27.3164	2.65	44.05
Larsen & Toubro Ltd.	27.1964	20.21	40.35

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B E M L Ltd.	25.9936	13.11	36.73
Trent Ltd.	25.6921	1.98	37.76
Arvind Ltd.	25.4743	6.73	40.92
Bajaj Holdings &Invst. Ltd.	25.0743	19.68	30.00
Crisil Ltd.	25.0471	18.52	30.18
J S W Steel Ltd.	25.0050	17.52	38.35
SesaSterlite Ltd.	24.8857	14.24	31.47
L I C Housing Finance Ltd.	24.4057	.99	34.33
S K F India Ltd.	23.9329	11.76	32.49
Piramal Enterprises Ltd.	23.8736	14.18	34.82
Bosch Ltd.	23.3136	18.53	30.70
Century Textiles &Inds. Ltd.	23.0421	17.47	26.80
Jain Irrigation Systems Ltd.	22.7586	2.86	37.63
Rallis India Ltd.	22.1593	11.66	32.02
I F C I Ltd.	22.1107	14.07	28.55
Bata India Ltd.	22.0929	11.80	31.14
Siemens Ltd.	21.8007	11.60	27.09
Hindustan Petroleum Corpn. Ltd.	20.7771	2.96	41.38
Colgate-Palmolive (India) Ltd.	19.7500	9.69	26.95
Thermax Ltd.	19.6443	7.67	24.15
Reliance Capital Ltd.	19.4736	1.89	32.90
Nestle India Ltd.	19.3943	16.73	23.51
Housing Development Finance Corpn. Ltd.	19.3386	1.48	33.35
Finolex Cables Ltd.	19.2600	12.23	27.46
Dabur India Ltd.	18.7236	11.43	24.88
Atul Ltd.	17.3650	5.99	30.77
Bharat Electronics Ltd.	17.3286	8.15	20.61
Titan Company Ltd.	16.2014	8.05	24.10
Pidilite Industries Ltd.	16.1379	11.89	19.25
Kotak Mahindra Bank Ltd.	16.0021	1.64	30.46
Bajaj Electricals Ltd.	15.9736	7.12	20.94
M R F Ltd.	15.5786	12.81	28.38
Torrent Pharmaceuticals Ltd.	15.4493	8.81	19.58
Tata Communications Ltd.	14.1379	9.36	19.14
Amara Raja Batteries Ltd.	13.7471	1.70	26.60
Bajaj Finance Ltd.	12.8093	.17	25.70
Shree Cement Ltd.	12.2815	4.48	14.91
Tata Elxsi Ltd.	11.3921	.07	24.84
Steel Authority Of India Ltd.	11.3407	8.06	16.79
Oil & Natural Gas Corpn. Ltd.	10.9071	2.48	17.52
Procter & Gamble Hygiene & Health Care Ltd.	10.2814	6.48	14.59
Bhushan Steel Ltd.	6.1454	2.51	24.64
Godrej Industries Ltd.	6.1179	.87	14.80
Essar Oil Ltd.	5.9979	2.18	14.08
Mangalore Refinery & Petrochemicals Ltd.	3.4500	.29	20.99

In the research study, the trends of *non-promoter's institutional holding* in the 100 companies selected for the study in BSE 100 index is analyzed and it is found that I D B I Bank Ltd. is having the highest average Non Promoters Institutional Holding of (77.097 percent) in last 15 years followed by Mahindra& Mahindra Ltd. (49.68 percent), and Federal Bank Ltd. (49.30 percent). The companies with lowest percentage of non-promoters institutional holding are Mangalore Refinery & Petrochemicals Ltd. (3.45 percent), Essar Oil Ltd. (5.997 percent) and Godrej Industries Ltd. (6.11 percent). The frequency distribution is shown below in Table 1.6.

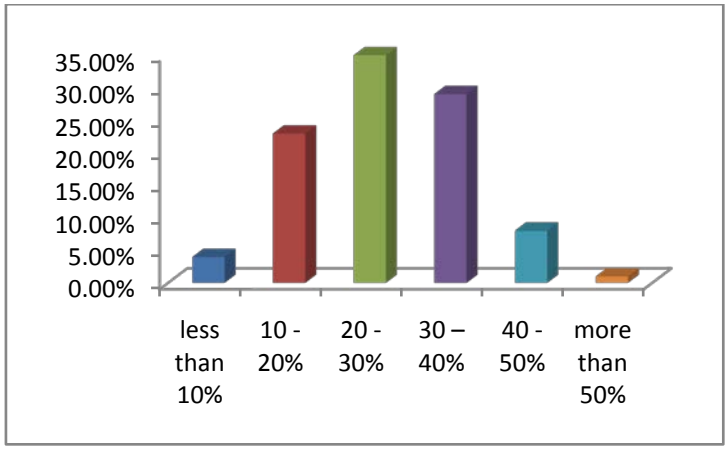
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Table 1.6 : Frequency distribution of firm's w.r.t average promoters holding for the period 2000-2014

Average Non Promoters Institutional Holding	Frequency	Percent
less than 10%	4	4.00%
10 - 20%	23	23.00%
20 - 30%	35	35.00%
30 - 40%	29	29.00%
40 – 50%	8	8.00%
more than 50%	1	1.00%
Total	100	100.00%

In the research study, it is also found that among the 100 companies selected for the study in BSE 100 index, only 1percent of firms in BSE 100 index are having average non-promoters institutional holding of more than 50 percent of holding, 8 percent of the firms are having average non-promoters institutional holding in the range of 40 - 50 percent of holding, 29 percent of the firms are found to have average non-promoters institutional holding of 30 - 40 percent of holding, 35 percent of firms are found to have average non-promoters institutional holding in the range of 20 - 30 percent of holding, 23 percent of firms are found to have average non-promoters institutional holding in the range of 10 - 20 percent of holding and 4 percent of the firms are having the average non promoters institutional holding less than 10 percent of holding.

The Frequency Distribution is also shown with the help of Graph shown in Figure 3.



iv. *Non Promoters Non Institutional Holding*

Table 1.7 : Average non promoters non Institutional holding of the firms in BSE 100 Index for the period 2000-2014

Company	Mean	min	max
M R F Ltd.	58.0586	46.28	60.75
Federal Bank Ltd.	47.7364	29.22	73.14
Tata Elxsi Ltd.	47.1929	34.17	61.78
Larsen & Toubro Ltd.	46.0314	41.56	55.91
Lakshmi Machine Works Ltd.	45.2679	37.64	53.98
Finolex Cables Ltd.	45.2238	39.04	48.75
Trent Ltd.	44.8800	30.93	72.84
I F C I Ltd.	44.3407	26.33	57.60
Atul Ltd.	42.2721	32.49	52.10
Bajaj Holdings &Invst. Ltd.	41.7907	33.44	51.75
Great Eastern Shipping Co. Ltd.	41.2700	29.40	58.59
N C C Ltd.	38.2221	20.23	61.48
Bajaj Finance Ltd.	36.1014	19.11	53.68
Arvind Ltd.	35.4086	19.03	62.48
Escorts Ltd.	34.9929	25.63	48.97
Kajaria Ceramics Ltd.	34.8071	18.44	48.87

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Century Textiles &Inds. Ltd.	34.5229	30.31	38.31
Amara Raja Batteries Ltd.	34.2221	21.34	46.30
Tata Chemicals Ltd.	33.9479	24.02	44.37
A C C Ltd.	32.3007	16.84	71.03
Voltas Ltd.	31.6436	21.53	51.43
J K Lakshmi Cement Ltd.	31.4550	21.52	39.98
Bharat Forge Ltd.	31.2321	22.78	38.33
Cipla Ltd.	31.1814	27.35	39.72
Hindustan Construction Co. Ltd.	30.5529	18.72	42.57
Titan Company Ltd.	30.3300	22.84	37.08
Tata Steel Ltd.	30.2879	23.34	40.97
Max India Ltd.	30.2821	8.37	47.47
Rallis India Ltd.	30.0393	22.78	42.60
Raymond Ltd.	29.6879	23.17	40.73
Ramco Cements Ltd.	29.4143	20.80	35.11
H D F C Bank Ltd.	29.3871	16.40	49.76
Jain Irrigation Systems Ltd.	29.3121	11.37	62.29
Colgate-Palmolive (India) Ltd.	29.2500	22.05	39.31
Bhushan Steel Ltd.	28.9777	23.03	32.87
Gujarat State Fertilizers & Chemicals Ltd.	28.7621	22.99	34.87
Tata Global Beverages Ltd.	28.4807	20.86	41.94
BalrampurChini Mills Ltd.	28.1643	20.10	36.69
J S W Steel Ltd.	27.9286	17.37	38.27
E I D-Parry (India) Ltd.	27.9021	21.41	35.13
Reliance Capital Ltd.	27.8529	14.43	49.94
Hindalco Industries Ltd.	27.3021	13.82	37.48
Crisil Ltd.	27.1771	13.78	43.56
Grasim Industries Ltd.	26.7986	20.04	41.36
Aditya Birla Nuvo Ltd.	26.7021	12.89	47.69
Bata India Ltd.	26.5429	16.85	37.20
Satyam Computer Services Ltd. [Merged]	25.9562	10.58	65.64
Dr. Reddy'S Laboratories Ltd.	25.4650	14.38	44.37
Piramal Enterprises Ltd.	24.7393	15.94	34.50
Glaxosmithkline Consumer Healthcare Ltd.	24.4707	15.05	27.49
Shree Cement Ltd.	24.2200	20.30	33.47
Tata Power Co. Ltd.	23.2671	16.01	33.51
Ranbaxy Laboratories Ltd. [Merged]	23.0486	13.80	33.58
Infosys Ltd.	22.9814	12.20	36.14
Housing Development Finance Corpn. Ltd.	22.9029	12.33	45.38
Kotak Mahindra Bank Ltd.	22.6564	15.51	53.21
S K F India Ltd.	22.6036	13.93	34.28
Reliance Industries Ltd.	22.4964	17.71	25.72
Essar Oil Ltd.	22.2707	4.85	74.62
Mahindra & Mahindra Ltd.	21.9821	14.55	34.06
Crompton Greaves Ltd.	21.9707	14.64	35.46
Tata Motors Ltd.	21.9100	7.53	44.10
Asian Paints Ltd.	21.9043	19.88	24.70
SesaSterlite Ltd.	21.8857	11.22	34.74
Britannia Industries Ltd.	21.4193	18.94	24.63
Procter & Gamble Hygiene & Health Care Ltd.	21.1064	14.77	25.81
C E S C Ltd.	21.0957	8.33	43.80
Bajaj Electricals Ltd.	20.6879	14.18	30.79
Reliance Infrastructure Ltd.	20.5650	9.07	59.56
L I C Housing Finance Ltd.	20.3100	12.25	34.24
Nestle India Ltd.	20.0421	18.23	25.26
Exide Industries Ltd.	19.8736	12.82	22.84
Lupin Ltd.	19.4700	9.02	31.47
Hindustan Unilever Ltd.	19.4571	14.53	23.58
Glaxosmithkline Pharmaceuticals Ltd.	19.4336	13.54	25.07
Siemens Ltd.	19.2221	12.01	27.55

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Thermax Ltd.	18.2650	13.87	30.35
I D B I Bank Ltd.	17.9079	9.43	23.33
Ashok Leyland Ltd.	17.2714	13.44	19.52
B E M L Ltd.	16.3757	9.24	25.66
Cummins India Ltd.	14.8121	13.35	16.56
Oil & Natural Gas Corpn. Ltd.	13.8886	12.58	17.16
A B B India Ltd.	13.8393	8.40	20.19
Godrej Industries Ltd.	13.5900	9.92	26.83
Pidilite Industries Ltd.	12.7200	10.69	16.33
Hero Motocorp Ltd.	12.4021	8.34	21.25
Sanofi India Ltd.	12.0850	10.80	13.23
Hindustan Zinc Ltd.	12.0371	1.73	33.45
Torrent Pharmaceuticals Ltd.	11.6021	7.78	19.68
State Bank Of India	11.5407	8.30	17.60
Mangalore Refinery & Petrochemicals Ltd.	11.3993	7.86	23.88
Bosch Ltd.	11.2200	8.68	14.09
Tata Communications Ltd.	11.1243	2.40	33.30
Hindustan Petroleum Corpn. Ltd.	10.8843	7.24	16.13
Oriental Bank Of Commerce	10.2479	6.09	19.67
Bharat Petroleum Corpn. Ltd.	9.0957	2.71	17.52
Dabur India Ltd.	8.0814	6.44	10.46
Bharat Electronics Ltd.	6.8693	3.95	15.99
Bharat Heavy Electricals Ltd.	4.2979	1.80	6.66
Steel Authority Of India Ltd.	3.6614	2.22	6.12

In the research study, the trends of *non-promoter's non institutional holding* in the 100 companies selected for the study in BSE 100 index is analyzed and it is found that M R F Ltd. (58.06 percent), is having the highest average non promoters non institutional holding of (58.06 percent) in last 15 years followed by Federal Bank Ltd. (47.73 percent), and Tata Elxsi Ltd. (47.19 percent). The companies with lowest percentage of non-promoters non institutional holding are Bharat Heavy Electricals Ltd. (4.297 percent), Bharat Electronics Ltd. (6.87 percent) and Dabur India Ltd. (8.08 percent). The frequency distribution is shown below in Table 1.8.

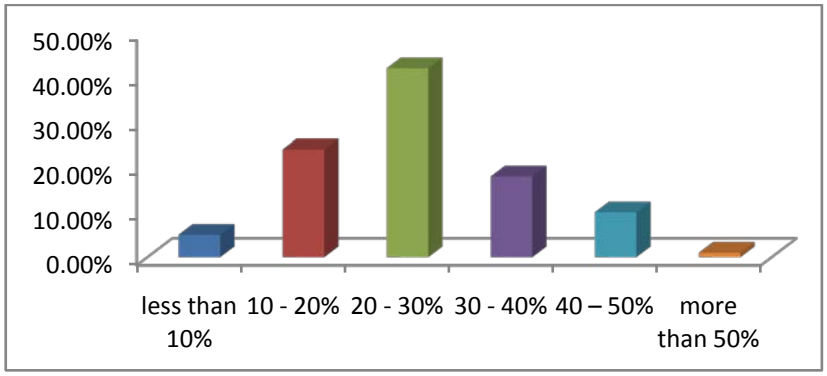
Table 1.8 : Frequency distribution of firm's w.r.t average non promoter non institutional holding for the period 2000-2014

Average Non Promoters Non Institutional Holding	Frequency	Percent
less than 10%	5	5.00%
10 - 20%	24	24.00%
20 - 30%	42	42.00%
30 - 40%	18	18.00%
40 – 50%	10	10.00%
more than 50%	1	1.00%
Total	100	100.00%

In the research study, it is also found that among the 100 companies selected for the study in BSE 100 index, only 1 percent of firms in BSE 100 Index are having average non-promoters non institutional holding of more than 50 percent of holding, 10 percent of the firms are having average non-promoters non institutional holding in the range of 40 - 50 percent of holding, 18 percent of the firms are found to have average non-promoters non institutional holding of 30 - 40 percent of holding, 42 percent of firms are found to have average non-promoters non institutional holding in the range of 20 - 30 percent of holding, 24 percent of firms are found to have average non-promoters non institutional holding in the range of 10 - 20 percent of holding and 5 percent of the firms are having the average non promoters non institutional holding less than 10 percent of holding.

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The Frequency Distribution is also shown with the help of graph shown in figure 4.



IV. Conclusion

In this study, there is empirical confirmation of the predominance of concentrated ownership and control in corporate India. Out of the BSE 100-Index companies the number of dominant ownership entities (promoters), nearly 42percent of firms are having more than 50 percent of shareholding which indicates that there is concentration of ownership in the hands of promoters. Such entrenchment and control offers immense potential to the owners/controllers for tunneling and personal enrichment at the expense of absentee shareholders.

However, only 1 percent of firms are having more than 50 percent of average non promoters institutional holding as well as average non promoters non institutional holding. 35 percent of firms are found to have average non promoters institutional holding in the range of 20 – 30 percent of shareholding. In case of average non promoters non institutional holding it is found that 42 percent of firms are having 20-30% of shareholding. It indicates that institutional as well as retail shareholders don't have the majority powers. In line with the trends in other developed markets, non-institutional retail shareholdings are on the declining mode in the country. In the BSE 100-Index companies, much of these holdings were picked up by the promoters to boost their entrenchment and as a defense against hostile takeovers.

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