

SUMMER PROJECT REPORT

**“A Study on Performance Evaluation of Mutual Fund
With Reference to Axis Mutual Fund”**

Submitted to:

Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur

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**Department of Management Sciences and Research,
G.S. College of Commerce & Economics, Nagpur
NAAC Accredited “A” Grade Institution**



Academic Year 2019-20



CERTIFICATE

This is to certify that the investigation described in this report titled “**A Study on Performance Evaluation of Mutual Fund With Reference to Axis Mutual Fund**” has been carried out by **Ms. Rutuja Umathe** during the summer internship project. The study was done in the organisation, **Dhanlakshmi Financial Services**, in partial fulfillment of the requirement for the degree of Master of Business Administration of **R. T. M. Nagpur University, Nagpur.**

This work is the own work of the candidate, complete in all respects and is of sufficiently high standard to warrant its submission to the said degree. The assistance and resources used for this work are duly acknowledged.

Dr. Ashwini Purohit
(Director)

CERTIFICATE



CERTIFICATE

This is to certify that **Miss. Rutuja Vikas Umathe**, Student of Department of Management Sciences and Research G S college of commerce and economics, Nagpur has successfully completed internship starting from 21st July 2020 to 12th Sep 2020 in our organisation. During the period of internship program with us she was found punctual and hardworking.

We wish her every success in her life and career.

For, Dhanlakshmi Financial Services

Name: Madhavi Gadekar

Designation: Founder

Date: 12th Sep 2020

For Dhanlakshmi Financial Services

A handwritten signature in blue ink, appearing to read 'Madhavi P Gadekar', is written over a blue circular stamp.

(Madhavi P Gadekar)

Proprietor

Dhanlakshmi Financial Services

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Mail Id : services@dhanlakshmi.in, Contact No : +91 7722099779

ACKNOWLEDGEMENT

It is a matter of pride and privilege for me to have done a summer internship project in “**Dhanlakshmi Financial Services**” and I am sincerely thankful to them for providing this opportunity to me.

I am thankful to “**Ms Madhavi Gadekar**” for guiding me through this project and continuously encouraging me. It would not have been possible to complete this project without his / her support.

I am also thankful to all the faculty members of Department of Management Sciences and Research, G S College of Commerce and Economics, Nagpur and particularly my mentor “**Dr. Geeta Naidu**” for helping me during the project.

Finally, I am grateful to my family and friends for their unending support.

Ms Rutuja Umathe

(Name and Signature of the Student)

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INTRODUCTION

INTRODUCTION



Axis Mutual Fund is one of the well-established fund houses in India. The Asset Management Company (AMC) managing the Mutual Fund schemes of Axis is Axis Asset Management Company Limited.

Axis Mutual Fund is sponsored by Axis Bank (formerly known as Unit Trust of India), which is also a well-known private sector bank. Since its inception in 2009, the Mutual Fund Company has its presence in more than 100 cities. Axis Mutual Fund offers nearly 52 Mutual Fund schemes across various categories in order to cater the diverse and growing requirements of the individuals.

Axis Mutual Fund launched its first scheme in October 2009 since then Axis Mutual fund has grown strongly. We attribute our success thus far to our 3 founding principles - Long term wealth creation, Outside in (Customer) view and Long term relationship.

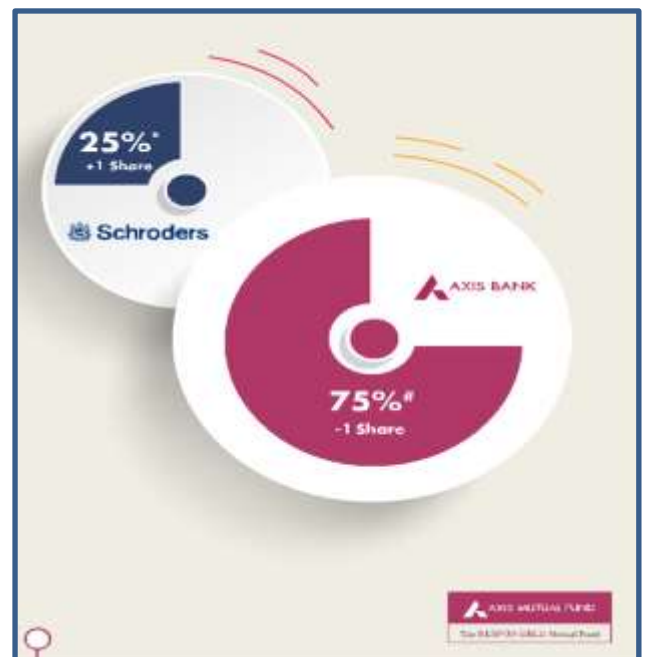
Shareholder of Axis Mutual Fund

Axis Bank Limited

75.00% Holdings

Schroder Singapore
Holdings Private Limited

25.00% Holdings



COMPANY PROFILE



Dhanlakshmi Financial Services

Introduction

Dhanlakshmi Financial Services is a leading distributor of various financial products, based in Nagpur. The company was established in 2016, with an objective of offering varied investment opportunities under one roof. In short.

The foundation of Dhanlakshmi is built on providing highly personalized service to its customers, to help them make sound investment decisions. Their accomplishments bear the mark of unwavering trust of our clientele, as well as recognition from leading financial institutions. In just 1 year we are advising 200+ Happy Investors with Rs. 25 crs asset under advice.

Dhanlakshmi Financial Services Vision and Mission

Mission

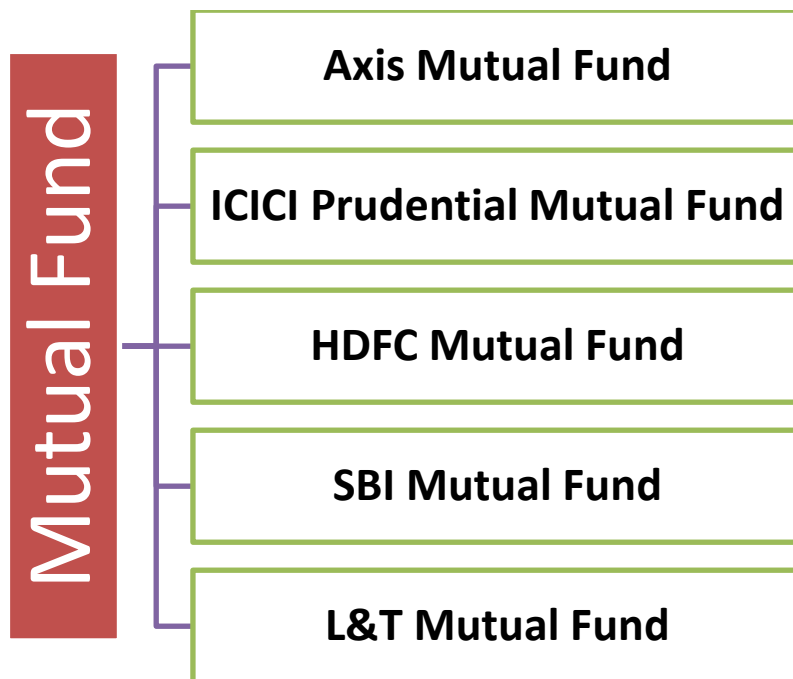
At Dhanlakshmi we are committed to maintaining the highest standards of integrity and professionalism in our relationship with you, our client. We endeavor to know and understand your financial situation and provide you with only the highest quality information, services, and products to help you pursue your goals.

Our Vision

Dhanlakshmi Finserv aims to achieve high levels of customer satisfaction by building personal rapport with its clients, providing reliable and authentic quality information about various investment products, giving practical and workable solutions for their investment needs and assist them to achieve their life stage goals.

Products Offered By

Dhanlakshmi Financial Services



Scheme of Axis mutual fund

Equity Fund :-

- ▲ Axis Multicap Fund
- ▲ Axis Midcap Fund
- ▲ Axis Long Term Equity Fund
- ▲ Axis Focused 25 Fund
- ▲ Axis Bluechip Fund
- ▲ Axis Small Cap Fund
- ▲ Axis Growth Opportunities Fund
- ▲ AXIS NIFTY 100 INDEX FUND
- ▲ Axis ESG Equity Fund

Hybrid/Balance Fund :-

- ▲ Axis Equity Saver Fund
- ▲ Axis Equity Hybrid Fund
- ▲ Axis Dynamic Equity Fund
- ▲ Axis Arbitrage Fund
- ▲ Axis Regular Saver Fund
- ▲ Axis Triple Advantage Fund

Debt Fund :-

- ▲ Axis Banking & PSU Debt Fund
- ▲ Axis Short Term Fund
- ▲ Axis Treasury Advantage Fund
- ▲ Axis Ultra Short Term Fund
- ▲ Axis All Seasons Debt Fund of Funds
- ▲ Axis Money Market Fund
- ▲ Axis Corporate Debt Fund
- ▲ Axis Strategic Bond Fund
- ▲ Axis Credit Risk Fund
- ▲ Axis Overnight Fund
- ▲ Axis Dynamic Bond Fund
- ▲ Axis Gilt Fund
- ▲ Axis Liquid Fund

TERMINOLOGIES

Terminology

- ▲ **AMC** (Asset Management Company) Asset Management Company is the company that manages funds of individuals.
- ▲ **NAV (Net Asset Value)** {NAV is an abbreviation of Net asset value. NAV is the sum total of the market value of assets held in portfolio }

Formula : NAV = (Assets – liability)/ No. of units

- ▲ **AUM** (AUM is an abbreviation of Asset under management. This value refers to total market value of assets managed by a mutual fund)
- ▲ **Exit load** (Exit load is a small fee usually denoted by percentage of the total value redeemed that is collected by mutual fund house when the investor redeems/ switches his funds)
- ▲ **Entry load** (Entry load is a small fee that is collected by mutual fund house from the investor when the investor joins a mutual fund scheme. From August 2009 SEBI has cancelled the practice of collecting entry load.)
- ▲ **NFO** (NFO means new fund offer, this usually happens when a mutual fund company launches a new open/closed ended mutual fund)
- ▲ **CAGR** (Compound annual growth rate (CAGR) is a metric that provides more clarity on returns that are more than one year. The main reason to use this metric is to compare returns from different asset classes such as equity, FD, bonds etc.,)

Formula : CAGR = (Current value/original investment value) ^(1/No. of years) – 1

- ▲ **IRR** (Internal rate of return is used to calculate returns when investments are done at constant interval of time such as monthly or 3 months or 6 months or yearly etc.)
- ▲ **XIRR** (Extended internal rate of return is used to calculate returns when there are multiple purchases/sales transactions without any constant interval.)

- ▲ **Growth Option.** (The profits made by the scheme are not paid by way of dividend. Instead, these get accumulated and form part of the scheme via reinvestment.)
- ▲ **Dividend Option.** (In case of a dividend option, profits made by the scheme are not reinvested in the scheme. Instead, gains will be distributed among the investors by way of dividends)
- ▲ **SIP (Systematic Investment Plan) :** An SIP or Systematic Investment Plan allows an investor to invest a fixed amount regularly in a mutual fund scheme
- ▲ **STP (Systematic Transfer Plan) :** An STP is a plan that allows investors to give consent to a mutual fund to periodically transfer a certain amount / switch (redeem) certain units from one scheme and invest in another scheme of the same mutual fund house.
- ▲ **SWP (Systematic Withdrawal Plan) :** SWP stands for systematic withdrawal plan. Under SWP, if you invest lump sum in a mutual fund, you can set an amount you'll withdraw regularly and the frequency at which you'll withdraw. ... The amount left every month after withdrawal will continue to remain invested

OBJECTIVES OF THE STUDY:

OBJECTIVES OF THE STUDY:

- To know about the Axis mutual fund schemes.
- To measure and evaluate the performance of Axis mutual funds in terms of returns (Net Asset value).
- To know the potential risk involved in each Axis mutual fund scheme.
- To find out the best Axis mutual fund scheme among the selected schemes in terms of risk and return
- The investments objectives of the scheme are to generate capital appreciation from a portfolio of predominantly equity r related securities.
- To compare performance of Selected Diversified Equity Mutual Funds in India

SCOPE OF STUDY

SCOPE OF THE STUDY:

- ▲ In this project the scope is limited to axis mutual funds in the mutual fund industry.
- ▲ I analyzed the funds depending on their schemes NAV.

NEED OF STUDY

NEED OF STUDY:

- ▲ To enhance the knowledge and skills related to the financial market and the main task was of understanding mutual funds

- ▲ The main purpose of doing this project was to know about mutual fund and its functioning.

- ▲ It also helps in understanding different schemes of Axis mutual funds.

- ▲ To provide the best scheme to customer as per their goal.

CONTRIBUTION DURING SIP

ACTUAL WORK DONE

 Dhan Lakshmi

Week wise details

 Dhan Lakshmi

1st week & 2nd week :-

- 1) Introduction about Dhanlakshmi Financial Services.
- 2) Overview on Product offered by Dhanlakshmi Financial Services.
- 3) Basic idea about Mutual Fund.
- 4) Understanding different terminology of Mutual Fund.
- 5) Discuss various types of Mutual Fund.
- 6) Discuss the regulatory body for Mutual Fund.
- 7) Discuss on Legal Structure of Mutual Funds in India
- 8) Discussing about Offer Document (NFO, SID, SAI,)

 MUTUAL FUNDS *Sahi Hai*

 Dhan Lakshmi
FINANCIAL SERVICES

 Dhan Lakshmi

3rd week & 4th week :-

- 1) Analysing the different mutual fund scheme with reference to Axis Mutual Fund.
- 2) Analysing the performance of different scheme in each segment. e.g Equity Fund, Debt Fund and Hybrid fund.
- 3) Analysing the data with the help of average return and NAV
- 4) Compare the different scheme in each segment by previous year data
- 5) Suggested the best scheme from each segment.
- 6) Understanding the concept of SMART goal. with the help of this we understand the SMART goal for the customer and as per their requirement mutual fund scheme suggested



- 1) Handling customer query
- 2) Updating personal details as per customer instruction such as address name nomination details etc.
- 3) Sales Training
- 4) Sales process
- 5) Mock test for sales
- 6) Role play for sales
- 7) Calling
- 8) Understanding existing customers problem

- ▲ Cold calling on new NFO (Axis Global Equity Alpha Fund) launched by Axis Mutual fund

▲ **Presentation on**

- ▲ PPF (public provident Fund)
- ▲ Financial planning
- ▲ Term insurance

LIMITATION

LIMITATIONS:

- ▲ The study is limited to the different schemes available under Axis mutual funds.
- ▲ The study is limited to selected mutual fund schemes of axis mutual fund
- ▲ The Study is limited to only Regular (Growth) option fund.
- ▲ The study is based on NAV of 52 week high and low.

RESEARCH METHODOLOGY

Research methodology :

To achieve the objective of studying the axis mutual fund data has been collected.

Research methodology carried for this study can be two types

▲ Primary

▲ Secondary

Primary:

The data, which has being collected for the first time and it, is the original data.

In this project the primary data has been taken from Dhanlakshmi Financial Services staff and guide of the project.

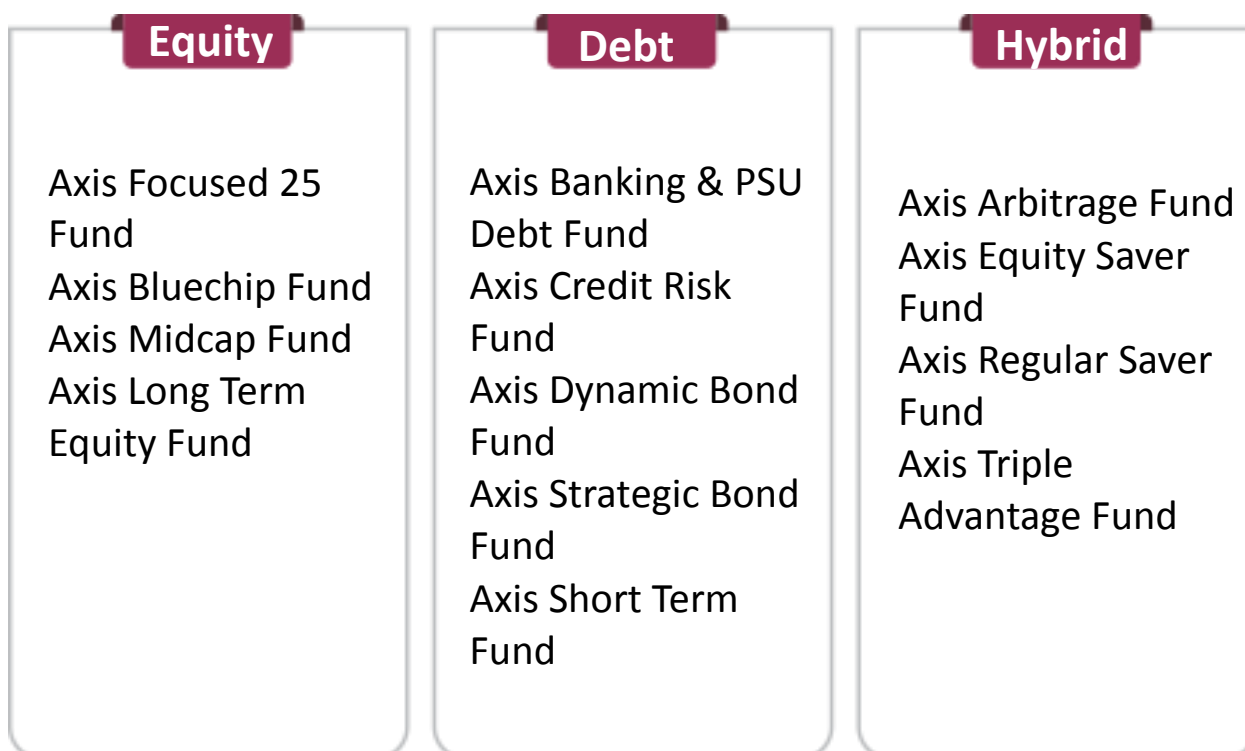
Secondary:

The secondary information is mostly taken from websites, magazine ,etc.

FINDINGS & SUGGESTION

Findings & Suggestion

- To change the customer mind and suggest the relevant scheme to investor advisor plays an important role.
- Younger people age under 35 will be a key new customer group into the future.
- Among 100 respondent only 60% had invested in mutual fund and 40% did not have invested in mutual fund.
- As per study below are best scheme of Axis MF on each segment



CONCLUSION

Conclusion

- From the study it is observed that the Most vital problems spotted is of ignorance, investor should be made aware of benefit nobody will invest until and unless he is fully convinced
- Brand plays important role for the investment.
- People invest in those companies where they have faith or they are well known with them.

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