

SUMMER INTERNSHIP PROJECT REPORTS ON
“A STUDY INTO THE PERFORMANCE EVALUATION OF CHOSEN
LARGE CAP FUNDS ON THE FINANCIAL SERVICES PLATFORM
PROVIDED BY NGEN RESEARCH.”

Submitted in Partial Fulfilment for the Award of the Degree of

MASTER OF MANAGEMENT STUDIES (MMS)

(Under University of Mumbai)

BATCH 2022-24

SUBMITTED BY

AASHI SUBODH TIWARI

ROLL NO- 221067

SPECIALIZATION

FINANCE

UNDER THE GUIDANCE OF

Adv. Vikrant Gharat



PILLAI INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH
NEW PANVEL 410206

EXPERIENCE LETTER



NGEN Research Private Limited
www.ngenresearch.com

Date: 18.08.2023

TO WHOMSOEVER IT MAY CONCERN

This is to certify that Aashi Tiwari was working as an Intern - Product & Training from 18th May 2023 till 18th July 2023.

During this period, she was found extremely resourceful besides being a good team player and a hard worker.

We wish her all the best for her future endeavours.

For NGEN Research Private Limited



Director

Debabrata Majumdar

MD & CEO

DECLARATION

I hereby declare that the project report titled ‘**A STUDY INTO THE PERFORMANCE EVALUATION OF CHOSEN LARGE CAP FUNDS ON THE FINANCIAL SERVICES PLATFORM PROVIDED BY NGEN RESEARCH**’ submitted by me to **PILLAI INSTITUTE OF MANAGEMENT STUDY AND RESEARCH, NEW PANVEL-410206** is a bonified work undertaken by me and it is not submitted to any other University or Institution for the award of any degree diploma or certificate or published any time before.

Name: AASHI SUBODH TIWARI

Roll No: 221067

Signature of the Student



**PILLAI INSTITUTE OF MANAGEMENT STUDIES AND
RESEARCH, NEW PANVEL -410206**

CERTIFICATE

This is to certify that the project titled **“A STUDY INTO THE PERFORMANCE EVALUATION OF CHOSEN LARGE CAP FUNDS ON THE FINANCIAL SERVICES PLATFORM PROVIDED BY NGEN RESEARCH”** is successfully completed by **MS. AASHI SUBODH TIWARI** during the 1st semester, in partial fulfilment of the Master’s Degree in Management Studies recognized by the University of Pillai of the Academic year 2021-2023 through **PILLAI INSTITUTE OF MANAGEMENT STUDIES AND RESEARCH, NEW PANVEL – 410206**. The project work is original and not submitted earlier for the award of any degree/ diploma or associate of any other University / Institute.

Name of Guide: Adv. Vikrant Gharat

Date:

(Signature of Guide)

ACKNOWLEDGEMENTS

No task is a single man's effort. Any job in this world however trivial or Tough cannot be accomplished without the assistance of others. An Assignment puts the knowledge and experience of an individual to a litmus Test. There is always a sense of success. The opportunity to express my Indebtedness to people who have helped me to accomplish this task.

I would like to take this opportunity to acknowledge my gratitude to Various people who have helped me during successful completion of the Project. Their systematic guidance has helped me to complete projects in a Systematic and smooth manner.

I feel highly indebted towards the Director of my institution DR. R. CHANDRAN and my faculty guide Adv. Vikrant Gharat for his constant guidance and support which helped me to make this project Successful. I extend my gratitude to my college "Pillai Institute of Management Studies and Research" for giving me this opportunity.

My special thanks to Prajakta Joshi, Product and Training manager and Saud Ansari, Product and Training Asst. Manger who guided me through my internship at the company.

Last but not the least; it would be unfair if I don't express my indebtedness to my parents and all my friends for their active cooperation which was of Great help during the course of my training project. Any omission in this brief acknowledgement does not mean lack of gratitude.

EXECUTIVE SUMMARY

As the rise of the knowledge related to Investment is in full speed there are multiple options for Investors in the market as to where they want to put their money in. As per the risk-taking ability, investor invest their money. Investors often prefer large-cap funds due to the stability, reliability, and perceived safety they offer in their investment portfolios. Large-cap funds invest in companies with a substantial market capitalization, meaning these companies are well-established and have a proven track record of success. These companies are usually industry leaders, possess strong brand recognition, and have a broad customer base. Consequently, they tend to be more resilient during market downturns compared to smaller or riskier ventures. Additionally, large-cap funds are favored for their liquidity, as stocks of larger companies are typically more actively traded, ensuring investors can easily buy or sell their holdings when needed. While large-cap funds may not offer explosive growth potential like smaller or mid-cap funds, they appeal to investors seeking steadier, long-term returns and are often considered a core component of a well-diversified investment strategy. Also, investors do not investment their money into just a single fund they diversify by building a portfolio it is a strategic approach to wealth management, enabling individuals to tailor their investments to their unique financial needs, risk tolerance, and long-term aspirations. The methodology for carrying out the project was very simple the data obtained through various mediums like the Internet, Company website, etc. the study of large cap funds has been done with respect to its various parameters. I hope NGEN Research Mumbai will recognize this as well as take more references from this project report.

SR NO.	CONTENT	PAGE NO.
1	<u>CHAPTER NO. 1</u> 1.1 INTRODUCTION 1.2 OBJECTIVE OF THE STUDY 1.3 SCOPE OF THE STUDY 1.4 LIMITATION OF THE STUDY	8-12
2	<u>CHAPTER NO. 2 - INDUSTRY ANALYSIS</u> 2.1 PESTEL ANALYSIS 2.2 PORTERS'S FIVE FORCE ANALYSIS 2.3 SUMMARY OF INDUSTRY ANALYSIS	13-21
3	<u>CHAPTER NO. 3 – COMPANY ANALYSIS</u> 3.1 HISTORY OF THE COMPANY 3.2 VISION AND MISSION OF THE COMPANY 3.3 COMPETITORS 3.4 SWOT ANALYSIS 3.5 MCKINSEY 7's FRAMEWORK 3.6 ANSOFF MATRIX 3.7 BCG MATRIX 3.8 SUMMARY OF COMPANY ANALYSIS	22-36
4	<u>CHAPTER NO. 4 – INTRODUCTION TO MANAGEMENT CONCEPT</u> 4.1 LEADERSHIP TEAM 4.2 EXECUTIVE TEAM 4.3 DECISION MAKING AND DISTRIBUTION OF AUTHORITY	37-42
5	<u>CHAPTER NO. 5</u> 5.1 LITERATURE REVIEW 5.2 STUDY OF LARGE CAP FUNDS 5.3 CONCLUSION 5.4 CONSTRUCTION AND ANALYSIS OF PORTFOLIO 5.5 CONCLUSION 5.6 LEARNING OUTCOME	43-62
6	<u>CHAPTER NO. 6 - ANNEXURES</u>	63

CHAPTER 1

1.1 INTRODUCTION

Investment requires not only capital and ability to take risk but also time, efforts and knowledge to get this done at ease Research company is the answer for the same.

Financial technology firms that are into research are having numerous IFA's and Institutional clients under them that uses these platforms to advice their client as to in which funds they should be investing in, also they help in building and maintaining their client's portfolio.

Research companies play a vital role in helping investors manage their investments in stocks and mutual funds. They conduct thorough analysis, provide research reports and ratings, monitor market conditions, assess risks, track performance, and offer educational resources. By leveraging the insights and information provided by research companies, investors can make informed decisions and effectively manage their investment portfolios.

Research companies typically consider several parameters when evaluating and analyzing mutual funds for investment. Research companies assess the historical performance of mutual funds, examining their returns over various time periods. They analyze risk-adjusted performance measures and compare funds to relevant benchmarks and peer groups. Research companies analyze the composition of a mutual fund's portfolio, looking at the types of securities it holds, asset allocation, and diversification. Various risk metrics and indicators are assessed, including volatility, downside risk, and measures of portfolio concentration. Research companies evaluate how well the fund manages risk and the potential for capital preservation.

Mutual funds are investment vehicles that pool money from multiple investors to invest in a diversified portfolio of securities such as stocks, bonds, or other assets. In simple terms, mutual funds are like a basket that holds a variety of investments. Mutual funds are popular investment options because they offer diversification, professional management, and access to different asset classes. They can be suitable for individuals who want to invest in the financial markets

but prefer to rely on professional expertise rather than selecting individual stocks or bonds themselves.

Equities, also known as stocks or shares, represent ownership interests or investments in companies. When you own equities, you hold a portion of the company's ownership and have certain rights, such as voting rights and the potential to receive a share of the company's profits in the form of dividends.

Large cap funds, also known as large-cap equity funds, are mutual funds or exchange-traded funds (ETFs) that primarily invest in companies with large market capitalizations. The term "large cap" refers to companies with a large total market value of their outstanding shares. Large cap funds are less risky but give low return.

1.2 OBJECTIVE OF THE STUDY

1. To study IT consulting and IT services industry using the industry analysis framework.
2. To study and analyse NGEN Research using the company analysis/framework/tools.
3. To Analyse the organizational design of NGEN Research's functions
4. The analyse the performance of 10 large cap funds using various parameter on platform of NGEN Research and portfolio construction and analysis.

1.3 SCOPE OF THE STUDY

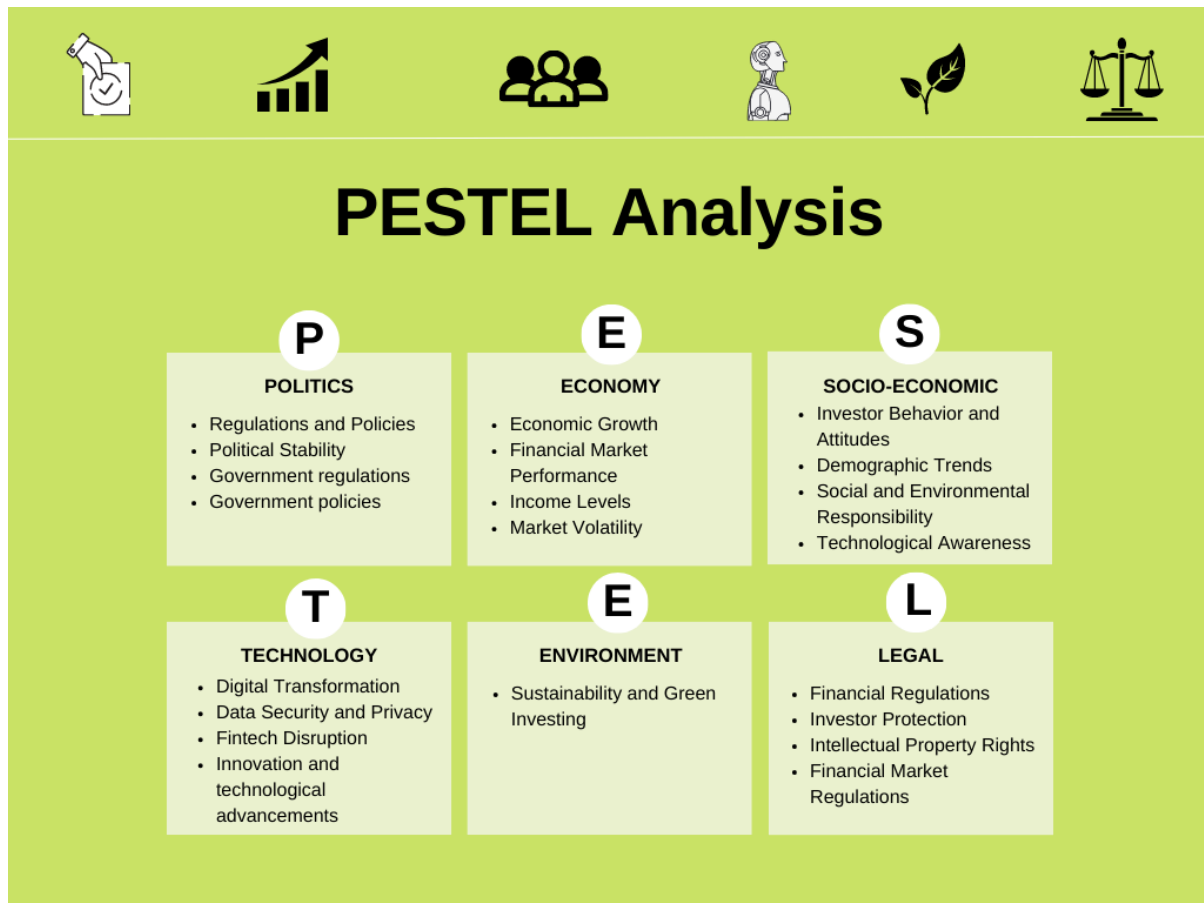
The study revolves around the 10 schemes of large cap mutual funds currently present in the Indian market. The mutual funds in the study includes both top performing and worst performing ones so that unbiased results can be achieved from our research. The study takes into account data values of last 5 years. The various parameter used for the analysis of funds are CAGR, Sharpe Ratio and Drawdown. The data collected was from secondary sources mainly from NGEN Research.

1.4 LIMITATION OF THE STUDY

- The study exclusively utilized secondary data, relying on historical performance information from selected large cap mutual funds.
- The primary focus of the study was on analyzing the past performance of these mutual funds, which may have implications for their future behavior.
- A notable limitation of the research was the constrained time period allocated for conducting the study, potentially impacting the extent and thoroughness of the analysis.

CHAPTER 2. INDUSTRY ANALYSIS

2.1 PESTLE ANALYSIS



POLITICAL FACTORS:

Regulations and Policies: Government regulations and policies related to financial markets, investments, and securities can significantly impact the operations and offerings of mutual funds, stock exchanges, and portfolio management firms.

Political Stability: Political stability is crucial for investor confidence and market stability, as political uncertainty can lead to market volatility and affect investment decisions.

Government regulations: The IT service and consulting industry may be influenced by regulations related to data protection, privacy, cybersecurity, and intellectual property rights.

Government policies: Policies regarding technology adoption, government contracts, and outsourcing can impact the industry.

ECONOMIC FACTORS:

Economic Growth: The overall economic conditions, including GDP growth, inflation rates, and interest rates, can influence investor sentiment and the demand for investment products and services.

Financial Market Performance: The performance of stock markets, bond markets, and other financial markets affects the profitability and attractiveness of mutual funds, stock investments, and portfolio management services.

Income Levels: The income levels and disposable income of individuals impact their ability to invest in mutual funds, stocks, and portfolios.

Market Volatility: Economic downturns, market fluctuations, and financial crises can significantly impact the profitability and stability of the financial service industry.

SOCIOCULTURAL FACTORS:

Investor Behavior and Attitudes: Societal attitudes towards investing, risk tolerance, and financial literacy can influence the demand for investment products and the need for investment consulting services.

Demographic Trends: Changing demographics, such as an aging population or shifting consumer preferences, can drive changes in investment patterns and require tailored investment strategies.

Social and Environmental Responsibility: Growing interest in socially responsible investing (SRI) and environmental, social, and governance (ESG) considerations can shape investment choices and consulting services.

Technological Awareness: Societal attitudes toward technology, digital adoption, and fintech innovations can shape the delivery of financial services, customer expectations, and competitive dynamics.

TECHNOLOGICAL FACTORS:

Digital Transformation: Technological advancements, such as online trading platforms, robo-advisors, and portfolio management software, have transformed the investment landscape and the delivery of IT services within the industry.

Data Security and Privacy: With the increasing use of technology, ensuring robust cybersecurity measures and maintaining data privacy are critical for the protection of client information and maintaining trust.

Fintech Disruption: The rise of fintech startups and their innovative solutions can disrupt traditional investment practices and create opportunities for IT service providers and consultants.

Innovation and technological advancements: The IT service and consulting industry heavily relies on technological developments. Emerging technologies, such as cloud computing, artificial intelligence, and cybersecurity, can create both opportunities and challenges.

ENVIRONMENTAL FACTORS:

Sustainability and Green Investing: Increasing awareness and concern for environmental issues can drive demand for sustainable investment options and require IT solutions that support ESG reporting and analysis.

LEGAL FACTORS:

Financial Regulations: Compliance with regulations such as securities laws, anti-money laundering (AML) regulations, and know-your-customer (KYC) requirements affects the operations of mutual funds, stock exchanges, and portfolio management firms.

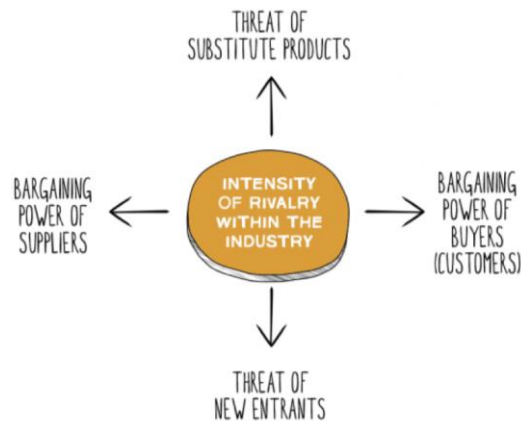
Investor Protection: Legal frameworks and investor protection laws influence the transparency, disclosure requirements, and fiduciary responsibilities of investment firms and consultants.

Intellectual Property Rights: Legal protection for investment strategies, proprietary algorithms, and financial models can impact the IT service providers and consultants in terms of intellectual property rights and innovation.

Financial Market Regulations: SEBI is the regulatory authority in India that oversees the securities and capital market. It formulates and enforces regulations to ensure fair practices investor protection, and market integrity. Compliance with financial regulations, licensing requirements, and reporting standards imposed by regulatory bodies such as central banks and financial regulatory authorities directly impact the operations, risk management, and compliance obligations of financial service providers.

2.2 PORTER'S 5 FORCES ANALYSIS

PORTER'S FIVE FORCES MODEL



THREAT OF NEW ENTRANTS:

The threat of new entrants in the IT consulting and service industry of mutual funds, stock, and portfolio is generally moderate to high. Factors contributing to this threat include:

Low barriers to entry: Starting an IT consulting or service firm for this specific industry may not require significant capital investment or specialized infrastructure.

Expertise and experience: Established consulting firms with domain expertise and experience in the financial industry may have an advantage, making it harder for new entrants to gain market share.

Client relationships: Existing consulting firms may have established relationships with mutual funds, stock exchanges, and portfolio managers, making it difficult for new entrants to enter the market and gain their trust.

BARGAINING POWER OF BUYERS:

The bargaining power of buyers (mutual funds, stock exchanges, portfolio managers) in the IT consulting and service industry can vary based on factors such as:

Volume and size of transactions: Large buyers who conduct significant trading volumes or manage large portfolios may have more bargaining power due to their potential impact on service providers' revenue.

Availability of alternative service providers: If buyers have access to multiple IT consulting and service providers specializing in the financial industry, they can exert more influence in negotiating terms and prices.

Importance of IT services: If IT services play a critical role in the functioning and performance of mutual funds, stock exchanges, and portfolios, buyers may have more leverage in negotiating contracts.

BARGAINING POWER OF SUPPLIERS:

The bargaining power of suppliers in the IT consulting and service industry for mutual funds, stock, and portfolio is generally low to moderate. Key considerations include:

Talent and expertise: IT consulting firms with specialized knowledge and experience in the financial industry may hold an advantage, but the overall supply of such talent is relatively abundant.

Technological solutions: IT service providers may rely on technology vendors for software, infrastructure, and data solutions. However, the availability of multiple vendors and the ability to switch suppliers can limit supplier power.

Strategic partnerships: Some IT service providers may form strategic partnerships with financial technology (fintech) companies or software vendors to enhance their offerings and reduce supplier dependence.

THREAT OF SUBSTITUTES:

The threat of substitutes in the IT consulting and service industry of mutual funds, stock, and portfolio can be moderate to high. This includes:

In-house IT departments: Some financial institutions may choose to develop and maintain their internal IT capabilities rather than outsourcing to external service providers.

Automation and AI solutions: Advancements in technology, including automated investment platforms and AI-driven portfolio management tools, may provide substitutes for certain aspects of IT consulting and service offerings.

Alternative consulting services: Management consulting firms that offer specialized financial and investment expertise may also compete for the same client base.

INTENSITY OF COMPETITIVE RIVALRY:

The IT consulting and service industry within mutual funds, stock, and portfolio experiences high intensity of competitive rivalry. Key factors contributing to this include:

Large number of competitors: The industry comprises numerous IT consulting and service providers, ranging from global firms to niche specialists, all competing for market share.

Differentiation based on expertise and offerings: Firms differentiate themselves through specialized knowledge, experience in the financial industry, technological solutions, and tailored consulting services.

Client switching costs: Clients can easily switch between IT consulting and service providers based on factors such as reputation, pricing, quality, and expertise.

Understanding and considering these Porter's Five Forces helps IT consulting and IT service providers in the mutual funds, stock, and portfolio industry assess the competitive landscape, identify potential risks and opportunities, develop effective differentiation strategies, and maintain strong client relationships.

2.3 SUMMARY OF INDUSTRY ANALYSIS

Financial advisors and wealth management companies leverage various IT consulting and service industry of mutual funds, stock, and portfolio platforms provide personalized investment advice and guide their clients on where to invest. These technologies help enhance the advisory process, improve data analysis, and streamline communication between advisors and clients.

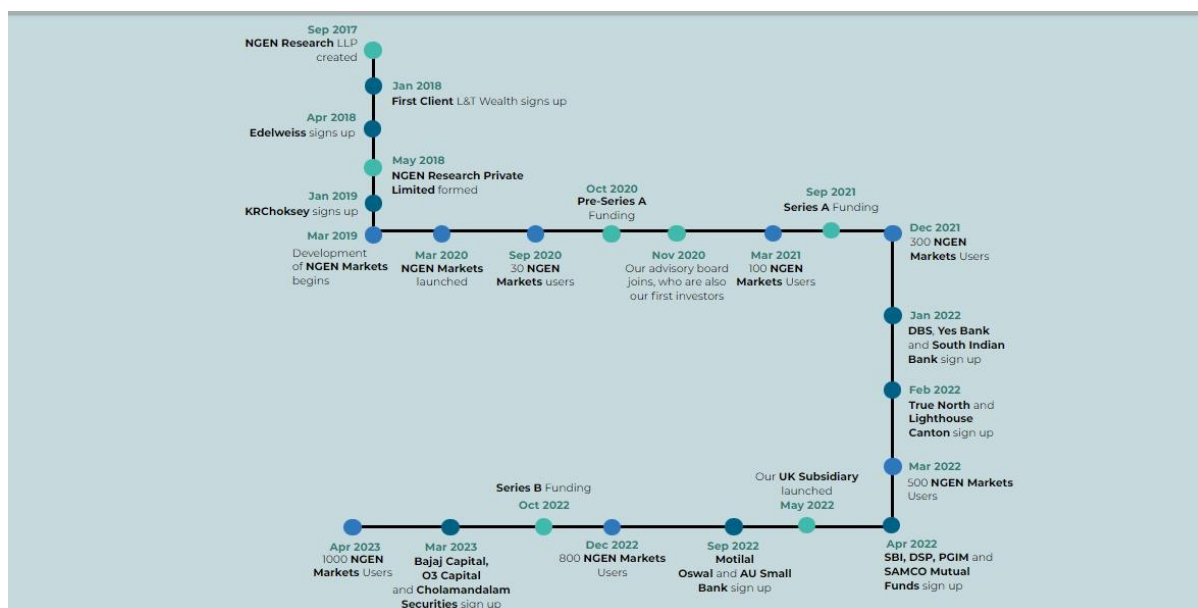
By incorporating financial technology into their advisory practices, wealth management companies and advisors can deliver more personalized, efficient, and data-driven investment advice to their clients. These tools not only enhance the client experience but also empower advisors to navigate complex financial landscapes and stay competitive in the evolving financial industry.

IT consulting and service industry of mutual funds, stock, and portfolio provide advisors with access to comprehensive investment research, market data, and financial analysis, allowing them to stay updated on market developments and make well-informed investment recommendations.

FinTech platforms offer risk assessment tools that help advisors determine a client's risk tolerance and suitability for different investment strategies. These tools use questionnaires and data analysis to gauge a client's willingness and ability to take on investment risk.

CHAPTER 3. COMPANY ANALYSIS

3.1 HISTORY OF THE COMPANY



NGEN Research is a financial technology firm based out of India with offices in Mumbai, New Delhi, Kolkata and London. We provide institutional class Financial Analytics, advanced portfolio analysis and deep-dive security analysis via a cloud-based platform. We serve a variety of clients from large banks and mutual fund companies to individual wealth managers and finance students.

Our partners come from solid institutional asset management backgrounds having managed several billion dollars across top-tier global investment management firms, banks and hedge funds.

NGEN Markets is a full-strength research and analytics platform for Indian finance professionals that provides deep and institutional-style analysis of Mutual Funds, stocks, and multi-asset portfolios – all delivered seamlessly on a browser. It is the flagship product of **NGEN Research**, an Indian company created in 2018 by Debabrata Majumdar and Arunabh Mukherjee.

Deb, CEO, spent over 25 years in finance in India, with senior roles at IndusInd Bank, Edelweiss AMC, Phillip Capital and Motilal Oswal.

Arunabh, CTO, is an ex-Fund Manager from Morgan Stanley in London where he managed over \$3 billion in algo-driven funds.

In India, NGEN already has an enviable client list including DBS, SBI MF, Yes Bank, DSP MF and Motilal Oswal. While these big names are serviced using NGEN Research's Enterprise model, NGEN Markets is something special, since it brings an institutional research experience - available only to larger companies - directly into the hands of smaller IFAs.

**Asset Management
Companies**



Banks



**Wealth and Brokerage
Companies**



Their portfolio analytics is what really sets them apart. With complete back-testing capability, including portfolio improvement, holding overlap and portfolio comparisons, it is a perfect tool to review existing clients as well as onboard new ones.

NGEN Markets, although launched only a couple of years ago, already has over a thousand paid customers and is growing rapidly. With the number of IFAs well over 1.5 lakhs, and growing, they seem to have a long way to go before they worry about finding customers in India.

3.2 VISION AND MISSION STATEMENT OF NGEN RESEARCH

VISION:

To establish our flagship product NGEN Markets that provides Institutional-Class Financial Analytics, as an automatic choice for Wealth Managers, Banks, Financial Advisors and Mutual Fund distributors across India.

MISSION:

NGEN Research as an Indian private limited company, will remain focussed on financial research and analytics

3.3 COMPETITOR'S OF NGEN RESEARCH



BLOOMBERG:

Bloomberg is also involved in financial technology, commonly referred to as fintech. The company has developed various products and services that leverage technology to provide innovative solutions in the financial industry.

One of Bloomberg's key fintech offerings is the Bloomberg Terminal, the Bloomberg Terminal is a leading financial data and analytics platform that combines real-time market data, news, research, and analytical tools to assist financial professionals in making informed investment decisions and managing their portfolios.

MORNINGSTAR:

Morningstar is a well-known financial services company that provides investment research, data, and analysis to individual and institutional investors. It was founded in 1984 by Joe Mansueto and is headquartered in Chicago, Illinois.

Morningstar is primarily recognized for its comprehensive coverage of mutual funds. They assign ratings, called Morningstar Ratings or Star Ratings, to mutual funds based on their past performance relative to similar funds. These ratings are widely used by investors as a way to evaluate the historical risk-adjusted returns of funds.

GOOGLE FINANCE:

Google Finance is a free online financial platform provided by Google. It offers a range of features and tools to help users track and analyze financial markets, stocks, and other investment-related information. While Google Finance provides useful resources for individual investors, it is important to note that it may not have the same level of depth and sophistication as dedicated financial platforms or professional tools like Bloomberg Terminal.

3.4 SWOT ANALYSIS OF NGEN RESEARCH



STRENGTHS:

Expertise and Knowledge: NGEN Research possesses a strong team of researchers and experts with deep knowledge and expertise in their respective fields. This enables the company to provide high-quality research and analysis services to clients.

Cutting-edge Technology: NGEN Research stays updated with the latest technological advancements in research methodologies and data analytics. This allows them to employ advanced tools and techniques for data collection, analysis, and interpretation, providing clients with accurate and valuable insights.

Diverse Client Base: NGEN Research has a diverse client base spanning across industries and sectors. This diversity allows them to gain insights from different perspectives and apply cross-industry learnings to deliver customized solutions to clients.

Reputation and Trust: NGEN Research has built a strong reputation for delivering reliable and trustworthy research services. Clients value their expertise, professionalism, and commitment to delivering high-quality results, which contributes to long-term relationships and client loyalty.

WEAKNESSES:

Limited Global Presence: NGEN Research may have a limited global presence, focusing primarily on specific regions or markets. This limitation could hinder their ability to reach and serve clients in other geographic areas, missing out on potential business opportunities.

Reliance on External Data Sources: Conducting research often requires access to a wide range of data sources. If NGEN Research heavily relies on external data sources, they may face challenges in terms of data availability, reliability, and data access costs, potentially impacting the quality and timeliness of their research.

OPPORTUNITIES:

Emerging Technologies: The rapid advancement of technologies such as artificial intelligence, machine learning, and big data analytics presents opportunities for NGEN Research to leverage these tools and enhance their research capabilities. Adopting these technologies can improve efficiency, speed, and accuracy in delivering research insights.

Industry-Specific Expertise: NGEN Research can further develop and specialize in specific industries or sectors, such as healthcare, finance, or technology. This specialization would allow them to gain a competitive edge by providing tailored research solutions and becoming recognized as industry experts.

Market Demand: There might be a rising demand for research in the fields that NGEN Research specializes in. This growing interest could lead to more opportunities for projects and collaborations, driving revenue growth.

THREATS:

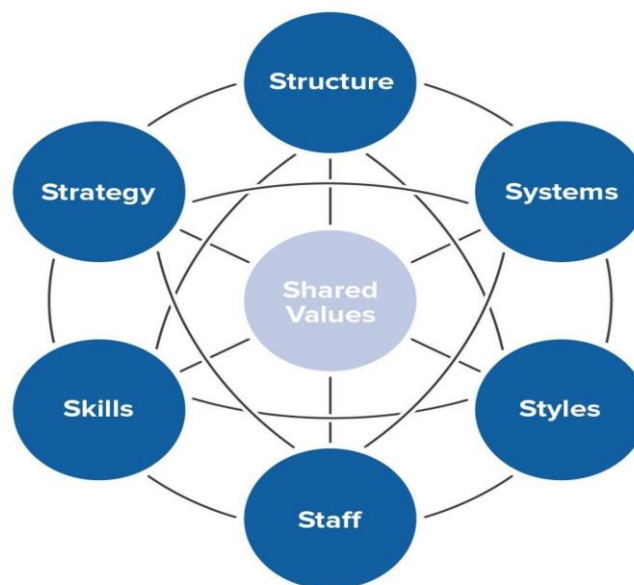
Competition: The research services industry is highly competitive, with numerous established research firms and new entrants. NGEN Research may face competition from larger, well-established companies and niche research providers. Staying ahead of competitors and differentiating their offerings is crucial to maintain and expand market share.

Economic Volatility: Economic fluctuations and downturns can impact the demand for research services. During challenging economic times, clients may reduce research budgets, affecting the demand for NGEN Research's services. Adapting to changing market conditions and diversifying service offerings can help mitigate these risks.

Data Privacy and Security: The increasing focus on data privacy and security regulations presents challenges for research companies. Compliance with evolving data protection laws and ensuring the security of client data is essential to maintain trust and avoid legal risks.

Regulatory Changes: Changes in government regulations or policies related to research funding, data privacy, or ethical considerations may impact the organization's research practices and funding sources.

3.5 NGEN RESEARCH'S 7s FRAMEWORK



STRATEGY: This element refers to the company's overall plan and approach to achieve its goals and objectives. NGEN Research focuses on client acquisition and builds networks through their existing clients. They connect with institutional players which help them to get an ample number of IFA's and clients.

STRUCTURE: Structure represents the organization's formal hierarchy, reporting relationships, and division of work. NGEN Research is divided into 2 major departments which are product and training department and business development department. Business development department focuses on acquiring clients whereas the product team emphasizes on giving training to the existing clients about the platform.

SYSTEMS: Systems encompass the processes, procedures, and routines that govern how work is performed within the organization. NGEN Research strives to deliver an experience that is simple, 100% Online and with hand-holding by experts by giving them a walk through and detailed training of the platform.

SHARED VALUES: Shared Values refer to the core beliefs, values, and norms that shape the company's culture and guide behavior. NGEN Research always believes in 'Us' and not 'Me'. They believe in simple selves and never let pride and confidence take over during individual success. Feedback is taken constructively, to break it into positive pieces and strive to work on each and every element even more effectively.

SKILLS: Skills represent the capabilities and competencies of the organization's employees, including their knowledge, expertise, and abilities. NGEN Research seeks out people that are driven, devoted, creative, adaptable, and capable of handling several responsibilities while one or more other employees are not present. Opportunities are plentiful across a variety of profiles due to their strong emphasis on diversification.

STYLE: Style relates to the leadership style and management approach prevalent within the organization. NGEN Research invests in its employees to create a culture of continuous learning. The organization provides continuous training, career planning, positive work culture and decentralized style of management. This will enable the employees to become more motivated and committed in terms of quality and productivity.

STAFF: Staff refers to the employees and their characteristics, such as their numbers, qualifications, and roles within the organization. NGEN Research believes that the employees are its most powerful assets. It provides continuous training, positive work culture and participative style of management.

3.6 ANSOFF MATRIX OF NGEN RESEARCH



The Ansoff Matrix, developed by Igor Ansoff, is a strategic tool that helps organizations determine their growth strategies based on two key dimensions: product/service and market. It provides four growth strategies:

MARKET PENETRATION: This strategy focuses on selling existing products or services to existing markets. In the context of NGEN Research, market penetration could involve increasing the market share of its research services by targeting existing clients more effectively, expanding the range of services offered to existing clients, or strengthening relationships with current clients.

MARKET DEVELOPMENT: Market development involves introducing existing products or services into new markets. NGEN Research could explore entering new geographic markets or expanding its client base by targeting industries or sectors where it currently has limited presence. This could involve adapting its research services to meet the specific needs of new markets.

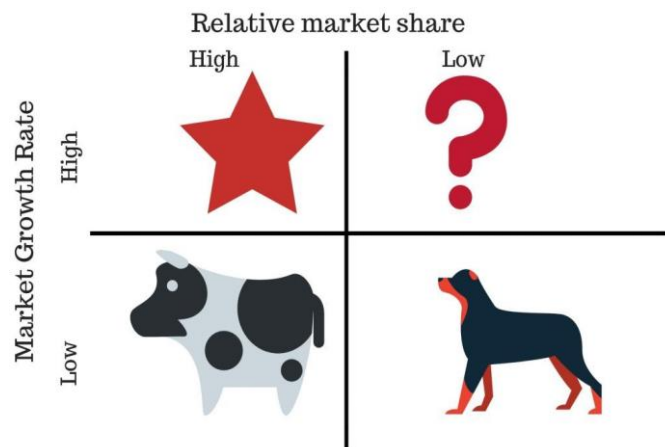
PRODUCT DEVELOPMENT: This strategy involves creating and introducing new products or services to existing markets. NGEN Research could consider developing new research offerings or enhancing its existing services to provide more comprehensive and innovative

solutions to its current clients. This could involve leveraging emerging technologies, expanding into new research methodologies, or offering specialized research services.

DIVERSIFICATION: Diversification is the most challenging strategy and involves introducing new products or services to new markets. For NGEN Research, this could involve expanding its research capabilities to cover new industries or sectors where it does not currently operate. It may require acquiring new skills, expertise, or forming strategic partnerships to enter these new markets successfully.

By using the Ansoff Matrix, NGEN Research can evaluate its growth options and make informed decisions about which strategies to pursue. It's important to conduct a thorough analysis of each strategy's feasibility, potential risks, and expected returns before making strategic decisions.

3.7 BCG MATRIX OF NGEN RESEARCH PLATFORM



The BCG matrix, also known as the Boston Consulting Group matrix, is a strategic management tool that helps analyze a company's portfolio of products or business units based on their market growth rate and relative market share. It was developed by the Boston Consulting Group in the early 1970s.

STAR: Products or business units that have a high market share in a high-growth market. Stars typically require substantial investment to maintain their growth and market share. They have the potential to become cash cows in the future if their market continues to grow. The star of the NGEN Platform is-

- Screening and selection of best mutual fund in each of the categories.
- Portfolio analysis of all the existing ARN client easily.
- Also, on boarding of prospective client's portfolio on the fly and show the performance of the portfolio Vis-à-vis a model portfolio and generate an actionable proposal for the same and therefore increase your business. Making it a dominant player in the market.

CASH COW: Products or business units that have a high market share in a low-growth market. Cash cows generate significant cash flow and profits and require less investment since the market growth is low. They are considered to be stable and reliable sources of income for the company. The overall platform and the different parameters that are available in the platform are generating the revenue for the company. NGEN Research is one step ahead when it comes to their unique parameter of drawdown analysis. Their competitor only display's the length

whereas NGEN Research also informs about the recovery period. They also have Comparison and Improve options helping to build a better portfolio overall.

QUESTION MARKS: Products or business units that have a low market share in a high-growth market. Question marks require careful consideration as to whether they should receive additional investment to grow their market share or be divested. They have the potential to become stars or may eventually become dogs if their market share does not improve. The major question mark of the platform is the authenticity of the data more specifically about the date and formula. Over the time the company has been able to prove and has provided convincing data for the same.

DOGS: Products or business units that have a low market share in a low-growth market. Dogs typically generate low profits or even losses. These products or business units may not have a significant future potential and may need to be phased out or divested. Stock Screener tab was removed from the platform because of very low engagement of the client or usage in general.

3.8 SUMMARY OF COMPANY ANALYSIS

According to the study, NGEN Research is a dominant force in India's financial technology industry and is steadily gaining recognition on the global stage. With an impressive roster of clients, including DBS, SBI MF, Yes Bank, DSP MF, and Motilal Oswal, NGEN has established itself as a market leader. Notably, NGEN Research's Enterprise model caters to these renowned institutions, showcasing the company's expertise and capabilities. Moreover, NGEN Markets stands out as a unique offering, as it democratizes the institutional research experience typically accessible only to larger companies, making it available to smaller Independent Financial Advisors (IFAs). This move empowers IFAs with valuable insights, enabling them to make informed decisions and better serve their clients.

CHAPTER 4. INTRODUCTION TO MANAGEMENT **CONCEPT**

4.1 LEADERSHIP TEAM

DEBABRATA MAJUMDAR, CEO & MD



Mr. Deb Majumdar is a founding member of NGEN. Previously, he was the Head of Wealth Management at Phillip Capital India, Private Client Group. Prior to this, he held various roles at ICRA Online, Edelweiss AMC, Motilal Oswal and IndusInd Bank.

Debabrata has over 24 years of experience in the Indian Financial Services Industry, including over 12 years managing PAN-India businesses in Banking, Stock-Broking and IT Consulting companies.

During this time, he successfully sold various products through large institutions, branches and IFA networks. He holds MBA from the Institute of Technology & Management, Mumbai and an Advanced Marketing Program from Chartered Institute of Marketing, UK.

He also completed a Post Graduate Honors Diploma in Systems Management from NIIT, Calcutta and a B.Sc. in Economics from Calcutta University.

ARUNABH MUKHERJEE, FOUNDER & CTO



Arunabh is a founding member of NGEN. Previously, he was a portfolio manager of \$200 million at Millennium Partners in London. Before Millennium, he was a portfolio manager of over \$3 billion in assets at Morgan Stanley Investment Management in London. Arunabh started his financial services career in the FX options trading desk at JP Morgan in London.

Arunabh holds a MSc in Interdisciplinary Mathematics specializing in Artificial Neural Networks from the University of Warwick and a BA with Honours in Mathematics from Delhi University.

NEIL CHAKRABORTY, FOUNDER & CSO



Neil is a founding member of NGEN Research. He is also a partner at NGEN Capital and works as a Portfolio Manager. Before NGEN Capital he was an Executive Director at Morgan Stanley in London from October 2006 to April 2013. Prior to Morgan Stanley, Neil was a Vice president at Credit Suisse, where his responsibilities included the allocation of risk capital to hedge funds. Neil holds an MSc in Mathematics and Finance from Imperial College and an MBA in Finance from the University of British Columbia.

4.2 EXECUTIVE TEAM



Anirup Moitra

Assistant VP, Business Head



Janifer Dias

Assistant VP, Client Service



Prajakta Joshi

Head of Product & Training



Ajay Suresh Waghmode

Manager, Sales



Viraj Wankhede

Manager, Sales



Ankush Mukherjee

Assistant Manager, Sales



Saud Ansari



Dipika Bhalekar

4.3 DECISION MAKING AND DISTRIBUTION OF AUTHORITY

DECISION MAKING:

The ultimate authority for making decisions rests with the highest echelon of management within NGEN Research. This top-level management team possesses the responsibility and power to make pivotal choices that significantly impact the direction, strategies, and overall operations of the organization.

These decisions are typically of a critical nature, often involving matters that have far-reaching consequences for the company's growth, profitability, and long-term objectives. Top-level management consists of executives such as the Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Financial Officer (CFO), and other senior leaders who hold key leadership positions.

Furthermore, the decisions made by top-level management set the tone and framework for the entire organization, influencing the strategies cascaded down to lower management levels. Effective coordination and communication between top-level management and other organizational layers are crucial for ensuring alignment and successful execution of these decisions throughout the company.

DISTRIBUTION OF AUTHORITY:

In the context of NGEN Research, a decentralized distribution of authority means that decision-making power and responsibilities are dispersed across different levels and departments within the organization, rather than being concentrated solely at the top management level. This approach reflects a deliberate strategy to empower lower-level managers and employees to make decisions that are relevant to their specific areas of expertise and responsibilities.

NGEN Research's adoption of a decentralized distribution of authority reflects a strategic choice to empower its workforce, enhance agility, and leverage specialized expertise.

throughout the organization. This approach can lead to more dynamic and responsive operations while requiring effective mechanisms for coordination and alignment across different functional areas.

CHAPTER NO. 5

5.1 LITERATURE REVIEW

- A STUDY ON PERFORMANCE OF LARGE CAP EQUITY MUTUAL FUNDS IN INDIA. (Prakash Yalavatti, Bheemanagouda 2017) The present study evaluates and compares the performance of large cap equity funds of four asset management companies (L&T, DHFL Pramerica, HDFC and Principal Mutual Fund). The results of the study show that L&T India Large Cap Equity Fund outperforms the benchmark index, i.e., NSE Nifty 50, in terms of all measurement ratios. The performance of Principal Large Cap Fund and HDFC Top 200 is moderate and they also outperform the benchmark index. However, DHFL Pramerica Large Cap Equity Fund's performance is very poor as compared to other selected funds.
- A STUDY ON PERFORMANCE EVALUATION OF LARGE CAP EQUITY MUTUAL FUNDS. (Ms. Jayalakshmi S Saunshi, Hubli Dr. Bhargav Revankar 2022) The present study evaluates the performance of ten large cap equity funds of top ten Asset Management Company. The results of the study show the most of the Large Cap Fund Schemes performed better than the benchmark that is Nifty 50 in return, with two exceptions - DSP Top 100 Equity Fund and Reliance Large Cap Fund. Among all the funds, Reliance Large Cap Fund provided the highest average return. On the other hand, Axis Bluechip Fund stood out in terms of Sharpe ratio. However, DSP Top Equity Fund had the lowest Sharpe ratio, suggesting a decline in its performance, making it less recommended for investors.
- PERFORMANCE ANALYSIS OF EQUITY LARGE CAP MUTUAL FUNDS. (G.S. ANU 2019) The study is about mutual fund that is a pooling of fund from investors and invests it in a diversified securities or different types of securities. The open-ended mutual fund, the investor can participate at any time there is no restrictions in entry and exit. The close ended mutual fund the investor cannot participate at any time, because there are restrictions in entry and exit. For measuring the performance of mutual funds, we used Sharpe ratio and Treynor ratio. The important tools used in this project is mean, standard deviation, beta, Sharpe ratio and Treynor ratio. Standard deviation means deviation from mean and beta means proportion of a stock's instability in connection to the market, by definition the market has a beta of 1.0, and individual stocks are

positioned by the amount they deviate from the market. In this study we can understand that the risk-return adjustment is very important for the performance of Mutual fund. Investment decisions principally relies on the investors attitude towards risk and return of each of the revenue's investment.

- **ANALYSIS OF THE PERFORMANCE OF SELECTED LARGE-CAP MUTUAL FUNDS OF INDIA.** (Raavi Singh, Prof. Ketki Kulkarni 2022) The study is based on Mutual funds that are considered as the most accessible and simplest investment avenue for investors. As the investment focus is not only on one particular sector but on many other sectors as well. The money pooled from the investors is invested in a diversified portfolio thus giving collective returns to the investors. This research study focuses on the performance analysis of the open-ended scheme which focuses primarily on the equity large-cap funds. For the research study, 27 equity large-cap mutual funds were selected from India. The study aims to examine the performance of selected large-cap mutual funds and to identify which schemes to invest in relation to the risk involved and the amount of return obtained from each of them. The data obtained for research was secondary and the analysis was done by using various statistical tools and techniques like beta, Sharpe ratio, Jensen ratio, Treynor ratio, and ordinary least square regression (OLS). The findings of the study highlighted that there is a significant relation between risk and return. Results further depicted that Axis Bluechip Fund - Direct Plan-Growth had a beta value of more than 1.0 indicating that the underlying stock is more volatile and the R-square value explained that all independent variables explain 92.35% of returns (dependent variable).

5.2 STUDY OF LARGE CAP FUNDS – CAGR, SHARPE RATIO AND DRAWDOWNS

INTRODUCTION

Parameters are used in investments to define specific criteria or limits that guide investment decisions and strategies. These parameters act as guidelines to ensure that investments align with the investor's objectives, risk tolerance, and financial goals. They help investors stay disciplined and focused, reducing the potential for emotional decision-making.

Using different parameters before investing is crucial because different investments come with varying characteristics, risk levels, and potential returns. Tailoring parameters to each investment allow you to make more informed and suitable decisions based on the specific attributes of the asset or financial instrument you are considering.

CAGR:

CAGR is Compounded Annual Growth Rate. It informs us about the average rate of return that the fund has earned annually. CAGR is commonly used in finance and investment analysis to assess performance.

$$\text{CAGR} = (\text{End price} / \text{Start price})^{(1/\text{years})} - 1$$

SHARPE RATIO:

Sharpe Ratio is Risk adjusted Return it tells how well the fund has performed in comparison to the risk that has been taken. Higher the Sharpe ratio the greater is the investment return relative to the amount of risk taken and thus, the better is the investment.

$$\text{Sharpe ratio} = (\text{Return} - \text{Risk-free rate}) / \text{Standard deviation}$$

DRAWDOWN:

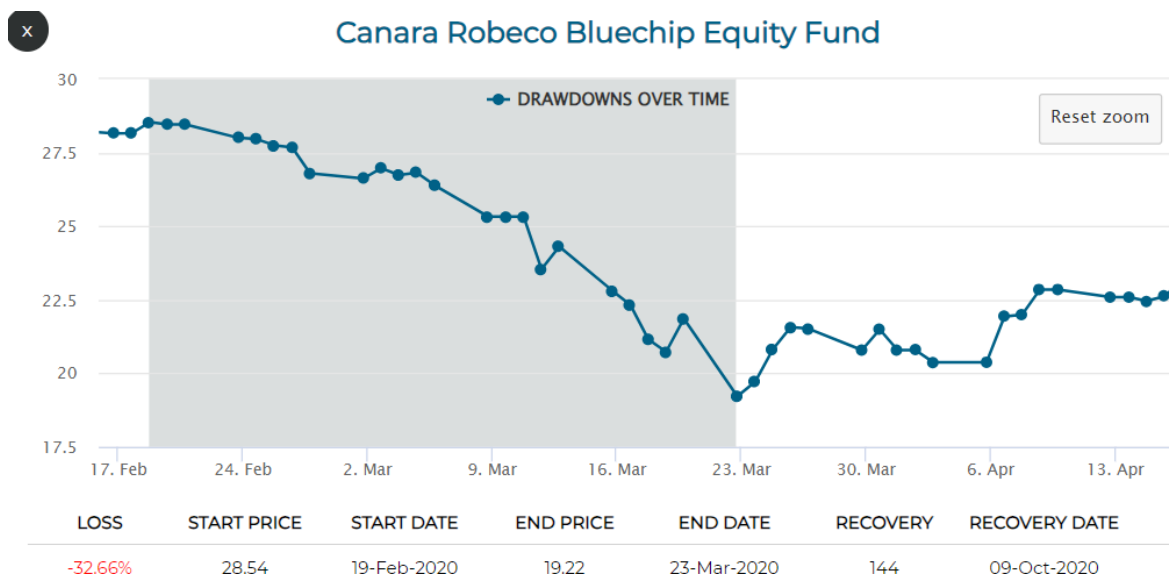
Drawdown tells us about the strength of the fund to recover from the loss. It measures the extent of loss experienced during a specific period. Monitoring drawdowns is essential for assessing risk and managing investment strategies effectively. Smaller drawdowns are more manageable and easier to recover from, while larger drawdowns can have a more significant impact on an investment's long-term performance.

****THE RELEVANT INDEX FOR LARGE CAP FUNDS IS NIFTY 100***

CAGR OF NIFTY 100 - 11.03%

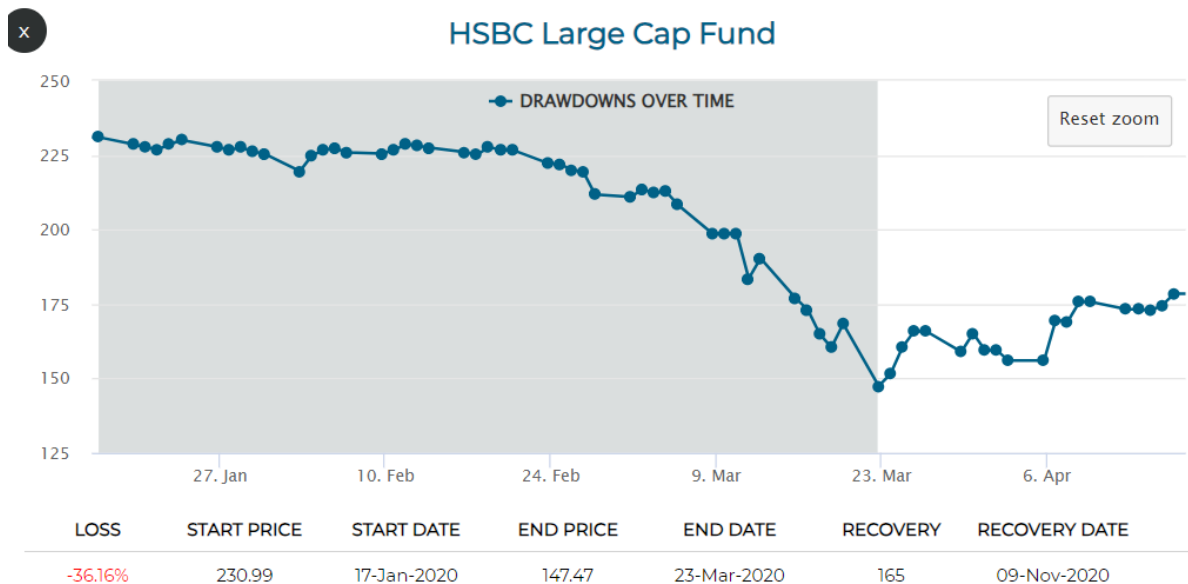
SHARPE RATIO OF NIFTY 100 - 0.27

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
1	Canara Robeco Bluechip Equity Fund (G)	13.72%	0.43	-32.66% START PRICE- 28.54 START DATE- 19- Feb-2020 END PRICE- 19.22 END DATE- 23- Mar-2020 RECOVERY- 144 RECOVERY- 9-Oct- 2020



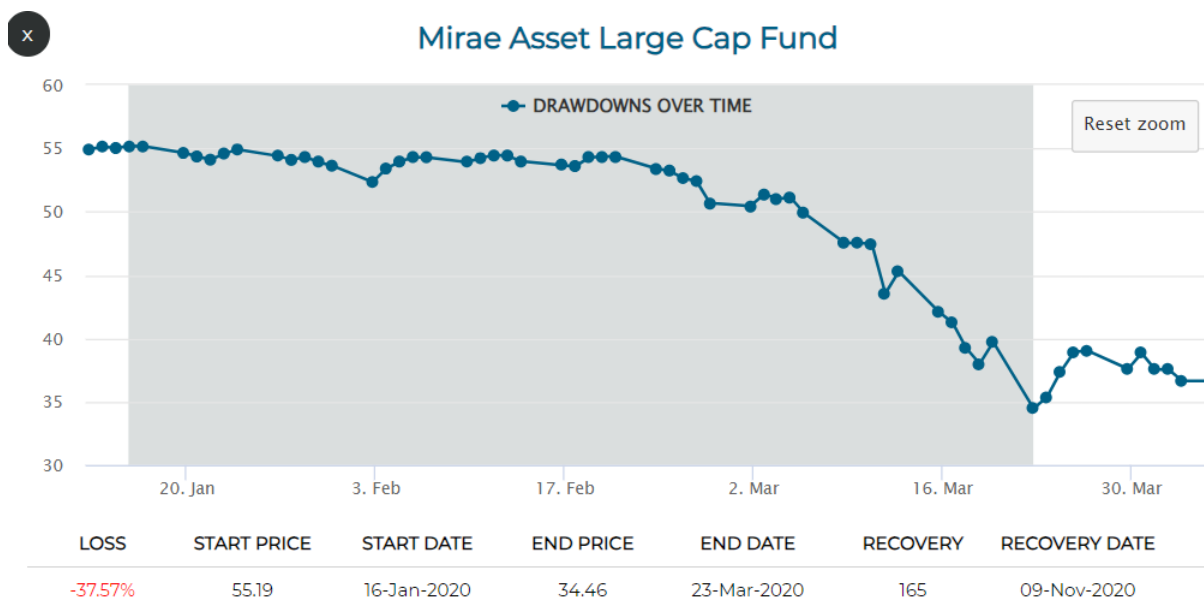
INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 13.37% which indicates that the fund was able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.43. Hence, it has outperformed the benchmark. The fund incurred a loss of -32.66% which was between 19th February 2020 to 23rd March 2020 where the NAV fell from 28.54 to 19.22 and it took a total of 144 days to recover which finally recovered on 9th October 2020 where it went back to its initial NAV of 28.54.

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
2	HSBC Large Cap Fund (G)	10.64%	0.26	-36.16% START PRICE- 230.99 START DATE- 17-Jan-2020 END PRICE- 147.47 END DATE- 23- Mar-2020 RECOVERY- 165 RECOVERY- 9- Nov-2020



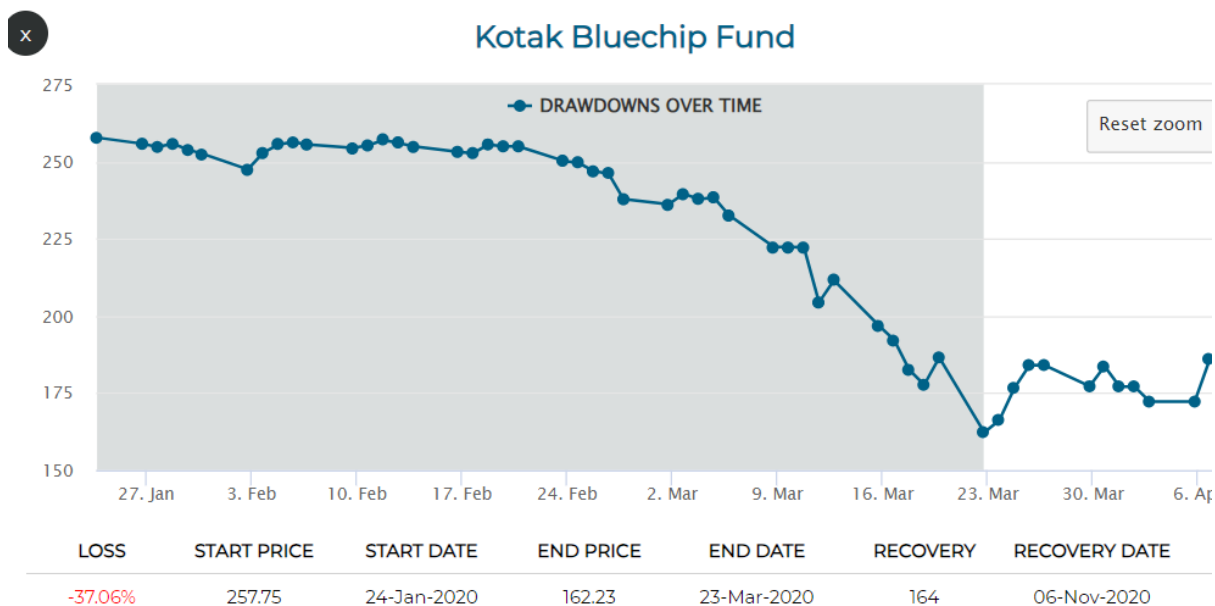
INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 10.64% which indicates that the fund was able not to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.26. Hence, it has underperformed the benchmark. The fund incurred a loss of -36.16% which was between 17th January 2020 to 23rd March 2020 where the NAV fell from 230.99 to 147.47 and it took total of 165 days to recover which finally recovered on 9th November 2020 where it went back to its initial NAV of 230.99.

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
3	Mirae Asset Large Cap Fund (G)	11.16%	0.28	-37.57% START PRICE- 55.19 START DATE- 16-Jan-2020 END PRICE- 34.46 END DATE- 23- Mar-2020 RECOVERY- 165 RECOVERY- 9- Nov-2020



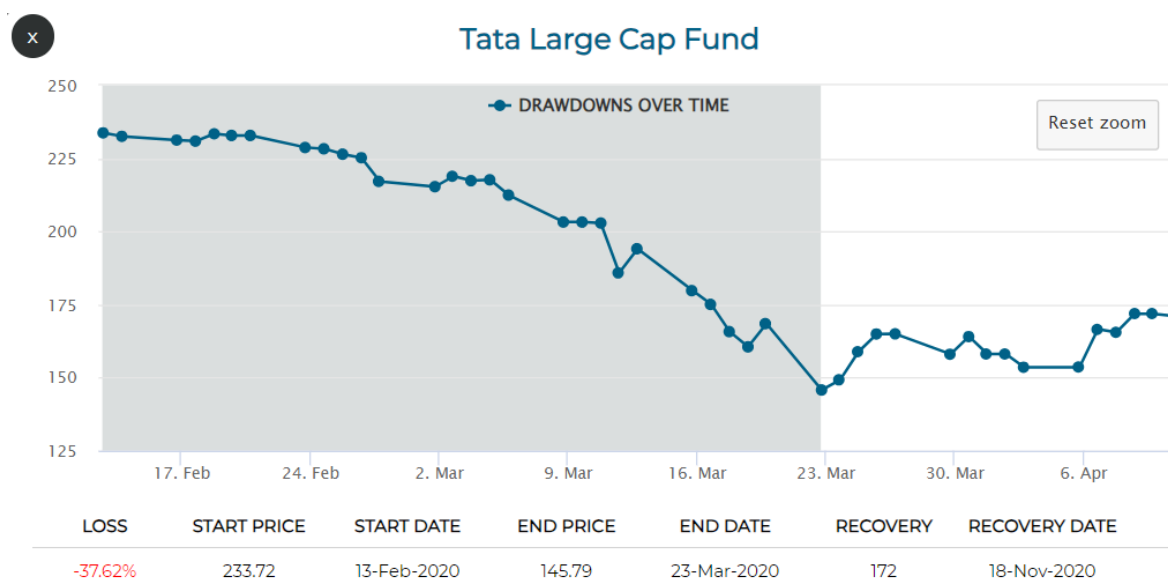
INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 11.16% which indicates that the fund was able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.28. Hence, it has outperformed the benchmark by minimum margin. The fund incurred a loss of -37.57% which was between 16th January 2020 to 23rd March 2020 where the NAV fell from 55.91 to 34.46 and it took total of 165 days to recover which finally recovered on 9th November 2020 where it went back to its initial NAV of 55.91.

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
4	Kotak Bluechip Fund (G)	11.81%	0.32	-37.06% START PRICE- 257.75 START DATE- 24-Jan-2020 END PRICE- 162.23 END DATE- 23-Mar-2020 RECOVERY- 164 RECOVERY- 6-Nov-2020



INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 11.81% which indicates that the fund was able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.32. Hence, it has outperformed the benchmark. The fund incurred a loss of -37.06% which was between 24th January 2020 to 23rd March 2020 where the NAV fell from 257.75 to 162.23 and it took total of 164 days to recover which finally recovered on 6th November 2020 where it went back to its initial NAV of 257.75.

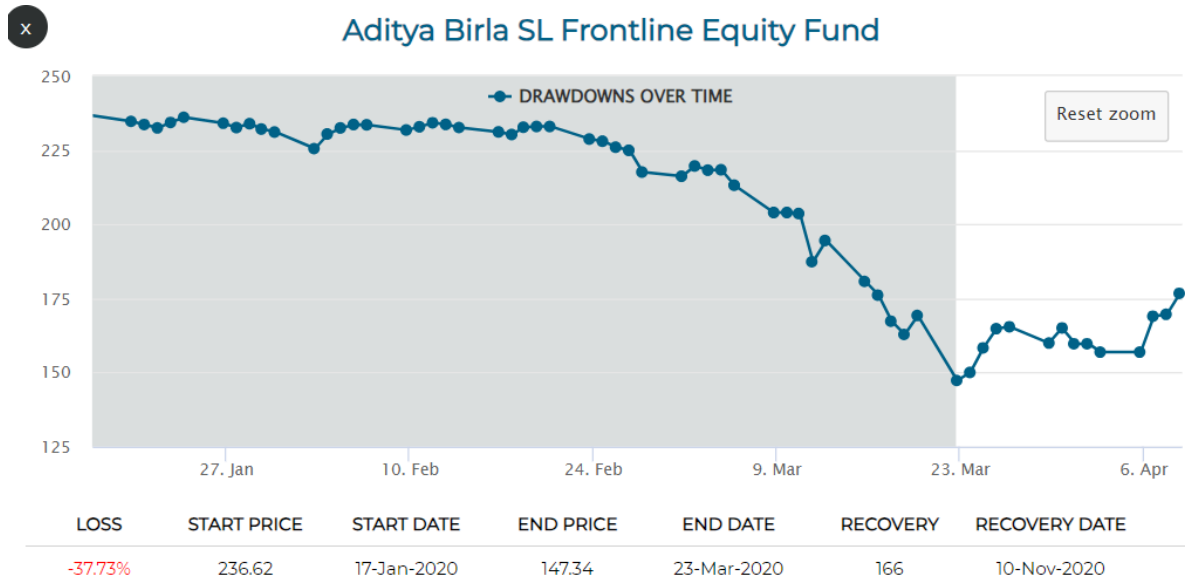
FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
5	Tata Large Cap Fund - Regular (G)	10.76%	0.26	-37.62% START PRICE- 233.72 START DATE- 13-Feb-2020 END PRICE- 145.79 END DATE- 23-Mar-2020 RECOVERY- 172 RECOVERY- 18-Nov-2020



INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 10.76% which indicates that the fund was able to not beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.26. Hence, it has underperformed as compared to the benchmark. The fund incurred a loss of -37.62% which was between 13th February 2020 to 23rd March 2020 where the NAV fell from 233.72 to 145.79 and it took total of 172 days to recover which finally recovered on 18th November 2020 where it went back to its initial NAV of 233.72.

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
6	Aditya Birla SL Frontline Equity Fund (G)	10.55%	0.26	-37.73% START PRICE- 236.62 START DATE- 17- Jan-2020 END PRICE- 147.34 END DATE- 23- Mar-2020 RECOVERY- 166

				RECOVERY- 10-Nov-2020
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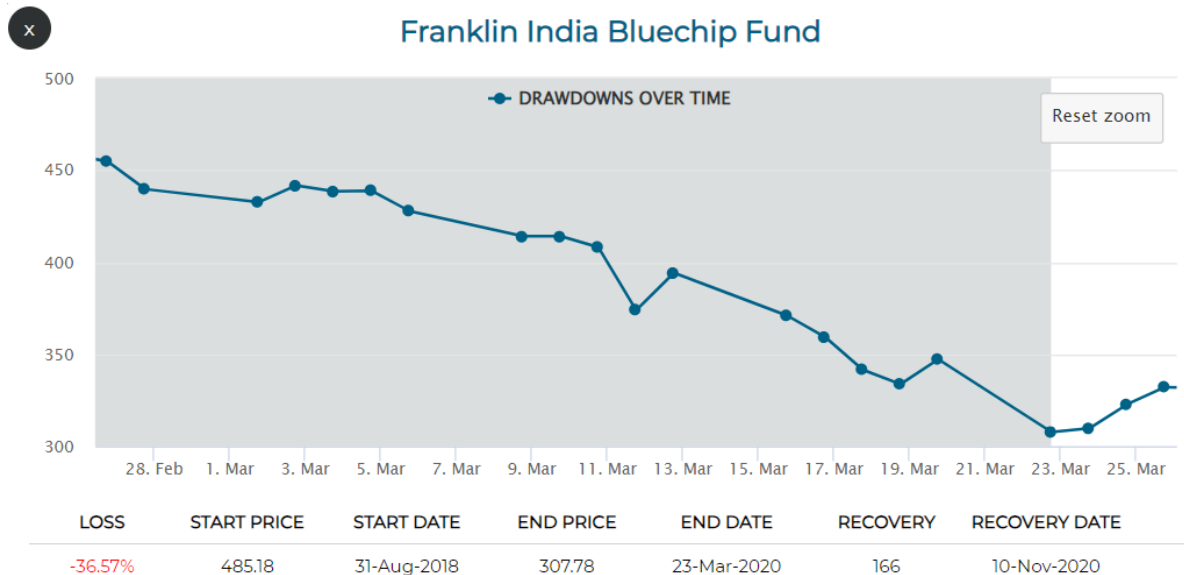


INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 10.55% which indicates that the fund was not able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.26. Hence, it has failed to outperform the benchmark. The fund incurred a loss of -37.73% which was between 17th January 2020 to 23rd March 2020 where the NAV fell from 236.62 to 147.34 and it took a total of 166 days to recover which finally recovered on 23rd March 2020 where it went back to its initial NAV of 236.62.

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
7	Franklin India Bluechip Fund - (G)	9.43%	0.20	-36.57% START PRICE- 485.18 START DATE- 31-Aug-2018 END PRICE- 307.78 END DATE- 23-Mar-2020 RECOVERY- 166

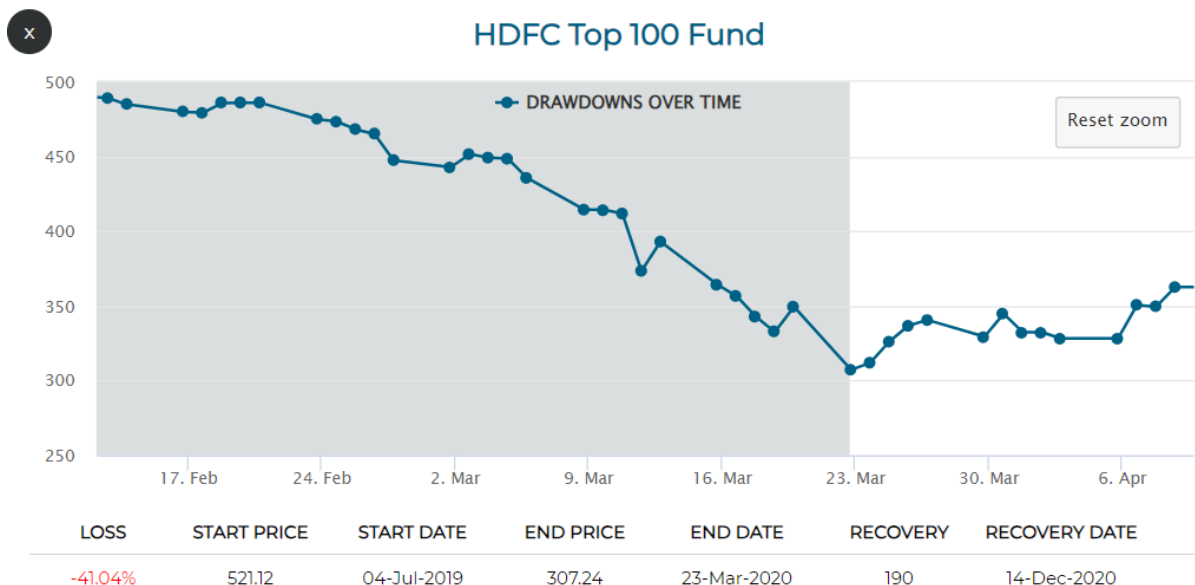
				RECOVERY- 10-Nov-2020
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INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 9.43% which indicates that the fund was not able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.20. Hence, it has not been successful in outperforming the benchmark. The fund incurred a loss of -36.57% which was between 31st August 2018 to 23rd March 2020 where the NAV fell from 485.18 to 307.78 and it took total of 166 days to recover which finally recovered on 10th November 2020 where it went back to its initial NAV of 485.18.



FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
8	HDFC Top 100 Fund (G)	11.53%	0.31	-41.04% START PRICE- 521.12 START DATE- 4-July-2019 END PRICE- 307.24 END DATE- 23-Mar-2020

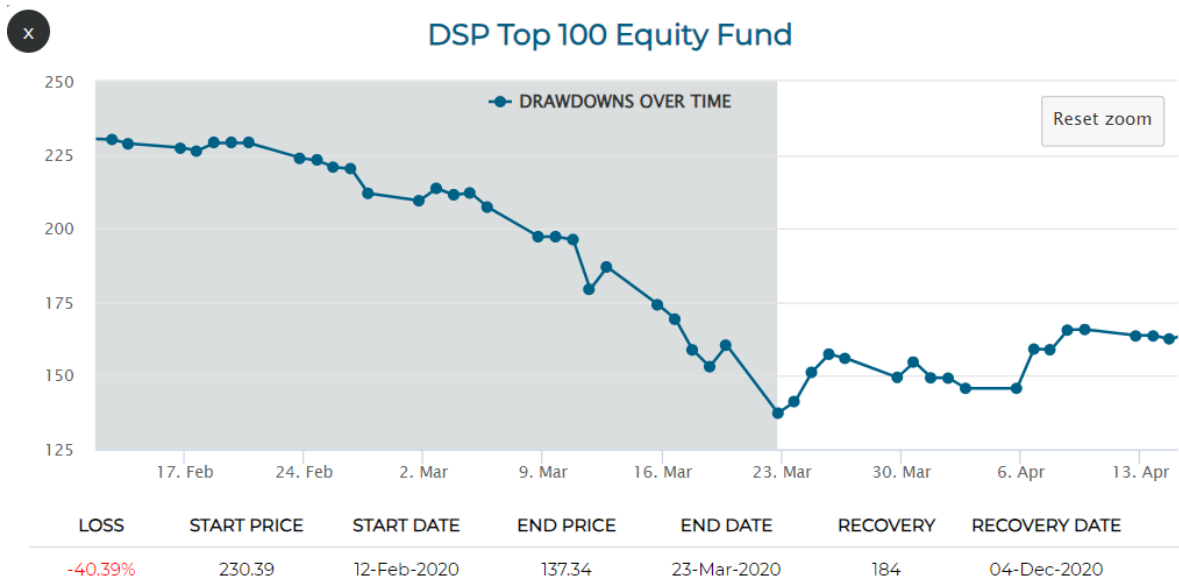
				RECOVERY- 190
				RECOVERY- 14- Dec-2020



INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 11.53% which indicates that the fund was able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.31. Hence, it has surpassed the benchmark in performing. The fund incurred a loss of -41.04% which was between 4th July 2020 to 23rd March 2020 where the NAV fell from 521.12 to 307.24 and it took a total of 190 days to recover which finally recovered on 9th November 2020 where it went back to its initial NAV of 521.12.

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
9	DSP Top 100 Equity Fund (G)	9.43%	0.20	-40.39% START PRICE- 230.39 START DATE- 12- Feb-2020 END PRICE- 137.34 END DATE- 23- Mar-2020

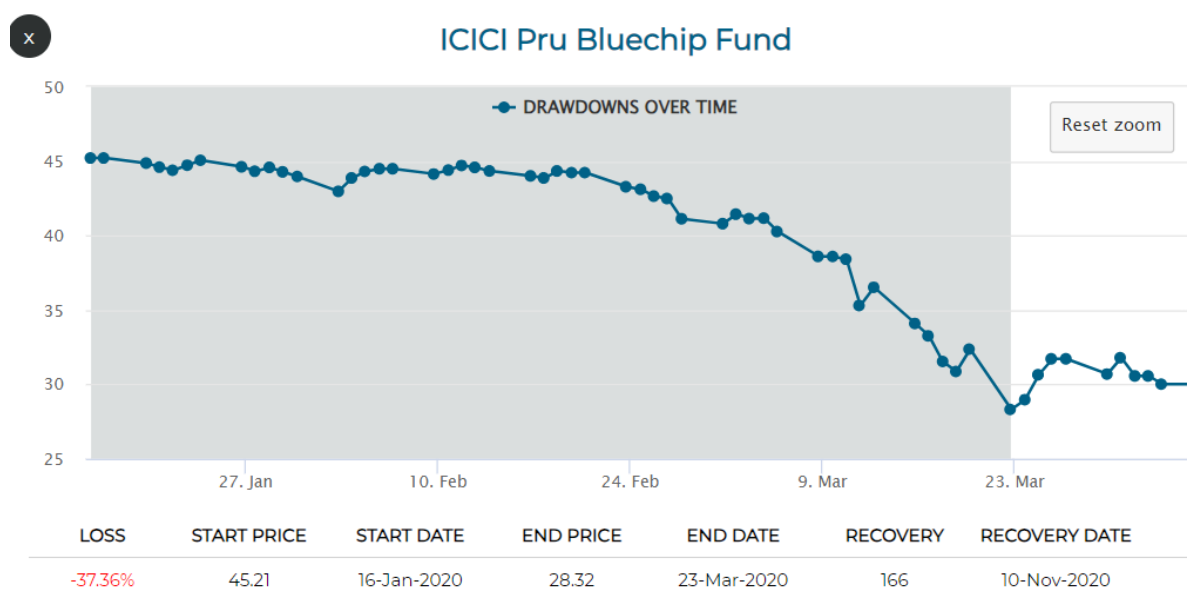
				RECOVERY- 184
				RECOVERY- 4- Dec-2020



INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 9.43% which indicates that the fund was not able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.20. Hence, the fund is failing to outperform the benchmark. The fund incurred a loss of -40.39% which was between 12th February 2020 to 23rd March 2020 where the NAV fell from 230.39 to 137.34 and it took a total of 184 days to recover which finally recovered on 4th December 2020 where it went back to its initial NAV of 230.39.

FUND NO.	FUND NAME	CAGR	SHARPE RATIO	WORST DRAWDOWN
10	ICICI Pru Bluechip Fund (G)	12.20%	0.34	-37.36% START PRICE- 45.21 START DATE- 16- Jan-2020 END PRICE- 28.32

				END DATE- 23-Mar-2020 RECOVERY- 166 RECOVERY- 10-Nov-2020
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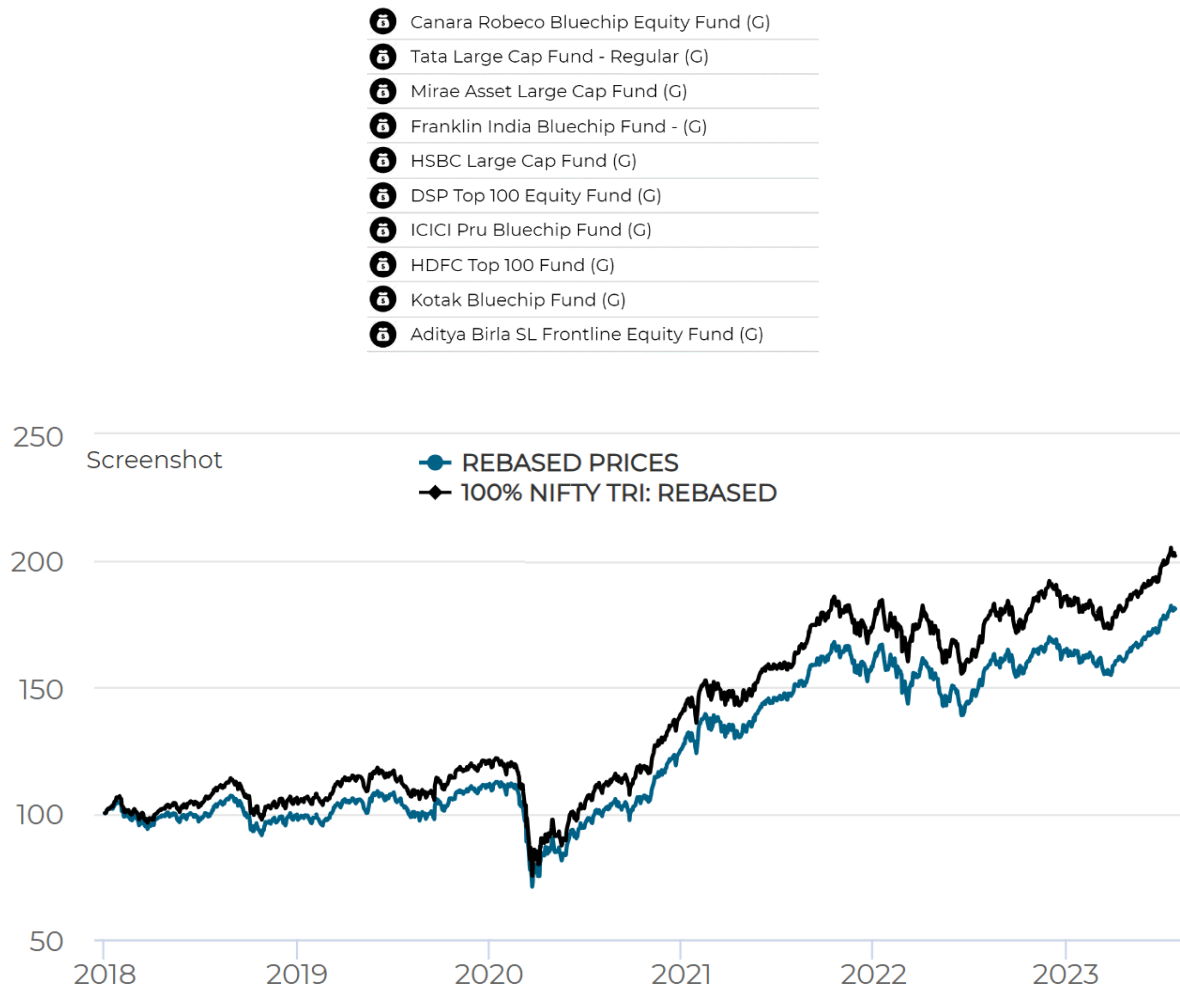
INTERPRETATION – The CAGR of Nifty 100 is 11.03% whereas the CAGR of the fund is 12.20% which indicates that the fund was able to beat the benchmark. The Sharpe Ratio of Index is 0.27 and the fund has the Sharpe Ratio of 0.34. Hence, it has outperformed the benchmark. The fund incurred a loss of -37.36% which was between 16th January 2020 to 23rd March 2020 where the NAV fell from 45.21 to 28.32 and it took total of 166 days to recover which finally recovered on 10th November 2020 where it went back to its initial NAV of 45.21.

5.3 CONCLUSION

From the above study we can conclude that most of the funds outperformed the benchmark that is Nifty 100 except for HSBC Large Cap Fund (G), Tata Large Cap Fund - Regular (G), Aditya Birla SL Frontline Equity Fund (G), Franklin India Bluechip Fund - (G) and DSP Top 100 Equity Fund (G). Two funds have exceptionally performed well as compared to the Index that is Canara Robeco Bluechip Equity Fund (G) with CAGR of 13.72% and Sharpe Ratio of 0.43 and ICICI Pru Bluechip Fund (G) with CAGR of 12.20% and Sharpe Ratio of 0.34.

Also, Canara Robeco Bluechip Equity Fund (G) took the least day to recover which was just 144 days from the loss followed by Kotak Bluechip Fund (G) which took 164 days to recover.

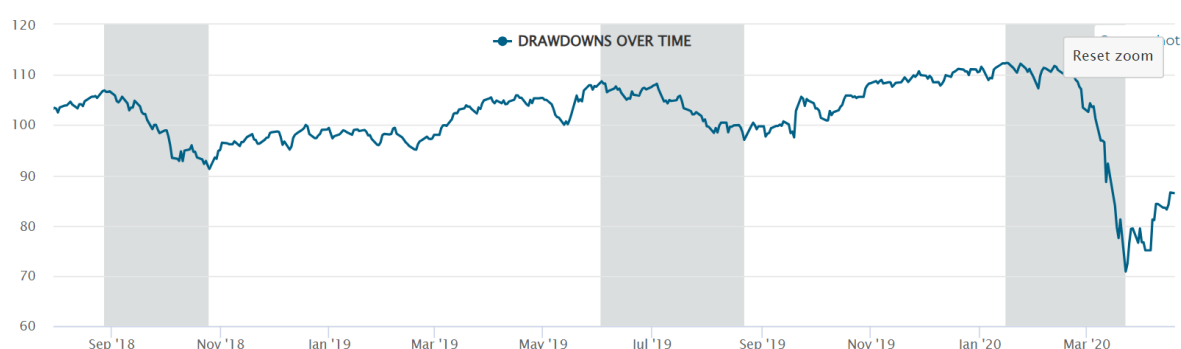
5.4 CONSTRUCTING PORTFOLIO AND ANALYSIS OF LARGE CAP FUNDS- CAGR, SHARPE RATIO, SORTINO RATIO AND DRAWDOWNS



The portfolio is constructed using 10 funds, when taken individually some of the funds were able to outperform the benchmark and some failed to perform better than the index when CAGR Sharpe ratio and Sortino Ratio were taken into consideration. These funds had different length and recovery period for drawdowns.

When these funds are put together as portfolio, we can see in the graph that they are not able to beat the benchmark, the relevant benchmark here as per allocation is 100% Nifty TRI. When we take CAGR into consideration the CAGR of the portfolio is 11.17% whereas, the CAGR of the benchmark is 13.37% and hence the benchmark was able to beat the portfolio in this particular parameter. When we take next parameter that is Sharpe Ratio for comparison of the

performance of the portfolio vis-à-vis the benchmark. The Sharpe Ratio of the portfolio is 0.28 whereas, for the index it is 0.38 and again the portfolio has underperformed. The parameter taken into consideration is Sortino Ratio, it is a part of Sharpe Ratio it also tells us about Risk-adjusted-Return but it only considers downside risk. The Sortino Ratio of benchmark is 0.45 whereas the same for Portfolio is 0.40 which tells us the portfolio has underperformed the benchmark.



Loss	Start Date	Start Price	End Date	End Price	Days to recover	Recovery Date
-36.95%	16-Jan-2020	112.34	23-Mar-2020	70.84	166	10-Nov-2020
-17.29%	18-Oct-2021	167.74	17-Jun-2022	138.73	117	29-Nov-2022
-14.63%	28-Aug-2018	106.89	26-Oct-2018	91.25	151	27-May-2019

The above graph represents the Top 3 Drawdowns that the portfolio has faced and the tabular information of the same. The 1st worst drawdown the portfolio has faced is -39.95% which was between 16th January 2020 to 23rd March 2020 where the weighted NAV fell from 112.34 to 70.84 which took 166 days to recover and it finally recovered on 10th November 2020 where it went back to its initial NAV of 112.34.

The 2nd worst drawdown the portfolio has faced is -17.29% which was between 18th October 2021 to 17th June 2022 where the weighted NAV fell from 167.74 to 138.73 which took 117 days to recover and it finally recovered on 29th November 2022 where it went back to its initial NAV of 167.74.

The 3rd worst drawdown the portfolio has encountered is -14.63% which was between 26th October 2018 to 26th October 2018 where the weighted NAV fell from 106.89 to 91.25 which took 151 days to recover and it finally recovered on 27th May 2019 where it went back to its initial NAV of 106.89.

5.5 CONCLUSION

Investing solely in large-cap funds may not be the most optimal strategy for several reasons. While large-cap funds are known for investing in well-established, stable companies with a proven track record, they also come with their own set of limitations. First and foremost, by limiting investments to large-cap companies, investors miss out on potential growth opportunities in mid-cap and small-cap companies, which can be the driving force behind significant returns in a portfolio.

Diversification is a key principle in investing, and by focusing solely on large-cap funds, an investor exposes their portfolio to sector-specific risks. Market dynamics can change rapidly, and certain industries or sectors may underperform while others flourish. By spreading investments across various market capitalizations, an investor can mitigate risks and increase the overall resilience of their portfolio.

Furthermore, large-cap stocks may already be fully valued, leaving limited room for substantial capital appreciation. Smaller companies, on the other hand, might be undervalued and have more room to grow, potentially offering higher returns in the long run. Investing in a mix of large, mid, and small-cap funds allows for a balanced exposure to different market segments.

Lastly, large-cap funds might not be as agile as smaller counterparts. Smaller companies often have more growth potential and are more likely to adapt quickly to changing market conditions and technological advancements. Missing out on such opportunities can hinder potential gains.

In conclusion, while large-cap funds have their advantages in terms of stability, investors should avoid putting all their eggs in one basket. A diversified portfolio that includes exposure to various market capitalizations can offer a better chance of achieving long-term growth and managing risk effectively.

5.6 LEARNING OUTCOME

Through my internship in NGEN Research as a Product and Training Intern, I was able to learn about the different parameters that are used to analyze the funds individually and at Portfolio level as compared to the benchmark that is CAGR, Sharpe Ratio, Sortino Ratio, Correlation, Drawdowns, Position Overlap, Scenarios, Historical VAR, Up capture Ratio, Down capture Ratio also other details such as what would be the final amount generated when monthly investment made in a particular fund or Lump sum payment is done.

"Knowledge is power" is a wise saying that shows how learning and understanding can make a big difference in our lives. My internship showed me that learning and sharing what we know is really important. When we teach others, we help them feel stronger and more confident. Learning isn't just about facts – it's about feeling capable and making good choices. It helps us do better at work and come up with new ideas.

CHAPTER 6 - ANNEXURES

- https://www.researchgate.net/publication/361764255_A_STUDY_ON_PERFORMANCE_EVALUATION_OF_LARGE_CAP_EQUITY_MUTUAL_FUNDS
- <https://ijcrt.org/papers/IJCRT2104428.pdf>
- <https://www.ngenmarkets.in/app>
- <https://www.morningstar.in/>
- https://www.google.com/search?gs_ssp=eJzj4tTP1TcwMi_ONVNgNGB0YPDiTMrJz89NSi1KBwBWZgcs&q=bloomberg&rlz=1C1CHBF_enIN1037IN1037&oq=bloom&aqs=chrome.1.0i67i355i433i543i650j46i39i199i465i650j69i57j69i59j0i67i13i433i650j0i67i650j46i67i13i199i433i465i650j0i67i650i3.184691543j1j15&sourceid=chrome&ie=UTF-8
- https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3801568
- <http://www.assumptionjournal.au.edu/index.php/icesde/article/view/6926>