

# Mutual fund AUM de-grows by 1.92% on year-end outflows

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THE mutual fund industry saw a 1.92 per cent dip in its assets under management (AUMs) to Rs 17.54 lakh crore in March from Rs 17.89 lakh crore in February, a decline of Rs 34,428 crore, largely on quarter-end outflows from income fund and liquid/money market fund.

Data released by the Association of Mutual Funds in India (Amfi) showed outflows of Rs 56,247 crore from income fund and Rs 15,147 crore from liquid/money market fund.

Gilt funds saw an outflow by Rs 1,131 crore.

However, equity assets of the MF industry rose with fresh inflows into equity funds, ELSS, equity ETFs and balanced funds, together with a rise stock values. The Sensex

rose 1.92 per cent to 29,620.50 points as of March 31 from 28,743.32 on February 28.

Equity mutual funds gathered Rs 5,310 crore during the month, a little less than Rs 5,465 crore in February, while equity-linked saving schemes (ELSS) gathered a record Rs 2,906 crore as against Rs 997 crore in February, as investors allocated money to ELSS to avail of income tax exemptions in the last month of the financial year.

Anil Chopra, group direc-

tor, Bajaj Capital said, "Financial year 2016-17 has been a golden year for the mutual fund industry as net inflows into equity mutual funds have been positive in each month without exception. Much of the credit for that can be given to the maturity of retail investors who have come up in the "learning curve" by contributing 1.3 crore monthly SIPs, adding more than Rs 4,000 crore per month in various top performing equity mutual fund schemes."

He said, "In the month of March there has been net negative flow in debt funds and this is nothing unusual as every year in the month of March all big corporates redeem funds from debt funds to meet their advance tax payment liabilities before the due date of March 15. It is

expected that a major part of this net negative debt flow will come back in the month of April," Chopra said.

Exchange traded funds, or ETFs, saw a healthy inflow of Rs 3,599 crore, largely due to the good response to Reliance's CPSE ETF's further fund offer of Rs 2,500 crore while gold ETFs saw an outflow of Rs 80 crore. Inflows in the balanced funds were higher in March at Rs 5,952 crore compared to Rs 4,562 crore in February.

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