"Performance Analysis of Mutual Fund Schemes- A comparative study with reference to SBI Mutual Fund and HDFC Mutual Fund"

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ABSTRACT

India is quickly becoming the next major investment destination due to its high savings and investment rate. Mutual funds are viewed as a transparent and affordable investment choice in the current shifting financial climate, attracting investors and aiding in the expansion of the sector. This study is an attempt to analyse the performance of select Mutual Fund schemes offered by SBI Mutual Fund and HDFC Mutual Fund as well as study the attitude of investors towards Mutual Fund schemes. The analysis employs various performance indicators, including Returns analysis, Standard deviation, and Annual growth analysis, to assess the funds performance over a specific time period. The findings reveal significant differences in the performance of the mutual fund schemes offered by SBI Mutual Fund and HDFC Mutual Fund. The study highlights the importance of considering quantitative factors when evaluating mutual fund performance. The outcomes of this research contribute to the understanding of the dynamics and competitiveness of the mutual fund industry, aiding investors in making informed decisions while selecting investment options.

Keywords: Investment, Mutual fund, Equity Schemes.

INTRODUCTION

Building and creating wealth is the moto of everyone to be financially healthy/ well off and to face future uncertainties of life. The process of creating wealth starts with savings and investment from current income.

Savings- Saving is the difference between income and expenditure. One of the key components of accumulating wealth and having a stable financial future is by saving money. We can avoid life's uncertainties by saving money, which also allows us the chance to live a decent life. We can prevent many difficulties and barriers in life by setting away money in a disciplined manner. It can help us in times of need and make sure that everyone has resources in case something unfavorable happens. There are several good reasons to save, as well as simple ways to do so.

Investment- Investment is an act of putting our savings in action by purchasing assets of financial and non-financial nature. Investment is done for securing future financial needs by saving money in present.

CONCEPT OF MUTUAL FUND

A mutual fund is a collection of funds that is professionally managed by a fund manager. A trust that invests money in stocks, bonds, money market instruments or other assets after collecting funds from a group of participants who have similar investing goals. And by determining a scheme's "Net Asset Value" or NAV, the income or profits from this collective investment are dispersed equally among the investors after taking into account any applicable costs and taxes. Simply explained, a mutual fund is made up of the money that many different investors have pooled together.

LITERATURE REVIEW

1. *Raj, Manisha. et al. (2018) in their research paper titled "*Performance of Mutual Funds In India: A Comparative Analysis of SBI Mutual Funds And HDFC Mutual Funds" studied the risk and return involved in the SBI mutual funds in comparison with the HDFC mutual funds for the investors to invest. The methodology of the study is based on the examination of secondary data, which was gathered via reading numerous research papers and articles written by various writers. The NAV data was gathered for the time frame of 1 May 2016 to 30 April 2017. MS Excel was used to tabulate and evaluate the data that was gathered. The broad-100 shared base BSE National Index was used as the study's benchmark index. The risk-free rate of return, also known as the minimum return on investment with no risk of losing the investment over which it is earned, has been determined to be 7.52% for the 10-year bond rate issued by the Indian government in 2016. And it was found that Compared to HDFC Mutual Funds, SBI Mutual Funds had a better rate of return. The study had also shown that SBI Mutual Funds had a lower standard deviation than HDFC Mutual Funds, indicating less historical volatility and reduced risk. It was argued that HDFC Mutual Funds has a strong positive correlation with the benchmark index, meaning that it closely resembles the benchmark, which is the objective of every fund. According to the study It was possible to say that the overall beta of SBI mutual funds was lower than that of HDFC mutual funds, signalling that there will be less risk involved because their investment will be less volatile than the market.
2. *Sureshbhai, Sharma Durgesh. et al. (2020-21) in their paper titled* "A Study on Comparison of Mutual Fund Schemes". In the study, the researcher analysed the performance of 5 AMCs to determine which AMC outperformed the others. Goals of the Research was to determine which of a few mutual funds offers a better return at a lower risk to conduct a comparison of a few different mutual fund plans, analyse the risk and return of various mutual fund plans. The performance of the mutual fund schemes was compared to their benchmark return in order to determine which mutual fund was offering investor's the higher return over the course of five years. The descriptive form of research design that was employed in this project serves as the foundation for the investigation. This study employed secondary data that was gathered from numerous research papers. The study took into account the five-year period from 2016 to 2020. In order to quantify return volatility, this study used the statistical tools and techniques Alpha, Beta, standard deviation, and Sharpe ratio. And it was found that the stock plans offer a return in exchange for taking a risk, whereas the debt schemes offer a return with no risk. The benchmark return was less, but the large-cap fund delivered a superior return. A better return was provided by the small cap fund, the Nippon small cap fund 17.11%, although the risk was also substantial. In comparison to other AMCs, ICICI's low duration fund has given or provided a greater return over the past year (7.78%) and over the past five years (compared to other AMCs). The ICICI

prudential short-term fund offers a greater return of 7.86%. In comparison to other medium to long term funds, SBI offers the best or greatest return.

3. *Gaywala, Dr. Dipak. et al. (2023) in their research paper titled* "A Comprehensive Project Report on Financial Study of Investment in Mutual Funds" studied the scope of comparing the chosen mutual funds to assess and compare various mutual funds based on their performance, risk, investment strategy, management, and other aspects, to provide insights for investors to make informed investment decisions. Objectives of the study was to evaluate and contrast SBI and HDFC Mutual Fund's performances, paying particular attention to Equity and Flexi cap Mutual Funds, and to determine which is the best, to understand the risk and return relationships for each mutual fund scheme under consideration using different statistical measures, to compare schemes return and risk with benchmark i.e. S&P BSE 100. And it was found that Debt funds that only lend to banks and government organisations called banking and public sector debt funds, due to the high calibre of the borrowers, the risk of default is very low, Mutual funds from SBI Banking and PSU Fund Regular Plan- Growth and HDFC Banking and PSU Fund Regular Plan- Growth both invest primarily in debt securities issued by banks, PSUs, PFIs, and municipal bonds. The Sharpe ratio and alpha ratio of the SBI flexi cap fund have a poor risk adjusted return, however they have a superior risk adjusted return for the HDFC flexi cap fund.

4. *Pal, Shilpi. et al. (n.d) In their paper titled* "A Critical Analysis of Selected Mutual Funds In India" studied the performance of a few selected Indian debt or income mutual fund schemes based on daily NAV. The goals of this study was to compare the performance of the top 10 equities mutual fund schemes based on various performance metrics, to examine the best mutual fund house in the equity mutual fund category, and to examine the performance of the top 10 equity mutual fund schemes overall. Each mutual fund scheme's daily NAV and benchmark values for the years of October 2007 to October 2012 were taken into consideration for this analysis. The market value per share of a fund was shown by its net asset value (NAV) There were many statistical methods employed, including Standard Deviation, Beta, Sharpe ratio, and R-square. An excel spreadsheet was used for all calculations. And it was found that Quantum Long-Term Equity (G), Birla Sun Life MNC Fund (G), and HDFC Mid Cap Opportunities (G) emerge as the top mutual fund schemes when comparing the 3-year and 5-year CAGR of all equity mutual funds. Yet when compared to all other mutual fund schemes, Birla Sun Life MNC Fund (G) has the highest expense ratio, at 2.35. Between Quantum Long-Term Equity (G) and HDFC Mid Cap Opportunities (G), the latter has the lower expense ratio (1.25). But, when their standard deviations were compared, HDFC Mid Cap Opportunities (G) has a lower risk attached to it, with a value of 0.013. In both instances, Beta and square were essentially identical. As a result, the researcher concluded that HDFC Mid Cap Opportunities (G) was the best mutual fund strategy available.

5. *Naik, Arpitha. et al. (n.d) In their paper titled* "A Study on Investors Perception Towards Mutual Funds with due reference to SBI Mutual Funds" This paper's analysis and recommendations were based on market research on investors' saving and investing habits as well as their preferences for investing in mutual funds. The study's goal was to determine the degree of mutual fund investor awareness, to

understand the portfolios' preferences in order to understand why one invested in SBI Mutual Funds, to determine the channel that is most popular, to ascertain the interest of investors in SBI Mutual Funds, to evaluate comparison research with other top mutual funds on the market now. Analytical and descriptive research techniques were used. With a sample size of 50, the population includes both investors and non-investors in mutual funds. Both primary and secondary data were gathered using a convenience sampling method with no probability. Bar graphs, pie charts, and SPSS software were used to analyse the data. According to the goals, the acquired data were examined and coded. And it was found that 70% of respondents have bought mutual funds, 30% of investors have not used mutual funds, 6% of people haven't invested in mutual funds since they're ignorant out of them 4% because they carry considerable risk 20% do not give a justification. SBI mutual funds have received 42% of the investments, while HDFC mutual funds have received 10%, 10% of investors have funds from ICICI, 8% in mutual funds from AXIS.

6. *Ganapathi, R. (n.d) In his paper titled* "Investors perception towards Mutual Fund: An empirical study with reference to Coimbatore City" the purpose of the study was to examine how investors in Coimbatore City see mutual funds. The study's particular goals were to explore retail investors' opinions of mutual funds with reference to Coimbatore city and to assess the performance of chosen mutual funds based on the risk-return relationship. The mutual fund schemes as of 1 April 1999, with a five-year history in the business, were included in the current analysis. The study duration, sample design, data and their sources, and data analysis were all part of the technique used here. The primary goals of the study were to examine the development and assess the performance of the mutual fund sector in India during the course of the research period. The Researcher gathered information on investors' risk tolerance, projected return, amount of mutual fund expertise, level of confidence in their mutual fund investments, length of time invested in mutual funds, and level of downside risk they were willing to accept. The information was gathered by the well-structured questionnaire, and an interpretation were made based on that analysis. More than 60% of respondents who were 25 years of age or younger stated that they have a moderate level of risk tolerance. While the respondents aged 26 to 35 have a low risk tolerance level of around 30% and a moderate risk tolerance level of about 57% respectively. The age group of respondents 45 years of age and above has the highest number of respondents who have low risk tolerance (35.7%). Only 46.4% of people in the same age group also have a moderate risk tolerance rating. When compared to other age groups, this percentage is smaller. When compared to other age groups, the proportion of respondents who have a high risk tolerance level is higher (21.4%) in the 25 years or younger age group. This demonstrates that there were no significant relationship between the respondents' age group and their level of risk tolerance. The null hypothesis were accepted because the calculated value is less than the table value at the 5% level of significance for 6 degrees of freedom.
7. *Dhall, Neelam. et al. (n.d) In their paper titled* "Investors Awareness and Perception towards Mutual fund investment: An Exploratory study" the purpose of the study was to examine investor awareness and impression of mutual funds as an investment vehicle. The study's goals were to examine investors' knowledge of and attitudes towards investing in mutual funds, to determine the factors that influence their decision to do so, and to investigate the effects of demographic factors like age and gender on

investors' attitudes towards investing in mutual funds. The study was carried out utilising primary data and a questionnaire. Close-ended questions were included in the questionnaire's development. Additionally, a Likert Scale with five points was utilised to gather and examine the data. By obtaining leads from references, personal contacts, and other sources, primary research was conducted. The data of 105 respondents residing in Delhi-NCR was gathered. The data was analysed with the help of Chi-Square test, bar graphs and percentages. The researcher found that there was crucial relationship between gender and investors perception with respect to returns in mutual funds and there also exist relationship between age and investor perception regarding higher tax benefits provided by mutual funds.

OBJECTIVES OF THE STUDY

This work is undertaken with the following objectives:

1. To analyze the performance of select equity Mutual Fund schemes.
2. To study the attitude of investors towards Mutual Funds.

RESEARCH METHODOLOGY

Source of Data

The study is supported by both primary and secondary data. primary is collected by using google form questionnaire. Websites, publications, journals, etc. are used to get the secondary data.

Period of the study

The performance study is carried out using secondary data NAV data for a 6-year period starting from April 2017 and ending in March 2023 is taken for calculation. The primary data is collected in the year during February-April, 2023.

Sampling Frame

For analysis of the performance of Mutual fund schemes

Two AMCs are chosen for this study among a total of 45 mutual fund houses in India; -

- SBI Mutual Fund
- HDFC Mutual Fund

The performance of only equity mutual funds is examined in the current study. Accordingly, 4 select equity schemes, namely large cap fund, mid cap fund, small cap fund, and ELSS from each Asset Management Companies are analysed in this study. The schemes include:

	SBI MUTUAL FUND	HDFC MUTUAL FUND
1	SBI Blue Chip Fund	HDFC Top 100
2	SBI Magnum Mid Cap Fund	HDFC Mid Cap Opportunities Fund
3	SBI Small Cap Fund	HDFC Small Cap Fund
4	SBI Tax Advantage Fund Series- 3	HDFC Tax saver Fund

Statistical Tools of Analysis

Return Analysis

The average return of the schemes is calculated using Net Asset Value (NAV) data. The following formula is used for this purpose:

$Rp = NAV_t – NAV_{t-1} / NAV_{t-1}$

Rp = Portfolio return

NAV_t = Net Asset Value at the end of the period

NAV_{t-1} = Net Asset Value at the beginning.

Standard Deviation

The standard deviation quantifies the return volatility of a fund in proportion to its mean. It indicates the potential deviation of the schemes return from the historical mean return of the scheme.

Higher the Standard Deviation, more volatile is the fund's returns. Investors prefer funds with lower volatility. Here, The Formula to Standard Deviation is; -

$S.D = \sqrt{\sum (R-\bar{R})^2 / N}$

LIMITATIONS OF THE STUDY

When doing this research work, there were several constraints. The advantages of the study have outweighed the constraints, which are acknowledged as being a component of the endeavor. These are some of the limitations of the current study.

- It was challenging to locate reliable papers or information on the subject.
- The Primary data is gathered from google form questionnaire therefore, there can be chances of biasness in responses.
- Lack of time, which makes thorough research difficult.
- The study is exclusively focused on equity-based systems hence, the entire AMC performance can't be determined.
- For analysis, only four equity schemes are taken into account which doesn't represents the entire schemes.
- The analysis of the data is restricted to a 6-year time frame.

DATA ANALYSIS & INTERPRETATION

Analysis of the performance of select Mutual Fund schemes

Table 1: Return Analysis of SBI Blue Chip Fund & HDFC Top 100 Fund

Years	SBI Blue Chip Fund (Returns) in%	Annual growth rate	HDFC Top 100 (Returns) in %	Annual growth rate
2017-2018	11.6	NIL	6.61	NIL
2018-2019	4.98	-132.93	17.27	61.73
2019-2020	-23.82	120.96	-31.31	155.16
2020-2021	81.86	129.09	73.74	142.46
2021-2022	15.74	-420.08	20.02	-268.33
2022-2023	2.37	-564.14	5.14	-289.49

(Source: AMFI website)

Interpretation: From the above graph it is found that the returns from HDFC Top 100 fund is fluctuated more as compared to SBI Blue Chip. The return from SBI Blue Chip was found to be highest in the year 2020-2021(81.86%) There is a fall in the return for both the fund in the year 2022-2023, however, the fall was found to be higher in case of HDFC Top 100 fund.

Table 2: Volatility Analysis of SBI Blue chip fund & HDFC Top 100

Years	SBI Blue Chip Fund (Returns) R	**(R-R̄)**	**(R-R̄) ²**	HDFC Top 100 (Returns) R	**(R-R̄)**	**(R-R̄) ²**
2017-2018	11.6	-3.86	-7.72	6.61	-8.64	-17.28
2018-2019	4.98	-10.48	-20.96	17.27	2.03	4.12
2019-2020	-23.82	-39.28	-78.56	-31.31	-46.56	-93.12
2020-2021	81.86	66.41	4410.29	73.74	58.49	3421.08
2021-2022	15.74	0.29	0.08	20.02	4.78	22.85
2022-2023	2.37	-13.09	-26.18	5.14	-10.11	-20.22
	∑R = 92.73		**∑(R-R̄)² =4276.95**	**∑R = 91.47**		**∑(R-R̄)² =3317.43**

SBI Blue chip Fund

Mean $(\bar{R}) = \sum R/N = 92.73/6 = 15.455$

Standard Deviation $= \sqrt{\sum (R-\bar{R})^2 / N}$

$= \sqrt{4276.95/6} = 26.69$

HDFC Top 100

Mean $(\bar{R}) = \sum R/N = 91.47/6 = 15.245$

Standard Deviation $= \sqrt{\sum (R-\bar{R})^2 / N}$

$= \sqrt{3317.43/6} = 23.51$

Interpretation: From the above Table it can be seen that SBI Blue chip fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among the two schemes.

Table 3: Return analysis of SBI Magnum Mid Cap fund and HDFC Mid Cap Opportunities fund

Years	SBI Magnum Mid Cap Fund (Returns) in%	Annual growth rate	HDFC Mid Cap Opportunities Fund (Returns) in%	Annual growth rate
2017-2018	7.85	NIL	11.87	NIL
2018-2019	-5.78	235.81	0.52	-2182.69
2019-2020	-29.86	80.64	-30.32	101.72
2020-2021	108.44	127.54	93.21	132.53
2021-2022	26.76	-305.23	22.95	-306.14
2022-2023	5.17	-417.60	9.73	-135.87

(Source: AMFI website)

Interpretation: From the above graph it is found that the returns from HDFC Mid-cap opportunities fund is fluctuated more as compared to SBI Magnum mid-cap fund. The return from SBI Magnum mid-cap fund was found to be highest in the year 2020-2021(108.44%) There is a fall in the return for both the fund in the year 2019-2020, however, the fall was found to be higher in case of HDFC Mid Cap Opportunities fund.

Table 4: Volatility Analysis of SBI Magnum Mid Cap fund & HDFC Mid Cap Opportunities fund

Years	SBI Magnum Mid Cap Fund (Returns) R	**(R-R̄)**	**(R-R̄) ²**	HDFC Mid Cap Opportunities Fund (Returns)R	**(R-R̄)**	**(R-R̄) ²**
2017-2018	7.85	-10.91	-21.82	11.87	-6.12	-12.24
2018-2019	-5.78	-24.543	-49.09	0.52	-17.47	-34.94
2019-2020	-29.86	-48.62	-97.24	-30.32	-48.31	-96.62
2020-2021	108.44	89.68	8042.50	93.21	75.22	5658.80
2021-2022	26.76	7.99	63.84	22.95	4.96	24.60
2022-2023	5.17	-13.59	-27.18	9.73	-8.26	-16.52
	∑R=112.58		**∑(R-R̄)² =7911.01**	**∑R=107.96**		**∑(R-R̄)² =5523.08**

SBI Magnum Mid Cap fund

Mean (R̄)=∑R/N=112.58/6=18.763

Standard Deviation =√∑ (R-R̄) 2 /N

=√7911.01/6=36.311

HDFC Mid Cap Opportunities fund

Mean (R̄)=∑R/N=107.96/6=17.99

Standard Deviation =√∑ (R-R̄) 2 /N S.D =√5523.08/6=30.33

Interpretation: From the above Table it can be seen that SBI Magnum Mid Cap fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among the two schemes.

Table 5: Return analysis of SBI Small Cap Fund and HDFC Small Cap Fund

Years	SBI Small Cap Fund (Returns) in%	Annual growth rate	HDFC Small Cap Fund (Returns) in%	Annual growth rate
2017-2018	34.22	NIL	31.21	NIL
2018-2019	-6.75	606.96	0.79	-3850.63
2019-2020	-21.14	68.07	-41.29	101.91
2020-2021	99.82	121.18	106.69	138.70
2021-2022	28.14	-254.73	33.45	-218.95
2022-2023	5.96	-372.15	11.47	-191.63

(Source: AMFI website)

Interpretation: From the above graph it is found that the returns from HDFC small cap fund is fluctuated more as compared to SBI small cap fund. The return from HDFC small cap fund was found to be highest in the year 2020-2021(106.69%) There is a fall in the return for both the fund in the year 2019-2020, however, the fall was found to be higher in case of HDFC small cap fund.

Table 6: Volatility Analysis of SBI Small Cap fund & HDFC Small Cap fund

Years	SBI Small Cap Fund (Returns) R	**(R-R̄)**	**(R-R̄) ^{2}**	HDFC Small Cap Fund (Returns) R	**(R-R̄)**	**(R-R̄) ^{2}**
2017-2018	34.22	10.84	117.07	31.21	7.49	56.10
2018-2019	-6.75	-30.13	-60.26	0.79	-22.93	-45.86
2019-2020	-21.14	-44.52	-89.04	-41.29	-65.01	-130.02
2020-2021	99.82	76.44	5843.07	106.69	82.97	6884.02
2021-2022	28.14	4.76	22.66	33.45	9.73	94.67
2022-2023	5.96	-17.42	-34.84	11.47	-12.25	-24.5
	∑R=140.25		**∑(R-R̄)^2 =5798.66**	**∑R=142.32**		**∑(R-R̄)^2 =6834.41**

SBI Small Cap fund

Mean (R̄)=∑R/N=140.25/6=23.38

Standard Deviation =√∑ (R-R̄) 2 /N

=√5798.66/6=31.09

HDFC Small Cap fund

Mean ($\bar{R}$)=$\sum$R/N=142.32/6=23.72

Standard Deviation =$\sqrt{\sum}$ (R-$\bar{R}$) 2 /N

=$\sqrt{}$6834.41/6=33.75

Interpretation: From the above Table it can be seen that HDFC Small Cap fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among the two schemes.

Table 7: Return analysis of SBI Tax Advantage Fund Series- 3 and HDFC Tax Saver Fund

Years	SBI Tax Advantage Fund Series- 3 (Returns) in%	Annual growth rate	HDFC Tax Saver Fund (Returns) in %	Annual growth rate
2017-2018	19.56	NIL	6.58	NIL
2018-2019	5.48	-256.93	5.79	-13.64
2019-2020	-6.21	188.24	-32.82	177.64
2020-2021	91.59	106.78	71.27	146.05
2021-2022	35.28	-159.61	25.47	-179.82
2022-2023	0.59	-5879.66	7.51	-239.15

(Source: AMFI website)

Interpretation: From the above graph it is found that the returns from HDFC Tax saver fund is fluctuated more as compared to SBI Tax advantage fund series-3. The return from SBI Tax advantage fund series-3 was found to be highest in the year 2020-2021(91.59%) There is a fall in the return for both the fund in the year 2019-2020, however, the fall was found to be higher in case of HDFC Tax saver fund.

Table 8: Volatility Analysis of SBI Tax Advantage fund series-3 & HDFC Tax Saver fund

Years	SBI Tax Advantage Fund Series-3 (Returns) R	**(R-R̄)**	**(R-R̄) ²**	HDFC Tax Saver Fund (Returns) R	**(R-R̄)**	**(R-R̄) ²**
2017-2018	19.56	-4.81	-9.62	6.58	-7.39	-14.78
2018-2019	5.48	-18.89	-37.78	5.79	-8	-16
2019-2020	-6.21	-30.58	-61.16	-32.82	-46.79	-93.69
2020-2021	91.59	67.22	4518.52	71.27	57.3	3283.29
2021-2022	35.28	10.91	119.02	25.47	11.5	132.25
2022-2023	0.59	-23.78	-47.56	7.51	-6.46	12.92
	∑R=146.23		**∑(R-R̄)²=4481.42**	**∑R=83.8**		**∑(R-R̄)²=3303.99**

SBI Tax Advantage fund series-3

Mean (R̄)=∑R/N=146.23/6=24.37

Standard Deviation =√∑ (R-R̄) 2 /N

=√4481.42/6=27.32

HDFC Tax saver fund

Mean (R̄)=∑R/N=83.8/6=13.97

Standard Deviation =√∑ (R-R̄) 2 /N

=√3303.99/6=23.47

Interpretation: From the above Table it can be seen that SBI Tax Advantage fund series-3 fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among the two schemes.

Analysis of the attitude of investors towards Mutual Fund schemes

Table 9: Investment Option

Investment Option	**Frequency**	**Percentage**
Fixed deposit	35	46.7
Provident fund	29	38.7
Gold	20	26.7
Real estate	7	9.33
Mutual fund	67	89.3
Stocks	25	33.33

Source: Field survey

Interpretation: From the above Table 6 it can be seen that out of 75 respondents 46.7% of them invest in Fixed deposit, 38.7% of them invest in Provident fund, 26.7% of them invest in Gold, 9.33% of them invest in Real estate, 89.3% of them invest in Mutual fund and 33.33% of them invest in stocks.

Table 10: Factors influencing choice of an investment option

Investment Option	**Frequency**	**Percentage**
Risk/return	44	58.7
Tax benefit	23	30.7
Liquidity	43	57.3
Capital gain	49	65.3

Source: Field survey

Interpretation: From the above Table 7 it can be seen that out of 75 respondents 58.7% of them considers risk/return while investing, 30.7% of them considers tax benefit while investing, 57.3% of them considers liquidity while investing and 65.3% of them considers capital gain while investing.

Table 11: Reasons for choosing Mutual Funds

Reasons For Choosing Mutual Funds	**Frequency**	**Percentage**
Ease investment	34	45.3
High return	54	72
Professional management of funds	22	29.3
Highly liquid	31	41.3
Low risk	32	42.7
Tax benefit	17	22.7

Source: Field survey

Interpretation: From the above Table 8 it can be seen that out of 67 investors of Mutual funds 45.3% of them have chosen mutual fund due to ease of investment, 72% of them have chosen mutual fund due to high return, 29.3% of them have chosen mutual fund because the fund is professionally managed, 41.3% of them have chosen mutual fund because its highly liquid, 42.7% of them have chosen mutual fund because of low risk of loosing money, 22.7% of them have chosen mutual fund because it gives tax benefit to the investors.

Table 12: Sources of information about mutual funds

Information about Mutual Funds	Frequency	Percentage
Financial portal	33	23.91
Family and friends	51	36.96
Brokers	17	12.31
Newspaper/television etc	37	26.81

Source: Field survey

Interpretation: From the above Table 9 it can be seen that out of 67 investors of mutual funds 23.91% of them came to know about mutual fund through financial portal, 36.96% of them came to know about mutual fund through family and friends, 12.31% of them came to know about mutual fund through brokers and 26.81% of them came to know about mutual funds through newspaper/television etc.

Table 13: Period of investing

Period of Investing	Frequency	Percentage
1-5 years	60	80
6-12 years	13	17.33
13-20 years	2	2.67
21 years and above	0	0
Total	75	100

Source: Field survey

Interpretation: From the above Table 10 it can be seen that out of 75 respondents 80% of them have been investing since 1-5 years, 17.33% have been investing since 6-12 years, and 2.67% of them have been investing since 13-20 years.

Table 14: Preference for Mutual fund schemes

Schemes for Investment	Frequency	Percentage
Equity	25	89.33
Debt	20	1.33
Hybrid	22	9.33
Total	67	100

Source: Field survey

Interpretation: From the above Table 11 it can be seen that out of 67 investors in mutual fund 89.33% of them invest in equity schemes, 1.33% of them invest in debt schemes and 9.33% of them invest in hybrid scheme.

Table 15: Factors influencing to invest in Mutual fund

Factors Influencing to Invest in Mutual Fund	Frequency	Percentage
Reputation of AMC	19	25.33
Past performance of funds	36	48
Market trends	49	65.33
Investment and security purpose	28	37.33
Diversification of investment portfolio	22	28

Source: Field survey

Interpretation: From the above Table 12 it can be seen that out of 67 investors in Mutual fund 25.33% of them invest in mutual fund due to reputation of AMC, 48% of them invest in mutual fund considering the past performance of the funds, 65.33% of them invest in mutual fund considering market trends, 37.33% of them invest in mutual fund due to investment and security purpose, 28% of them invest in mutual fund because it provides diversification of investment portfolio.

Table 16: Modes of investment

Modes of Investment	Frequency	Percentage
Lumpsum	35	41.33
Systematic Investment Plan	32	58.67
Total	67	100

Source: Field survey

Interpretation: From the above Table 13 it can be seen that out of 67 investors of mutual funds 41.33% of them invest in Lumpsum mode, 58.67% of them invest in Systematic Investment Plan.

Table 17: Continue to invest in Mutual fund

Continue to Invest in Mutual Fund	Frequency	Percentage
Yes	67	100
No	0	0
Total	67	100

Source: Field survey

Interpretation: From the above Table 14 it can be seen that all 67 investors will continue to invest in mutual fund.

Table 18: Recommend Mutual fund to others

Recommend Mutual Fund to Others	Frequency	Percentage
Yes	67	89.33
No	8	10.67
Total	75	100

Source: Field survey

Interpretation: From the above Table 15 it can be seen that 89.33% respondents will recommend Mutual funds to others and 10.6% of them will not.

Table 19: Reason for not investing in Mutual fund

Reason for not Investing in Mutual Fund	**Frequency**	**Percentage**
Lack of awareness	0	0
Bitter past experience	3	37.5
Difficult process of investment	2	25
Uncertain returns	3	4
Total	8	100

Source: Field survey

Interpretation: From the above Table 16 it can be seen that 37.5% of them is not investing in Mutual fund because of bitter past experience, 25% of them is not investing in Mutual fund because of difficulties in the process of investment and 4% of them is not investing in mutual fund due to uncertain returns.

FINDINGS

FINDINGS AGAINST OBJECTIVE 1

Return Analysis

1. The return from SBI Blue Chip was found to be highest in the year 2020-2021(81.86%).
2. The return from SBI Magnum mid-cap fund was found to be highest in the year 2020-2021(108.44%).
3. The return from HDFC small cap fund was found to be highest in the year 2020-2021(106.69%).
4. The return from SBI Tax advantage fund series-3 was found to be highest in the year 2020-2021(91.59%).

Volatility Analysis

1. It can be seen that SBI Blue chip fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among SBI Blue Chip fund & HDFC Top 100.
2. It can be seen that SBI Magnum Mid Cap fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among SBI Magnum Mid Cap fund & HDFC Mid Cap Opportunities fund.
3. It can be seen that HDFC Small Cap fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among HDFC Small Cap fund & SBI Small Cap fund.
4. It can be seen that SBI Tax Advantage fund series-3 fund shows the highest standard deviation, indicating it is the riskiest and more volatile fund among SBI Tax Advantage fund series-3 & HDFC Tax Saver fund.

FINDINGS AGAINST OBJECTIVE 2

1. It is found that out of 75 respondents 46.7% of them invest in Fixed deposit, 38.7% of them invest in Provident fund, 26.7% of them invest in Gold, 9.33% of them invest in Real estate, 89.3% of them invest in Mutual fund and 33.33% of them invest in stocks.
2. It is found that out of 75 respondents 58.7% of them considers risk/return while investing, 30.7% of them considers tax benefit while investing, 57.3% of them considers liquidity while investing and 65.3% of them considers capital gain while investing.
3. It is found that out of 67 investors of Mutual funds 45.3% of them have chosen mutual fund due to ease of investment, 72% of them have chosen mutual fund due to high return, 29.3% of them have chosen mutual fund because the fund is professionally managed, 41.3% of them have chosen mutual fund because its highly liquid, 42.7% of them have chosen mutual fund because of low risk of loosing money, 22.7% of them have chosen mutual fund because it gives tax benefit to the investors.
4. It is found that out of 67 investors of mutual funds 23.91% of them came to know about mutual fund through financial portal, 36.96% of them came to know about mutual fund through family and friends, 12.31% of them came to know about mutual fund through brokers and 26.81% of them came to know about mutual funds through newspaper/television etc.
5. It is found that out of 75 respondents 80% of them have been investing since 1-5 years, 17.33% have been investing since 6-12 years, and 2.67% of them have been investing since 13-20 years.
6. It is found that out of 67 investors in mutual fund 89.33% of them invest in equity schemes, 1.33% of them invest in debt schemes and 9.33% of them invest in hybrid scheme.
7. It is found that out of 67 investors in Mutual fund 25.33% of them invest in mutual fund due to reputation of AMC, 48% of them invest in mutual fund considering the past performance of the funds, 65.33% of them invest in mutual fund considering market trends, 37.33% of them invest in mutual fund due to investment and security purpose, 28% of them invest in mutual fund because it provides diversification of investment portfolio.
8. It is found that out of 67 investors of mutual funds 41.33% of them invest in Lumpsum mode, 58.67% of them invest in Systematic Investment Plan.
9. It is found that 89.33% respondents will recommend Mutual funds to others and 10.6 of them will not.
10. It is found that 37.5% of them is not investing in Mutual fund because of bitter past experience, 25% of them is not investing in Mutual fund because of difficulties in the process of investment and 4% of them is not investing in mutual fund due to uncertain returns.

CONCLUSION

In a developing economy like India, mutual funds have a big part to play in the financial growth of the country. In terms of diversity, adaptability, diversification, liquidity, and tax advantages, mutual funds have become one of the greatest investing alternatives. When the markets are optimistic and appropriate decisions are made, mutual funds as a prospective option have demonstrated significant development potential. On a long-term basis, they performed better than more conventional investment choices.

Through this study, the performance of a four equity schemes from two of the largest mutual fund houses in India—SBI Mutual Fund and HDFC Mutual Fund is compared. From this, it can be seen that SBI Mutual Funds as a whole offer higher returns and are more volatile than HDFC Mutual Fund. Based on several performance evaluation techniques, including NAV, Average Return, Standard Deviation, and Annual Growth Rate, the conclusion has been reached. The evaluation's findings will inform the investor of the current state of four equity schemes of these two fund houses.

To sum up the study, it can be stated that it is essential for investors to avoid making quick choices based solely on the return amounts produced by a single fund. Instead, they should evaluate funds using a risk and return analysis to determine which fund is the most advantageous. Offering greater profits in proportion to the assumed risk. Since India's mutual fund business is still in its infancy, there is still a sizable untapped market and opportunity for profit. Mutual Funds may be revealed to be a superior investment option by a thorough study combined with timely investments.

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