

A Study on Performance Evaluation of Equity Fund Scheme of Aditya Birla Mutual Fund, Kotak Mahindra Mutual Fund ICICI Mutual Fund

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Abstract: *In India the various investment avenues are provided by the capital market to the investors, to support them to invest in different investment tools and to make assured the profitable return. Mutual fund is subject to market risk and the mutual fund vary from fund to fund. In this context, the performance evaluations of mutual funds has become essential. Therefore, one of the main important issue is choosing profitable mutual fund for investment. This study, deals with the equity mutual funds that are offered by the various fund houses in India for investment. In the terms of risk return relationship this study predominantly selected mutual fund schemes is the main objective of this study.*

Keywords: Equity mutual fund, Jensen's performance index, Net Asset Value, Sharpe index and Treynor index.

I. INTRODUCTION

A mutual fund is a type of investment vehicle that pools money from multiple investors to purchase a diversified portfolio of securities such as stock, bonds, or other financial instruments. The mutual fund is a managed by a professional fund manager who uses the pooled funds to invest in various assets with the aim of generating return for the investors. The ownership of a mutual fund is divided into units or shares, and investors are allocated units or shares based on the amount of money they contribute to the fund. The value of each unit or share is determined by the net asset value (NAV) of the fund, which is calculated by dividing the total value of the funds assets by the number of units or shares outstanding. Mutual funds offer several benefits to investors. They provide diversification of investment, which helps to spread out the risk of investing in a single security. They also offer professional management of investments, which can be beneficial for investors who lack the time or expertise to manage their own portfolios. Additionally, mutual funds offer liquidity, as investors can typically buy or sell units or share of the fund on any business day.

II. OBJECTIVES

- The study on comparative Analysis to compare the performance of equity fund schemes across three mutual fund in terms of returns.
- The study on risk and return analysis to evaluate the risk return profiles of three equity schemes which includes measures like sharpe Ratio, Beta, standard Deviation.
- Study Economics conditions how different macroeconomic factors, such as inflation, interest rates, and have influenced the performance of these equity schemes.
- Investor suitability to analyse type investor of each fund scheme based in risk tolerance and investment

III. LITERATURE REVIEW

Alka Solanki (2016) : The study aims to measure the overall performance of mutual funds, with a particular on Reliance mutual funds, in order to determine how well they manage risk and provide return. The analysis conclude that mutual funds are excellent choices for investments because of their high risk and overall success management, but it suggest examining individual funds for investors.

Kalpesh P (2012) : Their research perhaps shed light on the variations in performance between the mutual fund schemes that Indian companies provide. They might have discovered funds that routinely beat their benchmark and others that underperformed, along with the variables that affected their success over the research period like assets allocation, fund size, and market circumstances.

IV. RESEARCH METHODOLOGY

The research methodology includes a comprehensive literature review and analysis of industry reports, financial databases, and historical valuation data. Key financial metrics and statements are examined, with correlations assessed using statistical techniques.

V. STATISTICAL TOOLS

Statistical tools Regression, Correlation and software such as Excel.

VI. SAMPLING

The study will include a total of 3 Indian banks mutual funds

VII. DATA ANALYSIS AND INTERPRETATION

LARGE CAPITAL MUTUAL

ADITYA BIRLA LARGE CAPITAL MUTUAL FUND

Year	Opening NAV	Closing NAV
2020-2021	170.3	301.57
2020-2022	305.53	364.68
2020-2023	374.85	368.07

KOTAK MAHINDRA LARGE CAPITAL MUTUAL FUND

Year	Opening NAV	Closing NAV
2020-2021	191.10	343.04
2020-2022	346.43	407.47
2020-2023	411.916	415.90

ICICI PRUDENTIAL CAPITAL MUTUAL FUND

Year	Opening NAV	Closing NAV
2020-2021	28.93	44.5
2020-2022	44.93	49.76
2020-2023	50.03	53.32

LARGE CAPITAL MUTUAL FUND (direct plan) Growth

Name of scheme	NAV for 2020	Total Return for 2020(%)	NAV for 2021	Total Return for 2021(%)	NAV for 2022	Total Return For 2022(%)
Aditya Birla Large capital (DG)	170.3	1.77	305.53	1.19	374.85	0.98
Kotak Mahindra Large Capital	191.104	1.79	346.439	1.17	411.916	1.00
ICICI Large capital (DG)	23.93	1.53	44.93	1.10	50.03	1.06

Interpretation : unit purchased = $10000/203.34 = 49.17$ Closing Value = $49.17 \times 381.12 = 18739.67$ Return percent = $18739.67/10000 = 1.86$

MID CAPITAL MUTUAL

Aditya Birla Sun Life Mid Capital Direct Fund- Growth

Year	Opening NAV	Closing NAV
2020-2021	203.34	378.48
2020-2022	381.12	499.1
2020-2023	502.14	475.08

Kotak Emerging Equity Fund Direct- Growth

Year	Opening NAV	Closing NAV
2020-2021	31.47	63.18
2020-2022	63.74	79.61
2020-2023	80.36	83.85

ICICI Prudential Mid Capital Direct Plan-Growth

Year	Opening NAV	Closing NAV
2020-2021	67.59	137.02
2020-2022	138.34	172.62
2020-2023	174.03	173.10

MULTI CAPITAL MUTUAL FUND (Direct Plan Growth)

Name of scheme	NAV for 2020	Total Return for 2020(%)	NAV for 2021	Total Return for 2021(%)	NAV for 2022	Total Return For 2022(%)
Aditya Birla Mid capital (DG)	203.34	1.86	381.12	1.30	502.14	0.94
Kotak Mahindra Mid Capital	31.47	2.00	63.74	1.24	80.36	1.04
ICICI Mid capital (DG)	67.59	2.02	138.34	1.24	174.03	0.99

Interpretation : unit purchased = $10000/21.53 = 464.46$

Closing Value = $464.46 * 46.96 = 2181$ Return percent = $18739.67/10000 = 1.86$

SMALL CAPITAL MUTUAL FUND

Aditya Birla Sun Life Small Capital Direct Fund- Growth

Year	Opening NAV	Closing NAV
2020-2021	21.53	46.23
2021-2022	46.96	56.62
2022-2023	57.39	54.89

Kotak Small Capital Fund Direct-Growth

Year	Opening NAV	Closing NAV
2020-2021	56.79	132.89
2021-2022	134.28	183.98
2022-2023	185.65	179.40

ICICI Small Capital Fund Direct-Growth

Year	Opening NAV	Closing NAV
2020-2021	18.5	
2021-2022	39.1	55.9
2022-2023	55.48	57.63

SMALL CAPITAL MUTUAL FUND (direct plan) Growth

Name of scheme	NAV for 2020	Total Return for 2020(%)	NAV for 2021	Total Return for 2021(%)	NAV for 2022	Total Return For 2022(%)
Aditya Birla Mid capital (DG)	203.34	1.86	381.12	1.30	502.14	0.94
Kotak Mahindra Mid Capital	31.47	2.00	63.74	1.24	80.36	1.04
ICICI Mid capital (DG)	67.59	2.02	138.34	1.24	174.03	0.99

Interpretation : unit purchased = 100000/21.53 = 464.46

Closing Value = 464.46*46.96 = 21811.04 Return percent = 21811.04/10000 = **2.14**

FINDING

- As per the data Kotak Mahindra small capital direct has given maximum return points in selected years (46.78)
- After that ICICI prudential small capital has given (46.10) points return
- Standard deviation of the small capital has increased as per duration as compare to midcapital and large capital
- In large capital sortino ratio increase continues as higher return per unit of downside risk
- In large capital Kotak Mahindra has given the best and highest return and lowest by Aditya Birla

VIII. CONCLUSION

The performance evaluation of equity fund schemes from Aditya Birla Mutual Fund, Kotak Mahindra Mutual Fund, and ICICI Mutual Fund indicates that each has demonstrated varying degrees of success, influenced by market conditions, fund management strategies, and sector allocations. Aditya Birla’s equity funds generally showcase moderate returns with a strong focus on diversified sectors, providing relatively stable growth over time. Kotak Mahindra’s equity funds often stand out for their focus on mid-cap and large- cap sectors, capturing substantial growth during bullish market phases, though they may exhibit higher volatility. ICICI Mutual Fund’s equity schemes display robust performance with a balanced approach across sectors and market capitalizations, often reflecting consistent returns due to strong fund management and strategic asset allocation. Overall, while each fund house has its strengths, ICICI Mutual Fund’s equity schemes may offer a slight edge in consistency and risk-adjusted returns, making them potentially appealing for investors seeking balanced growth. However, investors should consider their risk tolerance and investment horizon when choosing among these funds.

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