“A study on Performance Evaluation of selected mutual fund schemes in India”

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PROJECT GUIDE

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Certificate

This is to certify that the Project work titled **"A study On Performance Evaluation of Selected Mutual Fund Schemes in India"** is an original record of field works done by **Mr. Mukri Mohmmad Sahil** with Registration No.**19C011047** in a partial fulfillment of the award of degree of **Master of Commerce** of the **Karnatak University, Dharwad** during **2020-21**. The project satisfies the academic requirements in respect of project work prescribed for the Degree of **Master of Commerce** and is a record of his own independent work.

This project is based on the studies carried out by him and has not been submitted to any other University or Institution for the award of any degree or diploma.

Project Guide

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CONTENTS

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

Mutual fund is one of the fastest growing sectors in India and it plays significant role in the Indian capital market. The common investors are facing the problem in choosing the suitable product among the multiple institutions offering variety of products and multiple options attached with each product. This research paper is an attempt to evaluate the performance of selected schemes of different mutual funds in India. The sample consists of 20 schemes from the selected asset management companies over a study period of 5 years spanning from January 2010 to December 2014. The performance of selected funds is evaluated by using statistical tools like average rate of return of funds, standard deviation, beta, correlation, regression analysis and risk adjusted techniques are used by using Sharpe ratio, Treynor ratio and Jensen ratio. Benchmark index has also done for the purpose of analysis.

Mutual fund refers to an institution which is professionally managed by the portfolio managers. Asset management companies mobilize the savings from the small investors and invest in various types of securities like shares, bonds, debentures, and commodities in the market based on the fund's objective. The income earned from these investments will be distributed to the unit holders in percentage according to the number of units owned by them. The main advantage of the mutual fund is risk diversification, offering tax benefits etc. Mutual funds offer close ended and open ended schemes. Close ended schemes have some stipulated time period that is normally between 3 to 15 years. Open ended schemes are available for subscription during the all-time period. These are further available in growth, income, balanced, ELSS, FMCG, ETF, gold fund and sector specific. Mutual fund industry is doing every effort to attract the investors to invest in mutual funds by offering innovative schemes. Moreover Investors have great expectations from mutual funds.

Conclusion

This study has carried out to evaluate the performance of 10equity diversified open ended mutual fund schemes between the April 2010 to march 2021. The performance of these schemes analyzed in terms of risk and return. Various risk adjusted performance is done in this analysis. All the schemes have given positive return over the study period. ICICI Prudential bluechip growth has given the highest return. In terms of standard deviation all the funds analyzed in the study have lower risk compared to the market in general. The value of beta of all the schemes used in the analysis and found lower than one indicating that all the mutual funds are less risky and less volatile

Overall ICICI Prudential blue chip fund, Aditya Birla Sun Life Small & Midcap Fund. UTI opportunities fund, HDFC Monthly Income Plan – MTP, L&T Tax Advantage Fund, SBI Nifty Index Fund, Kotak Corporate Bond Fund, DSP BlackRock Balanced Fund have not performed well during the study period