International Journal For Advanced Research In Science & Technology
A peer reviewed international journal www.ijarst.in
IJARST
ISSN: 2457-0362

A COMPARATIVE PERFORMANCE ANALYSIS OF SELECTED EQUITY MUTUAL FUND

Mohammed Saniya, Dr. Sri Lakshmi
PG STUDENT, Malla reddy Engineering College For Women's, Maisamaguda, Hyderabad
Associate Professor, Malla reddy Engineering College For Women's, Maisamaguda, Hyderabad
saniyamohammed219@gmail.com, Lakshmi.priya926@gmail.com

Abstract
There are many different investment alternatives on the market, but each person has different reasons for doing so. These reasons might include things like income, lifestyle, age, family history, expenses, financial situation, and expectations for the investment. Selecting the finest investment possibilities is crucial for investors, and they must exercise caution while deciding on an investing strategy. Obtaining the highest possible return on investment is the primary goal of each investor. Here, the study assists the investor in choosing the mutual fund industry's top-performing scheme to invest in. This study aims to provide answers for choosing the top-performing scheme. A comparison study is conducted in order to determine which plan performs the best. Mutual funds that invest in equity are chosen in order to assess performance. The equity big capital funds, equity mid capital funds, and equity small capital funds are the three categories of equity schemes that have been chosen. We have chosen the top 10 schemes in each category based on net asset. We have taken into account the schemes' returns, expense ratio, risk factor, standard deviation, Sharpe ratio, Sortino ratio, net asset value, beta, and alpha while assessing their performance. We discovered that a large number of appealing small-cap strategies are producing strong returns. The information is gathered from the websites of several mutual funds as well as the Association of Mutual Funds of India (amfi) website. Ultimately, this essay aims to raise awareness regarding ultimately, the goal of this study is to educate passive investors about the top-performing mutual fund plan.
Keywords: beta, alpha, risk return, expense ratio, standard deviation, Sharpe ratio, sorting ratio, mutual fund, investment, returns
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Introduction

A mutual fund is a trust that pools the capital of multiple investors to invest in stocks, bonds, and other securities with the goal of maximizing returns on investment. The primary benefit of mutual funds is their affordable price and diverse investment style. "The Mutual Fund operates on the tenet that a small drop of water can create an ocean." Unit Trust of India was the sole participant in the mutual fund sector when it was first established in 1964. The primary benefit of mutual funds is their easy accessibility, allowing for convenient investing from any location. Purchasing and selling mutual funds is simple. A qualified fund manager oversees mutual funds and collects minimal fees for their services. The fund manager. The outcomes and risks associated with the funds are not the fund manager's responsibility. However, safeguarding investors' interests is the main objective. The goal of any investor looking to purchase mutual funds is to get the most return on their capital. Investors who place their resources in mutual funds receive consistent returns and the security and diversification of their investments. The investor needs to be mature enough to accept the outcome of the investment and knowledgeable enough about the state of the market. A mutual fund offers several advantages all bundled together. The mutual fund business offers a wide range of fund types, including money market schemes, tax savings schemes, sector-specific schemes, equity funds, debt funds, hybrid funds, open-ended, closed-ended, balanced funds, income funds, growth funds, interval funds, index funds, and income funds. The sort of scheme chosen for investment determines the risk and returns. The scheme's performance determines the funds' risk. This paper provides us with an opportunity to reflect, improve our understanding and abilities as investors, and consider other approaches to investing. The scheme's performance determines the funds' risk. This paper provides us with an opportunity to reflect, improve our understanding and abilities as investors, and consider other approaches to investing. There are numerous funds accessible, and each fund performs effectively for a different reason. Performance is influenced by a number of factors, including fund manager expenses, charges, and track record. Equity mutual funds have been chosen to evaluate the performance in this article. Investments in equity equities of various companies are made by equity funds. Equity funds' performance is contingent upon the state of the market. The top ten schemes in each category of fund, determined by net asset value, are chosen for performance review. These categories include equity large capital funds, equity mid capital funds, and equity small capital funds. 80% of the assets of equity large capital funds are invested in large capital firms; 65% of the assets of equity mid capital funds are invested in mid capital companies; and 65% of the assets of equity small capital funds are invested in small capital companies.

Objectives of the Study

➢**To** assist investors in identifying the best possible investment options and to educate them about the risks and potential returns on mutual funds. To assess the performance of equity funds classified as large, mid, and small capital funds.

➢ To assess the chosen scheme's performance under equities mutual funds and do a comparison study utilizing the Sharpe, Sortino, expense, and risk return ratios.

Research Methodology

Type of Data: Secondary data from several mutual fund websites, such as AMFI, SEBI, etc., was gathered for study. Selection of Samples: Equity After selecting large, mid, and small capital funds for research, ten schemes are chosen from each category to have their performance assessed based on their highest net asset value. The expense

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IJARST ISSN: 2457-0362

ratio is computed by dividing the total asset value of the fund by the total fund fee, which includes the management fee and any running expenditures that are billed to the investor. A higher than 1.5% expense ratio is regarded as high. Net Asset Value (NAV) can be defined as the asset value of an entity less the liability value. It is the market value of each security held by the mutual fund scheme expressed as a per unit. The standard deviation is: Its significance stems from the fact that the sample is devoid of sampling flaws; the higher the standard deviation, the larger the absolute dispersion. The standard deviation is used to quantify overall risk. Ratio of Sharpe: It is calculated by dividing the excess returns over risk-free returns by the standard deviation. The greater the fund performance, the higher the Sharpe ratio. It calculates the excess returns of the fund for each unit of risk. Frank A. Sortino created the sortino ratio, which compares an investment's success to its downward deviation.

In this paper Equity mutual funds have been selected for evaluating the performance. Three types of funds are selected namely Equity Large capital funds, equity mid capital funds, equity small Capital funds.

Data Analysis and Interpretation

Under each fund, ten Schemes have selected based on their net assets and these Schemes are randomly taken for evaluating the performance of best performing scheme.

Performance Evaluation of Equity Large Capital Mutual Funds

Fund Name	One Year Returns (%)	Net Assets	Expense Ratio (%)	Standard Deviation
Aditya Birla Sun Life Focused Equity Fund	49.62	4,858	1.14	21.57
Aditya Birla Sun Life Frontline Equity Fund	51.78	20,427	1.14	22.19
Axis Bluechip Fund	45.17	27,142	0.5	18.37
Canara Robeco Bluechip Equity Fund	49.2	2,886	0.44	19.39
DSP Top 100 Equity Fund	46.85	2,777	1.29	24.47
Franklin India Bluechip Fund	58.99	6,379	1.17	21.8
HDFC Index Fund Nifty 50 Plan	48.42	3,210	0.2	22.14
HDFC Top 100 Fund	50.3	20,041	1.2	23.33
ICICI Prudential Bluechip Fund	48.24	27,723	1.14	21.14
Mirae Asset Large Cap Fund	50.63	25,721	0.54	21.46
SBI Bluechip Fund	52.22	28,211	0.97	22.71

We used six parameters to rank each design. For a mutual fund, higher returns, net assets, Sharpe ratios, and sortino ratios are seen favorable. It is evident from the above table that the Canara Robeco Bluechip Equity fund is outperforming a lot of other schemes. Axis Bluechip fund, on the other hand, is yet another alluring investment choice. Its net worth far exceeds that of the Canara Robeco Bluechip Equity Fund.

Performance Evaluation of Equity mid Capital Mutual Funds

Fund Name	One Year Returns (%)	Net Assets	Expense Ratio (%)	Standard Deviation	Sharpe Ratio	Sortino Ratio
Aditya Birla Sun Life Focused Equity Fund	49.62	4,858	1.14	21.57	0.56	0.6
Aditya Birla Sun Life Frontline Equity Fund	51.78	20,427	1.14	22.19	0.49	0.55
Axis Bluechip Fund	45.17	27,142	0.5	18.37	0.73	0.84
Canara Robeco Bluechip Equity Fund	49.2	2,886	0.44	19.39	0.81	0.93
DSP Top 100 Equity Fund	46.85	2,777	1.29	24.47	0.43	0.47
Franklin India Bluechip Fund	58.99	6,379	1.17	21.8	0.53	0.61
HDFC Index Fund Nifty 50 Plan	48.42	3,210	0.2	22.14	0.54	0.62
HDFC Top 100 Fund	50.3	20,041	1.2	23.33	0.48	0.59
ICICI Prudential Bluechip Fund	48.24	27,723	1.14	21.14	0.54	0.59
Mirae Asset Large Cap Fund	50.63	25,721	0.54	21.46	0.63	0.7
SBI Bluechip Fund	52.22	28,211	0.97	22.71	0.53	0.63

The schemes that rank highest in terms of returns are Mirae Asset Midcap Fund, SBI Magnum Midcap Fund, Kotak Emerging Equity Fund, Nippon India Growth Fund – Institutional Plan, and HDFC Mid-Cap Opportunities Fund. We excluded SBI

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IJARST
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Magnum Midcap Fund and Kotak Emerging Equity Fund because of their low Sharpe and sortino ratios; however, Mirae Asset Midcap Fund's Sharpe and sortino ratio is slightly lower than that of HDFC Mid Capital Opportunities Fund, despite having a somewhat higher return. Nippon India Growth Fund - Institutional Plan is another appealing scheme.

Performance Evaluation of Equity Small Capital Mutual Funds

Fund Name	Returns (%)	Assets Value	Expense Ratio (%)	Standard Deviation	Sharpe Ratio	Sortino Ratio
Aditya Birla Sun Life Small Cap Fund	103.31	2,787	2.16	30.13	0.32	0.35
Axis Small Cap Fund - Regular Plan	85.58	5,435	1.98	24.19	0.91	0.78
DSP Small Cap Fund - Regular Plan	91.06	7,251	1.94	27.92	0.6	0.62
Franklin India Smaller Companies Fund	95.76	6,657	1.87	27.57	0.37	0.4
HDFC Small Cap Fund - Regular Plan	103.01	11,574	1.86	28.67	0.5	0.57
ICICI Prudential Small cap Fund	106.26	2,439	2.32	29.39	0.65	0.67
Kotak Small Cap Fund - Regular Plan	117.93	4,294	1.98	28.61	0.76	0.78
L&T Emerging Businesses Fund	101.58	6,554	1.92	26.65	0.7	0.82
SBI Small Cap Fund	85.83	8,664	1.97	25.28	0.75	0.83

The schemes that fall within the equity capital mutual fund category are all producing exceptional returns. Based on risk and return, we can easily determine that Kotak Small Cap Fund – Regular Plan is the top scheme; L&T Emerging Businesses Fund is the second most appealing scheme

Conclusion

In summary, this paper examines the comparative analysis used to evaluate the performance of three different types of equity funds. Within each type of fund, ten schemes are chosen, and based on the ratio, each type of fund has the best performing scheme. As a result, investors are able to identify the best performing scheme, and mutual funds are considered low-risk investment models that offer consistent returns. The risk associated with an investment in a mutual fund is determined by the fund's performance as well as the type of scheme chosen.

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