

A STUDY ON THE PERFORMANCE ANALYSIS OF THE SELECTED MUTUAL FUNDS UNDER EQUITY DIVERSIFIED STREAM WITH A SPECIAL REFERENCE TO BOMBAY STOCK EXCHANGE.

¹Dr.R. Murugan

Assistant Professor, Department of Commerce and Management Business Administration
Vel Tech Rangarajan Dr. Sagunthala R&D Institute of Science and Technology,
Avadi, Chennai, Tamil Nadu. Mail id: kathamurugan1972@gmail.com

²Dr.M.Mirsath Begum

Assistant Professor, Department of Economics,
Avinashilingam Institute for Home science and Higher Education for Women
Coimbatore. Tamil Nadu. Mail id: getzmirshath@gmail.com

³Dr.P. Srinivasan

Head, Department of Hotel Management,
Koneru Lakshmaiah Educational Foundation, Vaddeswaram, Guntur District,
Andhra Pradesh. mallivasan@kluniversity.in

ABSTRACT

The researcher is interested in carrying out the study in this area in order to determine the performance of the selected Mutual funds under Equity Diversified stream with a special reference to BSE. The researcher is interested in carrying out the study to find out which particular mutual fund selected under Equity Diversified stream has outperformed all other funds for the financial years under study. Thus, the prima facie objective is to measure the performance of the selected Mutual funds via Sharpe, Treynor and Jensen index. The researcher used Ex-Post- Facto type of Research design in this study. The researcher used Secondary data collection method in this study and for this purpose the researcher collected sample data both in terms of NAV cum BSE for the selected mutual funds from a period of three successive years from 2019 -2022.

Key words: Mutual fund, BSE, Performance, Global, Investors

Mutual Fund is collection of the cash, founded on faith who finances the reserves of the funds of the Stakeholders who stakes a mutual economic objective, similar wealth increase and extra receiving. The money accordingly collected were it put resources into wealth market tools, for example, offers, debentures, and outside market. Speculators contribute cash and get the units according to the unit esteem which researchers named as NAV (Net Asset Value).

GROWTH OF MUTUAL FUND INDUSTRY

The historic backdrop of Mutual Fund traces back to Nineteenth century while these were present in Europe, specifically, UK as a principal Investment Vehicle. Robert Fleming fixed up in 1868 the primary hypothesis company called Foreign and pioneer wander trust that ensured to manage the assets of the wealthier classes of Scotland by scrambling the wander over different assorted stocks. This venture trust and other speculation trusts which were a while later set up in Britain and the U.S.A, took after the present close – finished shared assets. The primary shared store in the U.S. Massachusetts financial specialists confide in, were set up in Mar 1924. This was the open – closed public reserve.

The share trading system smash at 1929, the Great Unhappiness, & the flare-up of the IInd world war released the space of progress of mutual store industry. Progresses in objects and managements stretched the reputation of shared capitals in 1960s. The main world-wide ordinary mutual backup was existing in the U.S.A in 1940. At 1976, main assessment – excluded city security reserves developed at 1979, the principal money advertise mutual assets was prepared. The best modern increases are global safekeeping support in 1986 hand finances at 1990. The business saw considerable development at 90's where around was a critical increment on the quantity of common possessions, plans, resources, & investors.

MUTUAL FUND & CAPITAL MARKET

Indian Institute of Capital Market (IICM) aims is to educate and develop professionals for the securities industry in India and other developing countries, other objectives like to function on a centre for creating investors awareness through research & turning and to provide specialized consultancy related to the securities industry.

Capital Market assume essential part for the development of Mutual store in India, capital Market separated into the two sections one is the essential Markets and another is auxiliary Market. The essential Market worry with issue administration, according to the common reserve concern the essential called as the NFO (New Fund Offer), all the AMC (Assets Management Company) are issuing every one of the assets completely through the NFO, Every NFO accompanied especially venture destinations, style of speculation and assignment of the assets all that thing rely upon the store administrator style of speculation.

Latest Trend of Mutual Fund

India is at main stage of disappointment that has officially crested in the U.S. The United States brags of an Advantage sordid that is considerably advanced than its bank provisions. In India, common store possessions are not in any circumstance 10% of the bank provisions, however this design is beginning to modify. Later statistics demonstrate that at the prime quarter of present budgetary year mutual store possessions went up by 11.5% while bank provisions climbed by just 17%. They are constraining a significant quantity of banks to embrace the impression of restricted managing an account where in the provisions are kept in Gold and certain altered possessions which increases liquidness and moderate chance. The fundamental actuality rests that banks can't be disregarded and they won't shut down totally. Their part as go-betweens

can't be overlooked. It is only that Mutual Funds will change the way banks work together later on.

REVIEW OF LITERATURE

1. Jack Treynor (1965) developed a method for execution appraisal of a common store that is insinuated as reward to unconventionality check, which is described as would be expected excess profit for the portfolio. This is straggled by Sharpe (1966) prize to variability measure, which is typical excess profit for the portfolio detached by the SD of the portfolio.
2. Sharpe (1966) established a compound degree of execution assessment and introduced transcendent execution of 11 funds out of 34 in the midst of the period 1944-63.
3. Michael C. Jensen (1967) coordinated a correct examination of basic finances in the season of 1954-64 for 115 shared resources. The results demonstrate that these benefits are not prepared to envision security costs all around alright to beat a buy the market and hold game plan. The examination slighted the gross organization expenses to be free. There was alongside no affirmation that any individual save could demonstrate change over which budgetary authorities foreseen from irrelevant discretionary probability.
4. Jensen (1968) developed an extraordinary report; a level out measures of execution in perspective of the CAPM & declared that regular resources did not look to attain irregular execution when trade charges were considered.
5. Carlsen (1970) surveyed the peril adjusted execution and focused on that the conclusions drawn from figuring's of benefit depend for the period, kind of store and the choice of benchmark. Carlson fundamentally recalculated the Jensen and Shape comes to fruition using yearly data for 82 customary stock funds over the 1948-67 periods. The results invalidated both Sharpe and Jensen measures.
6. Fama (1972) built up a philosophy for assessing venture execution of oversaw portfolios and recommended that the general execution could be separated into a few parts.
7. John McDonald (1974) analysed the connection between the expressed store destinations and their dangers and return traits. The examination infers that, on a normal the reserve directors seemed to keep their portfolios inside the expressed hazard. A few finances in the lower hazard assemble had higher hazard than stores in the most dangerous gathering.
8. James R.F. Fellow (1978) assessed the hazard balanced execution of UK speculation trusts through the use of Sharpe and Jensen measures. The investigation infers that no trust had displayed better execution looked at than the London Stock Exchange Index.
9. Henriksson (1984) announced that shared store directors were not ready to take after a speculation procedure that effectively times the arrival available portfolio. Again Henriksson (1984) close there is solid proof that the assets showcase hazard exposures change in light of the market demonstrated. Be that as it may, the store supervisors were not fruitful in timing the market.
10. Grinblatt and Titman (1989) reasons that some common subsidizes reliably acknowledge anomalous returns by deliberately picking stocks that acknowledge positive overabundance returns.

STATEMENT OF THE PROBLEM

The researcher is interested in carrying out the study in this area in order to determine the Risk inherency involved in the selected Mutual funds from Equity diversified funds with a special reference to BSE.

OBJECTIVES OF THE STUDY

Primary Objective

To study and to determine the Risk inherency in the selected Mutual funds from Equity Diversified Stream with a special reference to BSE.

Secondary Objectives

- (i) To study and to determine the Run Return Status of the Selected Mutual funds from Equity diversified Stream with a special reference to BSE.
- (ii) To study and to determine the Beta (risk inherency) status of the selected Mutual funds from Equity diversified stream with a special reference to BSE.
- (iii) To study and to determine the Outperformance status for all the financial years under study with a special reference to the selected Mutual funds from Equity diversified stream.
- (iv) To study and to determine the performance of the selected Mutual Funds (from Equity Diversified Stream) via Sharpe Index.
- (v) To study and to determine the performance of the selected Mutual Funds (from Equity Diversified Stream) via Treynor Index.
- (vi) To study and to determine the performance of the selected Mutual Funds (from Equity Diversified Stream) via Jensen Index.

RESEARCH DESIGN

DATA SOURCES

The researcher used Secondary data collection method in his study and for this purpose the researcher collected ample data from the web site of www.bseindia.com, www.bluechipindia.com, www.sharewealth.com with reference to BSE Index cum Net Asset Value Status of the selected Mutual Funds from Equity Diversified Stream for a period of three consecutive years (2019- 2022) in order to carry out the study.

SAMPLING TECHNIQUE:

Convenient Type of Sampling

Sample Selection:

Based on the latest NAV results and ranked the same in the Descending Order.

Analysis: Complete Enumeration Survey Method.

Period of Study: 3 Years from (2019- 2022), Financial Years.

The researcher used as convenient type of sampling method in this study and a complete enumeration survey method has been reported by the researcher using the Net Asset Value Status of the selected Mutual funds from Equity Diversified Stream cum BSE Sensex for a period of 3 successive years. The samples are selected based on the Net Asset Value Status s as on 31:03:2022. (In the Descending Order).

SCOPE OF THE STUDY:

The study is restricted only to the selected Mutual funds from Equity Diversified Stream for a period of 3 years only from (2019- 2022). The name of the Mutual Funds are as follows.

1. L&T Emerging business fund-Direct-Growth.
2. SBI Small mid-cap Direct Growth fund.
3. RELIANCE Small cap fund Direct-Growth.
4. HDFC Small cap funds Direct Growth.
5. DSP Blackrock Natural Resources and New Energy fund Direct Growth.

The study is restricted only to the Mutual funds traded by SHAREWEALTH.

HYPOTHESES TESTING

Hypothesis – I:

Parameter: Beta

Ho: The Beta status is independent to that of the time period ($\beta \neq 0.87$)

H1: The Beta status is dependent to that of the time period($\beta \neq 0.87$)

Hypothesis II

Parameter: Returns

Ho: The Beta status is independent to that of the time period ($\beta \neq 0.59$)

H1: The Beta status is dependent to that of the time period. ($\beta \neq 0.59$)

STATISTICAL TOOLS

The researcher used the following financial tools namely

- 1) Short Run Return Status
- 2) Beta Status
- 3) Sharpe Index
- 4) Treynor Index
- 5) Jensen Index
- 6) Out Performance Status

The researcher used also the following Statistical tools namely T-test and Trend Analysis in order to arrive at the major findings in the study.

LIMITATIONS OF THE STUDY

- The Study is restricted only to the selected Mutual Funds from Equity Diversified Stream with a special reference to BSE for a period of three successive years.
- The study is restricted only to the above-mentioned mutual funds for a period of three years owing to time constraint
- The major Findings of the study may not hold good for other Mutual funds from Equity Diversified stream.

ANALYSIS AND INTERPRETATION

Table: 1.1.1.

Table showing the performance of the selected mutual funds via Sharpe's Index for the F.Y 2019-20.

Name of the MF	RP	Rf	Standard Deviation	(Rp-Rf)/β	Rank
L &T	0.04	0.05	0.65	-0.02	IV
SBI	0.22	0.05	1.48	0.11	II
Reliance	0.48	0.05	11.09	0.39	I
HDFC	-0.42	0.05	1.48	-0.32	V
DSP	0.05	0.05	1.03	0	III

Interpretation:

From the above table, it is inferred that the RELIANCE Small cap fund Direct Growth has outwitted all other selected funds for the F.Y 2019-20 via Sharpe Index.

Table: 1.1.2

Table showing the performance of the selected mutual funds via Sharpe Index for the F.Y 2020-21.

Name of the MF	RP	Rf	Standard Deviation	(Rp-Rf)/β	Rank
L &T	0.57	0.05	0.71	0.73	III
SBI	0.85	0.05	1.56	0.51	IV
Reliance	0.84	0.05	1.03	0.77	II
HDFC	0.67	0.05	1.87	0.33	V
DSP	0.98	0.05	0.7	1.33	I

Interpretation:

From the above table it is inferred that the DSP Blackrock natural resources and new energy fund has outwitted all other selected funds for F.Y 2020-21 via Sharpe's index.

Table: 1.1.3

Table showing the performance of the selected mutual funds via Sharpe Index for the F.Y 2017-18.

Name of the MF	RP	Rf	Standard Deviation	(Rp-Rf)/β	Rank
L &T	0.61	0.05	0.93	0.60	II
SBI	1.5	0.05	2.94	0.49	III
Reliance	0.99	0.05	1.92	0.03	V
HDFC	1.51	0.05	2.35	0.62	I
DSP	0.44	0.05	1.13	0.35	IV

Interpretation:

From the above table it is inferred that the HDFC Small cap funds Direct Growth has outwitted all other selected funds for the F.Y 2017-18 via Sharpe's index.

TABLE: 1.1.4

TABLE SHOWING THE PERFORMANCE OF THE SELECTED MUTUAL FUNDS VIA TREYNOR'S INDEX FOR THE F.Y 2018-19.

Name of the MF	RP	Rf	Beta	(Rp-Rf)/β	Rank
L &T	0.04	0.05	-1.01	0.99	II
SBI	0.22	0.05	-2.86	-0.06	III
Reliance	0.48	0.05	1.11	0.39	I
HDFC	-0.42	0.05	0.79	-0.59	IV
DSP	0.05	0.05	-0.53	0	V

Interpretation:

From the above table it is inferred that the RELIANCE Small cap fund Direct-Growth has outwitted all other selected funds for the F.Y 2018-19 via Treynor's index.

Table: 1.1.5

Table showing the performance of the selected mutual funds via Treynor's index for the F.Y 2020-21.

Name of the MF	RP	Rf	Beta	(Rp-Rf)/β	Rank
L &T	0.57	0.05	0.9	0.58	V
SBI	0.85	0.05	0.73	1.10	II
Reliance	0.84	0.05	0.65	1.22	I
HDFC	0.67	0.05	0.92	0.62	IV
DSP	0.98	0.05	1.03	0.90	III

Interpretation

From the above table it is inferred that the RELIANCE Small cap fund Direct-Growth has outwitted all other selected funds for F.Y 2020-21 via Treynor's index.

Table: 1.1.6

Table showing the performance of the selected mutual funds via Treynor's index for the F.Y 2021-22.

Name of the MF	RP	Rf	Beta	(Rp-Rf)/β	Rank
L &T	0.61	0.05	0.93	0.60	IV
SBI	1.5	0.05	2.94	0.49	II
Reliance	0.99	0.05	1.92	0.03	III
HDFC	1.51	0.05	2.35	0.62	I
DSP	0.44	0.05	1.13	0.35	V

Interpretation

From the above table it is inferred that the HDFC Small cap funds Direct Growth has outwitted all other selected funds for the F.Y 2021-22 via Treynor's index.

Table: 1.1.7

Table showing the performance of the selected mutual funds via Jensen's index for the F.Y 2018-19.

Name of the M F	RP	RF	Beta	P	P/Beta	Rank
L & T	0.04	0.05	-1.01	-0.12	0.12	II
SBI	0.22	0.05	-2.86	-0.14	0.05	IV
Reliance	0.48	0.05	1.11	0.5521	0.497	I
HDFC	-0.42	0.05	0.79	-0.38	-0.48	V
DSP	0.05	0.05	0.53	0.0583	0.11	III

Interpretation:

From the above table it is inferred that the RELIANCE Small cap fund Direct-Growth has outwitted all selected funds for the F.Y 2018-19 via Jensen's index.

Table: 1.1.8

Table showing the performance of the selected mutual funds via Jensen's Index for the F.Y 2020-21.

Name of the M F	RP	RF	Beta	P	P/Beta	Rank
L & T	0.57	0.05	0.9	0.56	0.62	V
SBI	0.85	0.05	0.73	0.83	0.88	II
Reliance	0.84	0.05	0.65	0.82	0.79	III
HDFC	0.67	0.05	0.92	0.634	0.69	IV
DSP	0.98	0.05	1.03	0.97	0.94	I

Interpretation:

From the above table inferred that the DSP Blackrock natural resources and new energy fund has outwitted for all other selected funds for the F.Y 2020-21 via Jensen's index.

Table: 1.1.9:

Table showing the performance of the selected mutual funds via Jensen's Index for the F.Y 2021-22.

Name of the M F	RP	RF	Beta	P	P/Beta	Rank
L & T	0.57	0.05	0.62	0.54	0.87	III
SBI	0.85	0.05	0.92	0.84	0.91	II
Reliance	0.84	0.05	0.87	0.82	0.94	I
HDFC	0.67	0.05	0.84	0.65	0.78	V
DSP	0.98	0.05	1.2	0.98	0.82	IV

Interpretation:

From the above table inferred that the RELIANCE Small cap fund Direct-Growth has outwitted all other selected funds for the F.Y 2021-22 via Jensen’s index.

Table 1.1.10:

Table showing the Beta status of the selected mutual funds for the F.Y 2018-19.

S.NO	Mutual Funds	Beta Status	Mean	Standard Deviation
1	L & T	-1.01	-0.29	3.38
2	SBI	-2.86		
3	Reliance	1.11		
4	HDFC	0.79		
5	DSP	0.53		

Interpretation:

From the above table it is inferred that the Beta status records the highest for Reliance while the Beta status records the least for the DSP fund for the F.Y18-19

From the above table it is inferred that the Beta status positive showed as against the competed mean value of -0.29 for the mutual fund namely Reliance, HDFC, DSP while the Beta status falls below the computed mean value of -0.29 for the mutual funds namely L & T, SBI for the financial tear 2018-19.

From the above table, it is inferred that the beta status is negative shows for all the selected mutual funds as against the computed standard deviation of 3.38 for the F.Y 2018-19.

Table: 1.1.11:

Table showing the beta status of the selected mutual funds for the F.Y 2020-21.

S.NO	Mutual Funds	Beta Status	Mean	Standard Deviation
1	L & T	0.9	0.85	0.4
2	SBI	0.73		
3	Reliance	0.65		
4	HDFC	0.92		
5	DSP	1.03		

Interpretation:

From the above table, it is inferred that the beta status records the highest for the mutual funds DSP while the beta status records the least for the mutual funds Reliance for the F.Y 2020-21.

From the above table, it is inferred that the beta status lies above the computed mean value of 0.85 for the mutual funds namely L & T, DSP & HDFC while the beta status lies below the computed mean value of 0.85 for the mutual funds namely SBI & Reliance for the F.Y 2020-21

From the above table, it is inferred that the beta status is positively shown as against the computed standard deviation of 0.4 for all the selected mutual funds for the F.Y 2020-21

Table: 1.1.12:

Table showing the beta status of the selected mutual funds for the F.Y 2021-22.

S.NO	Mutual Funds	Beta Status	Mean	Standard Deviation
1	L & T	0.62	0.89	0.44
2	SBI	0.92		
3	Reliance	0.87		
4	HDFC	0.84		
5	DSP	1.2		

Interpretation:

From the above table, it is inferred that the beta status records the highest for the mutual funds DSP while the beta status records the least for the mutual funds L& T for the F.Y 2021-22

From the above table, it is inferred that the beta status lies above the computed mean value of 0.89 for the mutual funds namely DSP & SBI while the beta status lies below the computed mean value of 0.89 for the mutual funds namely L & T, Reliance & HDFC for the F.Y 2021-22.

From the above table, it is inferred that the beta status is positively shown as against the computed standard deviation of 0.44 for all the selected mutual funds for the F.Y 2021-22.

Table: 1.1.13

Table showing the outperformance status of the selected mutual funds for the FY 2018-19.

S.NO	Mutual Funds	Rp	Rm	(Rp-Rm)	Rank
1	L & T	0.04	-0.005	0.05	IV
2	SBI	0.22	-0.005	0.23	II
3	Reliance	0.48	-0.005	0.485	I
4	HDFC	-0.42	-0.005	-0.415	V
5	DSP	0.05	-0.005	0.06	III

Interpretation:

From the table, it is inferred that the RELIANCE Small cap fund Direct-Growth have outperformed all other funds for the FY 2018-19.

Table: 4.1.14

Table showing the outperformance status of the selected mutual funds for the FY 2020-21.

S.NO	Mutual Funds	Rp	Rm	(Rp-Rm)	Rank
1	L & T	0.57	0.01	0.56	V
2	SBI	0.85	0.01	0.84	II
3	Reliance	0.84	0.01	0.83	III
4	HDFC	0.67	0.01	0.66	IV
5	DSP	0.98	0.01	0.97	I

Interpretation:

From the table, it is inferred that the DSP Blackrock natural resources and new energy mutual funds have outperformed all other funds for the FY 2016-17.

Table: 4.1.15

Table showing the outperformance status of the selected mutual funds for the FY 2021-22.

S.NO	Mutual Funds	Rp	Rm	(Rp-Rm)	Rank
1	L & T	0.61	0.01	0.60	IV
2	SBI	1.5	0.01	1.49	II
3	Reliance	0.99	0.01	0.98	III
4	HDFC	1.51	0.01	1.50	I
5	DSP	0.44	0.01	0.43	V

Interpretation:

From the table, it is inferred that the HDFC Small cap funds Direct Growth have outperformed all other funds for the FY 2021-22.

HYPOTHESIS TESTING

Hypothesis I

Name of the Company: RELIANCE Small cap fund Direct-Growth

Parameter: Beta

Ho: The Beta status is independent to that of the time period. [$\beta \neq 0.87$]

H1: The Beta status is dependent to that of the time period. [$\beta = 0.87$]

1.11; 0.65; 0.87

$$t = \frac{\bar{x} - \beta}{\beta/\beta n}$$

$$\beta/\beta n$$

$\bar{x} = 0.88; \beta = 0.87; \beta = 0.33; n = 3$

$$t = \frac{0.88 - 0.87}{0.33/\beta 3}$$

$$0.33/\beta 3$$

$$t = \frac{0.01}{0.33/1.732}$$

$$0.33/1.732$$

$$t = 0.05$$

At 5% significance level, the degree of freedom is given by $(n - 1)$: i.e. $(3-1) = 2$ **Inference:**

As the calculated value 0.05 is lesser than the table value of 0.05, H_0 is accepted & hence it is concluded that the Beta status is independent to that of the time period.

Hypothesis II:

Name of the Company: RELIANCE Small cap fund Direct-Growth

Parameter : Returns

Ho: The Beta status is independent to that of the time period. [$\beta \neq 0.59$]

H1: The Beta status is dependent to that of the time period. [$\beta = 0.59$]

-0.42 ; 0.67; .51

$$t = \frac{\bar{x} - \beta}{\beta/\beta n}$$

$$\bar{x} = 0.59 ; \beta = 0.67 ; \beta = 1.39 ; n = 3$$

$$t = \frac{0.59 - 0.67}{1.39/\beta^3}$$

$$t = \frac{-0.08}{0.80}$$

$$t = -0.1$$

At 5 % significance level, the degree of freedom Is given by (n-1); i.e 3-1 = 2
CV = -0.1

Inference:

As calculated value -0.1 is less than the table value of 0.05, H0 is accepted and hence it is concluded that the return status is independent to that of the time period.

TREND ANALYSIS

NAME OF THE MUTUAL FUNDS: RELIANCE SMALL CAP FUND DIRECT-GROWTH.

Parameter: Beta

Let “x” represent years & “y” represent beta status.

Year	19-20	20-21	21-22
Beta Status	1.11	0.65	0.87

$$y = a + bx$$

$$\$y = na + b\$x$$

$$\$xy = a\$x + b\$x^2$$

$$b = -0.12 \quad a = 1.12 \quad y = a + bx \quad y = 1.12 - 0.12[4] \quad y = 1.12 - 0.48 \quad y = 0.64$$

Inference:

The projected beta for the Reliance mutual fund for the FY 2021-22 would be 0.64.

NAME OF THE COMPANY:

RELIANCE SMALL CAP FUND DIRECTGROWTH.

Parameter: Return

Let “x” represent years & “y” represent the return status.

Year	19-20	20-21	21-22
Beta Status	0.48	0.84	0.99

$$y = a + bx$$

$$\$y = na + b\$x$$

$$\$xy = a\$x + b\$x^2$$

$$b = 0.26 \quad a = 0.25 \quad y = a + bx \quad y = 0.25 + 0.26[4] \quad y = 0.25 + 1.04 \quad y = 1.29$$

Inference:

The projected return for the Reliance Mutual fund for the FY 2021-22 would be 1.29.

SUGGESTIONS

- The Investor should clearly assess the Market Risk prior to effecting the Investment decision as the Returns are purely based on the Market Performance.
- The Investor should have a clarity of thought with respect to the Investment
- The Investor should invest in those Mutual funds via their fund manager which has excellent Liquidity cum Marketability
- The Investor should read out the Fundamental factors through roughly prior to making the Investment decision
- The Investor should invest in those funds where there is a consistent Returns on his Investment venture and thus, he has to select those funds where the risk inherency is comparatively lower.

CONCLUSION

The researcher is interested in carrying out the study in this area in order to determine the performance of the selected Mutual funds from the Equity Diversified stream with a special reference to BSE. The researcher is interested in carrying out the study in order to determine the performance of the selected Mutual funds via Sharpe, Treynor and Jensen Index respectively. The investor should have a clarity of thought with respect to the Investment vehicle and also with the objectives prior to effecting the Investment decision. He has to clearly understand whether the nature of the fund is Open (or) Close as he can come out of his investment in case of open fund by remitting load charges. Thus, to conclude with, the rational investor should clearly assess the Market Risk prior to effecting the investment decision as it will have a significant impact on the Returns.

BIBLIOGRAPHY

BOOKS

- Preethi Singh, Investment management, Himalaya publication house, 2010
- Kevin s, Security Analysis and Portfolio Management, PHI, 2011

WEBSITES

www.sharewealthindia.comwww.bluechipindia.comwww.yahoofinance.comwww.bseindia.comwww.wikipedia.comwww.moneycontrol.com