

AMFI



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UPDATE

A Newsletter of The Association of Mutual Funds in India

July - September 2012 Vol. XII Issue II

FROM THE CHIEF EXECUTIVE'S DESK

Recently, we had an opportunity to participate in the Annual Conference of International Investment Funds Association (IIFA) at Cape Town, South Africa. IIFA has a Membership of Associations like AMFI from 42 countries across the Globe and the Annual Conference provides an excellent opportunity for interacting with our counterparts and sharing with them our experiences. Interestingly, funds management business is at a low level across most countries, except, perhaps, Australia and Brazil, largely on account of global economic slowdown. Again, most countries find tightening of regulatory framework with an objective to protect the interest of small investors. There is also increasing co-ordination among Regulators which allows them to take a concerted effort in bringing about common Regulation.

At a time like this, initiatives taken by Indian Regulators namely SEBI, have come as a breath of fresh air. All our colleagues in other Associations were amazed to find the steps taken by SEBI for re-energizing the Mutual Fund Industry. In fact, some delegates requested us to share with them details of Regulatory initiatives so that they could take up with their own Regulators to bring about similar changes.

It is now for the Industry to respond in an equal measure. Greater retail participation and deeper geographic reach are the two main pillars on which the entire package of initiatives stand. Allocation of 2 bps exclusively for Investor Awareness will result in substantial funds flowing in this critical area. At AMFI, our Standing Committee on Investor Awareness Programme has already drawn up a detailed Plan of Action for financial literacy and reaching out to potential investors in the hinterland. In our next obligation, we will highlight details of this Action Plan. In this endeavour, we seek support and co-operation from every stakeholder.

With Regards,

Yours truly,

A handwritten signature in black ink, appearing to read 'H N Sinor', written over a horizontal line.

H N Sinor

Chief Executive

December 19 , 2012

SEBI UPDATE

Circulars issued by SEBI

Circular on Mutual Funds

Portfolio Managers – Deployment of clients fund in liquid Mutual Funds

SEBI vide its circular no. Cir/IMD/DF-1/2012 dated July 16, 2012 has clarified that pending investment of funds, any short term deployment of funds in liquid Mutual Funds for the purpose of cash management shall be maintained on the lines as specified by the SEBI Circular no. IMD/DoF-1/PMS/Cir-4/2009 dated June 23, 2009 on “Maintenance of Clients’ Funds in a separate Bank Account by Portfolio Managers”.

Investment by Qualified Foreign Investors (QFI) in Indian Corporate Debt

SEBI vide its circular no. Cir/IMD/FII&C/17/2012 dated July 18, 2012 has issued guidelines allowing QFI to invest in corporate debt securities (without any lock-in or residual maturity clause) and Mutual Fund debt schemes subject to a total overall ceiling of USD 1 billion. This limit shall be over and above the limit of USD 20 billion for FII investment in corporate debt. QFI can invest without obtaining prior approval until the aggregate QFI investments reaches 90% of USD 1 billion i.e. USD 0.9 billion. For fresh purchases by QFIs after the investment limit reaches 90%, prior approval of the depositories shall be obtained.

Amendment to definition of Qualified Foreign Investor (QFI) and QFI investment in debt mutual fund schemes which invest in infrastructure

A. Amendment to definition of QFI

SEBI had revised the definition of QFI vide its Circular no. CIR/ IMD/ FII&C/ 13/ 2012 dated

June 7, 2012, wherein it was stated that the term “person” and the phrase “resident in India” shall carry the same meaning as defined under Foreign Exchange Management Act, 1999 and the Income Tax Act, 1961.

SEBI has now amended the definition of QFI and clarified vide its circular no. CIR/IMD/FII&C/18/2012 dated July 20, 2012 that the term “person” and the phrase “resident in India” shall carry the same meaning as defined under the Income Tax Act, 1961.

B. QFI Investment in debt mutual fund schemes which invest in infrastructure

QFIs have been allowed to invest in mutual fund debt schemes which invest in infrastructure debt upto a total ceiling of USD 3 billion out of the total long term infrastructure limit of USD 25 billion. As a measure of relaxation, RBI vide circular A.P. (DIR Series) Circular No. 135 dated June 25, 2012 has relaxed investment restriction for QFI investment in debt mutual fund schemes which invest in infrastructure. Accordingly, SEBI vide its circular no. CIR/IMD/FII&C/18/2012 dated July 20, 2012 has allowed QFIs to invest in those debt mutual fund schemes that hold at least 25 percent of their assets (either debt or equity or both) in the infrastructure sector under the USD 3 billion investment limit of debt mutual fund schemes which invest in infrastructure. QFIs can invest without obtaining approval until the overall QFI investments reaches 90% of USD 3 billion i.e. USD 2.7 billion.

Aadhaar Letter as Proof of Address for Know Your Client (KYC) norms

SEBI vide its circular no. CIR/MIRSD/09/2012 dated August 13, 2012 has advised that in consultation with Unique Identification Authority of India (UIDAI), Government of

India, it has now been decided that the Aadhaar Letter issued by UIDAI shall be admissible as Proof of Address in addition to its presently being recognized as Proof of Identity.

Know Your Client Requirements

SEBI has received representations regarding operational issues in the implementation of SEBI circulars dated August 22, 2011 and October 5, 2011 on Know Your Clients norms for the securities market, in case of foreign investors viz. Foreign Institutional Investors, Sub Accounts and Qualified Foreign Investors. SEBI has in consultation with the Stock Exchanges, Depositories and Intermediaries issued clarifications with respect to these investors vide their circular no. CIR/MIRSD/11/2012 dated September 5, 2012.

Steps to re-energise Mutual Fund Industry

In order to increase penetration of mutual fund products and to energise the distribution network while protecting the interest of investors, SEBI vide its circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 has decided to implement the following:

A. Total Expense Ratio (TER)

- i) Additional TER can be charged upto 30 basis points on daily net assets of the scheme, if the new inflows from beyond top 15 cities are at least 30% of gross new inflows in the scheme or 15% of the average assets under management (year to date) of the scheme, whichever is higher. Additional TER shall be proportionately charged if inflows from beyond top 15 cities are less than the higher of the above. The top 15 cities shall mean top 15 cities based on AMFI data on 'AUM by Geography – Consolidated data for Mutual Fund

Industry' as at the end of the previous financial year.

AMFI has circulated list of Top 15 cities to all the AMCs to facilitate calculating additional TER. AMFI has also issued Best Practice Circular on "Guidelines on charging of additional TER on account of new inflows from beyond Top 15 cities".

- ii) The additional TER so charged shall be clawed back in case the same is redeemed within a period of one year from the date of investment.

B. Service Tax

While Mutual Funds/ AMCs may charge service tax on investment and advisory fees to the scheme in addition to the maximum limit of TER, Service tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER. Service tax on exit load, if any, shall be paid out of the exit load proceeds and exit load net of service tax, if any, shall be credited to the scheme.

C. Single plan structure for mutual fund schemes

Mutual Funds/ AMCs shall launch schemes under single plan and ensure that all new investors are subject to single expense structure. Existing schemes with multiple plans based on the amount of investment (i.e. retail, institutional, super-institutional, etc.) shall accept fresh applications only under one plan. Other plans will continue till the existing investors remain invested in the plan.

D. Separate option for direct investments

Mutual Funds/ AMCs shall provide a separate plan for direct investments, i.e. investments not routed through a

distributor, in existing as well as new schemes. Such separate plan shall have a lower expense ratio excluding distribution expenses, commission, etc. and no commission shall be paid from such plans. The plan shall also have a separate NAV.

E. Distribution of mutual fund products

- i) A new cadre of distributors, such as postal agents, retired government and semi-government officials (class III and above or equivalent), retired teachers and retired bank officers with a service of at least 10 years, and other similar persons (such as Bank correspondents) as may be notified by AMFI/ AMC from time to time, shall be allowed to sell units of simple and performing mutual fund schemes. Simple and performing mutual fund schemes shall comprise of diversified equity schemes, fixed maturity plans (FMPs) and index schemes and should have returns equal to or better than their scheme benchmark returns during each of the last three years. These new cadre of distributors would require a simplified form of NISM certification and AMFI Registration.
- ii) AMFI shall create a unique identity number of the employee/ relationship manager/ sales person of the distributor interacting with the investor for the sale of mutual fund products, in addition to the AMFI Registration Number (ARN) of the distributor. The application form for mutual fund schemes shall have provision for disclosing the unique identity number of such sales personnel along with the ARN of the distributor.

F. Investor Education and Awareness

Mutual Funds/ AMCs shall annually set apart at least 2 basis points on daily net assets within the maximum limit of TER for investor education and awareness initiatives. Mutual Funds shall make complete disclosures in the half yearly trustee report to SEBI regarding the investor education and awareness initiatives undertaken.

G. Harmonizing applicability of NAV across schemes

In respect of purchase of units of Mutual Fund schemes (other than liquid schemes), the closing NAV of the day on which the funds are available for utilization shall be applicable for application amount equal to or more than Rs. 2 lacs, irrespective of the time of receipt of such application.

H. Monthly Portfolio Disclosures

Mutual Funds/ AMCs shall disclose portfolio (along with ISIN) as on the last day of the month for all their schemes on their respective website in the same format that of half yearly portfolio disclosure on or before the tenth day of the succeeding month in a user-friendly and downloadable format (preferably in a spreadsheet).

I. Cash investments in mutual funds

In order to enhance the reach of mutual fund products amongst small investors who may not be tax payers and may not have PAN/ Bank accounts, such as farmers, small traders/ businessmen/ workers, cash transaction in mutual funds to the extent of Rs. 20,000/- per investor, per mutual fund, per financial year shall be allowed subject to (i) compliance with Prevention of Money

Laundering Act, 2002 and Rules framed there under; the SEBI Circulars on Anti Money Laundering (AML) and other applicable AML rules, regulations and guidelines and (ii) sufficient systems and procedures in place.

Repayment in the form of redemptions, dividend, etc. with respect to above mentioned investments shall be paid only through banking channel.

J. Prudential limits and disclosures on portfolio concentration risk in debt oriented mutual fund schemes

Mutual Funds/ AMCs shall ensure that total exposure of debt schemes of Mutual Funds in a particular sector (excluding investments in Bank CDs, CBLO, G-Secs, T-bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 30% of the net assets of the scheme. Existing schemes shall comply with the said requirement within a period of one year from the date of issue of this circular. During this one year, total exposure of existing debt schemes of mutual funds in a particular sector should not increase from the existing level (if above 30%) as on the date of issuance of this circular.

K. Transaction Charges

Distributors shall have also the option to either opt in or opt out of levying transaction charge based on type of the product.

CAMS, on behalf of AMFI, has sent letters to all KYD complied Distributors to exercise option at Product Level. The ARN holders were given time up to November 17, 2012 to submit the forms and the same would be effective from December 1, 2012.

L. Disclosures with respect to Half Yearly Financial Results

Mutual Funds/ AMCs shall make half yearly disclosures of their unaudited financial results on their respective website in a user-friendly and downloadable format (preferably in a spreadsheet).

M. Additional Disclosures

- i) Mutual Funds/ AMCs shall, in addition to the total commission and expenses paid to distributors, make additional disclosures regarding distributor-wise gross inflows (indicating whether the distributor is an associate or group company of the sponsors of the mutual fund), net inflows, average assets under management and ratio of AUM to gross inflows on their respective websites on an yearly basis. In case the above mentioned data suggests that a distributor has an excessive portfolio turnover ratio i.e. more than two times the industry average, AMCs shall conduct additional due diligence of such distributors.
- ii) Mutual Funds/ AMCs shall also submit the above data to AMFI and the consolidated data in this regard shall be disclosed on AMFI Website.

N. Applicability of the Circular

- I) All the above, except “Separate Option for Direct Investments” will become effective from October 1, 2012.
- ii) “Separate Option for Direct Investments” will become effective from January 1, 2013.

Participation of mutual funds in Credit Default Swaps (CDS) Market as Users (“Protection Buyers”) and in repo, in corporate debt securities

A. CDS – Mutual Funds as users (protection buyers)

SEBI vide its Circular No. Cir/ IMD/ DF/ 23/ 2012 dated November 15, 2012 has permitted Mutual Funds to participate in CDS market, as per the guidelines issued by RBI from time to time, subject to various conditions mentioned in the circular. Some of the conditions are as follows :

- a) Mutual Funds shall participate in CDS transactions only as users (protection buyers). Mutual Funds are permitted to buy credit protection only to hedge their credit risk on Corporate Bonds they hold.
- b) Exposure to a single counterparty in CDS transactions shall not exceed 10% of the net assets of the scheme.
- c) Before undertaking CDS transactions, Mutual Funds shall put in place a written policy on participation in CDS approved by the Board of the AMC and the Trustees. The policy shall be reviewed by Mutual Funds, at least once a year.
- d) The concerned Scheme Information Document shall disclose the intention to participate in CDS transaction in corporate debt securities, to enable the investors in the Mutual Fund schemes to take an informed decision.
- e) Mutual Funds shall also disclose the details of CDS transactions of the scheme in corporate debt securities in the monthly portfolio statement as well as in the half yearly trustee report as per the format prescribed by SEBI. Further, Mutual Funds shall disclose the schemewise details of CDS transaction in the notes to the

accounts of annual report of the Mutual Fund as per the format prescribed by SEBI.

B. Participation of Mutual Funds in repo in corporate debt securities

SEBI vide its Circular No. CIR/ IMD/ DF/ 19/ 2011 dated November 11, 2011 allowed Mutual Funds to participate in repo in corporate debt securities. In order to encourage growth of the corporate bond market, it has been decided that the base of eligible securities may be expanded, for Mutual Funds to participate in repo in corporate debt securities, from AAA rated to AA rated and above rated corporate debt securities.

SEBI Circular dated November 19, 2012

SEBI vide its Circular No. Cir/ IMD/ DF/ 24/ 2012 dated November 19, 2012 has advised as follows :

A. Amendments to SEBI (Mutual Funds) Regulation, 1996

SEBI vide gazette notification no. LAD-NRO/GN/2012-13/17/21502 dated September 26, 2012 has amended regulations relating to Total expense Ratio (TER) removing sub-limit on investment and advisory fees charged by the Asset Management Company within the overall limit of TER. Also, the Mutual Funds are allowed to additionally charge brokerage and transaction costs which are incurred for the purpose of execution of trade and is included in the cost of investment not exceeding 0.12 percent in case of cash market transactions and 0.05 percent in case of derivative transactions, 30 bps of TER on the business canvassed beyond top 15 cities subject to various terms and conditions mentioned therein, additional expenses incurred

towards different heads mentioned under Sub-regulations (2) and (4), not exceeding 0.20 percent of daily net assets of the scheme. The Regulations regarding half yearly disclosures by the mutual funds and asset management companies are also amended.

B. Prudential limits and disclosures on portfolio concentration risk in debt oriented fund schemes

Presently, the guidelines issued on prudential limit for sectoral exposure in debt oriented mutual fund schemes put a limit of 30% at the sector level. However, in light of the important role played by the Housing Finance Companies (HFCs) in the housing sector, an additional exposure not exceeding 10% of net assets of the scheme is allowed only to HFCs as part of financial services sector for prudential limits in debt oriented schemes.

The additional exposure to financial services sector (over and above the limit of 30%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to HFCs only. The total investment/ exposure in HFCs shall not exceed 30% of the net assets of the scheme.

C. Brokerage and Transaction Cost

Provisions of para B (4) of SEBI circular no. CIR/ IMD/ DF/ 21/ 2012 dated September 13, 2012 is modified and the revised provision shall read as under:

“Service tax on brokerage and transaction cost paid for execution of trade, if any, shall be within the limit prescribed under Regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.”

The brokerage and transaction cost incurred for the purpose of execution of trade may be capitalized to the extent of 12 bps and 5 bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage and transaction cost, over and above the said 12bps and 5 bps for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the Trustee or Sponsors.

D. Credit of exit load to scheme

In terms of new regulation 51A of SEBI (Mutual Funds) Regulations, 1996, the exit load charged, if any, would be credited to the Scheme.

MEETINGS WITH SEBI

As a part of regular interaction with SEBI officials to discuss various matters pertaining to Mutual Fund Industry, AMFI Office Bearers had meetings with Chairman, Whole Time Member, Executive Director and other SEBI Officials.

MEETING WITH GOVERNMENT

Chief Executive, AMFI, along with Chief Executive, Officers of some AMCs participated in the meeting convened by Secretary (Dept. of Economic Affairs) at New Delhi on July 2, 2012 and follow up meeting convened by Joint Secretary (Dept. of Economic Affairs) at New Delhi on July 12, 2012 to discuss various issues concerning the Mutual Fund Industry.

Chief Executive, AMFI, along with Chief Executive Officers of some AMCs participated in the meeting convened by SEBI with Hon'ble Finance Minister on October 6, 2012.

ANNUAL GENERAL MEETING

The 17th Annual General Meeting of AMFI members was held on September 27, 2012. The meeting was attended by 37 out of 44 Members.

The Annual General Meeting was followed by the address of Mr. U K Sinha, Chairman, SEBI.

AMFI INVESTOR AWARENESS PROGRAMMES

In the current financial year till September 2012, 29 AMCs have conducted 6572 Investor Awareness Programmes covering 170 cities and 126,670 participants.

COMMITTEES / WORKING GROUPS

AMFI COMMITTEE ON MF PENSION PRODUCT

AMFI has formulated a Committee on MF Pension Product with Ms. Ashu Suyash of Fidelity MF as Chairperson. The other members are Mr. Hareshendu Bindal of Franklin Templeton MF, Mr. Sandesh Kirkire of Kotak Mahindra MF, Mr. Amandeep Chopra of UTI MF, Mr. N K Prasad of CAMS, Mr. Dharendra Kumar of Value Research and Mr. Gautam Mehra of Pricewaterhouse Coopers. The Retirement Plan prepared by the Committee has been forwarded to Ministry of Finance for its consideration.

AMFI ON OTHER BOARDS/ COMMITTEES

AMFI, representing India, has been nominated on the Board of International Investment Funds Association (IIFA) for a period of two years.

SEBI has constituted a Committee on 'Product Labeling' with Chief Executive, AMFI, as Chairman. The other Members are Mr. S Naganath of DSP BlackRock MF, Mr. Dharendra Kumar of Value Research, Mr. Mukesh Agarwal of CRISIL Ltd. and Mr. M S Apte. Chief Executive, AMFI, attended meetings held at SEBI's office on October 4, 2012 and October 18, 2012.

Chief Executive, AMFI, attended Mutual Fund Advisory Committee Meeting held at SEBI's Office on July 17, 2012.

Dy Chief Executive, AMFI, attended Managing Committee Meeting of Indian Merchants' Chamber (IMC) organized on July 26, 2012 at Mumbai.

DISTRIBUTORS DUE DILIGENCE

As mentioned in the last Update, AMFI is facilitating a centralized Due Diligence Process for the distributors satisfying one or more of the four criteria mentioned in SEBI Circular dated August 22, 2011. 41 Asset Management Companies (AMCs), are participating in the centralized Due Diligence Process. Eleven entities (Due Diligence Agencies - DDAs) are appointed to carry out Distributors Due Diligence process.

Distributors Due Diligence Process is being implemented in two phases :

- 1) In first phase, we have covered 217 Distributors, who had received commission of Rs.1 Cr. and above for the year 2010-11. The first phase is completed and we have already circulated reports received from DDAs among participating AMCs.
- 2) The second phase covering remaining 122 distributors is almost completed and we have already circulated reports received from DDAs among participating AMCs.

CONFERENCES AND SEMINARS

8th CII Mutual Fund Summit 2012

Mutual Fund Summit 2012 on “Indian Mutual Fund Industry : Is there a Silver Lining?” was held in Mumbai on June 21, 2012 under the Chairmanship of Mr. A Balasubramanian, Chairman, CII Mutual Fund Summit 2012 and Chief Executive Officer of Birla Sun Life AMC. At the inaugural session, Chief Executive AMFI spoke on “Overview of the Mutual Fund Industry”. SEBI Chairman, who was Chief Guest, addressed the audience.

Mr. Milind Barve of HDFC MF, Mr. Sundeep Sikka of Reliance MF, Mr. Imtaiyazur Rahman of UTI MF, Mr. A Balasubramanian of Birla Sun Life MF, Mr. Harshendu Bindal of Franklin Templeton MF, Mr. Saurabh Nanavati of Religare MF, Mr. Sanjay Sachdev of Tata MF, Mr. Rajiv Anand of Axis MF, Mr. D K Chatterjee of SBI MF, Mr. Anthony Heredia of Morgan Stanley MF, Mr. Puneet Chaddha of HSBC MF, Mr. Vijai Mantri of Pramerica MF and Ms. Lakshmi Iyer of Kotak Mahindra MF participated in the various sessions.

XXVI Annual IIFA Conference

Chief Executive, AMFI and Dy Chief Executive, AMFI participated in the XXVI International Investment Funds Association’s Conference at Cape Town, South Africa from October 22, 2012 to October 24, 2012. The conference was attended by representatives from 35 countries.

Other Seminars/ Meetings

As a part of regular interaction with various stakeholders of the Mutual Fund Industry, AMFI had a meeting with IFA associations from various regions viz. Mumbai, Pune, Ahmedabad, Baroda, Indore and Karnataka on June 22, 2012. A total of 16 IFAs representing six IFA Associations participated in the meeting.

Dy Chief Executive, AMFI, participated in 4th

Mutual Fund Round Table Conference organized by ASK Circle at Bhubaneswar on August 4-5, 2012. He spoke on “Who is the Real Hero in Financial Advisory Business - Advisor, product, strategy or economy?”

Dy Chief Executive, AMFI, delivered the Guest Lecture on ‘Current Scenario of the Mutual Fund Industry in India’ to Post Graduate students at IBS Business School, Powai on September 6, 2012.

Dy Chief Executive, AMFI, delivered key note address on “ETF - Industry Perspective” at Workshop on ETFs – Exchange Traded Funds organized by BSE and ICICI Securities Ltd. jointly with Dept. of Disinvestment (DOD), Ministry of Finance at Mumbai on September 10, 2012.

AMFI had a meeting with Members of Foundation of Independent Financial Advisors (FIFA) on September 24, 2012.

Chief Executive, AMFI and Dy Chief Executive, AMFI participated in the fifth Annual AMC CEO Roundtable “Winning in a challenging environment” organized by McKinsey & Co. at Mumbai on October 9, 2012.

AMFI REGISTRATION PROGRAMME

As at the end of September, 2012 total number of ARN holders registered with AMFI stood at 86,240, of which 79,639 are individual ARN holders and 6,601 are corporate ARN holders. Besides there are 45,932 corporate employees registered with AMFI under corporate ARN holders. The details of the AMFI registered Mutual Fund Agent Distributors, (Individual and Corporate) are available on the AMFI website.

DOWNWARD REVISION OF FEES – ARN REGISTRATION/ RENEWAL

To encourage more and more people to join the Mutual Fund distribution business, AMFI

Board has decided to reduce the ARN registration/ renewal fees payable by all categories of distributors. Slab-wise fee structure is introduced for Corporate Employees. Also, Proprietorship Firms would be treated at par with Individuals as regards payment of fees. SEBI vide its Circular dated September 13, 2012 has introduced a new cadre of distributors, who shall be allowed to sell units of simple and performing mutual fund schemes. These new cadre of distributors would require a simplified form of NISM certification and AMFI Registration. Keeping up with the spirit of SEBI Circular, ARN registration fees payable by this new cadre of distributors are reduced to Rs.1,500/-.

The revised Fees are effective from November 1, 2012 and are applicable to those distributors who apply for fresh registration on or after November 1, 2012 and to the existing ARN holders whose ARNs are falling due for renewal on or after November 1, 2012.

MUTUAL FUND INDUSTRY

Second quarter July – September 2012 (Tables 1 to 6)

- 76 new Schemes were launched in the quarter and a sum of Rs. 5,997 crore was mobilized - Rs. 5,665 crore under Income Schemes, Rs. 306 crore under Equity Schemes and Rs. 26 crore under Fund of Funds investing overseas. (Table 2.1)
- Total Funds mobilized during the quarter stood at Rs.19,08,227 crore as against Rs. 15,42,293 crore for the corresponding quarter last year representing an increase of 24%. (Table 2.3)
- Redemptions at Rs.19,01,872 crore were 22% higher than the redemptions of

Rs. 15,60,053 crore in the corresponding quarter last year. (Table 3)

- On a net basis, there was an inflow of Rs. 6,355 crore during the quarter as against an outflow of Rs. 17,760 crore in the corresponding quarter last year. (Table 3)
- Data on Fund of Funds is given in Table 4.
- The Assets Under Management as on September 30, 2012 stood at Rs. 7,20,113 crore as against Rs. 6,41,937 crore as at the end of the corresponding quarter of the previous year representing an increase of 12%.
- Data on Average Assets Under Management for the quarter July - September 2012 is given in Table 6.

MUTUAL FUND DATA FOR THE QUARTER JULY - SEPTEMBER 2012

TABLE - 1

(Rs. in Crore)

	CATEGORY	SALES - ALL SCHEMES				REDEMPTIONS ALL SCHEMES		Average Assets Under Management for the Quarter ended September 2012	
		From New Schemes #		From Existing Schemes	Total for the Quarter	Cumulative April 2012 to September 2012	Total for the Quarter		Cumulative April 2012 to September 2012
		No.	Amount						
A	BANK SPONSORED								
I	JOINT VENTURES - PREDOMINANTLY INDIAN (4)	1 -	83 -	130,131 117,785	130,214 117,785	268,684 249,879	126,992 120,302	261,033 249,329	60,909 55,520
II	JOINT VENTURES - PREDOMINANTLY FOREIGN (1)	- 1	- 44	29,511 10,937	29,511 10,981	58,965 25,919	30,596 11,406	57,773 25,238	5,702 3,399
	OTHERS (2)	1	58	199,323	199,381	381,660	201,964	370,130	76,196
	-	-	144,504	144,504	338,238	146,726	333,348	67,506	
	TOTAL(I+II+III)	2 1	141 44	358,965 273,226	359,106 273,270	709,309 614,036	359,552 278,434	688,936 607,915	142,807 126,425
B	INSTITUTIONS - PREDOMINANTLY INDIAN (1)	1 2	104 247	8,416 5,512	8,520 5,759	13,213 21,315	8,134 6,725	12,788 23,447	6,356 7,075
C	PRIVATE SECTOR								
I	INDIAN (17) \$\$	26 72	1,742 7,369	665,719 650,230	667,461 657,599	1,269,430 1,445,770	671,266 670,758	1,240,123 1,427,375	201,875 243,884
II	FOREIGN (9)	- 5	- 1,194	62,627 49,748	62,627 50,942	137,136 116,487	62,227 49,775	132,260 112,573	60,822 58,565
III	JOINT VENTURES - PREDOMINANTLY INDIAN (6) &&	43 62	3,272 9,269	745,657 504,149	748,929 513,418	1,424,918 1,200,453	743,571 513,908	1,384,750 1,173,949	315,787 261,345
IV	JOINT VENTURES - PREDOMINANTLY FOREIGN (4)	4 2	738 283	60,846 41,022	61,584 41,305	103,797 74,732	57,122 40,453	97,072 72,255	19,686 15,448
	TOTAL(I+II+III+IV)	73 141	5,752 18,115	1,534,849 1,245,149	1,540,601 1,263,264	2,935,281 2,837,442	1,534,186 1,274,894	2,854,205 2,786,152	598,170 579,242
	GRAND TOTAL (A+B+C)	76 144	5,997 18,406	1,902,230 1,523,887	1,908,227 1,542,293	3,657,803 3,472,793	1,901,872 1,560,053	3,555,929 3,417,514	747,333 712,742

Notes:

- 1 Data is provisional & hence subject to revision.
- 2 # Only New Schemes where allotment is completed.
- 3 Figures in **RED** denote figures for the corresponding period of the previous year.
- 4 \$\$ There has been a decrease in the number of AMCs to 17, due to acquisition of 25% shares in Axis Asset Management Company Ltd. by Schroder Singapore Holdings Pvt. Ltd. and accordingly change in status from Indian AMC to Joint Venture (Predominantly Indian) AMC.
- 5 && There has been an increase in the number of AMCs to 6, due to acquisition of 25% shares in Axis Asset Management Company Ltd. by Schroder Singapore Holdings Pvt. Ltd. and accordingly change in status from Indian AMC to Joint Venture (Predominantly Indian) AMC.

TABLE - 2

SALES DURING THE QUARTER JULY - SEPTEMBER 2012 - TYPE AND CATEGORY WISE

2.1 *New Schemes Launched (allotment Completed)

(Rs. in Crore)

	Open End		Close End		Interval Fund		TOTAL	
	No.of Schemes	Amount	No.of Schemes	Amount	No.of Schemes	Amount	No.of Schemes	Amount
INCOME	-	-	73	5,665	-	-	73	5,665
	-	-	140	17,688	-	-	140	17,688
EQUITY	2	306	-	-	-	-	2	306
	2	30	-	-	-	-	2	30
BALANCED	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
LIQUID/MONEY MARKET	-	-	-	-	-	-	-	-
	1	676	-	-	-	-	1	676
GILT	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
ELSS-EQUITY	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
GOLD ETF	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
OTHER ETFs	-	-	-	-	-	-	-	-
	1	12	-	-	-	-	1	12
FUND OF FUNDS	1	26	-	-	-	-	1	26
INVESTING OVERSEAS	-	-	-	-	-	-	-	-
TOTAL	3	332	73	5,665	-	-	76	5,997
	4	718	140	17,688	-	-	144	18,406

Note :

Figures in RED denote figures for the corresponding period of the previous year.

***NEW SCHEMES**

OPEN END EQUITY : Axis Focused 25 Fund and ICICI Prudential US Bluechip Equity Fund.

OPEN END FUND OF FUNDS

INVESTING OVERSEAS : DSP BlackRock US Flexible Equity Fund

CLOSE END INCOME

: Birla Sun Life Capital Protection Oriented Fund Series 10 and Series 12, Birla Sun Life Fixed Term plan Series FF, Series FR and Series FS, Birla Sun Life FTP Series FT (367 Days), Series FW (1093 Days) and Series FX (1093 Days); DSP BlackRock FMP-Series 59 - 12M, Series 60 - 3M, Series 61 - 12M, Series 62 - 12M, Series 63 - 12M, Series 64 - 12M, Series 66 - 12M and Series 68 - 12M, FTP - Series 11 - 36M; DWS FMP - Series 16, DWS Hybrid Fixed Term Fund - Series 7, DWS Hybrid FTF - Series 8 and Series 9; HDFC FMP 90D July 2012 (1) Series 22, 91D July 2012 (1) Series 22, July 2012 (2) Series 22, 92D July 2012 (1) Series 22, 371D July 2012 (1) Series 22, July 2012 (2) Series 22, July 2012 (3) Series 22, August 2012 (1) Series 22, September 2012 (1) Series 22, 372D July 2012 (1) Series 22, 373D August 2012 (1) Series 22 and September 2012 (1) Series 22; ICICI Prudential FMP Series 63 - 3 Years Plan L and Plan M, Series 64 - 367 Days Plan G, Plan J and Plan L, Series 64 - 3 Years Plan H, Plan I and Plan K; IDBI Fixed Maturity Plan - 395 Days - Series I (June 2011) - C; IDFC - FTPS 1 and FTPS 2; IDFC FMP 366 DS-75 and DS-76; Indiabulls FMP 370 Days - Series 1; JP Morgan India FMP Series 302, Income Fund Series 301 and Series 501; Kotak FMP Series 90, Series 91, Series 92 and Series 93; LIC Nomura MF FMP Series 53; Principal Pnb FMP Series B2; Reliance Dual Advantage Fixed Tenure Fund II - Plan E, Reliance Fixed Horizon Fund - XXII - Series 16, Series 17, Series 20, Series 21, Series 22, Series 23, Series 24, Series 25, Series 26 and Series 27; Religare FMP Series XV - Plan E (367 Days) and Plan F (369 Days); Sundaram Fixed Term Plan - CX; Tata Capital Protection Oriented Fund - Series II, Tata FMP Series 40 Scheme H and Union KBC Capital Protection Oriented Fund - Series 1.

2.2 Existing Schemes

(Rs. in Crore)

	Open End		Close End		Interval Fund		TOTAL	
	No. of Schemes	Amount	No. of Schemes	Amount	No. of Schemes	Amount	No. of Schemes	Amount
INCOME	234	188,789	389	[^] 1,957	32	471	655	191,217
	216	155,723	236	[^] 2,180	33	2,225	485	160,128
EQUITY	296	9,160	1	-	-	-	297	9,160
	297	13,767	7	-	-	-	304	13,767
BALANCED	30	1,092	1	-	-	-	31	1,092
	31	1,465	-	-	-	-	31	1,465
LIQUID/MONEY MARKET	55	1,697,959	-	-	-	-	55	1,697,959
	54	1,343,623	-	-	-	-	54	1,343,623
GILT	40	802	-	-	-	-	40	802
	38	523	-	-	-	-	38	523
ELSS-EQUITY	36	412	13	-	-	-	49	412
	35	506	12	-	-	-	47	506
GOLD ETF	14	809	-	-	-	-	14	809
	11	2,427	-	-	-	-	11	2,427
OTHER ETFs	20	580	-	-	-	-	20	580
	19	1,081	-	-	-	-	19	1,081
FUND OF FUNDS	20	199	-	-	-	-	20	199
INVESTING OVERSEAS	18	367	-	-	-	-	18	367
TOTAL	745	1,899,802	404	1,957	32	471	1,181	1,902,230
	719	1,519,482	255	2,180	33	2,225	1,007	1,523,887

Notes :

1. The change in number of existing schemes is because of the maturity and reclassification of some of the existing schemes.
2. [^] Amount mobilised by new plans launched under existing scheme.

2.3 Total Of All Schemes

(Rs. in Crore)

	Open End		Close End		Interval Fund		TOTAL	
	No. of Schemes	Amount	No. of Schemes	Amount	No. of Schemes	Amount	No. of Schemes	Amount
INCOME	234	188,789	462	7,622	32	471	728	196,882
	216	155,723	376	19,868	33	2,225	625	177,816
EQUITY	298	9,466	1	-	-	-	299	9,466
	299	13,797	7	-	-	-	306	13,797
BALANCED	30	1,092	1	-	-	-	31	1,092
	31	1,465	-	-	-	-	31	1,465
LIQUID/MONEY MARKET	55	1,697,959	-	-	-	-	55	1,697,959
	55	1,344,299	-	-	-	-	55	1,344,299
GILT	40	802	-	-	-	-	40	802
	38	523	-	-	-	-	38	523
ELSS-EQUITY	36	412	13	-	-	-	49	412
	35	506	12	-	-	-	47	506
GOLD ETF	14	809	-	-	-	-	14	809
	11	2,427	-	-	-	-	11	2,427
OTHER ETFs	20	580	-	-	-	-	20	580
	20	1,093	-	-	-	-	20	1,093
FUND OF FUNDS	21	225	-	-	-	-	21	225
INVESTING OVERSEAS	18	367	-	-	-	-	18	367
TOTAL	748	1,900,134	477	7,622	32	471	1,257	1,908,227
	723	1,520,200	395	19,868	33	2,225	1,151	1,542,293

Note :

Figures in **RED** denote figures for the corresponding period of the previous year.

Table - 3
REDEMPTIONS / REPURCHASES DURING THE QUARTER JULY - SEPTEMBER 2012 (Rs. in Crore)

	Open End	Close End	Interval Fund	Total	Net Inflow/ (Outflow) For the Quarter	Net Inflow/ (Outflow) for the year to Date
INCOME	149,410 158,082	15,480 20,384	3,030 6,109	167,920 184,575	28,962 (6,759)	49,983 3,427
EQUITY	15,672 11,151	- 32	- -	15,672 11,183	(6,206) 2,614	(6,341) 3,104
BALANCED	1,427 1,079	- -	- -	1,427 1,079	(335) 386	(278) 706
LIQUID/MONEY MARKET	1,713,922 1,359,744	- -	- -	1,713,922 1,359,744	(15,963) (15,445)	59,713 46,377
GILT	773 811	- -	- -	773 811	29 (288)	(457) (567)
ELSS-EQUITY	898 479	102 84	- -	1,000 563	(588) (57)	(934) (494)
GOLD ETF	294 711	- -	- -	294 711	515 1,716	297 2,658
OTHER ETFs	467 1,042	- -	- -	467 1,042	113 51	109 (280)
FUND OF FUNDS	397	-	-	397	(172)	(218)
INVESTING OVERSEAS	345	-	-	345	22	348
TOTAL	1,883,260 1,533,444	15,582 20,500	3,030 6,109	1,901,872 1,560,053	6,355 (17,760)	101,874 55,279

TABLE - 4
DATA ON FUND OF FUNDS (DOMESTIC) FOR THE QUARTER JULY - SEPTEMBER 2012 (Rs. in Crore)

	No. of Schemes	Sales	Redemptions	Assets under Management as on 30.9.2012
Fund of Funds	** 40 28	963 2,131	896 775	6,750 5,500

Notes

- Fund of Funds is a scheme wherein the assets are invested in the existing schemes of Mutual Funds and hence, the figures indicated herein are included in tables 1 to 3 and tables 5 and 6. Data on fund of funds is given for information only.
- ** Includes NFO - Quantum Multi Asset Fund, IDBI Gold Fund

TABLE - 5
ASSETS UNDER MANAGEMENT AS ON SEPTEMBER 30, 2012
TYPE AND CATEGORY WISE (Rs. in Crore)

	Open End	Close End	Interval Fund	TOTAL	% to Total
INCOME	231,697 178,957	116,897 117,794	3,728 7,324	352,322 304,075	49 47
EQUITY	162,709 153,548	2 1,342	- -	162,711 154,890	23 24
BALANCED	17,004 16,327	12 -	- -	17,016 16,327	2 3
LIQUID/MONEY MARKET	144,675 128,537	- -	- -	144,675 128,537	20 20
GILT	3,356 3,021	- -	- -	3,356 3,021	@ 1
ELSS-EQUITY	22,131 20,036	2,504 2,465	- -	24,635 22,501	4 4
GOLD ETF	11,198 8,173	- -	- -	11,198 8,173	2 1
OTHER ETFs	1,806 1,861	- -	- -	1,806 1,861	@ @
FUND OF FUNDS	2,394	-	-	2,394	@
INVESTING OVERSEAS	2,552	-	-	2,552	@
TOTAL	596,970 513,012	119,415 121,601	3,728 7,324	720,113 641,937	100 100

Notes :

- @ Less than 1 %.
- Figures in RED denote figures for the corresponding period of the previous year.

TABLE - 6
Average Assets Under Management for the quarter ended September 2012

(Rs. in Crore)

Sr. No.	Name of the Asset Management Company	Average Assets Under Management for the quarter ended September 2012
A	BANK SPONSORED	
	(i) JOINT VENTURES - PREDOMINANTLY INDIAN	
1	BOI AXA Investment Managers Private Limited	273
2	Canara Robeco Asset Management Co. Ltd.	7,328
3	SBI Funds Management Private Ltd.	50,959
4	Union KBC Asset Management Company Pvt. Ltd.	2,349
	TOTAL A (i)	60,909
	(ii) JOINT VENTURES - PREDOMINANTLY FOREIGN	
1	Baroda Pioneer Asset Management Company Limited	5,702
	TOTAL A (ii)	5,702
	(iii) OTHERS	
1	IDBI Asset Management Ltd.	5,413
2	UTI Asset Management Company Ltd	70,783
	TOTAL A (iii)	76,196
	TOTAL A (i+ii+iii)	142,807
B	INSTITUTIONS - JOINT VENTURES - PREDOMINANTLY INDIAN	
1	LIC NOMURA Mutual Fund Asset Management Co. Ltd.	6,356
	TOTAL B	6,356
C	PRIVATE SECTOR	
	(i) INDIAN	
1	Deutsche Asset Management (India) Private Ltd.	16,807
2	Edelweiss Asset Management Limited	306
3	Escorts Asset Management Ltd.	230
4	India Infoline Asset Management Co. Ltd.	193
5	Indiabulls Asset Management Company Ltd.	2,243
6	J.M. Financial Asset Management Private Ltd.	5,624
7	Kotak Mahindra Asset Management Co. Ltd.	30,316
8	L&T Investment Management Limited	3,883
9	Motilal Oswal Asset Management Co. Ltd.	529
10	Peerless Funds Management Co. Ltd.	4,792
11	Quantum Asset Management Co. Private Ltd.	216
12	Reliance Capital Asset Management Ltd.	86,327
13	Religare Asset Management Company Private Limited	12,655
14	Sahara Asset Management Co. Private Ltd.	238
15	Sundaram Asset Management Company Limited	13,669
16	Tata Asset Management Ltd.	20,247
17	Taurus Asset Management Co. Ltd.	3,600
	TOTAL C (i)	201,875
	(ii) FOREIGN	
1	AIG Global Asset Management Company (India) Private Ltd.	977
2	BNP Paribas Asset Management India Private Limited	3,842
3	Daiwa Asset Management (India) Private Limited	789
4	FIL Fund Management Private Ltd.	7,031
5	Franklin Templeton Asset Management (India) Private Ltd.	39,046
6	Goldman Sachs Asset Management (India) Private Limited	4,304
7	Mirae Asset Global Investments (India) Private Ltd.	501
8	Morgan Stanley Investment Management Private Ltd.	2,354
9	Pramerica Asset Managers Private Limited	1,978
	TOTAL C (ii)	60,822
	(iii) JOINT VENTURES - PREDOMINANTLY INDIAN	
1	Axis Asset Management Company Ltd.	10,490
2	Birla Sun Life Asset Management Co. Ltd.	72,904
3	DSP BlackRock Investment Managers Ltd.	30,227
4	HDFC Asset Management Co. Ltd.	97,774
5	ICICI Prudential Asset Management Co. Ltd.	76,388
6	IDFC Asset Management Company Private Limited	28,004
	TOTAL C (iii)	315,787
	(iv) JOINT VENTURES - PREDOMINANTLY FOREIGN	
1	HSBC Asset Management (India) Private Ltd.	4,992
2	ING Investment Management (India) Private Ltd.	935
3	JP Morgan Asset Management (India) Private Ltd.	8,989
4	Principal Pnb Asset Management Co. Private Ltd	4,770
	TOTAL C (iv)	19,686
	TOTAL C (i+ii+iii+iv)	598,170
	TOTAL (A+B+C)	747,333

Association of Mutual Funds in India
One Indiabulls Centre, Tower 2, Wing B, 701, 7th Floor,
841 Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013
Tel : 022 43346700 (32 lines). Fax : 43346712/ 43346722
Website : <http://www.amfiindia.com>