

Kotak Mahindra Bank Private Limited's Mutual Funds Comparison Analysis

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ABSTRACT

The goals of investments vary from person to person. While some people may want security, others may place even more value on going it alone. While one individual may be saving for the typical rainy day and also for life after retirement, another person may desire to support his child's education and learning. With goals opposing any kind of choice, it is obvious that the items required will vary. The Indian Mutual Funds Market offers a wide range of systems and normally caters to all types of investors. Equity funds, financial debt, liquid, gilt, and well-balanced funds are among the diversity of products. There are other funds designated specifically for big and small, young and aged, investors. The establishment of a legal framework that is sufficiently strong to protect financiers' rate of interests ensures that investors won't be defrauded of their hard-earned cash. In conclusion, the advantages they provided transcended the limitations of the capitalist team, giving them a universal appeal. Capitalists from all groups can choose to invest for their genuine own in a variety of ways, but Mutual Funds are preferred for the single reason that all benefits are provided in one package. The mutual fund industry is working tirelessly to meet the diverse demands of investors by creating new strategies, plans, and decisions regarding return rates, incentive consistency, as well as liquidity. Due to the growing competition in the mutual fund market, it was deemed crucial to examine investors' attitudes about mutual funds, including their patterns of risk apprehension and choices in various schemes, strategies, and possibilities, in order to provide a better option.

KEYWORDS: Financial institution ICICI, PMS, HDFC, investment plan.

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I. INTRODUCTION

A mutual fund is a tool for pooling resources by giving investors units and investing money in safety and securities according to the goals mentioned in the deal file.

The risk is decreased since investments in safety and securities are dispersed throughout a wide range of industries and markets. Since all equities may stagnate in the same direction by the same percentage at the same moment, diversification reduces risk. In accordance with the amount of money invested by the investors, mutual

funds distribute devices to them. Owners of units are the people who invest in mutual funds.

The financiers split the profits or losses proportionately to their investments. The mutual funds typically offer a number of plans with different investment objectives on a periodic basis. Before raising money from the general public, a mutual fund must register with the Securities and Exchange Board of India (SEBI), which oversees the securities markets.

A mutual fund is established as a trust, with an enroller, trustees, asset management company (AMC), and custodian. An enroller or a number of sponsors who resemble a business promoter build the trust fund. For the benefit of the owners of the

devices, the mutual fund's trustees hold the residential property. The SEBI-approved Property Monitoring Business (AMC) administers the funds by investing in various assets. In the custody of the custodian, a company registered with SEBI, are the safeties for the fund's various schemes. The trustees are granted general supervision and management authority over AMC. They monitor the mutual fund's efficiency and adherence to SEBI Laws.

1.1 ANALYSIS OF THE RESEARCH

The study is confined to an examination of two important types of systems offered by six financial institutions. Various performance dimension theories are used to calculate each plan's risk and return. The analysis looks at the contributing causes for such achievement right away. The risk and return of a portfolio are displayed using column charts.

1.2 PURPOSES

AIM PRIMARY:

- A study on how the relative analysis of mutual funds in Kotak Mutual Fund systems affects the company's financial performance.

1.3 ADDITIONAL GOALS:

- To become familiar with the various KOTAK Mutual Fund mutual fund plans.
- To understand the mutual fund principle.
- To understand the stock market participation of the KOTAK Mutual funds.
- To understand precisely how the KOTAK Mutual Funds affect the overall effectiveness of the KOTAK Business.

II. PAPER RESEARCH

1. Comparative Research Study on Mutual Fund Schemes Performance Analysis in Bangladesh: An Examination of Regular Monthly Returns

From Md. Qamruzzaman

The performance of 32 growth-oriented mutual funds is attempted to be evaluated in this article using regular monthly returns in comparison to benchmark returns. Treynor ratio, Sharpe proportion, and Jensen's alpha, three risk-adjusted performance indicators proposed by Jensen, Treynor, and Sharpe, are used for this purpose. This analysis discovered that the mutual funds that were chosen over the study period demonstrated good regular monthly returns as well as higher fad in comparison to market returns. With the exception of a few mutual fund systems, all risk return steps show equivalent performance signs. This is because market return, or adverse market return, is inconsistent with return from mutual

fund investments. Conclusion: The growth-oriented mutual funds have not performed much better than the majority of the funds with regard to volatility. Mutual funds that focus on development are anticipated to provide selectivity, market timing, and diversification advantages. More mutual funds must be floated in order to increase the depth of the capital market because they are excellent tools for encouraging savings and providing chances for small savers to invest.

2. Acquisitions of Sovereign Riches Funds: A Comparative Analysis with Mutual Funds

By Jean-Claude Cosset, Nabil Samir, and Narjess Boubakri

Run a comparative analysis comparing investments made by mutual funds and sovereign wealth funds (SWFs), focusing on firm-, country-, and institutional variables.

Methodology/approach— We employ a hand-collected sample of 1,845 global procurements from the last 25 years (251 for SWFs and also 1,594 for mutual funds). Following that, we conduct univariate parametric and nonparametric analyses to evaluate the variations in the investments of the two subsamples.

Findings— We examine the academic literature on the factors influencing SWFs' financial investment decisions. Our analysis takes into account the limited amount of literature that is available regarding the investment preferences of SWFs and also their comparison to other institutional investors. According to our findings, SWFs demonstrate a variety of preferences compared to mutual funds. For instance, SWFs prefer to take risks in larger, less fluid companies that are experiencing economic difficulties but also have a higher potential for growth. Additionally, they favor businesses that are less innovative, have more narrowly focused ownership, and are situated in less developed, but geographically more precise, nations that do not necessarily share their cultural and religious traditions.

Social repercussions Our findings are crucial for practitioners and businesses looking to attract a certain type of institutional investment. They also provide light on the controversy surrounding the "covert" political motives that drive SWF investments in the West.

Originality/paper worth — This is the first attempt to empirically compare the differences between mutual funds and SWFs' investing preferences.

3. A comparison of federal government benchmark returns and Indian equity mutual funds is done in this analysis of investment opportunities in India.

By an assistant professor at the CMP Level University in Prayagraj, India's department of business economics.

The most important factors in determining how an economy will develop are investment and financial savings. Investments provide direction by building up savings. Lewis, Kaldor, Schumpeter, and other economists were encouraged to emphasise the role investments play in generating income and reinvesting that income. The economic environment must improve its investment climate. This essay offers a critical perspective to compare the profits of various Indian financial investment options. The researcher also collects government criteria returns in order to compare the various avenues. The scientist believes that the mutual fund industry dominates the investment market. Here, numerous Equity Mutual Funds' performances are discussed. Scientists also address the risks associated with various Indian equities vehicles. According to market capitalization, or large, mid, and small caps, equity funds are chosen. The scientist chooses five businesses at random for analysis. The AMFI, SEBI, and RBI are used to gather the second set of data. By analysing a variety of data, the researcher concludes that returns on equity funds are somewhat higher than the government's standard returns for protection. Additionally, the risk connected with equity funds varies with market capitalization. The capitalist must analyse a number of macroeconomic factors affecting the economy and make sure that their investment portfolio is beating the rising cost of living.

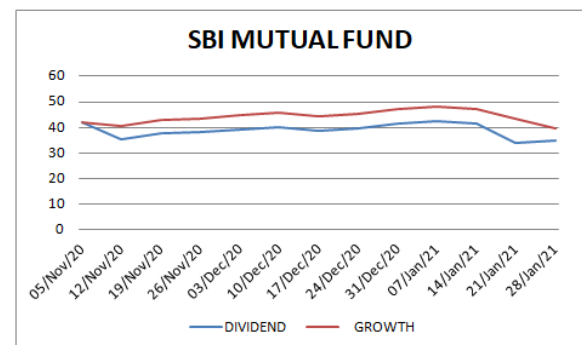
4. A comparison of the selectivity and market timing abilities of fund managers using HSBC Saudi Mutual Funds that are Islamic and Standard. Published: June 2, 2019

Using regular monthly returns from April 2011 to December 2018, this study compares empirically the market timing, supply options, and performance persistence of Islamic and conventional HSBC Saudi mutual funds. Based on geographical investment basis (locally, worldwide, and in the Arab world) and Sharia adherence, the data was divided into 5 profiles (Islamic as well as standard). The empirical findings imply that Islamic funds underperformed conventional funds globally, but not in your region. Research indicates that the Islamic funds' supervisors' market selectivity skills are superior to those of the conventional funds. Additionally, only the managers of Saudi traditional funds investing abroad have good market timing skills, which enables them to outperform the market index by foreseeing its moves and engaging

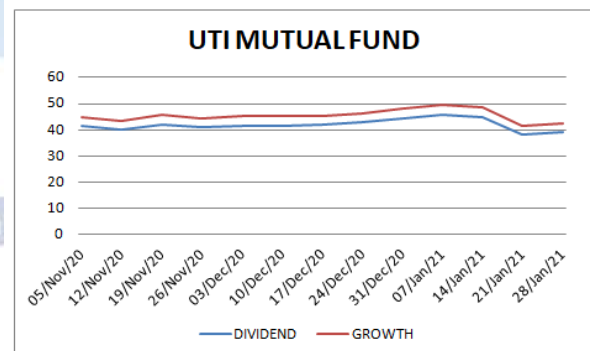
in essential transactions. Additionally, this analysis provides a brief overview of the effectiveness and longevity of HSBC Saudi funds. The results confirm the persistence efficiency even when Sharia law is not followed by the funds and even when they are primarily concentrated abroad.

III. ANALYSIS OF THE INFORMATION

The India Magnum Fund, which has a capital of around Rs. 225 crore, was first introduced by State Bank of India as a financial institution-funded mutual fund. It is now India's largest mutual fund that is funded by financial institutions. Out of the 35 Systems they have already issued, 15 are currently providing investors with sizable returns. AUM for the State Financial Institution of India Mutual Fund exceeds Rs. 5,500 crores. It currently has a base of approximately 8 lakh financiers. over 18 different schemes.

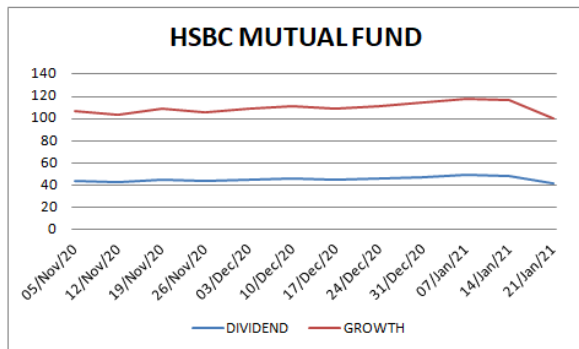


The above graph indicates that the Equity Fund - Growth and Dividend from the 1st week of Dec is almost performing same but in 2nd week of Jan the performance of Growth has drastically changed when compared to Dividends, and again the performance showed is similar in rest of the weeks. Because of declaring Dividends frequently, the performance of Dividend always shows less when compared with others.

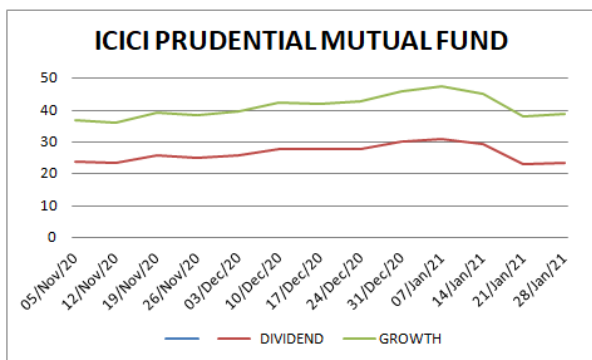


From the above graph we can observe that Growth is showing more performance than Dividends. In the month of Feb we can see that Growth has fallen down in the last week and raised in first week and the Dividend has also raised in the 1st week of Feb.

Because of declaring Dividends frequently, the performance of Dividend always shows less when compared with others.



The above graph there is little fluctuations in the values of Dividends and Growth. But here we can see that Growth is again performing well. It showed a less performance in the last week and Dividend showed similar performance in all the weeks. Because of declaring Dividends frequently, the performance of Dividend always shows less when compared with others.



According to the graph above, Development and Dividend are operating similarly, but in the month of February, both of them have decreased. In fact, it had significantly decreased in the month of February. From the first week of December to the first week of February, both have improved, and the performance has also been made clear. Since rewards are stated frequently, their effectiveness always appears to be lower than that of others.

IV. STUDIES & PROPOSALS

1. We can observe from table 1 (i.e., the SBI financial institution) that reward and growth are similar to one another. The second week of January saw an increase in development, with a value of 29.64%.
2. When compared to incentives, development has been executed well, as shown in the UTI bank table. The values of returns and development varied only slightly.
3. When compared to dividends, the performance of business financial institutions like HDFC in

terms of development is very strong. When compared to other banks, this bank has actually performed better, which makes it a strong candidate for acquisition.

4. When we look at ICICI Bank, both the Dividends and Growth are identical or comparable to each other; there has not been any change in them. In the first week of February, it increased, but the subsequent weeks saw a sharp decline.

5. When comparing dividends to development, we can observe that HSBC Bank has done well when we look at it below. This value growth has already reached a certain point and has actually reduced since the beginning of February.

6. If we compare business banks to nationalised banks, we can see that business banks have performed well over the past three months.

7. Nationalized banks performed well up to a point, and their valuations were declining more effectively. This fall may have been brought on by the financial institutions' affirmation of any form of return, which is why it was revealing low values.

8. In Nationalized Banks, we can observe that SBI Financial Institution has performed well internally in Dividends, and if we look at Growth, UTI Bank has performed well.

9. Dividends and growth can be seen inside commercial financial entities. Compared to other financial organisations, the HDFC financial institution has performed admirably. The value of both in this financial organisation is great. It had grown to its highest point.

10. Because corporate industries offer the greatest variety of returns for their investments, it is significantly better for financiers to purchase them than to invest in nationalised markets.

V. RECOMMENDATIONS

These are the few specifics on investments in MFs that were taken from the Wall Street-provided book "Advertising for the 90s." Check your letter of agreement of funds programme to protect yourself from any hidden fees.

- Assume that the administration's current administration's financial records are followed.
- Avoid mutual funds that levy fees that are accessed through the back door (charges billed by MF from the device holders at the time to redemption of the systems).
- Acquire the money without having to sell your billed tonnes. (A load is a fee assessed by the fund when the financier purchases what are known as the entrance lots or markets what are known as the exit lots.)

- If the mutual fund charges a high fee to deter investors from taking short positions in the fund's units because too many investors are selling their units at once, the fund will have to sell its holdings to meet the obligations that are crucial to the fund's overall performance. Most short-term funds prefer guilt-related funds (these are the funds which can be spent just in government safeties and treasury costs therefore the financiers have a chance to purchase danger complimentary securities). These funds return more money than money market funds do. Investors who value high levels of safety and security profit from it. money markets in cash (these funds in views in money market tools such as treasury bills, govt.bonds, certifications of financial institution deposits, business deposits). They don't charge any fees, but SEBI limits tonnes to 7%.
- Examine the effectiveness of the funds in an expanding market and a bear market.
- Check the portfolio of a fund to see whether there is any diversity volatility.

VI. VERDICT

1. Business sectors provide excellent solutions if we consider the customer's point of view. They absolutely enjoy working with their clients.
2. It is certain that everybody who wants to invest will certainly invest in corporate financial institutions given the advancements in framework, technology, the debut of several systems and also solutions, and also online trading.
3. As you can see, the majority of them are now opening accounts with business banks rather than nationalised banks. This is because they are receiving more benefits and services from that sector.

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