

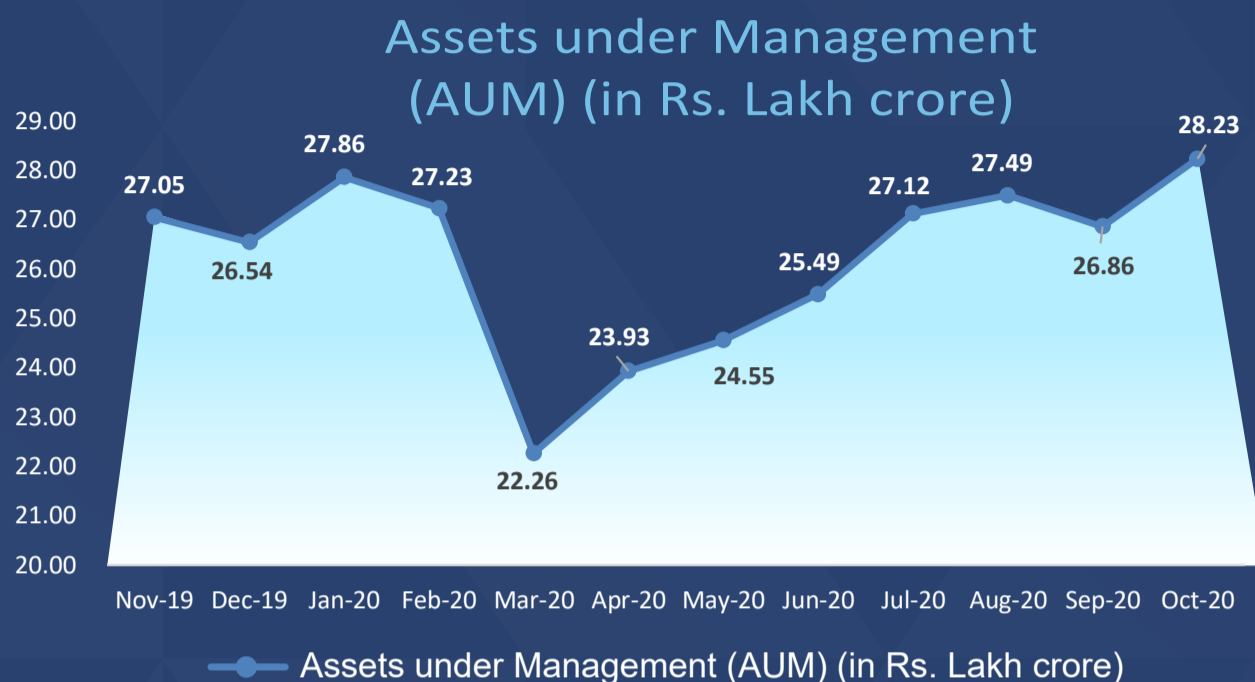


Foundation of Independent Financial Advisors

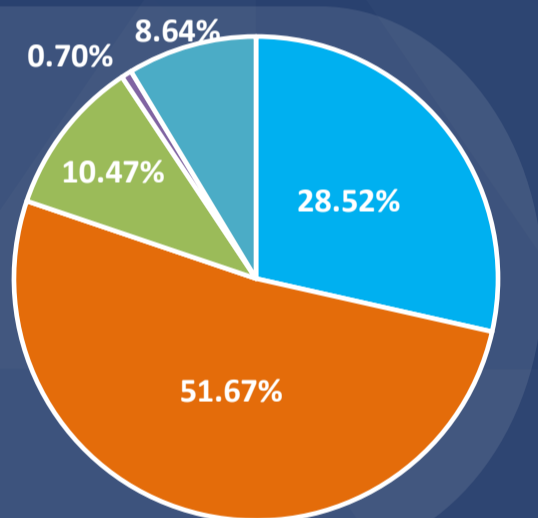
Oct 2020

What's New?

AUM Movement over the last 12 months



AUM Composition as at 31st October 2020



Type of Fund

- Equity Schemes
- Soluton Oriented Schemes
- Hybrid Schemes
- Debt Schemes
- Others (ETFs/ Index Funds/ FOFs)

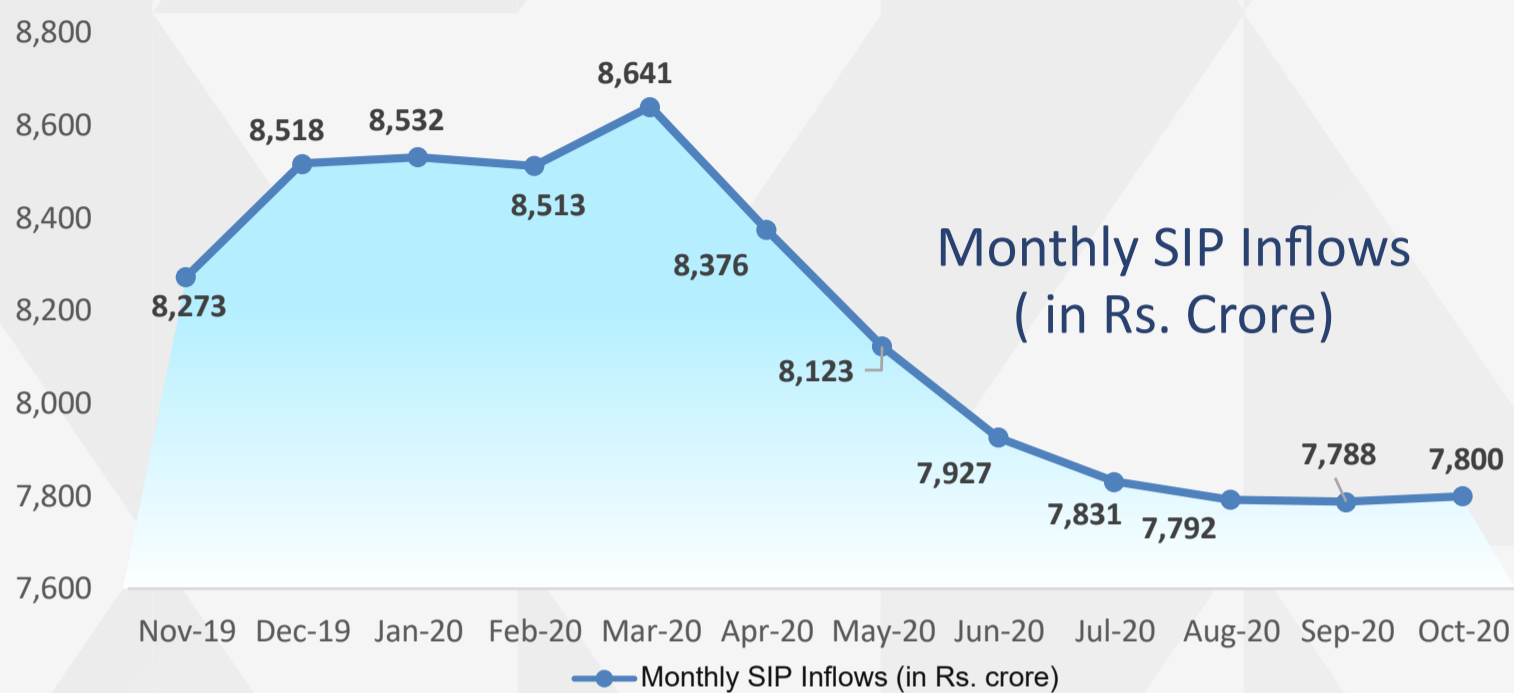
How has the AUM changed over the last month?

(All figures in Rs. crore)

Particulars	AUM as at 30-Sep-2020	Net Inflows/ (Outflows)	Increase/ (Decrease) due to market movements	AUM as at 31-Oct-2020
Equity Schemes	7,92,873	(3,991)	16,165	8,05,047
Debt Schemes	13,41,450	1,06,108	10,997	14,58,555
Hybrid Schemes	2,94,328	(1,682)	2,816	2,95,462
Solution Oriented Schemes	19,429	19	329	19,777
ETF/ FOF/ Others	2,37,903	(1,878)	8,075	2,44,100
Total	26,85,983	98,576	38,382	28,22,941

Source – AMFI

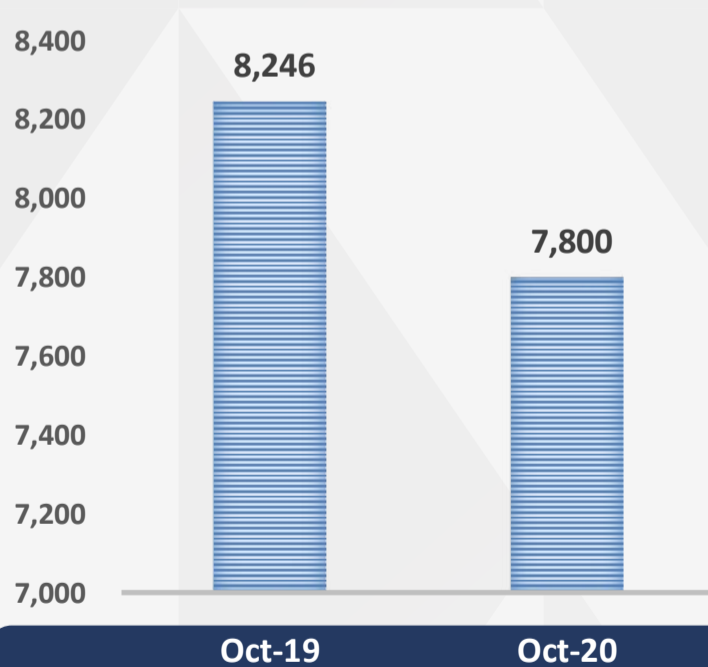
SIP Trends



Growth in SIP Inflows

Oct-20 V/S Oct-19

■ SIP Inflows (Rs. Cr.)



Oct-20 V/S Sep-20

■ SIP Inflows (Rs. Cr.)



FIFA WELCOMES NEW MEMBERS

Memb Category	Memb No.	Type	Organisation	Member Name	Location
Founder	F163	N.Indv	Genius Investment Advsiors Pvt Ltd	Dr A S Harish	Bangalore
				Sukumar D	Bangalore
General	O2279	N.Indv	Findola Wealth Management Services Pvt Ltd	Arindam Bose	Uttar Dinajpur
General	O2280	Ind	Asoke Roy	Asoke Roy	Kolkata
General	O2281	Ind	Mithila Mangesh Jadhav	Mithila Mangesh Jadhav	Mumbai
General	O2282	Ind	Nirav Surendra Panchmatia	Nirav Surendra Panchmatia	Nagpur
General	O2283	Ind	Isha Ankit Savla	Isha Ankit Savla	Dombivli
General	O2284	Ind	Vibhuti Mitesh Joshi	Vibhuti Mitesh Joshi	Mumbai
General	O2285	N.Indv	Daksh Consulting Pvt Ltd	Harsh Gupta	Pune
General	O2286	N.Indv	DVS Finplanners Pvt Ltd	D V Suresh	Hyderabad
General	O2287	Ind	Luna Avinash Kulkarni	Luna Avinash Kulkarni	Mumbai
General	O2288	Ind	Bhavesh Banthia	Bhavesh Banthia	Kota
General	O2289	Ind	Wealthup Capital	Abhishek Kumar	New Delhi
General	O2290	N.Indv	NDI Consultants Pvt Ltd	Divesh Kumar Bajaj	Varanasi
General	O2291	Ind	Meena Prakash Mahidhar	Meena Prakash Mahidhar	Ahmedabad
General	O2292	Ind	Pragesh Hiralal Shah	Pragesh Hiralal Shah	Ahmedabad
General	O2293	N.Indv	Shree Balaji Investment Solutions	Ravinder Deepak Khanuja	Nagpur
General	O2294	N.Indv	Vibgyor Finserv	Shaishav Shah	Mumbai
				Tejal Shaishav Shah	Mumbai
General	O2295	Ind	Purushottam Leeladhar Ranade	Purushottam Leeladhar Ranade	Dombivli
General	O2296	N.Indv	Parul Advisory Services Pvt Ltd	Pradma Khicha	Jaipur
General	O2297	Ind	Gaurav Aggarwal	Gaurav Aggarwal	Ludhiana
General	O2298	N.Indv	Banconus Financial Solutions Pvt Ltd	T.V.Rajalakshmi	Trichy
General	O2299	Ind	Sudhir Vasant Laturkar	Sudhir Vasant Laturkar	Nagpur

Memb Category	Memb No.	Type	Organisation	Member Name	Location
General	O2300	Ind	Vasanth Puttur Tantry	Vasanth Puttur Tantry	Udupi
General	O2301	N.Indv	One Tree Hill Market Advisors LLP	Jay Shah	Mumbai
General	O2302	N.Indv	Innovate Securities Pvt Ltd	Amit Prafulchandra Shah	Ahmedabad
General	O2303	Ind	Pramod Jain	Pramod Jain	Indore
General	O2304	Ind	Sourabh Satish Bhise	Sourabh Satish Bhise	Pune
General	O2305	Ind	Rakesh Kumar Sachdev	Rakesh Kumar Sachdev	Rohtak
General	O2306	N.Indv	Finsherpa Investment Services	Anuradha Babu	Chennai
General	O2307	Ind	Ashish Sahu	Ashish Sahu	Jabalpur
General	O2308	N.Indv	PXG Consultancy Services Pvt Ltd	Rahul Huria	New Delhi
General	O2309	Ind	Sojan Thomas	Sojan Thomas	Mumbai
General	O2310	Ind	Chirag Chimanlal Nandu	Chirag Chimanlal Nandu	Mumbai
General	O2311	N.Indv	Suhani Consultants Pvt Ltd	Sharad Kabra	Jaipur
General	O2312	Ind	N K Ethirajulu	N K Ethirajulu	Madurai
General	O2313	N.Indv	Care Wealth Management Service	Amit Bipin Shah	Ahmedabad
General	O2314	Ind	Avinash V Kadam	Avinash V Kadam	Mumbai
General	O2315	N.Indv	Niranjan Advisory Pvt Ltd	Abhijit Jalan	Kolkata
General	O2316	N.Indv	Shrambal Consultants Pvt Ltd	Vikash Didwania	Kolkata

EVENT

On 3rd Oct 2020, FIFA had forwarded / emailed to all members on **“Note On Procedure For Change In Name Of Mutual Fund Distributor”**.

The PDF file has been uploaded on the FIFA website.

On 10th Oct 2020, Andhra Pradesh Welfare Association had organised session through Zoom Webinar:

**Topic : “What Opportunities Has The Pandemic Bought To MFD's
Speaker for the session was Ms. Roopa Venkatkrishnan from FIFA.**

This session was attended by more than 40 IFA's from Mumbai, New Delhi, Andhra Pradesh & Kolkata.

On 20th Oct 2020, FIFA had organised session through Zoom Webinar :

Topic : "Guidance and Clarification on Acceptable " Names for MFDs.

Speaker for the session was Mr. Nilesh Shah, Chairman AMFI.

Moderated by FIFA Members, Mr. Dhruv Mehta, Mr Yasir Varawala, Ms. Roopa Venkatkrishnan.

This session was attended by more than 850 IFA's across Pan India. This was also viewed on You Tube by more than 1000 viewers.

Recording of the webinar has been uploaded on the FIFA Website.

Please find the link/ path of the recording.

https://www.fifaindia.org/uploads/audios/member/Guidance_and_Clarification_on_Acceptable_names_for_MFD_by_MrNilesh_Shah.mp3

On 30th Oct 2020, FIFA had organised session through Zoom Webinar:

Topic : What Got You Here, Won't Get You There".

Speaker for the session was Mr. Lovaii Navlakhi.

Moderated by FIFA Members, Ms. Sangeeta Jhaveri & Mr. Amit Bivalkar.

This session was attended by more than 455 IFA's across Pan India.

Recording of the webinar has been uploaded on the FIFA Website.

Please find the link/ path of the recording.

<https://www.fifaindia.org/uploads/audios/member/4nov20.mp3>

Introduction of Flexicap Category of Equity Funds and Changes in Debt Fund Investments

The economic disruptions caused on account of the Covid-19 outbreak have pushed SEBI (Securities & Exchange Board of India) and other Regulators to provide certain relaxations and changes in the compliance and investment framework for Mutual Funds. Some of the significant decisions in this regard are as below:

Introduction of Flexicap Category of Equity Funds

SEBI had notified certain changes in the asset allocation pattern for multi-cap funds vide circular no. SEBI/HO/IMD/DF3/CIR/P/2020/172 dated 11th September 2020. As per the revised investment pattern, multi-cap funds were now required to have at least 75% investment in equity & equity-related instruments. Additionally, such funds were required to have at least 25% investment in equity & equity-related instruments of large-cap, mid-cap, and small-cap companies. While the change was required to be made effective for existing schemes by 31st January 2021, several representations were received from funds to introduce a new category of equity funds with the inherent flexibility of investing in different market capitalization segments. This may have been suggested to avoid any market disruptions due to the alignment of investment portfolios for existing multi-cap funds. Such multi-cap funds held an AUM (Assets

under Management) of Rs. 1.45 lakh crores as of 31st October 2020 (Source – AMFI). Considering the Mutual Fund Advisory Committee (MFAC) recommendations, SEBI has introduced a fresh category of equity schemes, namely 'flexicap funds.' Such funds carry inherent flexibility for investment across the market cap segments, viz. large-cap, mid-cap, and small-cap. Such funds can be considered similar to the multi-cap funds as per the earlier norms, and thus, these funds may carry any market cap bias in its investment strategy.

Mandating Liquid Assets for Specified Debt Funds

SEBI has notified norms for holding liquid assets for specified debt fund categories vide Circular No. SEBI/HO/IMD/DF3/CIR/P/2020/229 dated 6th November 2020. As per the notified norms, all open-ended debt schemes (except overnight funds, liquid funds, gilt funds, and gilt funds with 10-year constant duration) are required to hold at least 10% of their net assets in liquid assets. Such liquid assets include cash, G-Secs, T-Bills, and Repo on Govt. securities. Such liquid assets shall not be considered for determining the scheme characteristics. The fund categories excluded from the current Circular, overnight funds, gilt funds, and gilt funds with 10-year constant duration hold investments in Govt. securities only. Hence, specific investment criteria may not be required. Further, liquid funds are already required to hold at least 20% of its net assets in liquid assets. These provisions are applicable from 1st February 2021

Stress Testing for Open-ended Debt Schemes

As per the current regulations introduced vide SEBI Circular No. CIR/IMD/DF/03/2015 dated 30th April 2015; mutual funds are required to perform stress testing for liquid funds and money market debt schemes. Such a stress test is required to be undertaken in pursuance of stress testing policy, duly approved by the Board of the Asset Management Company. The fund may undertake stress testing towards interest rate risk, credit risk, liquidity and redemption risk, and any other risk perceived by the fund and its impact on the fund NAV. The provisions of the stress testing have now been made applicable for all open-ended debt funds (except overnight funds) vide SEBI Circular No. SEBI/HO/IMD/DF3/CIR/P/2020/229 dated 6th November 2020. Overnight funds may have been excluded from the stress testing criteria primarily since such funds invest in securities with a maturity of 1 day only

Quiz

- Q.1 - All equity schemes are now mandated to hold 10% of its net assets in liquid assets.
A) True B) False
- Q.2 - Gains from international equity funds are taxed in line with debt funds.
A) True B) False
- Q.3 - An investor cannot start a fresh SIP if he/ she has discontinued a SIP in the same scheme within the last 12 months.
A) True B) False
- Q.4 - SEBI has introduced a fresh category under equity schemes termed as _____.
A) Flexi-cap fund B) Tax-free fund
C) Multi-cap fund D) Fixed-tenor equity fund
- Q.5 - Gold Funds can only invest in physical gold.
A) True B) False

Ans. Q.1 - B), Q.2 - A), Q.3 - B), Q.4 - A), Q.5 - B),

All Members are requested to update their email IDs and cell numbers on telegram and database. Also, please provide the GST Number. All those Members who have not paid the Annual Fee are requested to do so at the earliest.

Your contributions for our monthly newsletter is requested. Please share any stories/original articles/events that you may be conducting. Our readers will be very motivated to hear about fellow MFDs and RIAs onward journey especially during 2020.

Mail to response@fifaindia.com

Editor: Nisreen Mamaji