



A Study On Financial Performance Evaluation Of Icici, Hdfc And Nippon India Mutual Funds

Muralidhar Dunna M.Com, MBA, M.Phil, PGDFMT, (Ph.D)
Research Scholar, School of Commerce & Management
Lingaya's Vidyapeeth, Faridabad, Haryana E
mail:muralib4u5@gmail.com

Dr. K. K. Garg Professor School of Commerce & Management
Lingaya's Vidyapeeth, Faridabad, Haryana E-
mail:drgargkrishan@gmail.com

ABSTRACT

Globalization, liberalization, technological advancement, high competition and economic uncertainties have made it imperative for the financial sector to satisfy their existing customers and retain them and be proactive in their management strategies to maintain their upper place in the highly competitive market. Indian Financial System was rejuvenated with the introduction of multiple financial institutions, financial services and financial instruments in the post LPG era. This process has opened doors to the private business entities also to start new financial institutions and offer various financial services and instruments. One such institution was mutual funds. Mutual fund companies come into this category. India's mutual fund market has witnessed phenomenal growth over the last decade. The consistency in the performance of mutual funds has been a major factor that has attracted many investors. Mutual Fund is one of the most effective instruments for the small & medium investors for investment and offers opportunity to them to participate in capital market with low level of risk. The performance of mutual fund schemes is dependent on the right strategy adopted by the fund managers in designing the portfolio. Among various investment modes, Mutual Fund is the most suitable investment mode for the common man, as it offers an opportunity to invest in a diversified and professionally managed portfolio at a relatively low cost. A proper evaluation measure will remove confusion and help the investors to decide about the level of investment in various mutual funds schemes, about their financial performance over a period of time and risk associated with their investment, so as to avoid loss and maximize the reruns. Hence this research mainly focuses on financial performance of HDFC, ICICI Prudential and Nippon India

1915 | Muralidhar Dunna A Study On Financial Performance Evaluation Of Icici, Hdfc And Nippon India Mutual Funds

Mutual Funds with growth option and direct plan for five years periods. These mutual fund companies are top performer companies. For this study balanced, debt, liquid, ELSS, Equity Diversified and Indexed fund schemes have been taken.

KEYWORDS: Mutual funds, Performance, Equity Diversified, ELSS, Investment, Globalization

INTRODUCTION

A mutual fund is an investment firm which combines funds from various individuals, shareholders or shareholders, with the single aim of investing and diversifying their investments into different secretarial types so that future returns are generated and distributed among themselves in accordance with their units. During the period of globalisation, there will be rapid price fluctuations in assets such as shareholdings, bonds, land and buildings, derivatives, etc. Secondly, many people find it difficult to monitor the ownership of property in their assets, investments, duties and various transactions related to financial matters. The best solution for all these is mutual fund. Mutual funds help investors in a complicated and modern financial scenario in both small and medium sizes. Investors purchase units from the mutual fund company by paying amount. The company allotted to units to the investors. Those investors called unit holders. Once returns generated by these investments from their proposed systems are distributed by units. Mutual funds play significant role in terms of resource mobilisation and efficient allocation among unit holders. Besides these, the funds also play a important role within the overall expansion of capital and financial markets. Mutual funds also support efficient participation in monetary and capital market growth and economic growth as a whole.

OBJECTIVES OF THE STUDY

- ❖ To examine balanced, debt, liquid, ELSS, Equity Diversified and Indexed fund schemes of Selected Mutual Funds.
- ❖ To learn how the selected mutual fund schemes are financially performing between 2015 and 2020
- ❖ To study the effectiveness of selected companies by using the Sharpe and Treynor indexes
- ❖ To assess the sensitivity of funds to market movements through beta calculation.
- ❖ Return on risk adaptation funds and schemes by calculating the Alpha of Jensen.

RESEARCH METHODOLOGY

The study time was five years, i.e. from 2015-16 until 2019-20. The sample consists on the average return of past five years of efficient fund companies in India. The broad BSE national index of 100 shares was used as a proxy to determine whether or not the schemes

1916 | Muralidhar Dunna A Study On Financial Performance Evaluation Of Icici, Hdfc And Nippon India Mutual Funds

and funds could beat the market. The data is collected using the secondary sample. Secondary information was collected from fact sheets, newspapers, journals, books and periodicals, in order to provide an overview of Indian mutual fund industries' current trends. The information was collected from the AMC's, AMFI, mutualfundsindia.com websites, moneycontrol.com, valueresearchonline.com etc. Secondary information has also been collected through annual reports of various institutions. In addition, the research work also examines published and unpublished documents.

Table 1.1 FINANCIAL PERFORMANCE EVALUATION OF MUTUAL FUND SCHEMES

Calculated Values of Balanced Fund Schemes							
Name of the scheme	5 Years average return	Beta	Standard Deviation	Treynor Ratio	Jensen's Alpha	Sharpe Ratio	Ranking α / β
HDFC Multi - Asset Dir Gr	10.93	0.70	0.36	0.07	-2.60	0.14	-3.72
HDFC Balanced Adv Dir Gr	14.65	0.80	1.32	0.11	0.00	0.07	0.00
HDFC Equity Savings Dir Gr	12.05	0.85	0.65	0.07	-3.10	0.09	-3.64
HDFC Hybrid Debt Dir Gr	9.85	0.75	0.08	0.05	-4.22	0.50	-5.63
HDFC Hybrid Eq Dir Gr	14.84	0.85	1.37	0.10	-0.31	0.06	-0.36
ICICI Pru Balanced Adv Dir Gr	12.94	0.65	0.88	0.11	-0.05	0.08	-0.08
ICICI Pru Regular Savings Dir Gr	11.25	0.65	0.44	0.08	-1.74	0.12	-2.68
ICICI Pru Multi-Asset Dir Gr	14.52	0.80	1.28	0.11	-0.09	0.07	-0.11
ICICI Pru Equity Savings Dir Gr	10.22	0.85	0.17	0.05	-4.93	0.24	-5.80
ICICI Pru Equity & Debt Dir Gr	14.84	0.82	1.37	0.11	0.00	0.06	0.00
ICICI Pru Child Care Study Dir	15.08	0.84	1.43	0.11	0.00	0.06	0.00
Nippon India Balanced Adv Dir Gr	13.56	0.72	1.04	0.11	-0.19	0.07	-0.26
Nippon India Equity Hybrid Dir Gr	8.78	0.74	0.20	0.04	-5.18	0.14	-7.00
Nippon India Hybrid Bond Dir Gr	4.56	0.87	1.29	-0.02	-10.80	-0.01	-12.42
Nippon India Equity Savings Dir Gr	3.76	0.81	1.49	-0.03	-10.96	-0.01	-13.53

Market Index	16.76	1					
--------------	-------	---	--	--	--	--	--

Evaluation of the performance of balanced fund Schemes

The average return values for the schemes selected for the study are presented in Table 1.1. The results show that all schemes obtained lower returns than the market returns out of 15 balanced schemes. ICICI Pru Child Care Study Dir of ICICI Prudential Asset Management Company Ltd and Nippon India Equity Savings Dir Gr's lowest return on investment. 11 schemes produce double-digit returns from 15 schemes. Durable average returns during this period were slightly below the market return of the ICICI Pru Child Care Study Dir and HDFC Hybrid Eq Dir Gr. When the sample fund was examined in terms of risk, it had a low level of variability in its returns. ICICI Pru Child Care Study Dr took a high risk and generated good returns successfully from managed by ICICI Prudential Asset Management Company Ltd.

The systemic risk (b) of 15 schemes is presented in Table 4.2.1. It's interesting to note that all systems that have less than a beta (that is, beta) imply that portfolios are usually held in each scheme that are less risky than the market portfolio.

ICICI Pru Care Study Dir and ICICI Pru Equity & Debt Dir Gr under the leadership of ICICI Prudential Asset Management Company Ltd have been shown to be more risky, but less risky compared to the market portfolio of other schemes in this category.

ICICI Pru Equity & Debt Dir Gr, ICICI Pru Child Care Study Dir, Nippon India Balanced Adv Dir Gr and HDFC Balanced Adv Dir Gr show show higher and equal Treynor Index, Indicates the adequate return per unit of systematic risk taken from investors invest in a well diversified portfolio of mutual funds. Increased positive Alpha value shows improved performance in the schemes. The analysis reveals the negative value of the alpha of all 15 schemes; it means all the schemes performing below the market return.

The table also shows the value of the reward to the variability ratio of Sharpe. The return per unit risk is excessive, i.e., per unit of standard deviation. This is the result of the return. The positive index value shows good results. Only two of them have been negative values and remaining schemes are showing noted a positive value, showing adequate rates of return compared to the risk level.

Thus, based on the above discussion, it can be concluded that the majority of sample funds had higher returns, less than the market portfolio and less return variability compared to their market portfolios. Many schemes have earned a greater return on risk-free security than their average return.

Table 1.2

Calculated Values of Equity Diversified Fund Schemes							
Name of the scheme	5 Years average return	Beta	Standard Deviation	Treynor Ratio	Jensen's Alpha	Sharpe Ratio	Ranking a / ß
HDFC Focused 30 Dir Gr	13.79	1.00	0.79	0.08	3.03	0.10	3.03
HDFC Small Cap Dir Gr	19.3	0.87	0.39	0.15	9.94	0.34	11.42
HDFC Capital Builder Value Dir Gr	17.01	0.72	0.10	0.15	9.26	1.10	12.87
HDFC Mid-Cap Opportunities Dir Gr	17.82	0.96	0.07	0.12	7.49	1.63	7.80
HDFC Flexi Cap Dir Gr	18.51	1.04	0.22	0.12	7.32	0.57	7.04
HDFC Top 100 Dir Gr	17.97	1.01	0.10	0.12	7.10	1.15	7.03
ICICI Pru Midcap Dir Gr	17.24	0.94	0.05	0.12	7.13	2.20	7.58
ICICI Pru Smallcap Dir Gr	16.65	0.92	0.18	0.12	6.75	0.60	7.34
ICICI Pru Bluechip Dir Gr	18.2	0.94	0.15	0.13	8.09	0.79	8.60
ICICI Pru Focused Equity Dir Gr	17.34	0.76	0.03	0.15	9.16	3.80	12.06
ICICI Pru Value Discovery Dir Gr	15.58	0.86	0.41	0.11	6.33	0.24	7.36
ICICI Pru Banking & Fin Svcs Dir Gr	22.29	0.96	1.03	0.17	11.96	0.16	12.46
ICICI Pru Multicap Dir Gr	17.03	0.98	0.10	0.11	6.49	1.15	6.62
ICICI Pru Infrastructure Dir Gr	13.46	0.94	0.86	0.08	3.35	0.09	3.56
ICICI Pru Dividend Yield Equity Dir Gr	14.35	0.89	0.67	0.09	4.77	0.13	5.36
Nippon India Value Dir Gr	17.9	1.07	0.09	0.11	6.39	1.33	5.97
Nippon India Focused Equity Dir Gr	19.09	1.15	0.34	0.11	6.72	0.38	5.84
Nippon India Quant Dir Gr	15.7	0.79	0.38	0.12	7.20	0.26	9.11
Nippon India Growth Dir Gr	18.98	0.93	0.32	0.14	8.97	0.41	9.65
Nippon India Large Cap Dir Gr	17.02	1.08	0.10	0.10	5.40	1.12	5.00

Nippon India Banking Dir Gr	18.01	1.02	0.11	0.12	7.03	1.06	6.90
Nippon India Small Cap Dir Gr	21.33	0.91	0.82	0.17	11.54	0.19	12.68
Market Index	16.76	1					

Performance Evaluation of Equity Diversified Fund Schemes

Table 1.2 shows that 10 percent of the equity diversified funds schemes were lower than the market average return. The results indicated that out of 22 equity diversified fund schemes, higher returns were achieved by all schemes in comparison to returns on the market, except four. No scheme has negative values.

ICICI Pru Banking & Fin Svcs Dir Gr managed by ICICI Prudential Asset Management Company Ltd Shares 1st place on average return and followed by Nippon India Small Cap Dir Gr launched by Nippon India Asset Management Company Ltd.

Most schemes are less risky compared to market risks with respect to risks. The standard deviation differs between the 0.03 and 1.03 in the table. ICICI Pru Focused Equity Dir Gr and HDFC Mid-Cap Opportunities Dir Gr show less variance in the returns and ICICI Pru Banking & Fin Svcs Dir Gr displays the highest variability in return. Beta varies from minimum 0.07 to 1.08 for the Scheme as it is observed.

It is further noted that the highest risks were born by Nippon India Large Cap Dir Gr, Nippon India Value Dir Gr, and also sufficient returns were made to investors.

Seven plans contain more than one beta system (i.e. beta) which means that these plans tend to be more risky portfolio than the market portfolio. In addition, 1 tended to hold portfolios with a similar risk to market portfolios.

Some 15 schemes are beta-less than one (i.e. beta on the market), suggesting that these schemes tend to be less risky than those on the market. Increased positive alpha value shows improved performance. The Table analysis shows that no alpha scheme shows a negative value.

Thus, based on the above debate it can be concluded that the return of these funds schemes is fluctuating significantly and that most schemes generate greater returns compared to the same level of risk in the market return.

HDFC Capital Builder Value Dir Gr has been better than others and is number-one based on the Jensen Ranking followed by ICICI Pru Banking & Fin Svcs Dir Gr.

Table 1.3

Calculated Values of Debt Fund Schemes							
Name of the scheme	5 Years average return	Beta	Standard Deviation	Treynor Ratio	Jensen's Alpha	Sharpe Ratio	Ranking a / ß
HDFC Banking & PSU Debt Dir Gr	8.93	1.36	0.08	0.02	-11.70	0.36	-8.61
HDFC Corporate Bond Dir Gr	8.98	0.82	0.09	0.04	-5.84	0.33	-7.13
HDFC Credit Risk Debt Dir Gr	9.16	-0.8	0.12	-0.04	11.45	0.27	-14.86
HDFC Dynamic Debt Dir Gr	7.33	1.13	0.18	0.01	-10.83	0.07	-9.58
HDFC Floating Rate Debt Whls Dir Gr	8.15	0.42	0.05	0.05	-2.37	0.47	-5.64
HDFC Gilt Dir Gr	8.81	0.52	0.06	0.05	-2.79	0.46	-5.36
HDFC Income Dir Gr	7.96	1.26	0.08	0.02	-11.60	0.26	-9.20
HDFC Low Duration Dir Gr	8.12	0.44	0.05	0.05	-2.61	0.42	-5.94
HDFC M/T Debt Dir Gr	8.94	0.66	0.08	0.04	-4.16	0.36	-6.31
HDFC Money Market Dir Gr	7.28	1.25	0.19	0.01	-12.17	0.07	-9.74
HDFC S/T Debt Dir Gr	8.66	0.72	0.04	0.04	-5.09	0.71	-7.07
ICICI Pru All Seasons Bond Dir Gr	10.82	1.06	0.39	0.05	-6.59	0.12	-6.21
ICICI Pru Banking & PSU Debt Dir Gr	8.92	0.96	0.08	0.03	-7.41	0.37	-7.72
ICICI Pru Bond Dir Gr	9.03	1.13	0.10	0.03	-9.13	0.31	-8.08
ICICI Pru Const Mat Gilt Dir Gr	10.6	0.82	0.35	0.06	-4.22	0.13	-5.15
ICICI Pru Corporate Bond Dir Gr	8.72	0.59	0.05	0.05	-3.63	0.58	-6.15

ICICI Pru Credit Risk Dir Gr	9.25	0	0.13	-0.81	3.68	0.24	-92.01
ICICI Pru Floating Interest Dir Gr	8.77	-0.3	0.06	-0.09	6.11	0.50	-19.70
ICICI Pru Gilt Dir Gr	10.68	0.7	0.36	0.07	-2.85	0.13	-4.07
ICICI Pru Long Term Bond Dir Gr	10.4	5.24	0.32	0.01	-51.98	0.14	-9.92
ICICI Pru Medium Term Bond Dir Gr	9.01	0.62	0.09	0.05	-3.66	0.32	-5.91
ICICI Pru Money Market Dir Gr	7.21	1.11	0.20	0.01	-10.73	0.06	-9.67
ICICI Pru Savings Dir Gr	8.17	0.48	0.04	0.05	-2.99	0.51	-6.24
ICICI Pru Short Term Dir Gr	9.32	1.08	0.14	0.03	-8.30	0.23	-7.69
ICICI Pru Ultra Short Term Dir Gr	8.53	0.66	0.02	0.04	-4.57	1.56	-6.93
Nippon India Bnk& PSU Dbt Dir Gr	8.85	2.52	0.07	0.01	-24.27	0.42	-9.63
Nippon India Corporate Bond Dir Gr	8.23	0.3	0.03	0.07	-1.00	0.69	-3.33
Nippon India Credit Risk Dir Gr	4.49	-4.8	0.64	0.00	49.82	-0.02	-10.44
Nippon India Dynamic Bond Dir Gr	8.51	1.61	0.01	0.02	-14.81	1.93	-9.20
Nippon India FRF Dir Gr	8.41	1.32	0.00	0.02	-11.79	7.43	-8.93
Nippon India Gilt Sec Dir Dfnd Mat Gth	11.28	0.75	0.46	0.07	-2.79	0.11	-3.72
Nippon India	11.14	0.75	0.44	0.07	-2.93	0.12	-3.91

Gilt Sec Dir Gr							
Nippon India Income Dir Gr	9.42	1.71	0.16	0.02	-14.98	0.21	-8.76
Nippon India Low Duration Dir Gr	7.66	0.59	0.12	0.03	-4.69	0.13	-7.95
Nippon India Money Market Dir Gr	7.23	1.23	0.19	0.01	-12.00	0.06	-9.76
Nippon India Short Term Dir Gr	8.45	1.62	0.00	0.02	-14.98	7.55	-9.25
Nippon India Strategic Debt Dir Gr	-0.99	0.13	1.53	-0.54	-8.39	-0.05	-64.53
Nippon India U/ST Duration Dir Gr	5.92	1.37	0.41	0.00	-14.82	0.00	-10.82
Market Index	16.76	1	-	-	-	-	-

Performance Evaluation of Debt Fund Schemes

The values of the average yields of the selected schemes are shown in Table 1.3. From 38 debt fund schemes introduced by selected mutual fund companies, the findings are clear. In comparison to the market return on all 38 schemes, 100 percent of debt fund schemes are below market returns. Only 10 percent of schemes received average double digit returns. Only one scheme i.e., Nippon India U/ST duration Dir Gr indicates a negative return. The table contains 38 schemes with a systemic risk (b). It is important to note that 50% of systems are beta-low (i.e. market beta) which means that they are less risky than market portfolios. These schemes are also less risky.

Nippon India Gilt Sec Dir Dfnd Mat Gth and Nippon India Gilt Sec Dir Gr earned higher average returns compared to other schemes in the table. HDFC Credit Risk Debt Dir Gr, ICICI Pru Floating Interest Dir Gr, Nippon India Credit Risk You have positive schemes with a negative beta. Beta in the table varies from -4.8 to 5.24. ICICI Pru Long Term Bond Dir Gr indicates higher beta of 5.24 in the table implies that the scheme was designed to hold more risky portfolios than the portfolio in the market.

The table value of Sharp's variability compensation shows that 43 percent of schemes have unfavourable results in relation to risk. 90% of funds show a positive Trinor index

indicating the appropriate return per unit of systemic risk undertaken for investors investing in mutual funds in order to create a properly diversified portfolio. It is surprising that 10% of the schemes were poor than risk-free returns (6 percent).

Based on the Jensen alpha measure, 90 percent of the schemes were found to have negative alpha values and to be inefficient in predicting future security prices in time with the fund managers, which resulted in these schemes being poorly performed. Thus, on the basis of the debate above, Most sample funds have a less return on the market than market rates. Hence, it can be concluded that many schemes earned a lower return than the average risk free return.

Nippon India Gilt Sec Dir Dfind Gilt Mat Gth better performed, followed by Nippon India Gilt Sec Dir Gr and shared 1st and 2nd positions on Jensen Ranking, among other common fund schemes.

Table 1.4

Liquid Fund Scheme Calculated Values							
Name of the scheme	5 Years average return	Beta	Standard Deviation	Treynor Ratio	Jensen's Alpha	Sharpe Ratio	Ranking a / β
HDFC Liquid Dir Gr	6.38	0.99	0.05	0.01	-10.27	0.08	-10.38
ICICI Pru Liquid Dir Gr	6.47	0.99	0.01	0.01	-10.18	0.47	-10.29
Nippon India Liquid Dir Gr	6.52	1.01	0.03	0.01	-10.35	0.17	-10.25
Market Index	16.76	1					

Liquid Fund schemes performance evaluation

The values of average returns on the liquid schmes chosen for this study are shown in Table 1.4. Results indicate that all three schemes generated an average return lower than their market yield. Out of these three schemes, Nippon India Liquid Dir Gr shows higher return when compared to other schemes. No scheme providing negative return in the table. The systemic risk (β) of three schemes is presented in Table 1.4. It is observed that two of the systems have beta less than market beta, thereby implying that these schemes have more or less risky portfolios than the market portfolio. Compared with other schemes in this category, the Nippon India Liquid Dir Gr was more risky.

Thus, the discussion above shows that the majority of sample funds have lower returns than the market return but all schemes have achieved higher returns than a risk-free security return.

Table 1.5

Calculated Values of ELSS Fund (Tax Planning Fund) Schemes							
Name of the scheme	5 Years average return	Beta	Standard Deviation	Treynor Ratio	Jensen's Alpha	Sharpe Ratio	Ranking a / ß
HDFC TaxSaver Dir Gr	14.78	0.97	0.32	0.09	-1.66	0.27	-1.71
HDFC L/T Advantage Dir Gr	19.23	0.97	1.90	0.13	2.79	0.07	2.88
ICICI Pru Long Term Eq (Tax Sav) Dir Gr	16.57	0.97	0.57	0.11	0.13	0.19	0.14
Nippon India Tax Saver Dir Gr	11.15	1.10	2.14	0.05	-6.69	0.02	-6.08
Market Index	16.76	1					

Tax planning fund schemes performance evaluation

The average ELSS return levels selected for the study are given in Table 1.5. The results have shown that only one scheme has achieved higher returns than the market return in the four tax planning schemes. The highest return generated from the HDFC L/T Advantage Dir Gr scheme of HDFC AMC and the lowest returns from the Nippon India Tax Saver Dir Gr of Nippon India Asset Management. Every scheme produces a double-digit return.

The results show that the return on the market was better compared to all schemes. The study shows that sampling schemes were better than returns without risk and one HDFC L/T Advantage scheme Dir Gr has been better than the average market return. With regard to risk, all sample schemes, except for one, have taken a lower risk than market risk. Furthermore, the beta varies between 0.32 and 2.14 for the scheme. Many schemes have betas below one (i.e. betas on the market), that means that the portfolios of these schemes tend to be less risky than the market portfolio.

Compared to other schemes in this category, Nippon India Tax Saver Dir Gr was found to be more risky than the market portfolio. The table's analysis shows that, other than the HDFC TaxSaver Dir Gr and HDFC TaxSaver Dir Gr schemes, the alpha is positive and thus shows superior achievement. The HDFC L/T Advantage Dir Gr Scheme has improved amongst

other mutual funds schemes on the basis of the Jensen ranking is ranked number one.

Table 1.6

Index fund schemes calculated values							
Name of the scheme	5 Years average return	Beta	Standard Deviation	Treynor Ratio	Jensen's Alpha	Sharpe Ratio	Ranking a / β
HDFC Index Nifty 50 Dir	17.81	1	0.06	0.12	1.05	1.97	1.05
HDFC Index Sensex Dir	18.63	1	0.4	0.13	1.87	0.32	1.87
ICICI Pru Nifty Next 50 Index Dir Gr	15.88	0.93	0.72	0.11	-0.13	0.14	-0.14
ICICI Pru Nifty Index Dir Gr	17.63	1	0.01	0.12	0.87	11.63	0.87
Nippon India Index Nifty Dir Gr	17.60	0.99	0.02	0.12	0.95	5.8	0.96
Nippon India Index Sensex Dir Gr	18.35	0.98	0.28	0.13	1.81	0.44	1.84
Market Index	16.76	1					

Index fund schemes' performance evaluation

The average return value of the Index Fund schemes selected for the evaluation is presented in Table 1.6. Out of 6 index funds schemes, the results indicate. All schemes achieved higher rates than the market rates except for ICICI Pru Nifty Next 50 Index Dir Gr. The highest returns generated by HDFC Index Sensex Dir of HDFC Assets Management Company and the lowest return from the ICICI Pru Nifty Next 50 Index Dir Gr managed by ICICI Prudential Asset Management Company. All schemes generate double digit return.

The results show that the return on the market was better compared to all schemes. The analysis showed that the sample schemes were better than the return without risk and were better than the average market return. Regarding risk, all sample systems, with the exception of 3 schemes, have taken less risk than market risk. Beta is also shown to vary from minimum 0.93 to 1. Many schemes have beta below one (i.e. betas on the market), that means that the portfolios of these schemes tend to be less risky than the market portfolio.

HDFC Index Nifty 50 Dir, HDFC Index Sensex Dir and ICICI Pru Nifty Index Dir Gr schemes have the same risks, equivalent to market risks.

The Table analysis reveals that, with the exception of ICICI Pru Nifty Next 50 Index Dir Gr, all schemes have good alpha results, indicating superior performance. Among other mutual funds schemes, the HDFC Index Sensex Dir has achieved a better result and could be classified at the top level in the Jensen ranking.

CONCLUSION

Balanced Fund schemes were assessed for their performance in terms of average returns. In comparison to the Benchmark Index, most mutual funds schemes have shown better performance.

The performance of schemes showed improved returns and most systems outperformed the benchmark in the event that equity diversified schemes were implemented. The analysis of Equity Diversified Systems provides the Sharp Index information, in which it analysed that the majority of funds exceeded the benchmark of Sharpe. This demonstrates that the diversified equity systems are well diversified.

Gilt Fund Schemes results showed a poor return in most of the schemes compared to market returns. The analysis demonstrates that all systems are less vulnerable than market risks. Returns equal to market risks free returns failed by 44 percent schemes.

In addition, schemes of income funds have demonstrated poor performance. Only few systems have been implemented per market. In general, this particular sector was not good on the market.

Furthermore, only 4% of the schemes for liquid funds Over performed the market and all systems showed poor performance. Beta less than one is the majority of the schemes. Compared to the market, the results of Tax Planning Fund schemes generated higher returns. In the case of returns, the efficiency of the schemes was better and rates were lower compared to the market.

REFERENCES

1. Agrawal D., "Measuring Performance of Indian Mutual Funds" Finance India, Available at SSRN:<http://ssrn.com/abstract=1311761> (2011)
2. Debasish, Sathya Swaroop "Investigating Performance of Equity-based Mutual Fund Schemes in Indian Scenario" KCA Journal of Business Management, (2009), 2(2), 1-15.
3. Garg, Sanjay "A Study on Performance Evaluation of Selected Indian Mutual Funds" International Journal of Innovation Creativity and Management (IJICM), (2011), 1(1), 1-10.
4. Gupta Amitabh, "Mutual Funds in India: A Study of Investment Management", Finance India, Vol. XV (2), (2001), pp. 631-637.
5. Irwin, Brown, FE, et al., "A Study of Mutual Funds: Investment Policy and Investment Company Performance" reprinted in Hsiu-kwangwer and Alan Jzakon (Ed.) Elements of Investments, New York: Holt, Renchart and Winston, (1965), pp.371-385.
6. Jensen Michael C, "The Performance Of Mutual Funds In The Period 1945-1964", Journal of Finance, Vol. 23, (1967), pp.389- 416.
7. Muthappan P K & Damodharan E. "Risk -Adjusted Performance Evaluation of Indian Mutual funds schemes" Finance India, vol. xx(3), (2006), Pp 965-983.
8. Prabakaran, G and Jayabal, G "Performance Evaluation of Mutual Fund Schemes in India: An Empirical Study" Finance India, 24 (4), (2010), PP1347-1363.
9. Prof. Banerjee Ashok et. al "Performance of Indian Equity Mutual Funds vis-à-vis their style benchmarks: An empirical exploration", available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=962827, (2007), PP.1-18
10. Rasheed Haroon, Qadeer Abdul "Performance Evaluation of Survivorship-Biased Open-Ended Mutual Funds in Pakistan", International Research Journal of Finance and Economics ISSN 1450-2887 Issue 82 (2012) pp.6-14.
11. Sharpe, William F "Mutual Fund Performance", The Journal of Business, Vol. 39(1), (1966), pp.119-138.
12. Sondhi H J and Jain P.K, " Financial Management of private public equity mutual funds in India : An Analysis of profitability" The ICFAI Journal of Applied Finance, 2005 pp.14-27

13. Treynor, J. "How to Rate Management of Investment Funds", Harvard Business Review, Volume 43(1), (1965), pp. 63-75.

14. Treynor and Mazuy, "Can Mutual Funds Outguess The Markets" Harvard Business Review, Vol. 44(4), (1966), pp.131-136.

WEB REFERENCES

1. www.allresearchjournal.com
2. www.amfiindia.com
3. www.dmims.edu.in
4. www.franklintempleton.com
5. www.icaai.org
6. www.indiainfoline.com
7. www.ircjournals.org
8. www.ircjournals.org
9. www.mobikwik.com
10. www.moneycontrol.com
11. www.mutualfundsindia.com
12. www.rbi.com
13. www.reirc.com
14. www.scribid.com
15. www.sebi.com
16. www.shodhganga.inflibnet.ac.in
17. www.uti.com
18. www.valueresearchonline.com