

SIP magic: Nifty flat in 14 months but 167 mutual funds gave double-digit returns

By Surbhi Khanna, Published on: November 28, 2025



Even though the Nifty50 has barely moved over the past 14 months, SIPs in mutual funds have continued to work quietly and effectively. During this period, 167 equity mutual fund schemes still managed to deliver double-digit returns.

The benchmark Nifty50 had hit a record high of 26,277 on September 27, 2024. More than a year later, on November 27, 2025, it stood at 26,310.45, only about 0.13% higher than its previous peak.

A market expert says that these double-digit returns on SIP investment are not purely market-beta driven, SIPs benefited because markets were volatile - investors bought more units during dips and benefited from the sharp rally thereafter.

Vishal Dhawan, Founder & CEO, Plan Ahead Wealth Advisors says that valuations today remain elevated, suggesting that a portion of these returns is momentum-driven and Nifty's forward P/E at ~20–23× is well above the long-term average of 17–19×, implying a valuation premium of 25–27% over the 15-year mean.

“Consensus expectations remain 12.5% EPS growth CAGR for the Nifty over FY25-FY28. This indicates that while earnings support exists, the higher-end double-digit SIP returns are being lifted by short-term momentum and portfolio-specific factors. Given modest index performance since Sep 2024, elevated valuations, the recent widespread double-digit SIP returns appear partly driven by favourable timing and momentum,” Dhawan added.

According to data by ACE MF, out of 278 funds in the said time period, 271 offered positive returns on SIP investments and seven funds eroded investors' wealth. Of these 271 funds, 167 gave double digit gain to the investors.

TRUSTMF Small Cap Fund offered the highest XIRR on SIP investments since September 27, 2024 of around 21.58%, followed by Invesco India Midcap Fund which gave 21.27% XIRR in the same period.

Helios Large & Mid Cap Fund and SBI Focused Fund delivered XIRR of 20.82% and 20.22% respectively in the said time period. Two flexi caps - Helios Flexi Cap Fund and ICICI Pru Flexicap Fund - gave 17.60% and 17.32% XIRR respectively.

Two funds from Mirae Asset Mutual Fund - Mirae Asset Flexi Cap Fund and Mirae Asset Large & Midcap Fund - delivered XIRR of 15.52% and 15.51% respectively in the said time period. Two funds from Kotak Mutual Fund - Kotak Contra Fund and Kotak Large & Midcap Fund - gave 12.83% and 12.82% respectively on SIP investments in the said time period.

Parag Parikh Flexi Cap Fund, the largest active and flexi cap fund based on assets managed, gave 10.78% XIRR on SIP investments in the said time period. Axis Midcap Fund gave 10% XIRR, followed by HSBC Large Cap Fund and SBI Contra Fund which gave 9.96% and 9.95% respectively in the said period.

HSBC Flexi Cap Fund was the last one in the list to deliver a double digit XIRR of around 9.55% or 10% to be precise.

Others in list

Quant Mid Cap Fund was the last one to deliver positive XIRR in the said time period of around 0.16%. Samco Flexi Cap Fund lost the most of around 8.73% in the said time period, followed by Tata Small Cap Fund which lost 7.28% in the said time period. HSBC Small Cap Fund lost the lowest of around 0.75% on SIP investments in the said time period.

So, if one starts a SIP today, can they expect similar returns, or is the market currently overheated? According to Dhawan, the current elevated valuation suggests that much of the “easy upside” may already be priced in, reducing the probability of outsized near-term gains.

“However, long-term averages reflect enrollment through various market cycles -including periods of lower valuations -which helped smooth out returns. Therefore, a SIP started today can still reasonably target low teens returns over the long term, broadly in line with historical averages for diversified equity SIPs. Assuming the high recent returns repeat over the next few years would likely be overly optimistic,” Dhawan added.

From September 27, 2024 to November 26, 2025, Nifty gained 0.10%. On a yearly basis, the mutual fund AUM jumped 19% from Rs 66.82 lakh crore in September 2024 to Rs 79.62 lakh crore in October 2025 (Last available data).

The monthly SIP contribution jumped by 20% from Rs 24,509 crore in September to Rs 29,529 crore in October 2025.

With SIP inflows at record high as of October 2025 and Nifty50 hitting new all-time high, Dhawan recommends that as Nifty hits a fresh record high, the sensible approach for SIP investors is to continue disciplined investing rather than alter strategy based on market levels as SIPs inherently benefit from rupee-cost averaging, which smooths out the impact of entering at highs and lows.

He further recommends that a step-up SIP can further strengthen long-term outcomes as increasing your SIP contribution by 5–10% every year has been shown to materially improve corpus accumulation because the incremental capital compounds over longer periods plus industry studies highlight that Step-Up SIPs significantly outperform static SIPs for long-horizon goals, especially when income grows steadily.

“At record market levels, investors should prioritise discipline, diversification, and incremental investment capacity rather than chasing the highest-return funds. A Step-Up SIP is a more reliable and lower-risk way to enhance long-term compounding than selecting only recent top performers, making it the preferred forward strategy for consistent wealth creation,” Dhawan added to his recommendation.

We considered all equity funds excluding sectoral and thematic funds. We considered regular and growth options. We calculated SIP performance from September 27, 2024 to November 26, 2025.

One should make investment decisions based on their risk tolerance ability, investment horizon, and financial goals.