

Comparative investment Analysis Of mutual Funds At HDFC Bank

Dr. Aseem Khan,
Associate Professor,
Department of Commerce,
Anwarul Uloom College,
New Mallepally, Hyderabad – 500001,
Telangana India.
Email id : asim_khan999@yahoo.com

AND

Dr. Yasmee Banu
Associate Professor,
Department of Commerce,
Anwarul Uloom College,
New Mallepally, Hyderabad – 500001,
Telangana India.

ABSTRACT:

Despite the notion that money attracts money, natural people are more interested in making money today than they were in the past because of the high inflation rate, the decline in the rupee's value, and the rising cost of living. Money can only be doubled on stock exchanges, but the market is plagued by extreme volatility.

volatility and high risk that draws primarily large corporations, banks, and wealthy individuals. the upper echelons of society. Investing in the stock market is tough for those in the lower middle class because they are afraid of losing money and do not want to take a risk. Mutual funds are a viable option for those who are struggling to make ends meet with their hard-earned money. There is a new study in this article. A comparison of two well-known bank mutual fund programmes.

INTRODUCTION

SECTORAL FUNDS

Sectoral funds, popular with investors in mutual funds during the previous Bull Run, are again in mode and will be promoted this year as Sector Exchange Traded Funds or sector ETFs.

A number of asset management firms are introducing ETFs with the underlying themes such as electricity & infrastructure, automotive, services, FMCG, metals and pharmaceutical industries.

These funds are commercialized with the hope of raising a reasonable quantity of money through these methods. Regular sector mutual funds produced excellent returns in one year on their banking funds portfolios with 58 percent returns. Pharmaceutical, FMCG and Sector Mutual Fund categories have yielded 50%, 46% and 36%, respectively, during a one year period. In the previous year, flexi cap equity funds returned 31 percent on a broader scale.

"Sectoral ETFs provide advantages in accordance with the sector's performance. This provides an affordable way for investors to engage in areas in which they are booming," said Lakshmi Iyer, Head, Fixed Revenue & Products, Kotak Mutual Fund, which intends to introduce metals and other market cap-based ETFs in the coming months.

According to Mrs Iyer, sectoral ETFs offer investors with a simple method to trade and profit from knowing the values of their fund investment's almost real-time pricing.

The Benchmark Mutual Fund has requested permits from Sebi to establish six ETFs that include IT, FMCG, services, energy, pharmaceuticals and real estate. CNX IT, CNX FMCG, CNX Services Sector, CNX Energy, CNX pharmaceutical, and CNX Realty indexes will be designated for ETF. The minimum investment in these programmes is Rs 10,000 and thereafter in multiples of Re 1. In addition to Benchmark, UTI, Edelweiss MF and Relegate Mutual are planning to establish ETF sector in the near future.

According to Benchmark's top executives, sector-based ETFs provide cost-effective portfolio diversification in one shot to reduce script specific risk. It offers a broad sector exposure for international portfolio investors and institutional investors.

ETFs are listed on the markets – and may be exchanged in dematerialized version without any difficulty. In contrast to sector-specific mutual funds, ETFs do not have exit costs or loads.

"ETFs will grow in years to come. We are also receptive to the concept of the ETF industry and are working on plans in the same direction," said

Jaideep Bhattacharya, CMO, and UTI Asset Management.

According to Mr. Bhattacharya, the underlying topic would be fund companies that issue ETFs with particular areas or markets in the coming months.

While the industry is more or less involved in establishing ETFs, wealth managers and investment advisers are listening to dissenting views.

"ETFs are pursuing a passive investing approach. Many diversified stock funds may produce greater profits than ETFs. Only active fund management can add value to the portfolios of the client," said an anonymous wealth manager from Mumbai. Investment experts say that exposure to certain sectors could increase the risk of the general portfolios of the funds. Investors in sector-based funds and ETFs may incur losses if the outlook is dim or unfavorable.

THE STUDY NEED

1. Mutual funds are dynamic financial intuitions which, mobilizing savings and investing them in the capital market, play a vital function in an economy.
2. The Mutual Fund operations have both a short-term and a long-term effect on capital and national economic savings.
3. Mutual funds, trust, help the deepening and intermediation process.
4. They also compete simultaneously with banks and other financial intuitions to banking.
5. India is one of the few nations to sustain the domestic savings study growth rate.

THE STUDY SCOPE:

The research is confined to the examination of two main kinds of banking systems. Each scheme is computed using various performance assessment theories in terms of risk and return. The causes for this performance were examined immediately in the remark. Column charts represent the risk and return of the portfolio.

THE STUDY OBJECTIVES:

- To grasp what firms of mutual funds are.
- To comprehend businesses of mutual funds, as sect oral funds
- To comprehend the performance of each business on the basis of wise weekly data from Monday.
- To grasp each company's investing strategy.

HYPOTHESIS

The market data used to determine whether the estimated risk and return can be used provides the investor with an indication to reduce the risk and maximize investment profits.

METHODOLOGY

RESEARCH:

For the aim of the research, primary and secondary data have been edited and submitted in the form of tables and statements. The examination of the data was carried out using specific mathematical methods, percentages etc. Wherever graphs and diagrams are possible and reportable.

Data gathering is conducted via two principles

1. Primary information
2. Secondary information

FIRST DATA

It is the information immediately gathered without any reference. In the research, primarily interviews individually or collectively with the relevant officials and employees. Some of the material, which was obtained via personal conversation with the officer of the India bulls, has been confirmed or augmented by firsthand observation.

SEQUIPMENT DATA:

The data utilized in this research are secondary. Data were gathered from secondary sources, including several websites, journals, newspapers, books, etc.

STUDY METHOD:

Data for the two sectors are gathered for three months, i.e. November 2012 – Jan 2013. The research data are collected on a weekly basis. The statistics are taken into account every Monday.

THE STUDY LIMITATIONS:

- The research will be carried out within a limited time, which means that the study cannot be detailed in all respects.
- The research is restricted to analyzing the various schemes and their appropriateness according to risk-taking capacity of the various investors.
- The research is based on secondary data from monthly fact sheets, websites, offers of documents, journals etc., since original data was not accessible.
- Detailed examination of different systems is restricted to the study.

History of the Indian Mutual Fund Industry:

Unit Trust of India was created in 1963 by the Indian Government and Reserve Bank to promote mutual fund investment in the country. The goal is to attract small investors and expose them to the world of market investing. There have been four distinct phases in the history of mutual funds in India since that time.

In the first phase, which lasted from 1964 to 1987,

Parliament passed a law in 1963 to create the Indian Unit Trust (UTI). Regulatory and administrative oversight is provided by the Indian Reserve Bank, which formed it. The Industrial Development Bank of India (IDBI) took over from the Reserve Bank of India (RBI) when UTI was split off in 1978. (ISDBI). Unit Scheme 1964 was UTI's first draught of a business strategy. Ende 1988, UTI managed Rs6,700,000 worth of assets. With UTI, India's mutual fund industry began, and UTI is still the biggest player with the highest number of mutual funds launched in the country at now.

For the period of 1987-88

Table No: 1

Source: Secondary Data

	Amount Mobilized (Rs.Crores)	Assets Under Management (Rs.Crores)
UTI	2,175	6,700
Total	2,175	6,700

Second Phase – 1987-1993 (Entry of Public Sector Funds):

LIC and GIC, two mutually beneficial public sector insurance companies established by Indian public sector banks, went into operation in 1987. (GIC). It was the SBI Mutual Fund that started it all, followed by the Punjab National Bank Mutual Funds in August 1989, the Indian Bank Mutual Fund in November 1989, and the Indian Bank (in June 1990) and the Bank of Baroda Mutual Fund in December 1987. (Oct 92). In June 1989, LIC launched its mutual fund, while GIC did so in December of the same year. The mutual fund sector accounted for Rs 47,004 crores in assets under management at the end of 1993. Between 1987 and 1992-93, the fund industry's assets under management expanded about seven times, as seen in the following figures:

For the period of 1992-93

Table No: 2

Secondary Data

	Amount Mobilized (Rs.Crores)	Assets Under Management (Rs.Crores)
UTI	11,057	38,247
Public Sector	1,964	8,757
Total	13,021	47,004

Third Phase – 1993-2003 (Entry of Private Sector Funds):

In 1993, the Indian mutual fund industry entered a new phase with private sector investment, allowing Indian investors to choose from a greater variety of fund families. In 1993, the first set of Mutual Fund Regulations went into effect, requiring all mutual funds except UTI to register and be regulated. July 1993 saw the launch of the first private-sector reciprocal fund, the Kothari Pioneer Fund (now merged with Franklin Templeton). An updated and more

comprehensive Mutual Fund Regulation was issued in 1996, overriding the original 1993 SEBI Regulations. The industry is now governed by the SEBI Regulations of 1996. (Mutual Fund).

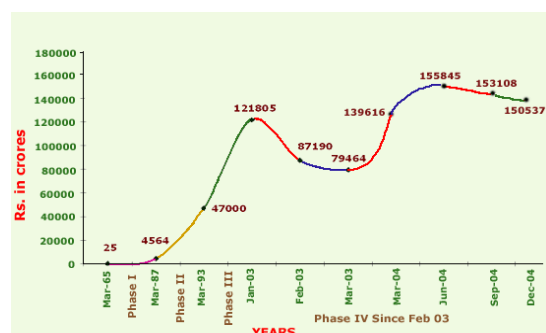
The number of mutual foreign funds (MFHs) operating in India has grown as a result of mergers and acquisitions in the sector. At the end of January 2003, 33 mutual funds had total assets of Rs 1.21.805 crores. Other mutual funds trailed behind India's Trust Unit, which had an asset worth of Rs.44, 541.

From February 2003 until the present:

After the Unit Trust of India Act 1963 was repealed in February 2003, UTI was separated into two separate entities. As of January 31, 2003 the Indian Unit Trust, run by Rs. 29.835, had around 64 assets, guaranteed returns, and a variety of supplementary programmes. Government management and laws regulate India's Specified Unit Trust rather than Mutual Fund regulations.

UTI Mutual Fund Ltd., sponsored by SBI, PNB, BOB, and LIC, is the second. It has been approved by the Securities and Exchange Board of India (SEBI) and adheres to Mutual Fund rules. More than 76,000 cores of assets were under management in March 2000, when the mutual fund industry started its consolidation and expansion under the SEBI mutual fund regulation and recent mergers of several private sector funds. A total of 31 funds were invested in 386 projects totaling Rs.126726 crores by the end of October 31, 2003. The graph shows an increase in assets over time.

Fig: 1.GROWTH IN ASSETS UNDER MANAGEMENT



The details of unit holding pattern are given in the following table:

Table No: 3

Secondary Data

UNIT HOLDING PATTERN OF MUTUAL FUNDS INDUSTRY				
Category	No. Of Investors A/C	% To Total Investors A/C	NAV(Rs.Crore)	%To Total NAV
Individuals	15,557,506	97.42	32,691.12	41.07
NRI/OCBs	84,311	0.53	878.51	1.10
FII	2,058	0.01	561.67	0.71
Corporate/ Institutions/Others	324,979	2.04	45,469.53	57.12
TOTAL	15,968,854	100.00	79,600.83	100.00

Table No: 4

Secondary Data

UNIT HOLDING PATTERN OF PRIVATE SECTOR MFS				
Category	No. Of Investors A/C	% To Total Investors A/C	NAV(Rs.Crore)	%To Total NAV
Individuals	4001841	93.23	17956.48	31.68
NRI/OCBs	38416	0.89	723.02	1.28
FII	1317	0.03	528.51	0.93
Corporate/ Institutions/Others	250972	5.85	37465.91	66.11
TOTAL	4292546	100.00	56673.92	100.00

Table No: 5. Secondary Data

5. Secondary Data

UNIT HOLDING PATTERN OF PUBLIC SECTOR MFS (INCLUDING UTI MF)				
Category	NO. Of Investors A/C	% To Total Investors A/C	NAV(Rs.Crore)	%To Total NAV
Individuals	11,555,665	98.97	14734.64	64.27
NRI/OCBs	45895	0.39	155.49	0.68
FII	741	0.01	33.16	0.14
Corporate/ Institutions/Others	74007	0.63	8003.62	34.91
TOTAL	11676308	100.00	22926.91	100.00

RECENT TRENDS IN MUTUAL FUND INDUSTRY:

The mutual fund industry has seen a dramatic shift in recent years, with the rapid rise of multinational MF organisations and a decrease in the number of smaller private sector firms.

In the early 1990s, several nationalised banks jumped into the mutual fund sector and were profitable because of the stock market boom. The reciprocal fund business was misunderstood by these banks, who considered it as a different kind of banking activity. Few specialised specialists and employees from the parent firms were employed to assist the project.

For the most part, the projects that were funded with this money didn't pan out as planned. As promised, the parents of AMC's needed to bail them out since the promised returns were less than what they really received.

The quality of service was likewise abysmal. They cannot maintain their personnel, come up with fresh ideas, and whether they wish to continue in an important role is in question for the most of these AMC's save for a few exceptional individuals.

The same thing has happened to other Indian private sector enterprises when it comes to AMC's. They immediately realised that AMC was a long-term money-making enterprise that would need a lot of assistance in the early years. There was a lot of mergers and acquisitions as well as a lot of restructuring in general.

A huge number of multinational corporations have enormous financial resources and long-term plans. Some of these practises, such as new product innovation, high service standards, and transparency improvements, as well as the use of technology to help broker training and support, may be given credit. As a result of this rivalry, the industry has been updated, and the service standards of organisations such as UTI have risen significantly as a result.

PROFILE OF THE ENTITY

Incorporated: HDFC Asset Management Company (AMC)

According to the Companies Act of 1956, HDFC Asset Management Company Ltd (AMC) was established on December 10, 1999 as an Asset Management Company for the HDFC Mutual Fund and authorised by SEBI through letter on July 3, 2000. 3rd Floor Ramon House, H.T. Parekh Marg (169 Churchgate Backbay Reclamation), Mumbai

400 020, India is the registered office of AMC Pictures.

Under the terms of the HDFC Asset Management Company Limited Investment Management Agreement, the mutual fund will be managed by the trustee. Pay-up capital is Rs. 25,169 crore for the Asset Management Company (AMC).

The current ownership arrangement of the AMC is:

Particulars	% of the paid up equity capital
Housing Development Finance Corporation Limited	59.98
Standard Life Investments Limited	39.99
Other Shareholders (shares issued on exercise of Stock Options)	0.03

An assessment of the company's worldwide strategy led Zurich Insurance Company (ZIC) to sell its asset management business in India. In accordance with the applicable regulations, the AMC has executed a contract with ZIC for the purchase of the firm.

Zurich India Mutual Fund transferred the following schemes to HDFC Mutual Fund on June 19, 2003. Renamed systems include the following

Former Name	New Name
Zurich India Equity Fund	HDFC Equity Fund
Zurich India Prudence Fund	HDFC Prudence Fund
Zurich India Capital Builder Fund	HDFC Capital Builder Fund
Zurich India TaxSaver Fund	HDFC TaxSaver
Zurich India Top 200 Fund	HDFC Top 200 Fund
Zurich India High Interest Fund	HDFC High Interest Fund
Zurich India Liquidity Fund	HDFC Cash Management Fund
Zurich India Sovereign Gilt Fund	HDFC Sovereign Gilt Fund*

*HDFC Sovereign Gilt Fund has been wound up in March 2006

To avoid any conflict of interest, the AMC also provides portfolio management and

advisory services. Since its SEBI registration was renewed on December 21, 2009, the AMC has been allowed to continue operating as a portfolio manager under the 1993 SEBI Portfolio Managers Regulations, which were implemented in 2009. Until December 31, 2012, the certificate of registration is valid.

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The Board of Directors of the HDFC Asset Management Company Limited (AMC) consists of the following eminent persons.

- Mr. Deepak S. Parekh
- Mr. N. Keith Skeoch
- Mr. Keki M. Mistry
- Mr. James Aird
- Mr. P. M. Thampi
- Mr. Humayun Dhanrajgir
- Dr. Deepak B. Phatak
- Mr. Hoshang S. Billimoria
- Mr. Rajeshwar Raj Bajaj
- Mr. Vijay Merchant
- Ms. Renu S. Karnad
- Mr. Milind Barve

Keith Skeoch Mr. N.

The Board's Associate Director is Mr. N. Keith Skeoch. CEO and chairman N. Keith Skeoch of Standard Life Investments Limited oversees the company's activities and investments.

Prior to joining James Capel & Co (now HSBC Securities) in 1980, Mr. Skeoch served as Chief Investment Officer of Standard Life Investments Limited (now James Capel & Co). Following James Capel's departure in 1982, he

was promoted to UK Senior Economist and Chief Economist in 1982. In 1993, he was promoted to Director of Economics and Strategy, then in 1998, Executive Director of International Equity, respectively. Throughout his career, Mr. Skeoch held a number of important positions in the business world. After being nominated for non-executive director of the Financial Reporting Council in March 2012, he was confirmed. As a member of the Institutional Investor Committee's Advisory Council, he represents institutional investors. Additionally, Mr. Skeoch serves as a member of the Investment Management Association's board. Mr. ABI's Investment Committee Chairman stepped down from his position in August 2010. On numerous fronts, Skeoch made a significant impact on the industry immediately: the HM Treasury Wholesale Markets Forum, the British Insurers' Association Director Association, the Investment Management Association Director Association, Chairman of the IMA Asset Management Committee, and the 2007 FSA Senior Practitioner Panel and The Chancellor's Rights Working Group.

He graduated from Sussex University in 1978 with a BA Hons in economics and from Warwick University in 1979 with an MA in economics.

Company	
Bombay Stock Exchange Ltd	Director
Greatship (India) Limited	Director
GRUH Finance Limited	Chairman
GRIHA Investments, Mauritius	Director
HDFC ERGO General Insurance Company Limited	Director
HDFC Standard Life Insurance Company Limited	Director
India Value Fund Advisors Pvt. Ltd.	Director
Infrastructure Leasing & Financial Services Limited	Director
Next Gen Publishing Limited	Director
Shrenuj & Company Limited	Director
Sun Pharmaceutical Industries Limited	Director
The Great Eastern Shipping Company Limited	Director
Torrent Power Limited	Director
PWC India Advisory Board	Member
HDFC Bank Ltd	Director

Mr. James Aird

The Board's Associate Director is Mr. James Aird. Head of Strategic Development, Mr. James Aird, has a business relationship with Standard Life Investments Limited and is in charge of developing his new worldwide firm.

Since joining Standard Life in 1997, Mr. Aird has served as the company's Corporate Pool

and Separated Investment Manager. In April 1998, he was named Head of Investment and in November 1999, Head of Segregated Funds. While working as an investment analyst at Scottish Equitable, Aird was promoted to fund manager in 1984. Aside from that, Mr. Aird was in charge of overseeing the company's stock portfolios in the UK and abroad and establishing new investment businesses on the US institutional market.

His other Directorships as on March 31, 2012 are as follows:

Company	
Standard Life Investments - India Opportunities Fund	Director
Standard Life- India Advantage Fund	Director
SLAC (Mauritius Holdings) Limited	Director
Standard Life (Mauritius Holdings) 2006 Limited	Director
Select Property Holdings (Mauritius) Limited	Director
Standard Life Investments (General Partner GARS) Limited	Director

Mr. Aird graduated in Economics from Edinburgh University in 1981 and is currently an Associate of the Society of Investment Professionals.

Mr. Humayun Dhanrajgir is an autonomous board director.

Mr. Dhanrajgir served as Managing Director of Kodak India Limited from October 1995 until October 2000. He has been the managing director of Lupin Laboratories Limited since December 1994. Dhanrajgir served as Glaxo India's executive vice president from 1969 until 1994. From 1964 until 1969, Mr. Dhanrajgir worked for Burma Shell India. Between 1960 and 1963, Mr. Dhanrajgir worked as an engineer with the British Oxygen Company in London.

On March 31, 2012, he had the following board members:

Indian Pharmaceutical Producers Organization President Mr. Dhanrajgir served for two years till September 1994. (OPPI). OPPI's Vice President for two years before that. The Bombay Chamber of Commerce and Industry (BCCI) elected him to its General Committee, on which he served as Vice-Chairman.

Dhanrajgir earned a B.Tech. in Chemical Engineering from Loughborough University in the United Kingdom, as well as an M.I.Chem.E. (London), a C.Eng. (London), and an A.M.P. (Harvard).

In the words of one of his colleagues, Dr. Deepak B. Phatak

The Board Director is Dr. Deepak B. Phatak. Dr. Phatak began working at the Indian Institute of Technology in Bombay in December 1971. (IIT). Professor of Informatics and Engineering at the Indian Institute of Technology Bombay (IIT Bombay).

As of March 31, 2012, he is not a member of any other company's management team.

Phatak has a bachelor's degree in electrical engineering, a master's degree in mechanical engineering, and a PhD.

Mr. Vijay of the Merchant Marine

Mr. Vijay Merchant is the board's independent director. Mr. Merchant has been a partner at Dynam Plastics since 1987. He has been in charge of the company's administration and oversight for the last 20 years. In addition to being a former president of the All India Plastic Manufacturing Association for three years, he is also a founding member of the non-profit Indian Center for Environmental Plastics. While working with the Indian Merchants Chamber, the Indian Packaging Institute (Ministry of Commerce), the Enviroplast Plastindia Foundation, Plexconcil and the Indian Plastics Institute, among others.

According to his additional directorships as of March 31, 2012, they include:

Company
Directors of Suraiya Brothers, a Private Limited Company

Mr. Merchant is a graduate of the IIM Ahmedabad postgraduate programme and a commercial graduate.

This mutual fund, which was launched on Dec. 10, 1999, is one of the country's biggest reciprocal funds and one of the most well-established fund companies in the country. We've never regarded our past expertise to be adequate for investment, despite the fact that we've been around for a long time.

The way we look at investment

Investing in the financial market may be done efficiently without having to worry about constantly changing market conditions is the driving force behind HDFC mutual fund. For this purpose, HDFC Mutual Fund has built the required infrastructure to effectively perform

and analyse basic research. Because of our focus on portfolio risk management and control, we cannot keep up with the newest trends and developments.

Investors need long-term advantages, which is why we feel we need to keep looking for new trends in the industry, as well as finding new areas of development and informing them of the product offers we're making. If you want to invest according to your goals and risk tolerance, we've established a variety of solutions based on various asset classes and levels of risk. Additionally, we provide Portfolio Management Services as well.

Mutual fund / AMC video SEBI Circular No. CIR/IMD/DF/21/2012 on September 13, 2012 requires the establishment of a clear direct investment strategy for both current and new systems. Thus, beginning on January 1, 2013, HDFC Mutual Fund has established different plans for open-ended direct investment schemes known as the 'Direct Plan'.

There were "Direct Plans" on January 1, 2013.

It's possible for anybody who wants to invest without going through a middleman to do so. Even current plans may be included as part of the direct plan, as long as they have been deemed eligible. Thus, there are two possibilities for subscription: current plans and direct schemes.

Literature Review

FUND MUTUAL.

In a mutual fund, the money of a group of investors (shared financial ambitions) is pooled and invested in asset classes that fulfil the declared investment goals of the fund. It's impossible for a mutual fund to deviate from its declared aims since investors' decisions to contribute money to a mutual fund are based on the firm's stated objectives.

Investing and research talents are used to the fullest extent possible by a fund manager in each fund. Investors (also known as unit holders) must get capital value and other income from their investments in proportion to the number of units they possess.



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If an investor subscribes to a mutual fund, the investor becomes stakeholder in the assets of the fund to the degree that the corpus is paid into its contribution (the total amount of the fund). A mutual fund investor is also known as a shareholder or unit holder.

The plan's net asset value (NAV) reflected any changes in capital market instruments' value of investments (such as shares, debentures, etc). NAV is defined as the market value of the assets net of the Mutual Fund Scheme obligations. A NAV scheme is calculated by dividing the market value of the scheme by the total number of units issued to investors.

For example:

- A. If the market value of the assets of a fund is Rs. 100,000
- B. The total number of units issued to the investors is equal to 10,000.
- C. Then the NAV of this scheme = (A)/(B), i.e. 100,000/10,000 or 10.00
- D. Now if an investor 'X' owns 5 units of this scheme
- E. Then his total contribution to the fund is Rs. 50 (i.e. Number of units held multiplied by the NAV of the scheme)

ADVANTAGES OF MUTUAL FUND

A well-diversified investment portfolio. Diversification of an investor's holdings by the purchase of a wide range of securities First and foremost: 1. (whether the amount of investment is big or small).

For two reasons, investors in a Professional Management Fund might expect higher returns than they would otherwise be able to achieve on their own.

3. There is a low risk of injury or death.

Investing even a little amount in a mutual fund provides investors with a diversified portfolio of investments. It is less risky to invest in a varied portfolio than just one or two investments.

The transaction expenses are quite low. Because of economies of scale, reciprocal funds pay lower fees (benefits of larger volumes). Investors gain from these advantages.

An investor may not be able to quickly sell a part of their equity, but mutual fund units are much more readily available.

Schemes to Consider Investors may choose from a wide range of investing goals and techniques when they invest in mutual funds. An investment plan that relates one's financial goals to one's investment goals is possible. In these plans, there are a variety of alternatives.

Investors may learn about the current state of the market and fund strategy from open funds. Investors must be informed of all relevant information in accordance with the regulation.

Versatility. Mutual funds' simplicity and flexibility also help investors. Debt may be converted into equity and vice versa by investors. Most open-ended plans allow investors to make monthly contributions and withdrawals.

Security is a major concern here. With the help of the regulatory body, investors' interests are safeguarded in a well-regulated investment environment. All funds must be registered with the Securities and Exchange Board of India (SEBI).

Disadvantages of Mutual Funds

1. Keeping tabs on costs Regardless of the fund's success, investors should not be charged a portion of their investment value for investment management and distribution of money.

2. Customized portfolios are not accessible. All of the investments made in an investment portfolio are made by the fund manager. There is no way for investors to intervene in the management of a fund, which some see as a constraint on their ability to achieve their financial goals.

3. The difficulty of deciding on a proper finance mechanism is the third challenge. Several investors have a hard time deciding which of the many investment options is best for them. When it comes to achieving their goals, financial advisors may need to choose the correct investment vehicle.

INNOVATIVE ING VYSYA BANK

India's biggest private sector bank, Visa Bank Ltd., was created in 2002 by ING (International Nederland Group) of Dutch origin.

This is a bank that has been around since 1930. Since then, the bank has grown to be India's biggest private sector bank, a position it targeted from the outset. As of 1948, the Bank was designated as a Scheduled Bank. In 1992, it surpassed Rs. 1000 crores. The next year, ING Vysya had 300 branches.

The ING Vysya Bank Deposit Scheme

ING Vysya Bank accepts the following two types of deposits for its customers' convenience:

Trust in UNIT INDIA (UTI)

In 1994, the Government of India authorised the establishment of additional private banks after the first private bank, UTI, began operations. Life Insurance Corporation (LIC), General Insurance Corporation Ltd., and the Director of the Unit Trust of India (UTI) have all contributed to the bank's establishment, along with other partners such as the New India Assurance Company, The Oriental Insurance Corporation and United Insurance Company Ltd.

The public owns 47.50 percent of UTI Bank, which has a current market capitalization of Rs 232,86 crores in India. UTI Banking has more than 1250 ATMs around the country, with over 200 branches and development plans, making it one of the country's largest ATM networks. UTI Bank India is devoted to applying the finest

practises in the industry throughout the world in order to achieve success. UTI Bank is a full-service financial institution that caters to individuals as well as businesses.

By the end of December 2004, UTI Bank had around 2.7 million debit cards in India. Savings Bank customers throughout the country may now use the AT PAR Cheque service at no cost thanks to this bank, which is the first of its kind in India.

The bank has just added the Euro and Pound Sterling versions of its International Travel Currency Card to its current offerings. Using the Travel Currency Card, travellers may access their money in the local currency of the countries they're visiting with ease and security. The stock exchange where UTI Bank's stock is traded:

Stock Exchan	Code No. ISIN No.
Ahmedabad	Code No. 63134
Mumbai	Code No. 532215 – A Gro
NSE	Code No. UTIBANKEQ
OTCEI	Code No. Permitted Secur
NSDL	ISIN No. INE238A01026
CDSL	ISIN No. INE238A01026

Share Capital of UTI Bank

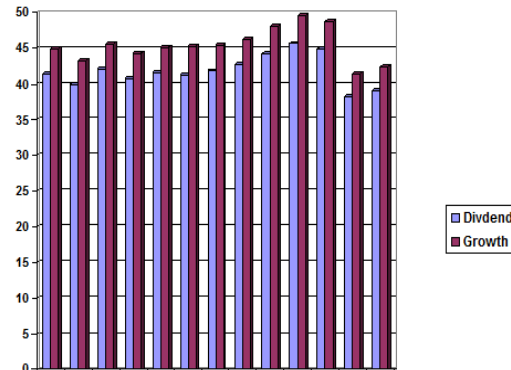
Rs. 300 billion is the maximum authorised share capital. 232.86 Crores of Share Capital Paid Up. According to UTI Bank's announcement, its interest rate is UTI Asset Management Company Private Limited (Estb: 14 January 2003) has been nominated by UTI Trustee Company Private Limited to manage UTI Mutual Fund and UTI Mutual Fund Mutual Fund Main Schemes.

As per the terms of the Investment Management Agreement, the Trust Act, SEBI (Mutual Funds) Regulations and the UTI Asset Advisory Company's registered office is located in Bandra (East), Mumbai-400051 and will provide professionally managed back office support for all business services of UTI Mutual Funds' business (excluding fund management). UTI AMC uses cutting-edge communications technology to ensure that all of its activities work smoothly.

Under the SEBI (Portfolio Managers) Regulations of 1993, UTI was registered as a portfolio manager on February 3, 2004, and also serves as the managing director and marketer for offshore

funds via its Guernsey-based subsidiary, UTI International Limited. The Securities and Exchange Board of India (Portfolio Managers).

UTI EQUITY FUND – Dividend & Growth



In the accompanying graph, we can observe that growth outperforms dividends. During the first week of February, we can see that growth declined in the previous week and then rebounded, and the dividend also grew. Dividend performance is usually lower because of the frequency with which they are declared.

One of Hong Kong's top banks, HSBC HSBC is also Citicorp's second-largest global group. Until it moved to London in 1990, it was headquartered in Hong Kong. Banking services are available throughout India at HSBC branches in the cities of Ahmedabad, Bangalore and Chennai; Hyderabad; Jaipur, Kochi; Kolkata; Ludhiana; Mumbai and Delhi; Noida, Pune; Thane; Trivandrum and Visakhapatnam. The Indian branch of HSBC is the biggest in the world.

Asia-Pacific, Europe, Middle East and North America all have HSBC NRI centres. The HSBC NRI centres in India and abroad provide a comprehensive range of personal and private banking services. HSBC India's Internet banking service now includes HSBC's international products.

Visa debit and credit cards, as well as the HSBC Investment Product and HSBC Insurance, are all offered by HSBC India. As well as a variety of ATMs and a contact centre, HSBC also provides e-banking and other online banking options.

File of evidence Bank of HSBC

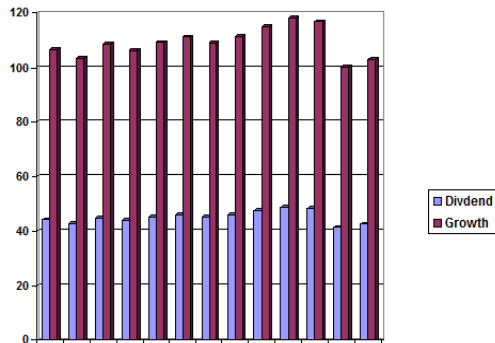
In order to deliver banking and other financial services quickly and easily, the HSBC Group

develops and implements cutting-edge technology. HSBC Bank India has supplied the following:

Over 150 ATMs and 24-hour phone banking services in the branch and off-branch are available for self-service banking.

Access to a central database of information for trade and corporate banking services in real time.

HSBC EQUITY FUND – Dividend & Growth



A look at the graph above indicates that dividends and growth figures haven't changed much. However, we can see that things are looking up again. Over the last several weeks, it's shown a lesser performance than Dividend, which has shown a similar performance. Dividend performance is usually lower when compared to other investments due to the frequency with which dividends are paid out.

The ICICI BANK

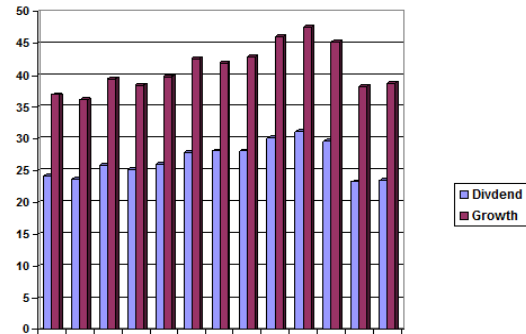
With the help of the World Bank, the Indian government, and the Indian industry, the ICICI Limited was established in 1955 to encourage India's economic progress.

India's largest public financial institution, ICICI Bank, has grown from a development bank to a financial behemoth. A total of 6,848 firms and 16,851 projects have been financed by the ICICI Bank across all major sectors of the economy. On March 31, 2000, ICICI disbursed a total of Rs. 1,13,070 crores.

ICICI Bank Fact Files

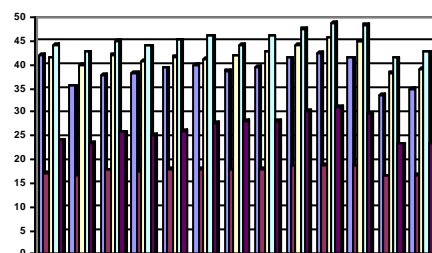
Total assets: Rs.146,214 crore (December 31, 2004)
 Network : 530 branches
 ATMs : Over 1,880
 Abroad Subsidiaries : United Kingdom and Canada
 Abroad branches : Singapore and Bahrain
 Representative offices : United States, China, United Arab Emirates, Bangladesh and South Africa.

ICICI EQUITY FUND – Dividend & Growth

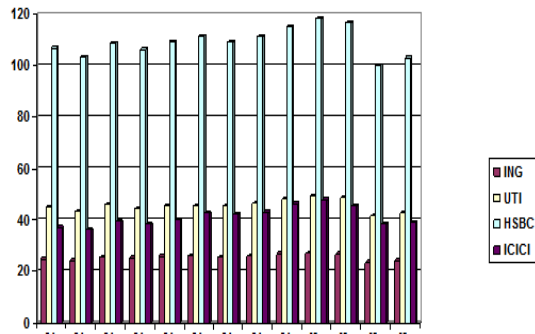


In the following graph it shows that growth and dividends are comparable, but both decreased in the month of February. It had dropped dramatically in the month of February. From the first week of December to the 1st week of February both climbed and showed good performance. Due to the frequent declaration of dividends, dividend performance is always less visible compared to others.

PERFORMANCE CHART OF DIVEDEND



PERFORMANCE CHART OF GROWTH



The diagram above shows clearly the total performance of the Equity Fund dividend and growth of all the institutions. Growth in ING VVSYA is good compared to dividends. Growth is strong from the beginning of the month. Both growth and dividends are somewhat fluctuating. UTI shows that growth shows greater performance than dividends. In February, we can observe that growth dropped in the previous week and grew in the first week and also the dividend increased in the first week of February. In HSBC, the values of dividends and growth fluctuate slightly. But here we can see that growth is good again. Last week it showed a lower performance and Dividend exhibited comparable performance over the weeks. In ICICI, it shows that growth and dividends are comparable, but both have decreased in the month of February. It had dropped dramatically in the month of February. From 1st week of December to 1st week of February, both rose and showed a good performance. In HDFC, growth shows excellent performance compared to dividends right from the start of the month. There are occasional swings in growth, but the stated numbers are nearly consistent in dividends. Due to the frequent declaration of dividends, the performance of dividends is always poorer than that of others.

The following chart shows clearly that the HDFC bank performs quite well compared to other banks. Corporate banking has excellent performance compared to nationalised banking.

FINDINGS

We can see in the UTI banking chart that growth has been good relative to dividends. The dividend values and growth fluctuated somewhat.

THE ING TABLE VVSYA we can see that growth performance was excellent. The dividends there were fixed values. The NAV values of both Dividends and Growth were high during the first week of February.

The performance of growth is extremely excellent as compared to dividends when we examine corporate banks I HDFC. Compared with other

banks this bank has been proven to be excellent for investing in this bank.

There is no difference in them when we view ICICI's bank, both Dividends and Growth same or comparable. In the month of February it increased in the first week, but in the following weeks it fell dramatically.

When we see HSBC bank here again, growth in comparison to dividends was good. This value rise has been achieved to some degree and decreased final week of February.

By comparing nationalised banks with corporate banks, we can show that corporate banks fared well during those three months.

SUGGESTIONS:

- To some degree the nationalised banks functioned well and valuations decreased further. This decrease may be caused by the declared dividends in these banks and was thus low in value.

The nationalised banks have done well internally and if we observe Growth, UTI Bank has performed well.

A in corporate banks we can observe that the HDFC bank has done quite well internally in comparison to other banks. Both values in this bank are high. It was up to a maximum height.

- Availability is better for investors than investing in the nationalised sector, which offers them the greatest return on investment.

CONCLUSION

The corporate sectors provide excellent services by looking at the consumer. They take great care of their clients.

By improving infrastructure, technologies, introducing different schemes and services, internet trade shows that whoever wants to invest will certainly invest in corporate banks.

Now you can see that majority of them are setting up their account in corporate banks rather than nationalised banks, since they have additional benefits and services.

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