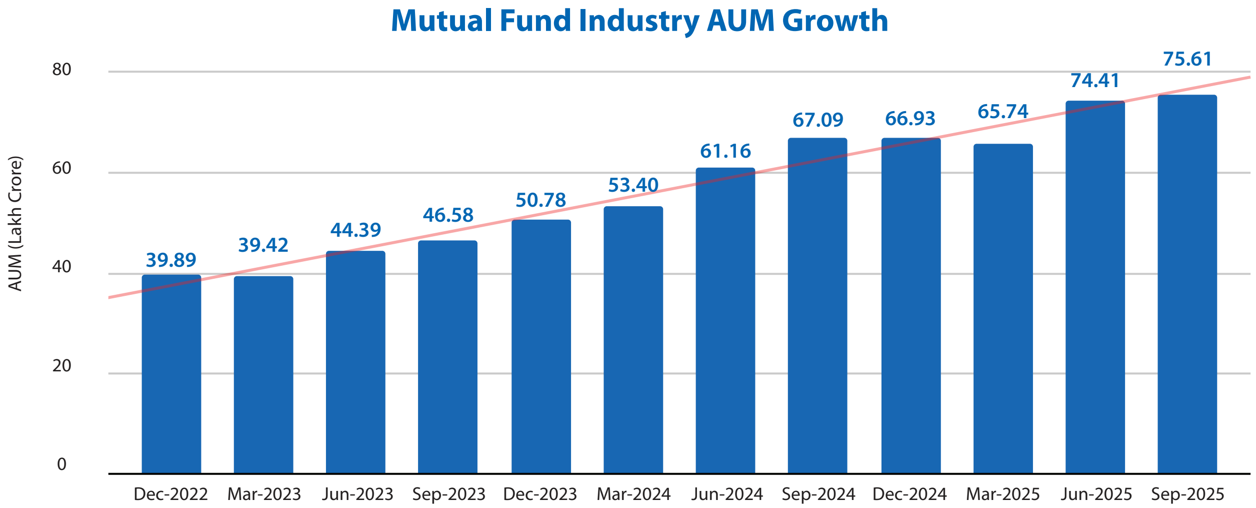
MUTUAL FUND LENS

September 2025

TABLE OF CONTENTS

Mutual Fund Industry AUM:

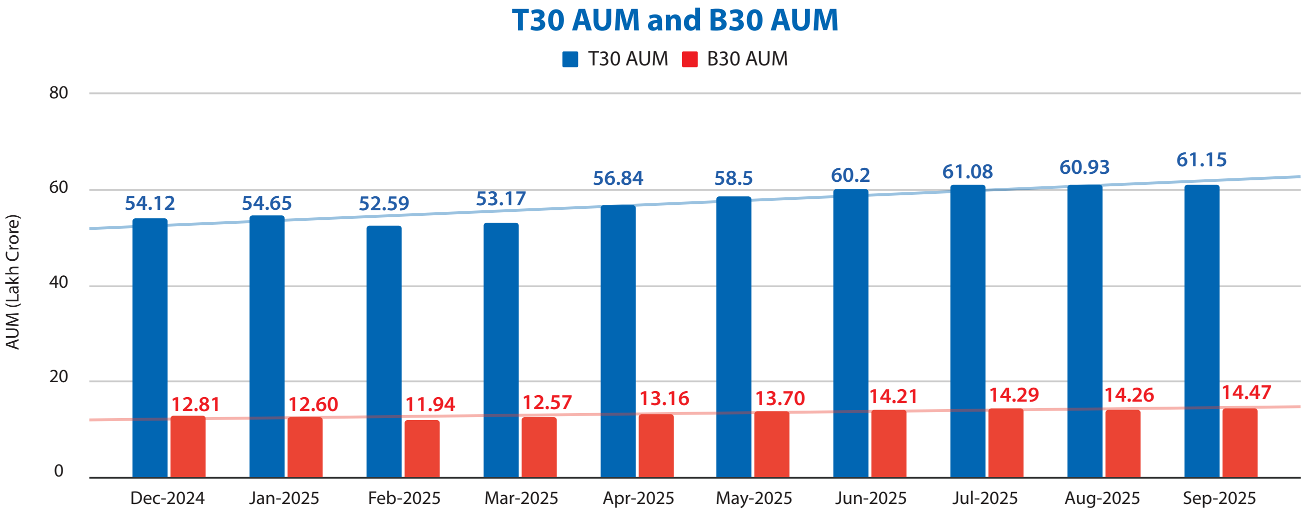


Data as of September 2025|Source: AMFI

Comments

- The AUM of the industry has demonstrated remarkable resilience despite global volatility, surging from ₹39.89 Lakh Crore in December 2022 to **an all-time high of ₹75.61 Lakh Crore in September 2025, marking a significant growth of 26.18%.**
- **India now ranks among the fastest-growing mutual fund markets globally,** with the industry AUM almost doubling in just 3 years — a pace significantly higher than the global average.

T30 & B30 AUM:

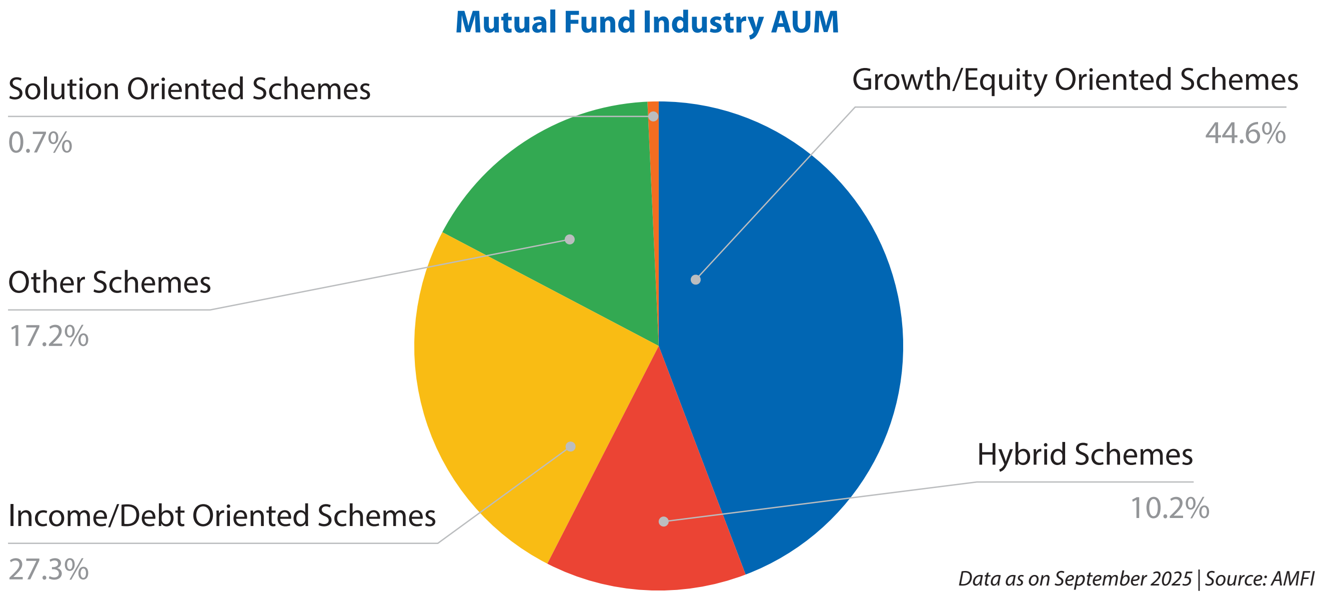


Data as on September2025 | Source: AMFI

Comments

- T30 cities continue to dominate with an **80.86% share of AUM,** underlining the urban concentration of mutual fund investments.
- B30 markets remain underpenetrated, suggesting **scope for future expansion** as investor education and digital distribution improve.

Category-Wise Mutual Fund Industry AUM:



Data as on September 2025 | Source: AMFI

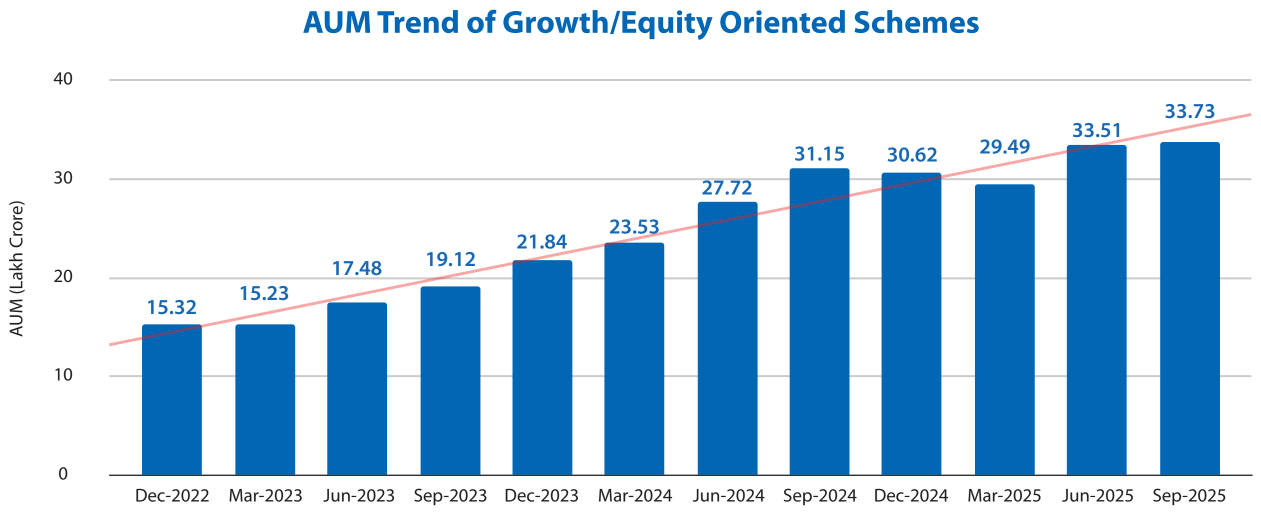
Comments

- **Equity funds (44.6%)** remain the largest segment, followed by **Debt (27.3%).**
- The share of **Hybrid funds** reflects investors' preference for stability in uncertain markets.
- Solution-oriented funds are still small but gaining visibility.
- Other Schemes form the balance.

Note

- **Growth/Equity Oriented Fund** includes all Open ended & Closed ended Equity Oriented Schemes
- **The Income/Debt Oriented Fund** includes all open-ended, closed-ended Debt Oriented Schemes & Arbitrage Schemes (as per AMFI, it is categorized as hybrid, but we have categorized it as Income/Debt Oriented).
- **Hybrid Fund** includes Conservative Hybrid, Balanced Advantage, Aggressive Hybrid, Multi Asset Allocation & Equity Savings Schemes.
- **Solution Oriented Fund** includes Retirement Schemes & Children's Schemes.
- **Other Funds** include Index Fund, Gold ETF, Other ETF, Fund of Fund Overseas & Other Schemes.

AUM of Growth/Equity Mutual Funds:

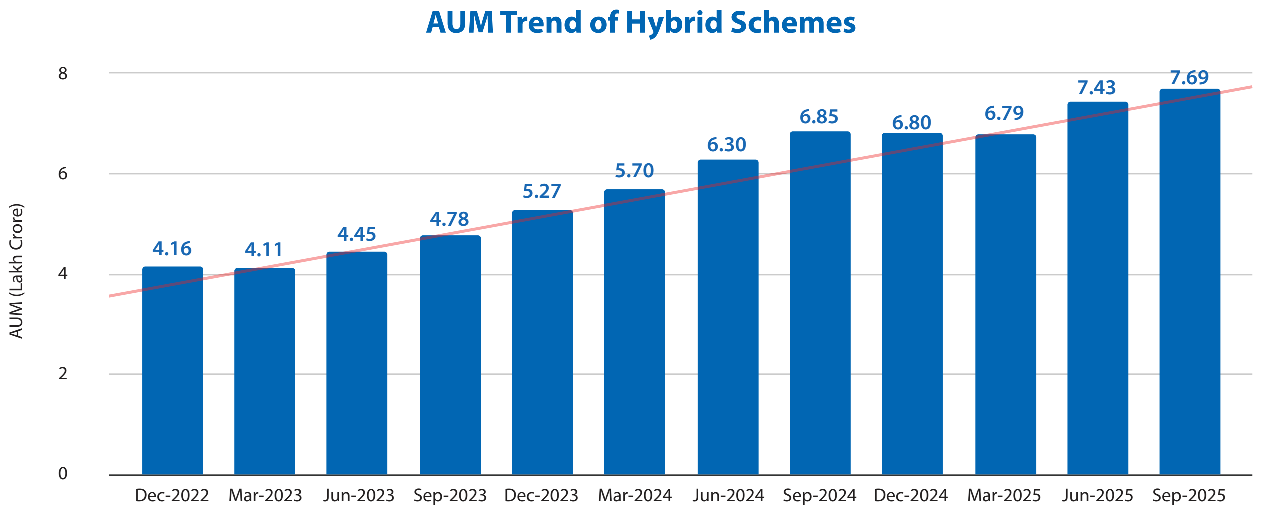


Data as of September 2025|Source: AMFI

Comments

- Equity Assets Under Management (AUM) have more than doubled from ₹15.32 Lakh Crore in December 2022 to ₹33.73 Lakh Crore in September 2025.
- The Growth/Equity category grew by 33.23% since December 2022, the fastest among all categories.
- Equity remains the **engine of long-term growth** for the industry.

AUM of Hybrid Mutual Funds:



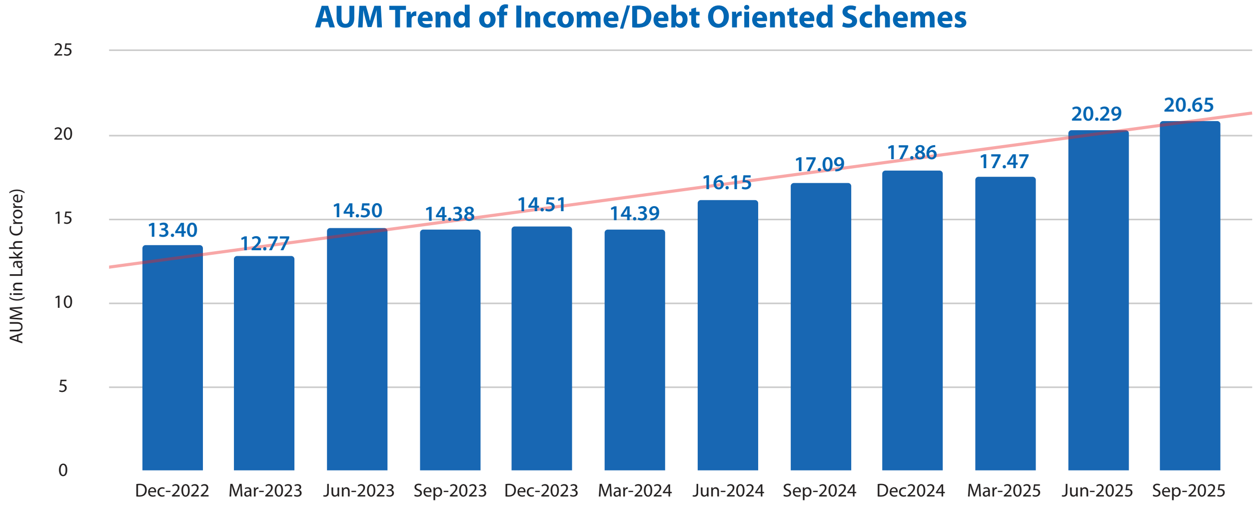
Data as of September 2025|Source: AMFI

Comments

- Hybrid Funds have shown consistent growth in AUM, increasing from ₹4.16 Lakh Crore in December 2022 to ₹7.69 Lakh Crore in September 2025, showing a growth rate of 25.00%.
- Growth suggests **retail preference for hybrid products** like BAFs and multi-asset funds that balance risk and reward.

Schemes Categorization is considered as per the Notes on Page no. 2

AUM of Income/Debt-Oriented Schemes:



Data as of September 2025|Source: AMFI

Comments:

- Debt Funds AUM has shown an overall growth trend, rising from ₹13.40 Lakh Crore in December 2022 to ₹20.65 Lakh Crore in September 2025, reflecting a growth rate of 17.02%.

Industry Net Sales:

NET SALES FOR THE LAST 12 MONTHS (in ₹ Crore)						
Month	Growth/Equity Oriented Schemes	Hybrid Schemes	Income/Debt Oriented Schemes	Other Schemes	Solution-Oriented Schemes	Grand Total
Oct-2024	41,865	9,682	164,527	23,428	326	239,829
Nov-2024	35,927	5,477	11,511	7,061	319	60,295
Dec-2024	41,136	4,779	-127,387	784	333	-80,355
Jan-2025	39,669	4,476	132,907	10,255	243	187,551
Feb-2025	29,242	3,212	-2,885	10,249	246	40,063
Mar-2025	25,017	1,908	-205,749	14,149	241	-164,435
Apr-2025	24,254	2,457	229,681	20,229	206	276,827
May-2025	18,995	5,063	-653	5,526	177	29,108
Jun-2025	23,568	7,638	13,685	3,997	206	49,095
Jul-2025	42,673	13,584	113,996	8,259	283	178,794
Aug-2025	33,417	8,627	-1,359	11,437	320	52,443
Sep-2025	30,405	10,385	-103,279	19,057	286	-43,146

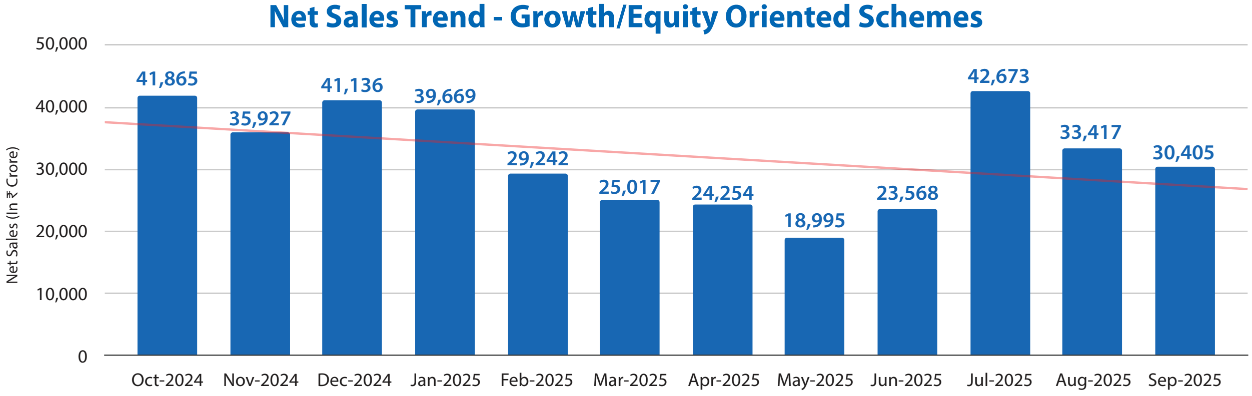
Data as of September 2025|Source: AMFI

Comments

- Equity and Hybrid schemes consistently show strong positive net sales, indicating sustained investor confidence and interest in balanced portfolios.
- Other schemes saw a strong inflow in September 2025.
- The Industry recorded an overall outflow of ₹43,146 Crore after 5 months of consecutive inflows in the month of September 2025

Schemes Categorization is considered as per the Notes on Page no. 2

Net Sales in Growth/Equity-Oriented Schemes:

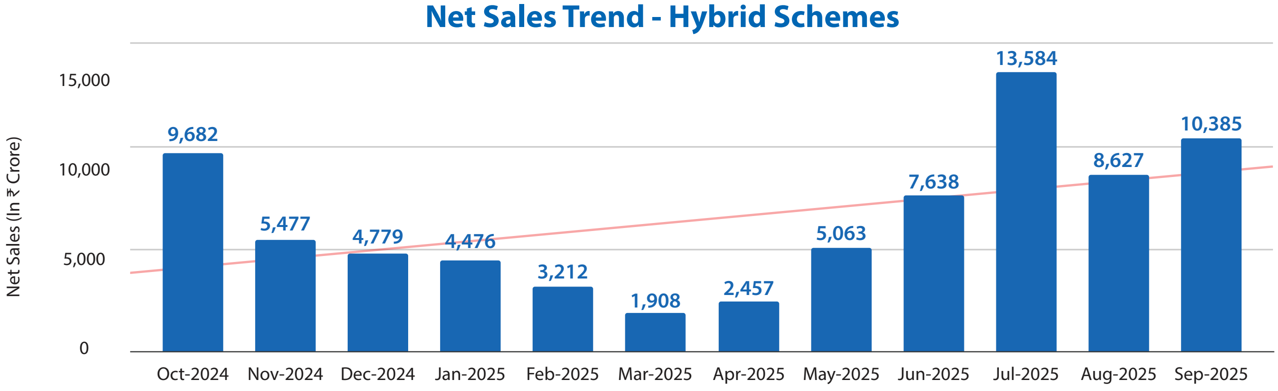


Comments

Data as of September 2025|Source: AMFI

- Net sales for Equity/Growth-oriented schemes in September 2025 totaled ₹30,405 Crore, representing a 9% decrease from the previous month.
- Consistent SIP inflows fueling equity demand.

Net Sales in Hybrid Schemes:

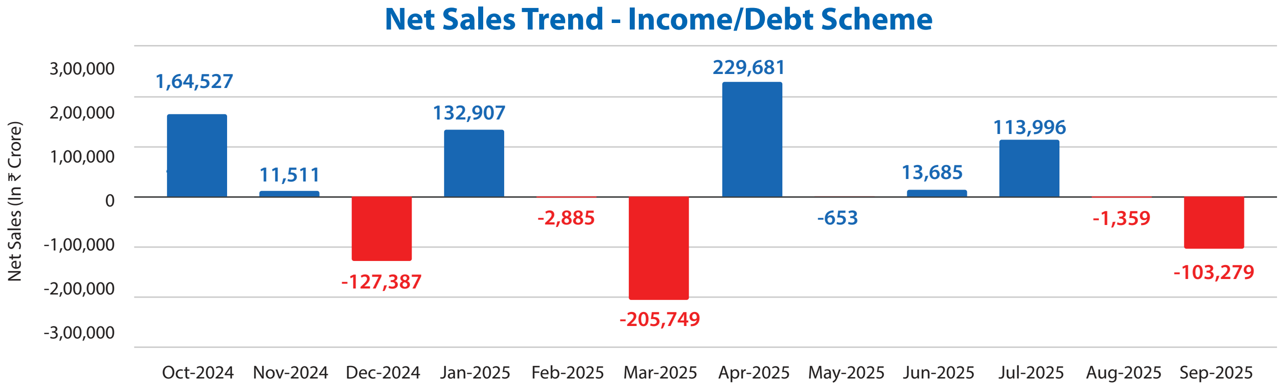


Data as of September 2025|Source: AMFI

Comments

- In September 2025, Hybrid schemes saw net sales of ₹10,385 Crore, a nearly 20% increase from the previous month.
- Multi-Asset Allocation Funds have seen a significant increase in investor preference, contributing to the overall growth of Hybrid schemes.

Net Sales in Income/Debt-Oriented Schemes:



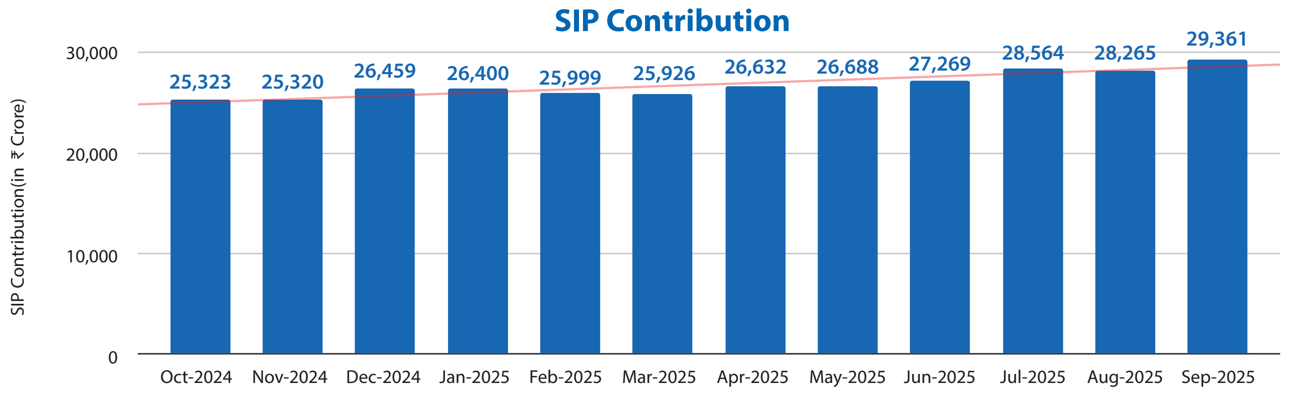
Comments

Data as on September 2025 | Source: AMFI

- Debt sales have been highly **inconsistent** over the past year.
- In September 2025, outflows totaled ₹103,279 Crore.
- Reflects the institutional nature of debt flows, tied to interest rate outlook and liquidity conditions.

Schemes Categorization is considered as per the Notes on Page no. 2

Monthly SIP Contribution:

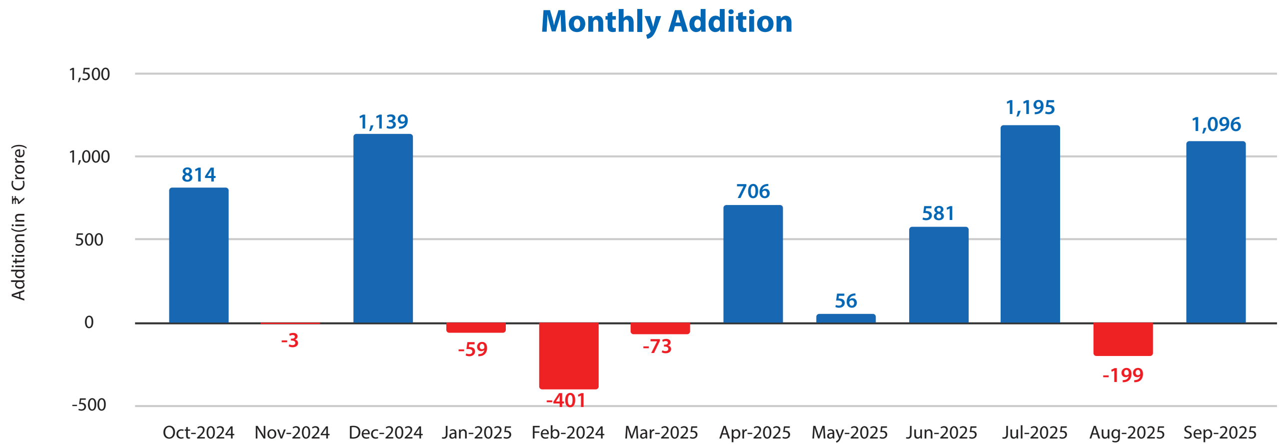


Data as of September 2025|Source: AMFI

Comments

- **SIP inflows** reached an all-time high of **₹29,361 Crore** in September 2025, marking a nearly 4% increase from the previous month.
- Despite global uncertainties, there is strong retail confidence and continued adoption of systematic investing.

Monthly Addition Through SIP:

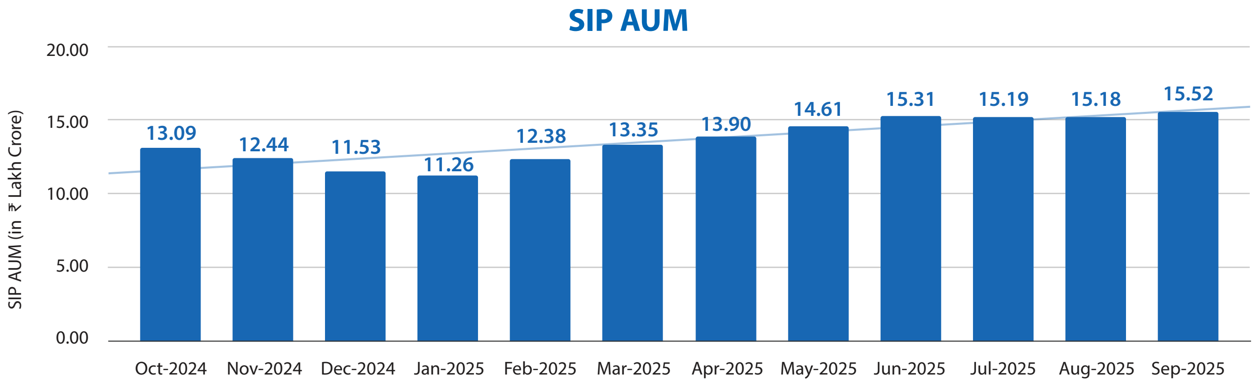


Data as of September 2025|Source: AMFI

Comments

- In September 2025, investor confidence in the market remained strong despite volatility, with the **total amount collected through SIPs increasing by ₹1096 Crore.**

SIP AUM :



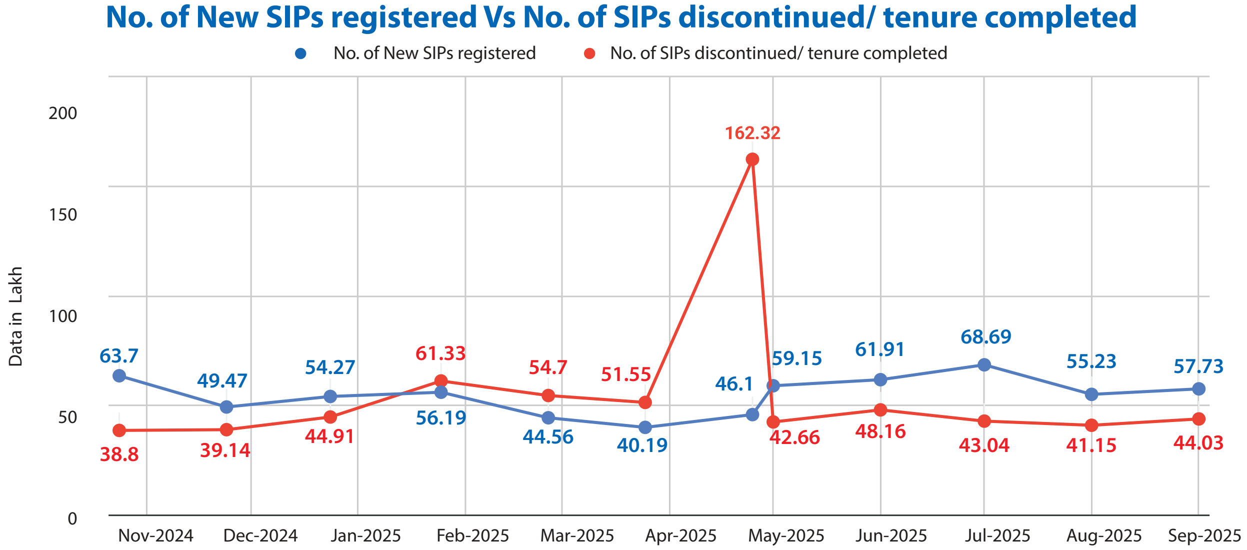
Data as of September 2025|Source: AMFI

Comments

- As of September 2025, the AUM for SIPs has reached an all-time high of ₹15,52,303 Crore, representing approximately 20% of the total Mutual Fund industry AUM.
- Demonstrates that SIPs are no longer marginal — they form a **core driver of industry AUM.**

Schemes Categorization is considered as per the Notes on Page no. 2

SIP Registrations vs Discontinuations:

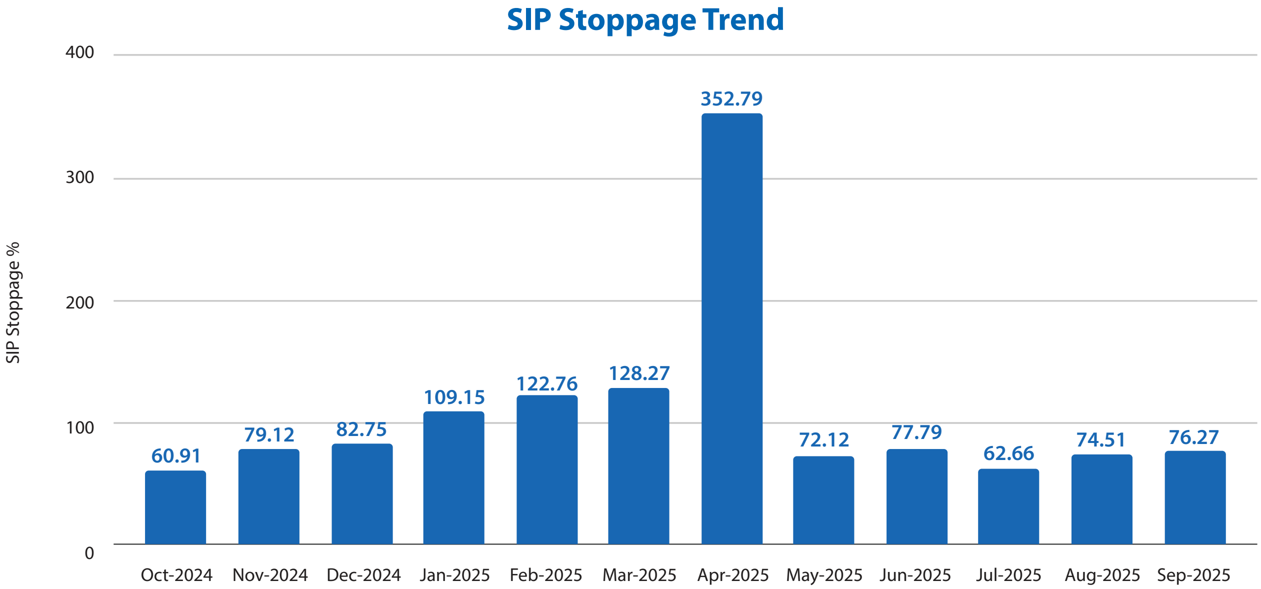


Data as of September 2025|Source: AMFI

Comments

- During September 2025, 57.73 lakh new SIP accounts were added, while 44.03 lakh SIP accounts matured, were closed, or were paused.

SIP Stoppage Ratio:

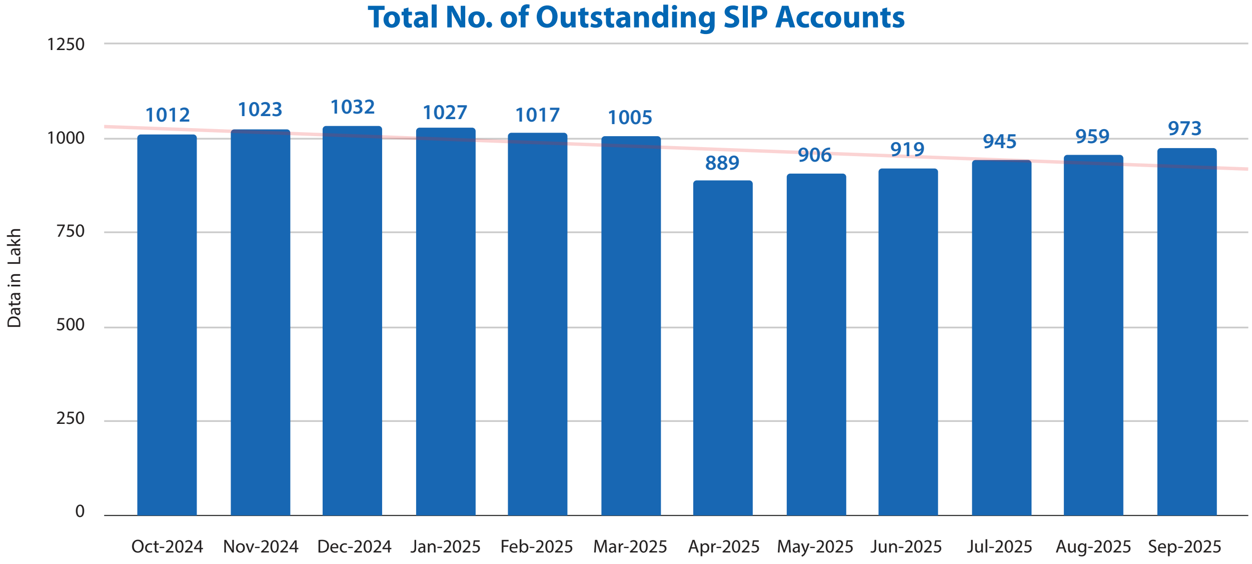


Data as of September 2025|Source: AMFI

Comments

- The stoppage ratio stood at **76.27% in September 2025,** indicating concern over long-term investor stickiness.
- Suggests that while new accounts are rising, many investors still **struggle to stay invested long-term.**

Active SIP Accounts:

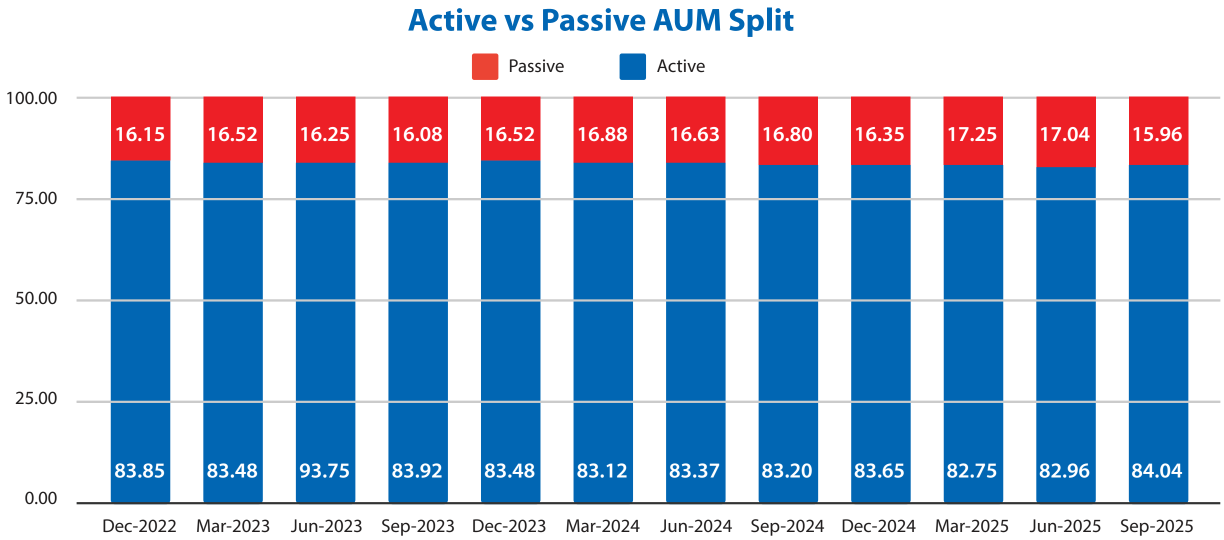


Data as of September 2025|Source: AMFI

Comments

- Active SIP accounts stood at **9.73 crore in September 2025,** continuing a steady upward trend.
- Indicates **discipline among retail investors,** despite stoppages.

Active vs Passive Share of Mutual Fund AUM:



Data as of September 2025|Source: AMFI

Note-
-Passive fund includes All Index Fund, ETF-Index, Gold ETF, ETF Other, FOF Overseas, and FOF Funds.
-Active funds include all other funds other than passive.

Comments

- Active funds dominate with **84.04% of AUM.**
- Passive funds are growing, but Indian investors still **prefer active management for alpha.**

NFO UPDATES:

Number of NFOs in the Last Four Quarters					
Category	FY 24-25		FY 25-26		Total
	Q3	Q4	Q1	Q2	
Growth/Equity Oriented schemes	23	17	8	15	63
Hybrid schemes	2	3	1	6	12
Income/Debt Oriented schemes	7	6	5	5	23
Other schemes	48	45	33	37	163
Solution oriented schemes	1	-	-	-	1
Total	**81**	**71**	**47**	**63**	**262**

Source: AMFI

Comments

- During the second quarter of fiscal year 2025-26, a total of **63 New Fund Offers (NFOs) were introduced.**
- The second quarter of fiscal year 2025-26 continues to see a high volume of New Fund Offerings (NFOs) in both the 'Other' and 'Equity schemes' categories.

NFO-Amount Mobilized:

Amount Mobilized Through NFOs in the Last Four Quarters					
Category	FY 24-25 (Crore)		FY 25-26 (Crore)		Total (Crore)
	Q3	Q4	Q1	Q2	
Growth/Equity Oriented schemes	18,558	6,859	4,013	11,827	41,257
Hybrid schemes	470	994	859	2,344	4,667
Income/Debt Oriented schemes	940	1,841	512	18,948	22,241
Other schemes	3,945	2,964	1,357	2,160	10,426
Solution oriented schemes	69	-	-	-	69
Total	**23,982**	**12,658**	**6,741**	**35,279**	**78,660**

Source: AMFI

Comments

- In Q2 FY26, NFOs mobilized **₹35,279 Crore.**
- NFOs of Debt schemes raised ₹18,948 Crore, which is the highest compared to their previous quarters.
- In Q2 FY26, 37 New Fund Offerings (NFOs) were introduced within the "other schemes" category. However, these NFOs collectively raised only 2,160 Crore, representing a small portion of the total mobilization of 35,279 Crore.

Schemes Categorization is considered as per the Notes on Page no. 2

NFO - Amount in Equity Category:

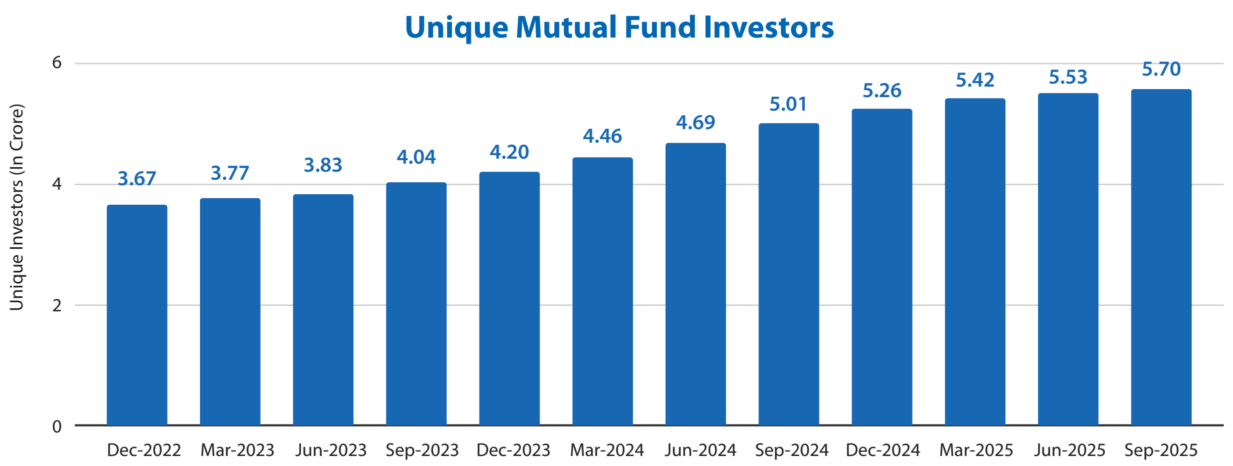
Amount in NFOs in the Last Four Quarters					
Category	FY 24-25 (Crore)		FY 25-26 (Crore)		Total (Crore)
	Q3	Q4	Q1	Q2	
Dividend yield fund	-	-	-	-	0
ELSS	-	29	-	-	29
Flexi cap fund	-	-	108	45	153
Large & mid cap fund	180	-	335	293	808
Large cap Fund	-	149	-	-	149
Mid cap Fund	-	47	-	634	681
Multi cap fund	415	423	940	173	1,951
Sectoral/Thematic	**17,605**	**4,950**	**2,630**	**9,555**	**34,740**
Small cap Fund	358	1,040	-	1,127	2,525
Value Fund	-	221	-	-	221
Total	**18,558**	**6,859**	**4,013**	**11,827**	**41,257**

Source: AMFI

Comments

- Equity NFOs raised ₹11,827 crore in Q2 FY26.
- Of this, **~80% (₹9,555 crore)** came from sectoral/thematic funds.
- Since Q3 FY25, Thematic/Sectoral funds mobilized **₹34,740 Crore out of ₹41,257 Crore** of Equity NFO flows — a clear sign of **trend-driven investing.**

Unique investors:



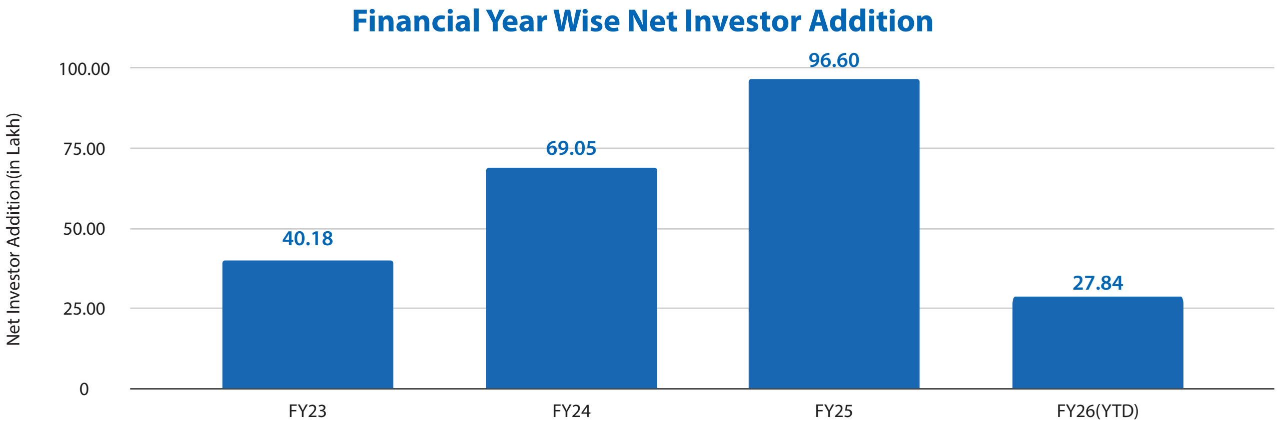
Data as of September 2025| Source: AMFI

Comments

- The number of unique investors in the industry has shown continuous growth from December 2022 to September 2025, reaching 5.70 Crore.
- Reflects deepening retail penetration into financial savings.

Schemes Categorization is considered as per the Notes on Page no. 2

Financial Year-Wise Net Investor Addition:



Data as of September 2025 | Source: AMFI

Comments

- Net investor additions grew strongly from **40.18 Lakh in FY23 → 96.60 Lakh in FY25,** showing rising retail participation.
- FY26 (to date) has seen 27.84 Lakh additions, suggesting a potential slowdown compared to the previous year.

Direct v/s Regular Plans SIP AUM:

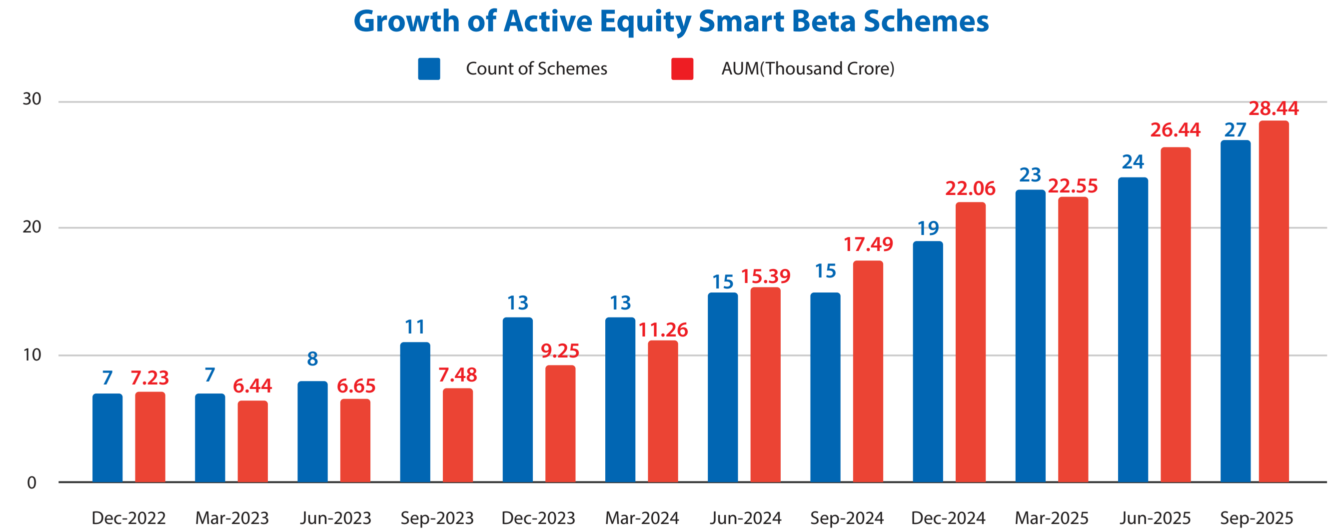
SIP Accounts continuing for	Direct Plan		Regular Plan	
	AUM(₹ in Crore)	AUM(%)	AUM(₹ in Crore)	AUM(%)
> 5 years	67,551	19.44	405,146	33.63
> 4 years up to 5 years	24,075	6.93	97,386	8.08
> 3 years up to 4 years	34,328	9.88	119,728	9.94
> 2 years up to 3 years	47,907	13.79	160,597	13.33
> 1 years up to 2 years	68,900	19.83	185,929	15.43
Less than < 1 Year	1,04,701	30.13	236,055	19.59
Total	**3,47,462**	**100**	**1,204,840**	**100**

Source: AMFI

Comments

- Regular SIP AUM shows greater longevity, with 33.63% active for more than five years, compared to 19.44% in Direct plans.
- Conversely, Direct plans have a higher proportion of newer SIP AUM, with 30.13% being less than one year old, whereas this figure is 19.59% for Regular plans.
- **Suggests distributors help investors stay invested longer.**

Growth of Active Equity Smart Beta Schemes:



Data as of September 2025|Source: AMFI

Comments

- Smart beta equity schemes have seen exponential growth, increasing more than threefold since December 2022 to reach **₹28,441 Crore by September 2025.**
- As of September 2025, the number of schemes has more than tripled, reaching 27, showing rising adoption of **factor-based investing.**
- Still small in size, but it is an **emerging trend** in Indian markets.

Mutual Fund Tax Ready Reckoner: Effective from 1st April 2025

Mutual Fund Scheme Category	Date of Investment	STCG Tax	Period of Holding for LTCG	LTCG Tax
Equity Oriented Funds (>=65% Domestic Equity)				
Equity-Oriented Funds	Any	20.00%	> 12 months	12.5% (Exemption upto 1.25 Lakh)
Debt Oriented Funds/Specified Debt Mutual Funds (> 65% SEBI Regulated Debt and Money Market instruments)				
Debt-Oriented Funds	Before April 1, 2023	As per Slab Rates	> 24 months	12.5% without indexation
	On or after April 1, 2023	As per Slab Rates		
Other Funds (>35% and <=65% Domestic Equity)				
Other Funds	Any	As per Slab Rates	> 24 months	12.5% without indexation

**The information herein is not exhaustive. It is very limited information and provided for general information only .*

Additional Key Points

- **Dividend Taxation:** Dividends from mutual funds are fully taxable in the hands of investors at their income tax slab rate. No Dividend Distribution Tax (DDT).
- **Set-Off & Carry Forward:** Capital losses (short-term or long-term) can be set off against capital gains and carried forward for up to 8 assessment years.

Summary of MF industry:

Summary of MF Industry		
Details		**Numbers**
No of AMCs		48
No of Schemes		1,849
Growth/Equity Oriented	548	
Income/Debt Oriented	409	
Hybrid Oriented	173	
Solution Oriented	41	
Others	678	
No of Folios		25,19,23,162
AUM (in Crore)		₹ 75,61,309
AAUM(in Crore)		₹ 77,77,802
No of Investors(in Crore)		5,70,32,975
No of ARNs		1,88,971

Data as on September 2025 | Source: AMFI

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