

A Study on Performance Analysis of Axis Mutual Fund in Comparison with Aditya Birla Sun Life And Kotak Mutual Fund

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Abstract

The Indian mutual fund industry has come a long way since its inception in 1963. Mutual funds are essential investment vehicles where people with similar investment objective come together to pool their money and then invest accordingly. With emphasis on increase in domestic savings and improvement in development of investment through markets, the need and scope for mutual fund operation has increased tremendously. Definition: SEBI Regulations, 1996 as amended till date define "Mutual Fund" as " A fund established in the form of a trust to raise money through the sale of units to the public or a section of public under one or more schemes for investing in securities including money market instrument or gold or gold-related instruments or real estate's assets". Financial planning and investment are a crucial decision in today's world. Considering various economic, political and social conditions in the worlds around us, various factors like inflation, risk, income, purchasing power play a major role in individual investment decision. Mutual fund allows or help these kinds of investors to pool their money with number of investors, who shares similar financial goals. The research intended to understand and evaluate investment performance of selected mutual fund in terms of risk and return, with the main objective of the study to evaluate the performance of ELSS and Liquid funds. The type of research used for collection and analysis of the data was secondary analysis. Data for analysis has been collected from AMFI, NSE and BSE. In the study we have also tried to compare the performance of the fund with the benchmark index using daily NAV values. The main statistical tools used for the study were simple average method, yearly returns, 3 years returns and Beta ratio for the risk calculation of the funds. The study also suggested which funds have better returns, what is the risk factor involved in it.

Keywords - Investment, Mutual funds, Net Asset Value, Risk, Returns, etc

Introduction

Mutual Fund

A mutual fund is a scheme in which several people invest their money for a common financial cause. The collected money invests in the capital market and the money, which they earned, is divided based on the number of units, which they hold. Mohamed. Zaheeruddin, Pinninti Sivakumar and K. Srinivas Reddy, "Mutual fund are one of the best investments ever created because they are very cost efficient and very easy to invest in".

The mutual fund industry started in India in a small way with the UTI Act creating what was effectively a small savings division within the RBI. Over a period of 25 years this grew fairly successfully and gave investors a good return, and therefore in 1989, as the next logical step, public sector banks and financial institutions were allowed to float mutual funds and their success emboldened the government to allow the private sector to foray into this area. "Gupta A (1974). Performance of Indian mutual fund industry". Has been tremendous over the years.

The study on this has given a practical exposure regarding the present investment pattern. This study has given a brief idea regarding ELSS schemes and the liquid schemes. J. Lilly and DrAnasuya published a research paper "An empirical study of performance evaluation of selected ELSS mutual fund schemes" what are the advantages of investing in those kinds of ELSS funds.

The company chosen to analyze are the top mutual fund companies offering some of the best schemes in India at present, they are Aditya Birla sun life mutual fund, Axis mutual fund and Kotak mutual fund.

The study mainly focuses on 2 kind of schemes, regarding the returns of the schemes, what risk is involved. To study how well does the fund perform in comparison with the other fund that have been selected to analyze. The risk of the fund is analyzed through beta calculation, also what the average returns are of the particular fund. And also, the returns of the particular fund have been compared with the index or the benchmark index of the particular fund to analyze whether the returns of the fund are more or less than the benchmark. And also, to study what are the yearly returns, 3 year returns of all the fund.

The data collected for the research are secondary data. All the NAV and the closing prices of the funds were collected through official websites. NAV values of the index or benchmark considered by the fund are used to compare the performance.

Analysis of the Scheme

Equity Linked Savings Scheme:

The equity-linked savings scheme or ELSS is the only mutual fund covered under Section 80C deductions. ELSS is a diversified equity mutual fund that offers tax deductions of up to Rs.1.5 lakhs annually. ELSS has the potential to deliver superior returns compared to other tax-saving instruments. The perks of ELSS investments are not limited to the taxes saved. The power of compounding ensures that your investment is doubled if you invest for, say, five years (tenure of tax-saving FD). Furthermore, the minimum lock-in period is only three years. An ELSS fund manager invests in a diversified portfolio,

predominantly consisting of equity and equity related instruments that carry high- risk and have the potential to deliver high-returns

Liquid Scheme:

Liquid funds are a type of mutual funds that invest in securities with a residual maturity of up to 91 days. Assets invested are not tied up for a long time as liquid funds do not have a lock- in period.

Return is not guaranteed as the performance of fund depends upon how the market performs unlike fixed deposits which are not dependent on the market. An investor looking for better returns prefers investing in a liquid fund over fixed deposit.

Types of Mutual Funds**By Structure:**

Open ended scheme-These funds are open for investors to enter or exit at any time, even after the new fund offer. when existing investors acquire additional units or new investors to acquire units from the open-ended scheme, it is called a sale transaction.

Close ended scheme-These funds have a fixed maturity period, the investors can buy units of a close ended scheme, from the fund, only during its NFO.

Interval scheme-The combine features of both open ended and close ended schemes is known as interval scheme. they are largely close ended scheme, but become open ended at pre specified intervals.

By investment objective:

Equity fund-An equity fund is a mutual fund scheme that invests in shares/stocks of various companies. They are also known as growth fund. equity is either active or passive. Aashka Thakkar, "Equity funds are very popular among the Indian investors as they provide superior returns and capital appreciation as compared to other investment option"

Debt fund-Debt fund are mutual fund that invest in fixed income securities likes bonds and treasury bills. Debt funds are mostly preferred by those people who are not willing to invest in a highly volatile equity market.

Gilt funds-Guilt fund is debt fund that invest primarily in government securities. These funds do not have much risk as there is no risk of nonpayment of interest or principal amount.

Income funds-An income fund is a type of debt mutual fund which generates returns by investing in relatively long-dated debt instruments like government securities, corporate bonds, debentures, certificates of deposits etc...,

Liquid funds -Liquid schemes are schemes that invest in short-term debt securities. They can invest in debt securities of up to 91 days maturity. Investors can enter or exit the market whenever desired.

Balanced fund-These have an investment charter that provides for investments in both debt and equity. Equity provides growth and the debt part provides stability in returns.

Other schemes:

Tax saving scheme-Tax savings scheme offer tax rebates to the investors under tax laws prescribed from time to time. Under Sec80 (C) of income tax act, contribution made to any equity linked savings scheme are eligible for rebate.

Index scheme-index scheme attempts to replicate the performance of a particular index such as the BSE Sensex or the NSE.

Sector specific scheme-These are the scheme which invest in the securities of only those sectors or industries as specified in the offer document. ex. Pharmaceutical, software, FMCG etc...,

Company Profile

Axis Mutual Fund

Incorporated under the Companies Act, 1956 on January 13, 2009, having its registered office at Axis House. Axis AMC has been appointed as the Investment Manager of the Mutual Fund by the Trustee Company vide Investment Management Agreement dated June 27, 2009 and executed between the Trustee Company and the AMC.

Kotak Mutual Fund

Kotak Mutual Fund began its operations back in December 1998. It was the first AMC to offer a dedicated gilt fund for investing solely in Government securities. It provides mutual fund and portfolio management services under SEBI ('Mutual Funds') Regulations, 1996 and SEBI (Portfolio Manager) Regulations, 1993.

Aditya Birla Mutual Fund

Aditya Birla Sun Life Mutual Funds (ABSLMF) is a joint-venture company co-sponsored by the Indian company, Aditya Birla Capital Limited and Canada-based financial service company, Sun Life AMC Investments, Inc. Headquartered in Mumbai, it was previously named Birla Sun Life Asset Management Company Limited. It was established in 1994 and has successfully completed 25 years in the Indian financial landscape.

Research Methodology

A. Need for the study: I

To study the performance of the ELSS schemes and the liquid schemes offered by the selected companies. To analyze the risk and returns of the schemes. To study how the schemes have been performing from past 7 years.

B. Objective of the study:

- To evaluate and compare the performance of selected mutual fund companies.
- To get a brief idea regarding various schemes that are available.
- To give a brief idea about the benefits that are available from mutual fund investment.
- To study the functioning of mutual fund.
- To study the risk and returns of the selected scheme.
- To study the performance of 2 schemes i.e., ELSS and Liquid scheme of the selected 3 companies.

C. Research Design:

Secondary data: Secondary data is research data that has previously been gathered and can be accessed by researchers.

D. Data collection tools:

Data has been collected from AMFII, nse india, bse and journals.

Analysis and Interpretation:

Simple Returns:

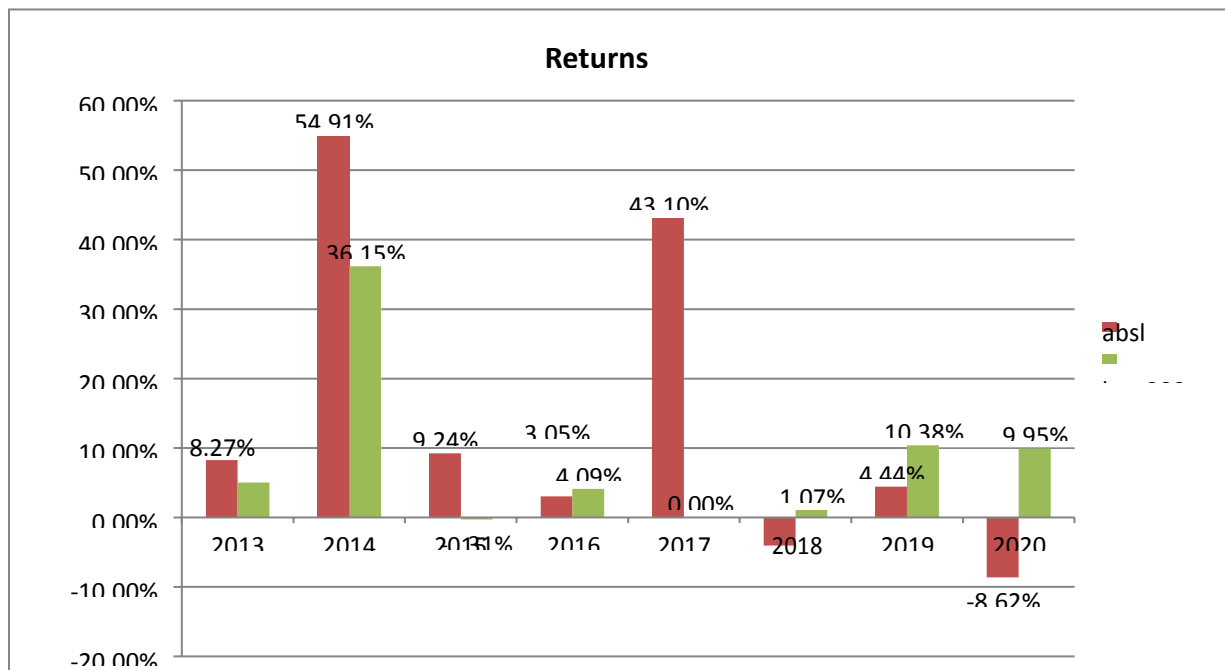
Later Value - Initial Value × 100

Initial Value

Aditya Birla sun life tax relief 96 mutual fund (Growth Type)

Yearly calculation

Years	Initial NAV	Later NAV	Returns
01/01/2013-31/01/2013	11.97	12.96	8.2706%
01/01/2014-31/01/2014	12.93	20.03	54.9110%
01/01/2015-31/01/2015	20.02	21.87	9.2407%
01/01/2016-31/01/2016	21.94	22.61	3.0537%
01/01/2017-31/01/2017	22.62	32.37	43.1034%
01/01/2018-31/01/2018	32.2	30.9	-4.03727%
01/01/2019-31/01/2019	30.85	32.22	4.4408%
01/01/2020-30/6/2020	32.26	29.48	-8.6174%



Interpretation:

The returns of the fund in the year 2013 we see that; the returns are more than the index returns. And in the year 2014 the returns have gone extremely high when compared to index. The returns seem to be on higher side compared to index returns until year 2017, through this we come to know that the fund offered by the company has a better performance than the index itself. However, we see that in recent year the performance of the scheme has not been that good i.e., the returns are in negative (-8.62%) for the year 2020.

5 Year returns

NAV on 01/01/2016	NAV on 01/01/2020	Returns in (%)
21.94	32.26	38.0993%

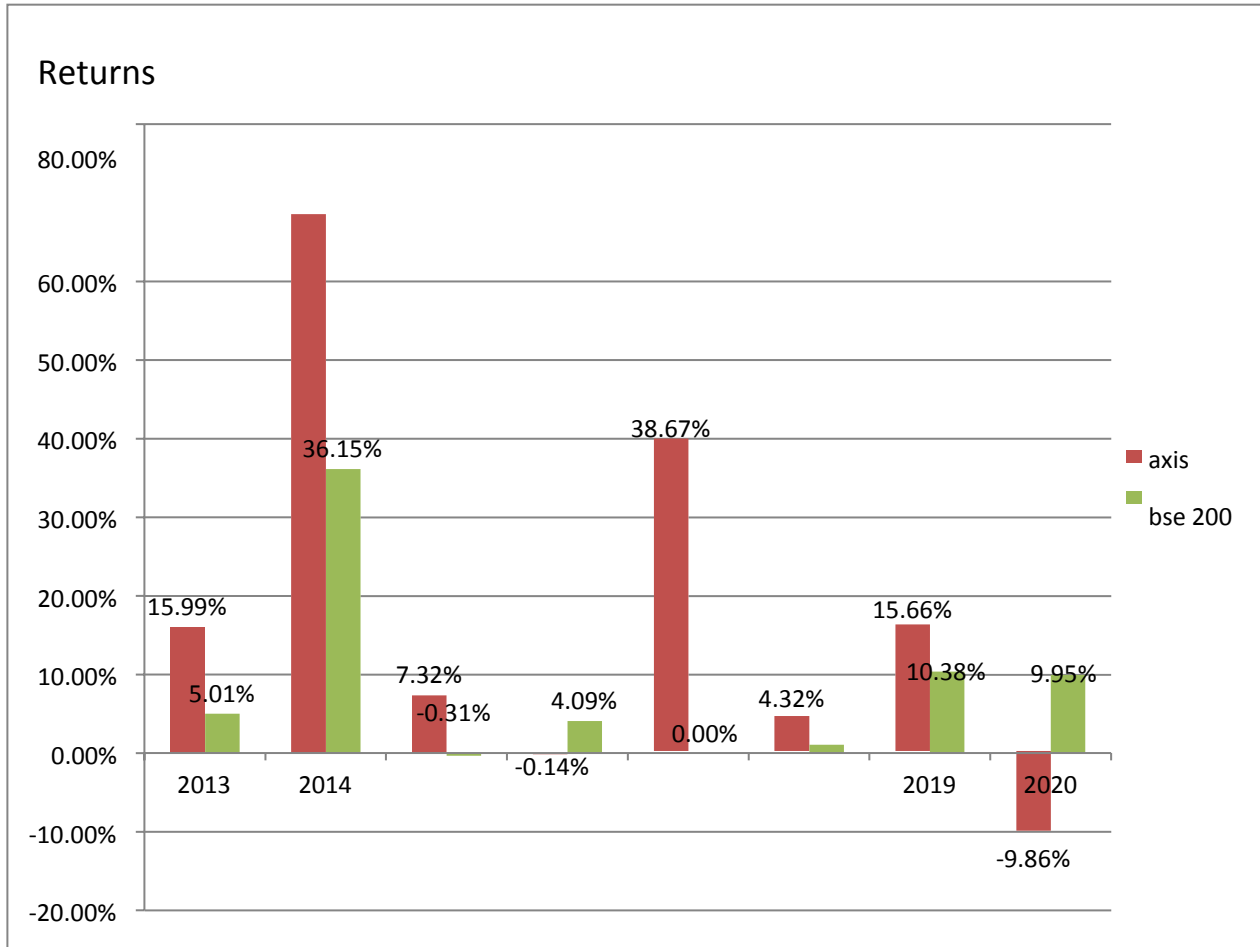
3 Year returns

NAV on 01/01/2017	NAV on 31/12/2019	Returns
22.62	32.22	42.9266%

Axis long term equity fund (growth type)

Yearly returns

Years	Initial NAV	Later NAV	Returns
01/01/2013-31/12/2013	15.0253	17.4279	15.9903%
01/01/2014-31/12/2014	17.4606	29.4276	68.5371%
01/01/2015-31/12/2015	29.5761	31.7424	7.3244%
01/01/2016-31/12/2016	31.9147	31.8709	-0.13724%
01/01/2017-31/12/2017	31.9456	44.2977	38.6660%
01/01/2018-31/12/2018	44.0453	45.9487	4.3214%
01/01/2019-31/12/2019	46.0296	53.2357	15.6553%
01/01/2020-30/06/2020	53.2623	48.0103	-9.8606%



Interpretation:

Through this graph we can analyze that the returns performance of the fund offered by the company, we see that from the year 2013 to the year 2019 the returns of the fund has always shown a higher return compared to the index returns. only in the year 2020 i.e., half yearly returns the fund has not performed that well because of all the pandemic situation investors are hesitant to invest, thinking that they might not get higher returns. overall, the performance of the scheme has been really good.

5 Years Returns

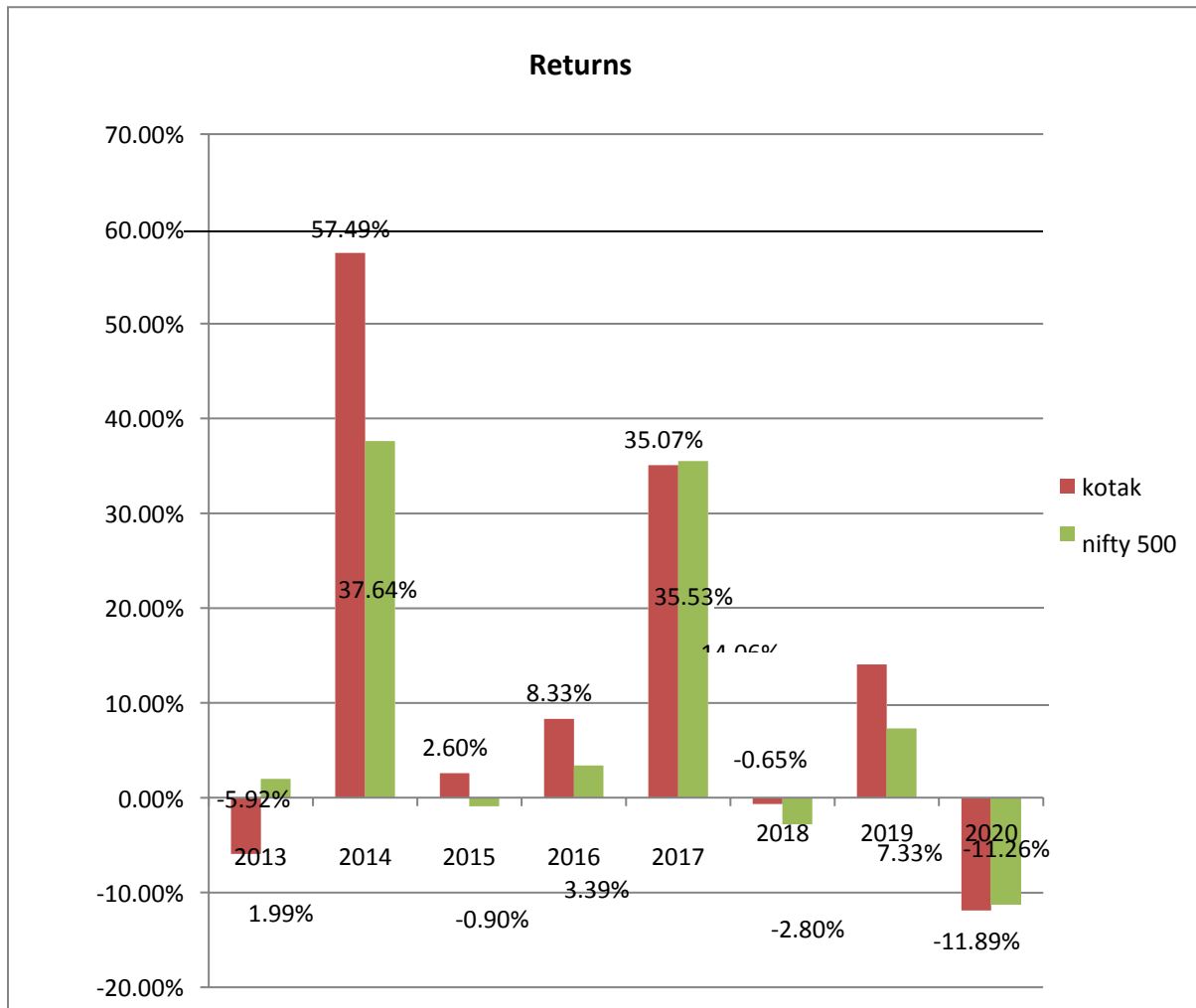
NAV on 01/01/2016	NAV on 01/01/2020	Returns in (%)
31.9147	53.2623	66.8895%

3 Year returns

NAV on 01/01/2017	NAV on 31/12/2019	Returns
31.9456	53.2357	66.6448%

Kotak Equity Tax Saver Fund (Growth type)

Years	Initial NAV	Later NAV	Returns
02/01/2013-31/12/2013	20.427	19.217	-5.9235%
01/01/2014-31/12/2014	19.206	30.248	57.4924%
01/01/2015-31/12/2015	30.324	31.111	2.5953%
01/01/2016-31/12/2016	31.314	33.942	8.3349%
02/01/2017-31/12/2017	34.088	46.044	35.0739%
01/01/2018-31/12/2018	45.087	44.795	-0.6476%
01/01/2019-31/12/2019	44.861	51.06	14.0608%
01/01/2020-30/06/2020	51.165	45.081	-11.8909%



Interpretation:

In this case we see that the fund offered by the company and the returns of the index are almost the same. And we can see that the fund returns are a bit better than the index returns. There has always been a negative return from the returns. In the present 2020 half yearly returns, both the fund performance and the index performance are not good. As we can see that both of them represent a negative return (-11.26 and -11.8909).

5 Year returns

NAV on 01/01/2016	NAV on 01/01/2020	Returns in (%)
31.314	51.165	63.3933%

3 Year returns

NAV on 01/01/2017	NAV on 31/12/2019	Returns
34.088	51.06	49.7887%

Liquid scheme

Aditya Birla sun life liquid fund (Yearly Return)

Years	Initial NAV	Later NAV	Returns
01/01/2013-31/01/2013	184.0249	201.1166	9.2877%
01/01/2014-31/01/2014	201.1729	219.5879	9.1738%
01/01/2015-31/01/2015	219.6432	237.9856	8.3509%
01/01/2016-31/01/2016	238.0359	256.3036	7.6743%
01/01/2017-31/01/2017	256.4091	273.4396	6.6419%
01/01/2018-31/01/2018	273.4907	293.7049	7.3911%
01/01/2019-31/01/2019	293.7742	313.366	6.6689%
01/01/2020-30/6/2020	313.4141	321.639	2.6242%

Interpretation:

This represents the returns over the years for Aditya Birla sun life liquid fund. The liquid fund offered by this company has been one of the top funds all the liquid scheme offered by various mutual fund companies. Through this we can analyze that in the year 2013 it has highest returns (9.29%). And since then the returns have shown a declining trend. And then it has increased slightly from the year 2018.

5 Years Returns

NAV on 01/01/2016	NAV on 01/01/2020	Returns in (%)
238.0359	313.4141	31.6667

3 Years Returns

NAV on 01/01/2017	NAV on 31/12/2019	Returns
256.4091	313.366	18.0678%

Axis Liquid Fund (Yearly Returns)

Years	Initial NAV	Later NAV	Returns
01/01/2013-31/01/2013	1273.2684	1391.0075	9.2469%
01/01/2014-31/01/2014	1391.3606	1518.4918	9.1371%
01/01/2015-31/01/2015	1518.851	1646.3138	8.3920%
01/01/2016-31/01/2016	1646.6641	1773.5086	7.7031%
01/01/2017-31/01/2017	1773.8698	1893.8951	6.7662%
01/01/2018-31/01/2018	1894.2429	2036.1815	7.4931%
01/01/2019-31/01/2019	2036.6332	2172.5498	6.6735
01/01/2020-30/6/2020	2172.955	2230.4016	2.6437%

Interpretation:

This represents the returns performance of axis liquid fund. Similar to the other two companies, this also has similar kind of returns. These debt funds usually tend to have lower risk, and with that you can also expect minimum return. We see that the returns have consistently declined over the years. But it has

shown an increasing trend in past 2 years, as these are short term investment it is best suitable for the investors who are looking for low risk and earn returns within shorter period of time.

5 Year Returns

NAV on 01/01/2016	NAV on 01/01/2020	Returns in (%)
1646.6641	2172.955	31.9610%

3 Year Returns

NAV on 01/01/2017	NAV on 31/12/2019	Returns
1773.8698	2172.5498	22.249%

Kotak Liquid Fund (Yearly Returns)

Years	Initial NAV	Later NAV	Returns
01/01/2013-31/12/2013	2330.53	2546.689	9.2751%
01/01/2014-31/12/2014	2547.3139	2779.6784	9.1219%
01/01/2015-31/12/2015	2780.3276	3012.7356	8.3590%
01/01/2016-31/12/2016	3013.3137	3243.4208	7.6363%
01/01/2017-31/12/2017	3244.6994	3461.1411	6.6706%
01/01/2018-31/12/2018	3461.7638	3718.0237	7.4025%
01/01/2019-31/12/2019	3718.8463	3960.7908	6.5059%
01/01/2020-30/6/2020	3961.4047	4060.8031	2.5091%

Interpretation:

This represents the returns of the liquid fund offered by the Kotak mutual fund. Through this we can analyze that the returns from this fund has not been consistent enough. In the initial years i.e., 2013 it has the highest returns (9.28%). and then it has been declining slowly to 6.67%, But then it has increased in 2018, after that it has shown a declining return when compared to its performance with previous years.

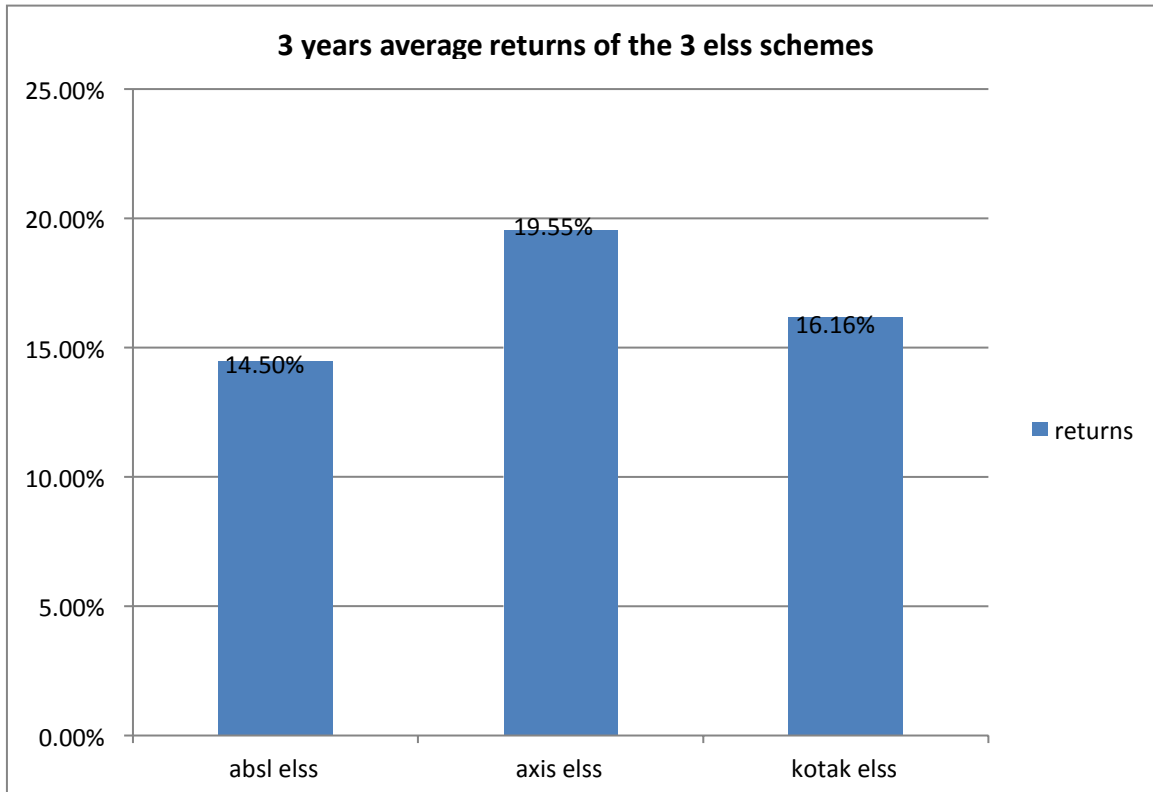
5 Year returns

NAV on 01/01/2016	NAV on 01/01/2020	Returns in (%)
3013.3137	3961.4047	31.4634%

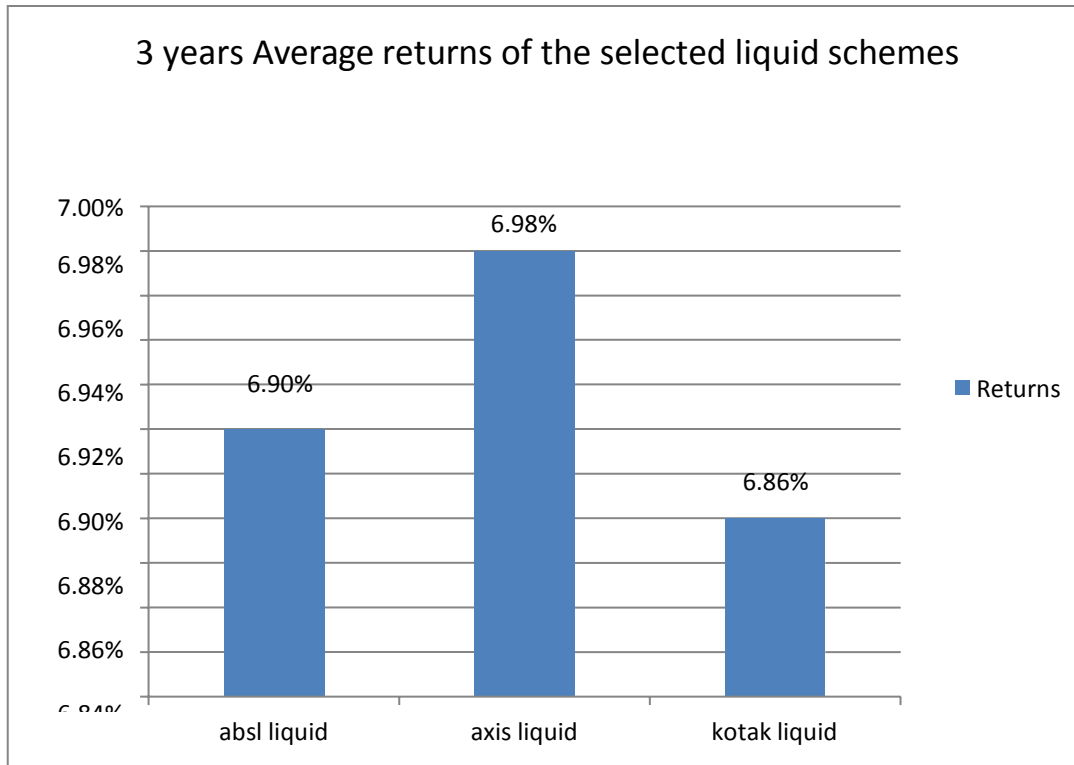
3 Years Returns

NAV on 01/01/2017	NAV on 31/12/2019	Returns in (%)
3244.6994	3960.7908	22.0695%

Average of 3 year returns of ELSS schemes of 3 companies



Average of 3 years returns of liquid schemes of the 3 companies



BETA Calculations

The beta (β) of an investment security (i.e. a stock) is a measurement of its volatility of returns relative to the entire market. It is used as a measure of risk and is an integral part of the Capital Asset Pricing Model (CAPM). A company with a higher beta has greater risk and also greater expected returns.

If Companies or schemes, whose beta is more than 1, are seen riskier than the market. Beta 1 is indicative of a company or scheme that is less risky than the market.

Measure of beta calculation

$\beta = 1$ exactly as volatile as the market $\beta > 1$ more volatile than the market

$\beta < 1 > 0$ less volatile than the market $\beta = 0$ uncorrelated to the market

$\beta < 0$ negatively correlated to the market

$$\text{Beta } \beta = \frac{n \sum XY - (\sum X) \sum Y}{n \sum X^2 - (\sum X)^2}$$

Aditya Birla Sun Life Tax Relief

year	2013	2014	2015	2016	2017	2018	2019	2020
BETA Ratio	0.8741	0.1056	0.9488	0.8896	0.7978	0.8316	0.8105	0.8468

Interpretation:

The beta calculation represents the risk rate of the funds. As in case of Aditya Birla sun life tax relief, beta ratio has been between (0.7 to 0.8), this implies that the fund is less volatile compared to the market that is if the index moves by 10%, the Aditya Birla funds moves by 8%. This is a good sign, as other schemes are of less risk, and it is better for investors if the beta value is under 1, who are looking for moderate returns without much fluctuation.

From year 2013 to 2020 the beta has been under 1. we can say that the investor can safely invest in the fund as the risk is low and even the returns of the fund has been consistent over the years.

Axis Long Term Equity fund

year	2013	2014	2015	2016	2017	2018	2019	2020
BETA Ratio	0.7814	0.8294	0.8738	0.8552	0.8496	0.9292	0.9147	0.8722

Interpretation:

This table represents the risk involved in axis long term equity fund, as we see that the beta has been under (0.7 to 0.9) throughout the years, this indicates that the risk factor is low as compared to the market, that is the fund is less volatile compared to the market. But, in the year 2018 and 2019 the beta ratio has almost reached to 1, which indicates that the risk at that time was almost similar to the market risk. this implies that the performance of the fund has been same as the performance of the market that is if the index moves by 1 then the fund also moves by 0.9 that is 1. It has been providing better returns.

Any changes in the capital market directly impact the fund's NAVs and in turn your portfolio. If as an investor, you are willing to take a moderately high risk, Axis Long Term Fund might be the one to look for.

Kotak Tax Saver Fund

year	2013	2014	2015	2016	2017	2018	2019	2020
BETA Ratio	0.9456	0.1560	0.9619	0.9600	0.9749	0.8953	0.9461	0.9104

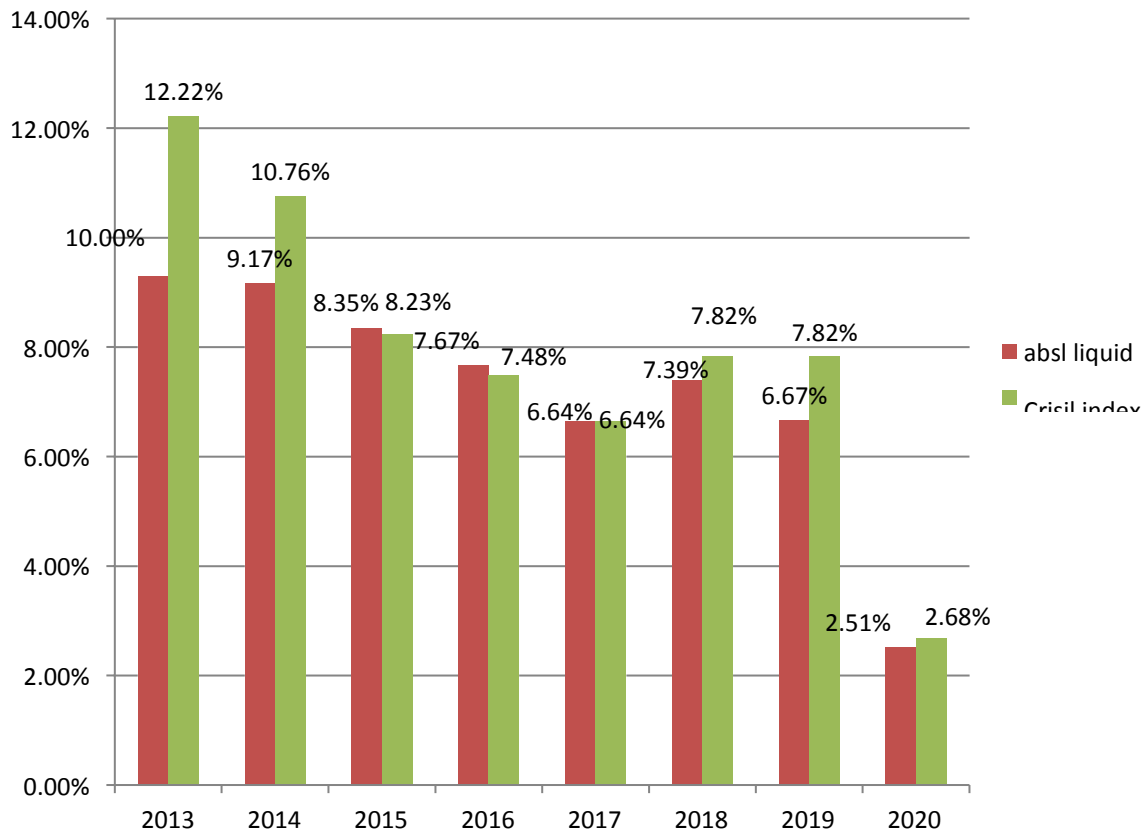
Interpretation:

This table represents the risk factor with respect to Kotak tax saver fund. Through the calculation of the beta ratio over the years we can analyze that the risk involved in the fund has been low compared to that of the market. The ratio has been around (0.9) for all the years. However, the risk involved in the ELSS scheme is low most of the time, as it is a long-term investment.

Investors who are looking for moderate risk involved scheme can invest in this type of scheme. If, the risk factor is low, it does not mean that the returns are also good. The returns are always depended on the capital market i.e., fluctuations in the market.

Aditya Birla Sun Life Liquid Fund

Returns of the Aditya Birla fund compared to the index

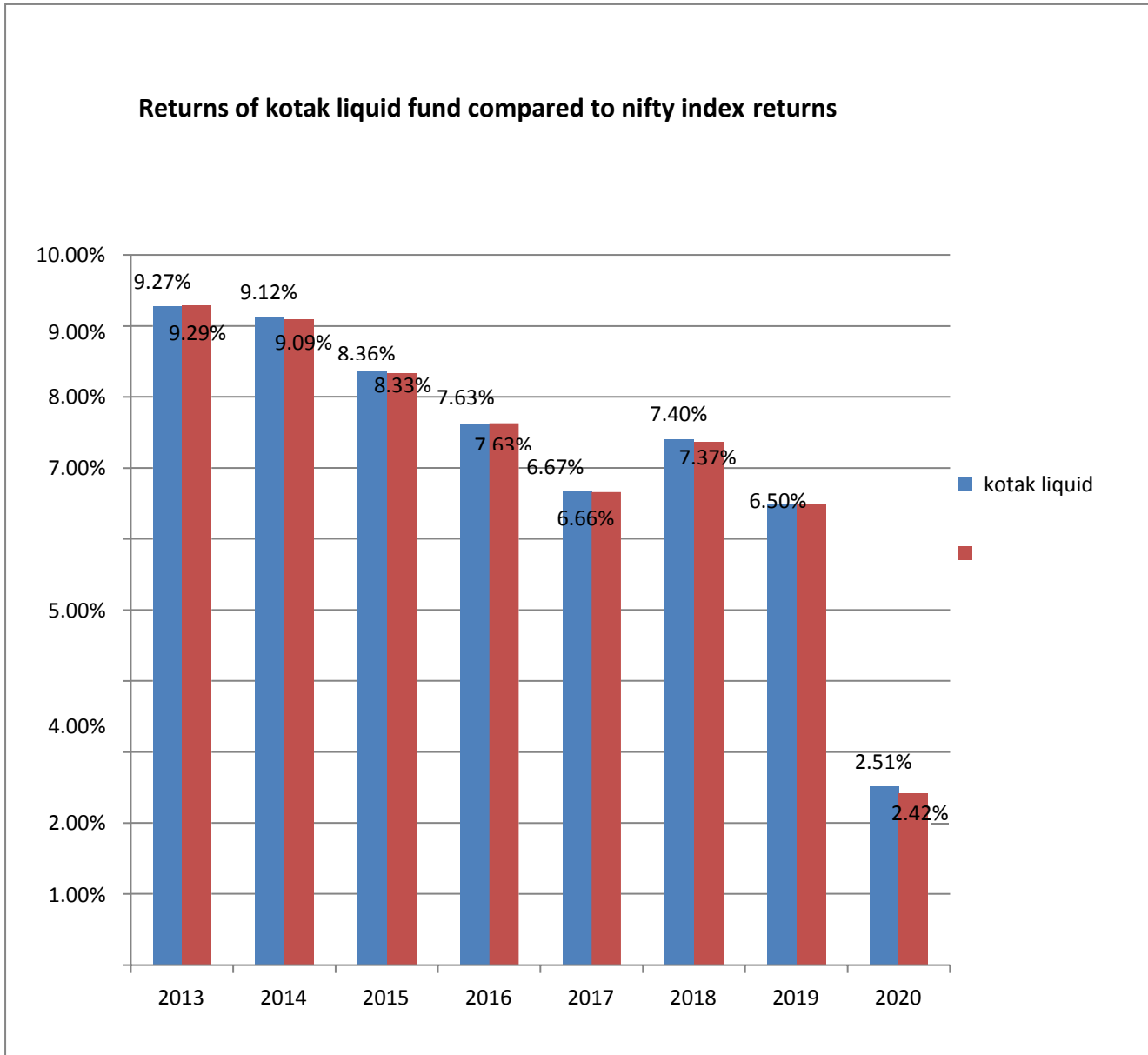


Interpretation:

This graph shows the returns of the scheme of Aditya Birla sun life compared to the index returns. As we see in the initial years (2013 to 2015) the crisil index has performed better than the actual fund. The scheme returns are not consistent and through this graph we can clearly see that crisil index has been better compared to the actual fund.

Although, the returns have been consistent, the performance of the fund has been mediocre compared to the index itself.

Kotak Liquid Fund

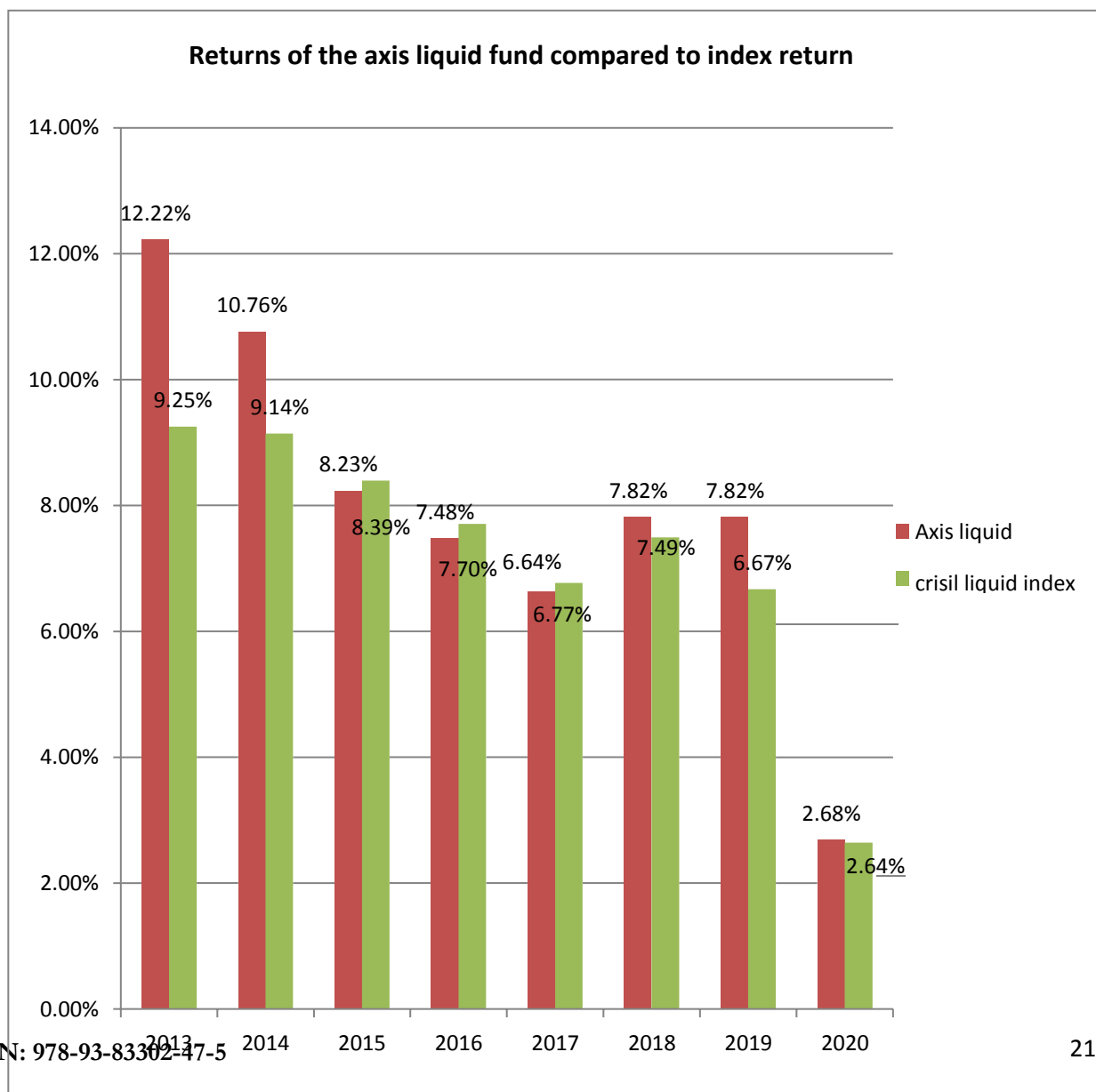


Interpretation:

This graph tells us regarding the returns of the Kotak liquid scheme compared to the index returns. In the year 2013 the fund returns are little less compared to the index, but from year 2014, the graph represents that the fund has been performing better than the index throughout the years. This indicates that the fund has been performing better and it has always shown a increasing trend.

Investors who are looking for lesser risk and better returns can invest their money in this scheme. As this fund is also a short-term scheme and it is also highly liquid investor can buy such fund and sell easily.

Axis Liquid Fund



Interpretation:

The above graph represents the returns of the axis liquid fund compared to that of crisil liquid index. As in graph in the year 2013 and 2014 the returns of the scheme are higher than the index returns. But, since 2015 the scheme has shown a declining rate till 2017. But again, in year 2018, there has been an increasing trend, since then it has been higher than the index.

But we also see that the returns from this particular fund has not been consistent over the years, which makes really difficult to the investors, investors might not be interested in fund which does not provide consistent returns.

Findings:

From calculations of the returns of the ELSS fund of the selected companies.

Aditya Birla sun life tax relief fund has been giving an inconsistent return over the years, that is the returns have been fluctuating between, and it has also negative returns of (-0.65%) in the year 2018 and in the current year it has been showing a negative return.

The average returns of the fund have around 14% which is comparatively good and we have also seen that the returns have been better than the index or the benchmark of the fund.

And the beta ratio of the scheme has always been under 1 i.e., the fund is less volatile compared to the market. If investors are looking for funds with low to medium risk, then the investor should always look for the scheme which has lesser beta value. which is suitable in case of Aditya Birla sun life mutual fund as the elss scheme has lesser risk factor.

The ELSS scheme offered by the Axis mutual fund that is axis long term mutual fund has been one of the top schemes among all the scheme. The returns have always shown an increasing trend and when compared to the index the returns have always been. this implies that the fund performance is really good compared to that of the index.

The beta ratio calculated has been under 1 i.e., the movement of the fund compared to index is less volatile. that if index moves by 10%, the fund returns move by 8%. Almost all the years the beta ratio has been around (0.8 to 0.9) which is almost 1. And as the beta is always compared with index 1, we can say that there is consistency in the returns and the fund values does not change drastically it represents a study growth.

The elss scheme of Kotak mutual fund, Kotak tax saver fund is a moderate risk rate fund. This means that the risk factor is pretty low. And it also has a lot of tax benefits. After analyzing the returns, we see that the returns have always been higher compared to that of the index returns. Even if the returns are low, it has always been higher than the index

Through beta calculation we can analyze we can see that it has always been around (that even though it is less volatile it has always been in, consistent with the index. And these ELSS are less risk involved. It is better to have a beta value less than 1. in case of the fund offered by this Kotak mutual it has got better returns always as consistent beta ratio. we can suggest that investors can safely invest in this fund if they are looking for consistent returns.

Through the comparison of all the three elss fund. we can say that Axis long term equity fund one of the best investment option if the investors are looking for steady returns.

From the calculation of liquid fund

In case of Aditya Birla sun life liquid fund. The returns of the fund have been consistent throughout the years. That is, it has been giving an average of 6% for all the years. And the performance of the fund compared to index has been similar there is not much difference.

In case of Axis liquid fund, the returns have shown an increasing a trend and the returns are much better compared to that of the index returns. through This we can say that the performance of the fund has been improving over the years.

Kotak liquid scheme through the analyze of the returns. The fund has always given an average return of around 7% for all the years. And also, we see that the returns of the fund and the index returns are almost similar, which implies that there is not much growth in the fund. even the returns are consistent, there is no growth in the scheme.

Through the comparison and analysis of all the 3 liquid fund returns with respect to index. We can say that the Kotak liquid fund performance has been up to mark with respect to index. It has been giving a consistent return over the years. “International journal of scientific and research Arathy B, Aswathy A Nair, Anju Sai P*, Pravitha N R Prospective retail investors seem to seek expert advice and rely on it the most while taking their investment decision. Some investors depend on the ratings given by CRISIL, ICRA etc. to decide as to where to invest. And a few investors seem to analyze about the past performance (NAV) or the asset management company”

Suggestions:

From analysis the returns to risk of the scheme, it has been found out that:

As we see that COVID-19 pandemic is going on dude to which, people are staying at home, which implies that the spending has reduced a lot, and savings have increased. This is the best time to invest in mutual fund. Where they can earn best returns, as they can get best advice where to invest how much to invest, and earn returns and double their investment easily.

The ELSS funds offered by the companies has been showing a inconsistent returns, with respect to Aditya Birla mutual fund and Kotak mutual fund. These funds need to be improved and see that the returns are more than the index returns.

And also, the beta ratio of the these two has been around (0.7) The funds should try to improve to their beta ratios.

The liquid funds offered by these companies have been performing well, the returns offered by these schemes are consistent. The liquid scheme is of a short-term period that is, it has a high liquidity. Even if the returns are medium, the returns must be consistent. In case of Aditya Birla sun life liquid fund and axis the returns have always been a bit low compared to the Kotak liquid fund. The company should try and improve their returns by improving their portfolio investment.

Conclusion:

Attitude plays a vital role in trading of mutual funds. Investors while investing in the mutual fund should be cautious, because mutual fund are emerged to diversify the risk while maximizing the return. Mutual funds are best if the investors are looking for returns with minimal investment and risk. It is not always best option to take decision regarding investment in funds with respect to past performance.

To conclude it's a very interesting and dynamic field wherein daily we understand one or the other value addition in the market thus imparting a great value addition to my knowledge.

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