

A Comparative Study of Growth Oriented Funds with Special Reference to Ing Vysya Mutual Funds

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ABSTRACT

Growth-oriented mutual funds seek long-term capital appreciation through investments in equity securities. This study evaluates growth-oriented mutual fund schemes with special reference to ING Vysya Mutual Funds. It examines investment performance, risk-return characteristics, portfolio management, diversification, investment strategies, market influences, and investor preferences. The study uses secondary information from annual reports, fact sheets, regulatory publications, journals, and related sources, supported by investor response data. Weighted mean and percentage analysis are applied to responses. Findings indicate favourable perceptions regarding growth funds, ING Vysya performance, professional management, diversification, and long-term wealth creation. The study recommends disciplined investing, performance review, diversification, and informed decision-making.

Keywords: Growth-Oriented Funds, ING Vysya Mutual Funds, Risk, Return, Portfolio Management

CHAPTER 1: INTRODUCTION

Growth-oriented mutual funds invest mainly in equity securities with the objective of achieving capital appreciation over a longer investment horizon. Their performance depends on market conditions, portfolio composition, asset allocation, investment strategy, diversification, fund management, and risk management. Investors require suitable information to compare schemes and align investments with financial goals and risk tolerance. ING Vysya Mutual Funds are examined because the study evaluates their performance against comparable growth-oriented schemes.

Statement of the Problem

Growth-oriented funds may provide attractive returns, but their performance can fluctuate because of market movements, economic conditions, portfolio decisions, and changing investment environments. Investors therefore need comparative information about returns, risk, diversification, portfolio management, and investment strategies before selecting suitable schemes.

Need for the Study

The study is needed to evaluate growth-oriented mutual fund performance and understand the relationship between risk and return. It also helps identify factors influencing investment outcomes and provides useful information for investors, advisors, researchers, and students.

Significance of the Study

The study is significant because it examines long-term wealth creation through professional portfolio management, diversification, disciplined investment, and informed decision-making. It provides comparative insights into ING Vysya Mutual Funds and helps investors understand performance and risk.

Scope of the Study

The study covers selected growth-oriented mutual fund schemes, focusing on returns, risk, portfolio composition, investment strategies, and fund management. The analysis uses the study's stated five-year period and publicly available financial information. The analysis also considers investor perceptions regarding fund performance, market influence, systematic investment plans, transparency, and wealth-building potential. Growth funds are particularly relevant to investors seeking capital growth over longer periods, although higher equity exposure can involve greater volatility.

Comparative evaluation therefore supports more informed selection of schemes and encourages investors to consider both expected returns and associated risks rather than relying on recent performance alone.

OBJECTIVES OF THE STUDY

1. To assess the performance of growth-oriented mutual fund schemes, with particular focus on ING Vysya Mutual Funds.
2. To compare the risk and return characteristics of selected growth-oriented funds.
3. To examine the portfolio-management methods followed by the selected mutual fund schemes.
4. To identify the major factors influencing growth-oriented mutual fund performance.
5. To provide appropriate investment suggestions based on the comparative evaluation of growth-oriented mutual funds.

CHAPTER 2: LITERATURE REVIEW

Sharpe (1966) introduced the Sharpe Performance Index, emphasizing risk-adjusted returns for evaluating mutual funds. Treynor (1965) proposed assessment based on systematic risk and beta. Jensen (1968) developed Jensen's Alpha to evaluate managers' ability to generate excess returns. Fama (1972) highlighted diversification and security selection in portfolio performance. Gupta (1994) found professionally managed equity funds useful for diversification and consistent returns. Sehgal and Jhanwar (2008) emphasized portfolio diversification, market conditions, and fund-management quality. Tripathy (2011) observed that growth-oriented funds can provide attractive long-term returns despite short-term volatility. Bansal and Gupta (2013) identified professional management, diversification, liquidity, and wealth creation as major investor motivations. Sharma and Singh (2018) emphasized disciplined investment and efficient diversification. Reddy and Kumar (2024) highlighted data-driven portfolio management, SIPs, and digital platforms in contemporary mutual fund investing. Collectively, the literature establishes risk-adjusted performance, diversification, professional management, disciplined investing, and changing technology as important determinants of mutual fund effectiveness.

CHAPTER 3: RESEARCH METHODOLOGY

The study adopts a descriptive and comparative research design. Secondary data were collected from reports, fact sheets, SEBI and AMFI publications, journals, newspapers, and mutual-fund databases. Schemes were examined over five fiscal years. Judgmental sampling was used. Percentage, weighted mean, return, comparative, and trend analysis were applied to interpret performance.

Methodology.

The source report specifies a five-year study period, selected growth-oriented schemes, judgmental sampling, and percentage, return, comparative, and trend analysis.

Statistical Tool Selected

For the available investor-response tables, **Weighted Mean Analysis** is selected along with percentage analysis because the responses are presented in ordered categories. This provides a simple comparative measure of the overall response tendency.

Weighted Mean Formula:

$$\text{Weighted Mean} = \Sigma(f \times w) / N$$

where f = frequency, w = assigned response weight, and N = total respondents.

For financial performance, the source methodology supports **return analysis, comparative analysis, and trend analysis**. No unsupported inferential test such as regression, ANOVA, t-test, or chi-square is applied because the source report does not provide respondent-level paired data or complete scheme-level numerical observations required for those tests.

CHAPTER 4: DATA ANALYSIS AND INTERPRETATION

Table 4.1: Investor Preference for Growth-Oriented Mutual Funds

Response	Respondents	Percentage
Strongly Agree	36	36%
Agree	40	40%
Neutral	12	12%
Disagree	8	8%
Strongly Disagree	4	4%
Total	100	100%

Description: The table measures investor preference for growth-oriented mutual funds as long-term investment options.

Analysis: A combined **76%** of respondents selected Strongly Agree or Agree. The weighted mean is **3.96 out of 5**, indicating a favourable overall response.

Interpretation: The result shows that most respondents prefer growth-oriented mutual funds for long-term capital appreciation.

Table 4.2: ING Vysya Growth Funds' Performance Rating

Response	Respondents	Percentage
Excellent	34	34%
Good	42	42%
Average	12	12%
Poor	8	8%
Very Poor	4	4%
Total	100	100%

Description: The table evaluates investors' perceptions of the overall performance of ING Vysya growth-oriented mutual fund schemes.

Analysis: **76%** of respondents rated the performance as Excellent or Good. The weighted mean score is **3.94 out of 5**.

Interpretation: Investors generally expressed a positive perception of ING Vysya growth funds' performance. The original report similarly states that most investors considered the fund performance good.

Table 4.3: Investment Performance Comparison

Response	Respondents	Percentage
Strongly Agree	33	33%
Agree	43	43%
Neutral	12	12%
Disagree	8	8%
Strongly Disagree	4	4%
Total	100	100%

Description: The table compares investor preference for ING Vysya growth-oriented schemes with similar growth-oriented funds.

Analysis: **76%** of respondents selected Strongly Agree or Agree. The weighted mean is **3.93 out of 5**, showing a favourable comparative perception.

Interpretation: Respondents showed comparatively higher preference for ING Vysya growth funds.

CHAPTER 5: RESULTS

- Growth-oriented mutual funds are generally preferred by investors seeking long-term capital appreciation.
- A substantial majority of respondents expressed favourable opinions about growth-oriented mutual funds.
- ING Vysya Growth Funds received a positive overall performance rating.
- The performance-rating table recorded a weighted mean of **3.94**, indicating a favourable response tendency.
- Investors showed comparatively positive perceptions toward ING Vysya growth-oriented schemes.

6. The comparative investment-performance table recorded a weighted mean of **3.93**.
7. Professional fund management is considered an important factor influencing mutual fund performance.
8. Portfolio diversification contributes to investor confidence and risk management.
9. Market conditions significantly influence growth-oriented mutual fund returns.
10. Systematic Investment Plans support disciplined investing and long-term wealth creation.
11. Investors recognize the importance of considering risk and return together rather than evaluating returns alone.
12. Overall, the study indicates that ING Vysya growth-oriented funds were perceived satisfactorily compared with selected comparable growth-oriented schemes.

CHAPTER 6: SUGGESTIONS

1. Investors should clearly define their financial objectives and investment horizon before selecting growth-oriented mutual funds.
2. Growth funds should primarily be considered for long-term wealth-creation objectives rather than short-term requirements.
3. Investors should evaluate risk, return, portfolio composition, and consistency before selecting a scheme.
4. Investors should not depend exclusively on recent fund performance while making investment decisions.
5. Systematic Investment Plans should be encouraged because they promote disciplined and regular investment.
6. Investors should periodically review fund performance and portfolio composition.
7. Fund-management companies should continue strengthening portfolio diversification and research capabilities.
8. Financial advisors should explain the relationship between risk and return clearly to investors.
9. Investors should be informed about the effect of changing market and economic conditions on fund performance.
10. Regular communication regarding fund performance and market developments can improve investor confidence.
11. Fund managers should maintain disciplined investment strategies and appropriate diversification.
12. Investment decisions should be based on financial objectives, risk tolerance, investment horizon, and informed analysis rather than short-term market movements.

CHAPTER 7: CONCLUSION

The study concludes that growth-oriented mutual funds remain an attractive investment avenue for investors seeking long-term capital appreciation. With particular reference to ING Vysya Mutual Funds, the analysis indicates favourable investor perceptions regarding fund performance, investment strategy, portfolio management, diversification, and return potential. The weighted-mean analysis of the selected response tables also demonstrates positive overall perceptions, with scores of 3.96 for investor preference, 3.94 for ING Vysya performance, and 3.93 for comparative investment performance. The study further indicates that professional fund management, disciplined investment strategies, portfolio diversification, and appropriate risk management are important contributors to mutual fund effectiveness. Market conditions and economic changes can influence fund performance, making continuous monitoring important for investors. Systematic Investment Plans can support disciplined investment and long-term wealth creation. Overall, ING Vysya growth-oriented mutual funds were assessed satisfactorily in comparison with selected comparable schemes. Investors can benefit from these funds when investment decisions are aligned with financial objectives, risk tolerance, investment horizon, and proper portfolio evaluation.

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