



# A Study on Risk and Return Analysis of Selected Small Capital and Medium Capital Fund

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## Abstract

*Mutual funds are very popular investments due to their ability to offer diversification, management, and ease of access. Different kinds of mutual funds exist, and among these, small Capital and Medium Capital funds attract attention due to their promise of greater earnings often accompanied by increased danger. This research examines the performance of chosen small- and medium-sized mutual funds by analyzing their risks and potential returns to ascertain whether these investments offer superior returns compared to other investors. The study employs several financial instruments like standard deviation, beta, Sharpe ratio, Treynor ratio, and Jensen's alpha to assess volatility, systemic risk, and risk-adjusted earnings. Small Capital funds provide significant returns but are highly unpredictable due to their dependence on market changes. Medium Capital funds offered a good balance of risk and reward, suggesting they provided more stability than smaller companies. The study aids investors in making better choices regarding mutual funds by considering all funds together rather than individually. It provides insights into how these funds perform and the risks involved, helping them decide what's best suited for their investment needs. This way, it supports informed decision-making based on factors like risk tolerance, financial goals, and timeframes.*

**Keywords:** small capital funds, medium capital funds, risk return analysis, mutual fund performance, investment decision-making

## Introduction

Mutual funds are a well-liked investment choice in the current financial climate because they give clients access to diversified portfolios managed by qualified fund managers. Small Capital and Medium Capital mutual funds, which are thought to be riskier investments with higher predicted returns than large-Capital funds, are one kind of mutual fund that has gained popularity. Small Capital funds make investments in startups with modest market Capitalizations, which provide greater risk and volatility along with growth potential. Medium Capital mutual funds appeal to investors who are prepared to take on a moderate amount of risk in

exchange for higher returns since they invest in larger companies, which often offer a distinctive balance between stability and growth prospects.

A deeper comprehension of the elements propelling these high-growth sectors is required in light of the expansion of India's Capital market and the widespread involvement of retail consumers. Every investor must constantly choose which funds to invest in in order to generate alluring returns, as well as whether to take their risk tolerance, financial goals, or investment time horizon into account. It is essential to assess the risk return ratio of small- and Medium Capital stocks.



In order to better understand the volatility, systematic risk, and risk-adjusted returns of a few small Capital and Medium Capital mutual funds, this study will evaluate their systematic risk using statistical and financial tools like standard deviation, beta, Sharpe ratio, Treynor ratio, and Jensen's alpha. It is anticipated that this research study will aid investors in mutual fund selection and advance knowledge of risk return in new mutual fund industry segments.

### **Statement of the Problem**

Ultimately, investment choices can depend heavily on a trade-off between risk and return; that said, this is especially true in the context of mutual funds. While large-Capital funds tend to provide more stability, and thus less risk, small Capital and Medium Capital funds have made leaps as favorable options for regenerative investors, investors willing to take on additional risk for additional returns. However, different small Capital and Medium Capital funds can have different amounts of volatility and sensitivity to the market, which can potentially open up investors to extensive risk if they fail to properly analyze it. Many retail investors commonly select small Capital and Medium Capital funds because of their returns; however, many retail investors seem to often select short-term returns, and overlook assessing systematic risk, volatility, and risk-adjusted performance. This gap exposes overarching uncertainties about the reliability of small Capital and Medium Capital investments in an extended proposition. Therefore, it is necessary to conduct a thorough analysis of the risk return profile of selected small Capital and Medium Capital funds so there is clarity regarding their performances, ways in which investors can align their selection to their financial goals, and to see the true investment potential of small Capital and Medium Capital funds.

### **Objectives of the Study**

- Select small- and Medium Capital mutual funds for analysis of their risk and return characteristics.

- To measure how much these funds swing and if they're predictable by analyzing their swings and stability.
- To evaluate how well the chosen investments perform by adjusting for risk, use the Sharpe ratio, Treynor ratio, and Jensen's alpha.
- Compare the returns and stability of small Capital and Medium Capital mutual funds.
- Investors can get help choosing funds by getting advice based on what they want to earn, how much risk they're willing to take, and when they plan to use their money.
- To gain knowledge about risks and returns in Indian mutual funds that are starting up.

### **Scope of the Study**

The current study examines the risk and return performance of selected small Capital and Medium Capital equity mutual funds in India. The scope of the study explores a definite list of funds which were selected because they have been able to consistently be in the market and provide convenience and prominence for investors. The scope of the study would only offer measures of performance that are finance-based and fairly standard, using standard deviation, beta, the Sharpe ratio, Treynor ratio, and Jensen's alpha. The study aims to focus on a comparative analysis between small Capital and Medium Capital equity fund categories to show the differences in investments. This study will be useful assistance to retail investors, fund managers, and academicians to make investment decisions.

### **Literature Review**

Risk and return analysis has been a central theme in financial research, particularly in the context of equity markets and mutual funds. The classical work of Markowitz (1952) laid the foundation for modern portfolio theory, emphasizing the trade-off between risk and return through diversification. Building on this, Sharpe (1966) introduced the Capital Asset Pricing Model (CAPITALM), which highlighted systematic risk as the key determinant of expected returns. These theoretical frameworks remain highly



relevant in evaluating the performance of small Capital and Medium Capital funds.

Studies on mutual funds have highlighted their role in mobilizing savings and offering diversified investment opportunities. Rao and Rao (2014) emphasized that mutual funds reduce risk exposure for retail investors while providing professional management and liquidity. However, several researchers have argued that fund performance depends on market cycles and the segment in which the fund invests.

In the Indian context, small Capital and Medium Capital funds have attracted significant attention due to their growth potential. According to Singh and Yadav (2017), small Capital stocks are highly volatile but can generate superior long-term returns when compared to large-Capital funds. Similarly, Sharma (2019) observed that Medium Capital funds strike a balance between risk and return, outperforming large-Capital funds during bullish market phases but underperforming during downturns.

Empirical studies also indicate mixed evidence regarding fund performance consistency. Gupta and Sehgal (2018) analyzed the risk return dynamics of equity funds and found that small Capital funds deliver higher risk-adjusted returns only when managed by skilled fund managers. On the other hand, Mishra (2020) argued that high volatility in small Capital funds poses challenges for conservative investors, making them suitable only for long-term, high-risk investors.

Recent research by Reddy (2022) highlighted that Medium Capital and small Capital funds are increasingly sensitive to macroeconomic factors such as interest rate movements and global market volatility. This reinforces the importance of investors considering both market timing and fund selection when allocating resources.

Overall, the literature suggests that while small Capital and Medium Capital funds hold significant potential for wealth creation, they also carry higher risks. The effectiveness of investment in these funds depends on proper risk return analysis, portfolio

diversification, and alignment with the investor's risk appetite.

### **Measures of Risk**

Return variations are used to measure risk. Thus, periodic returns are often computed first of daily, weekly, bimonthly, and monthly returns, then compared their volatility to the average return to provide a risk measure. Both upside and downside variations or fluctuations can be considered risky. It is possible to compare the return fluctuation to another index or itself.

### **Variance**

Variance quantifies how a scheme's periodic returns vary in relation to its own average return. Variance is an important risk indicator for both debt and equity plans.

### **The Standard Deviation**

Similar to variance, standard deviation quantifies how a scheme's periodic returns vary in comparison to its own average return. The square root of variance is the mathematical equivalent of standard deviation.

### **Beta**

Beta quantifies how the periodic returns of a scheme fluctuate over the same time period in comparison to the periodic returns of a diversified stock index that represents the market.

### **Net Asset Value of Segregated Portfolio**

It is necessary to declare the separated portfolio's Net Asset Value (NAV) every day. All scheme-related documentation, monthly and half-yearly portfolio disclosures, and the mutual fund and scheme's annual report must include adequate disclosure of the segregated portfolio.

### **Methodology**

The current research is of descriptive and analytical character. Secondary fund data for Medium Capital and Small Capital funds has been gathered over five years from 2020 to 2024 by AMFI from the Money Control website. Journals and magazines. There are 43 mutual



fund houses operating in India. Each house offers various investment plans tailored to individual investor requirements. The study's sample consists of 10 small Capital funds and 5 Medium Capital funds. The study's selection is based on the Net Asset Value and mutual fund regular planning returns of all Mutual Fund schemes.

**Table 1 List of Small and Medium Capital Funds**

Small Capital Funds	Medium Capital Funds
1. Aditya Birla Small Capital Fund	1. DSP Medium Capital Fund
2. IDBI Small Capital Fund	2. Bank of Baroda Medium Capital Fund
3. Nippon Small Capital Fund	3. HDFC Medium Capital Fund
4. ICICI Prudential Small Capital Fund	4. Motilal Medium Capital Fund
5. HDFC Small Capital Fund	5. ICICI Prudential Medium Capital Fund
6. DSP Small Capital Fund	
7. Axis Small Capital Fund	
8. Quant Small Capital Fund	
9. SBI Small Capital Fund	
10. Union Small Capital Fund	

### Tools for Analysis

Following tools are applied to study the risk and return of the selected schemes in the study.

- Sharpe Ratio
- Treynor Ratio
- Jensen Ratio

### Limitations of the Study

The research has certain limitations here; it contains a sample of small Capital and Medium Capital mutual funds with specific time lines, which may not relate to longer time horizons in terms of changes in the market. The study is aided by the use of secondary data and allusions to the effects of economic market fluctuations, changes in government policy, and/or world peace are not necessarily clear to fund performance and are not included in the study.

### Analysis and Interpretation

An attempt has been made by the researchers to analyse the risk and return of the various Small Capital funds and Medium Capital funds for five years from 2020 to 2024 with the statistical tools and the results of the same have been presented and analysed below.

### Aditya Birla Small Capital Fund

The risk and return of the fund was subsequently done after gathering secondary data on the Aditya Birla Small Capital Fund from the company's websites, using the following tools, and the results are provided in the table below.

**Table 2 Aditya Birla Small Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.2506	0.7807	-0.1242	0.2143	0.8426	0.2313	0.1390
2021	-0.0954	1.0322	-0.0488	0.0303	-5.4463	-0.1602	-0.1690
2022	-0.0417	0.9787	-0.0643	0.1445	-0.7732	-0.1141	-0.1311
2023	0.0745	1.6139	0.0268	0.08650	0.0521	0.0027	0.0007
2024	0.1735	1.0928	0.0245	0.02513	4.1221	0.0947	0.1024



### Interpretation

From the above table, it is inferred that, In the year 2021 and 2022 the risk of the fund is more and the return is low and. In the year 2020 the risk is medium and return is also moderate. In the year of 2023 and 2024 the risk in the fund is high and the return is also high. So it clearly shows the result positive. While analyzing the Mutual Fund Ratios,

Treynor Ratio – 2020, 2023, 2024 shows best result.

Sharpe Ratio – 2020, 2023, 2024 shows a good result.

Jenson Ratio – 2020, 2023, 2024 shows a good result.

Remaining years 2021 and 2022 show a bad result.

### IDBI Small Capital Fund

After collecting information about the IDBI Small Capital Fund from the company's websites, the following tools were used to assess the risk and return of the fund. The findings are demonstrated in the table below.

**Table 3 IDBI Small Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	SI Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.0976	0.3883	0.1759	0.0634	0.4358	0.0712	0.0344
2021	-0.0513	0.9343	-0.1920	0.1364	-0.8890	-0.1298	-0.1570
2022	-0.0093	0.8234	-0.0454	0.4358	-0.1819	-0.0963	-0.1203
2023	0.0700	1.4617	0.1072	0.1084	0.0005	3.8542	0.0756
2024	0.2091	0.9586	0.1639	0.8148	0.1707	0.1451	0.2156

### Interpretation

According to the above table, the fund's risk is higher and its return is lower in 2021 and 2022. Thus, it is evident that 2021 and 2022 have produced unfavorable outcomes. The risk and return of the fund are both higher in 2020, 2023, and 2024. Thus, it is evident that the outcome is favorable. When examining the ratios of mutual funds,

Treynor Ratio – 2020, 2023, 2024 shows best result.

Sharpe Ratio – 2020,2023,2024 shows a good result.

Jenson Ratio – 2020,2023,2024 shows a good result

Remaining years 2021 and 2022 show a bad result.

### Nippon Small Capital Fund

The secondary data about the Nippon Small Capital Fund has been sourced from the various sites of the company and the following methodologies have been used to determine the risk and return of the fund and are documented in the following table.

**Table 4 Nippon Small Capital Fund**

Y Year	Fu Fund Return	St Standard Deviation	M Market Return	SI Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
20 2020	0.2040	0.8058	0.1759	1.1432	0.1172	0.1663	0.2551
20 2021	-0.0645	1.0575	-0.1937	1.3336	-0.1008	-0.1272	-0.4862
20 2022	-0.0036	0.8821	-0.0454	0.3322	-0.2215	-0.0834	-0.1119
20 2023	0.0975	1.5743	0.1072	0.0953	0.2886	0.0174	0.0310
20 2024	0.2312	1.0531	0.1639	0.8390	0.1921	0.1531	0.2400

### Interpretation

From the above table, it is inferred that, In the year 2021, 2022 the risk of the fund is more and the return is low. So it is clear that the 2021 and 2022 has

shown a negative result. In the year of 2020, 2023, 2024 the risk of the fund is more and the return of the fund is also more So it is clearly shows the result is positive. While analyzing the Mutual Fund Ratios,



Treynor Ratio – 2020,2023,2024 shows best result.  
Sharpe Ratio – 2020,2023,2024 shows a good result.  
Jenson Ratio – 2020,2023,2024 shows a good result.  
Balance year of 2021 and 2022 shows a bad result.

All the following tools were applied to assess the fund's risk and return after primary data pertaining to the ICICI Prudential Small Capital Fund was accumulated from the company's websites. The outputs are displayed in the table below.

### ICICI Prudential Small Capital Fund

**Table 5 ICICI Prudential Small Capital Fund**

Y Year	F Fund Return	S Standard Deviation	M Market Return	S Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.1488	0.7083	0.1759	0.2435	0.3238	0.1113	0.1046
2 2021	-0.0956	0.8730	-0.1937	0.1267	-1.3075	-0.1897	-0.1991
2 2022	0.0466	0.8471	-0.0454	0.3873	-0.0603	-0.0275	-0.0680
2023	0.0824	1.5190	0.1072	0.0961	0.1295	0.0082	0.0160
2024	0.2006	1.0129	0.1639	0.8028	-0.0871	0.1290	0.00549

### Interpretation

From the above table, it is inferred that, In the year 2021 the risk of the fund is more and the return is low. So it is clear that the 2021 shown a negative result. In the year 2022 the risk is medium and return is also moderate. In the year of 2020,2023,2024 the risk of the fund is more and the return of the fund is also more So it is clearly shows the result is positive. While analysing the Mutual Fund Ratios, Treynor Ratio – 2020,2023 shows best result. In the year 2021 the ratio is medium and it is moderate.

Sharpe Ratio – 2020,2023,2024 shows a good result.  
Jenson Ratio – 2020,2023,2024 shows a good result.  
Remaining years 2021 and 2022 shows a bad result.

### HDFC Small Capital Fund

The secondary data related to the HDFC Small Capital Fund has been obtained from the website of the company and the subsequent tools have been employed to know the risk and return on the fund and the same have been defined in the table given below.

**Table 6 HDFC Small Capital Fund**

Year	Fund Return	St Standard Deviation	Market Return	Sl Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
20 2020	0.1931	0.6970	-0.1302	0.2713	0.4538	0.1766	0.0688
20 2021	-0.0320	0.8686	-0.0521	0.0720	-0.9713	-0.1175	-0.0788
20 2022	-0.0389	0.81078	-0.0643	0.1222	-0.8912	-0.1343	-0.1253
20 2023	0.0690	1.4893	0.0268	0.1044	-0.0094	-0.0006	-0.0054
20 2024	0.2071	1.0519	0.0134	-0.1346	-1.0188	0.1303	0.1447

### Interpretation

From the above table, it is inferred that, In the year 2021, 2022 the risk of the fund is more and the return is low. In the year 2020 the risk is medium and return is also moderate. So it is clear that the 2021 and 2022 has shown a negative result. In the year of 2023 and 2024 the risk of the fund is more and the return of the

fund is also more So it is clearly shows the result is positive. While analysing the Mutual Fund Ratios, Treynor Ratio – 2020 only shows best result.  
Sharpe Ratio – 2020,2024 only shows a good result.  
Jenson Ratio – 2020,2024 as well as shows a good result.





Remaining years 2021, 2022, 2023 shows a bad result. In the year 2024 that shows a medium and it is moderate.

### DSP Small Capital Fund

The secondary data for DSP Small Capital Fund has been collected from the websites of the company and the tools used to understand the risk and return of the fund are same and are presented in the table below.

**Table 7 DSP Small Capital Fund**

Y Year	F Fund Return	St Standard Deviation	M Market Return	SI Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
20 2020	0.1460	0.6889	-0.1302	0.1449	0.5248	0.1103	0.0470
20 2021	-0.1140	0.9724	-0.0521	0.0364	-5.0530	-0.1892	-0.1885
20 2022	0.0092	0.8111	-0.0643	0.1046	-0.5805	-0.0749	-0.0748
20 2023	0.1045	1.4435	0.0268	0.0455	0.7584	0.0239	0.0325
20 2024	0.1960	0.9792	0.0118	-0.0601	-2.0952	0.1287	0.1295

### Interpretation

Based on the information portrayed in the table above, it is concluded that In 2021 and 2022, the risk of the fund is more and the return is lower. In 2020, the risk and the return are at a medium level. This leads one to conclude that 2021 and 2022 have portrayed a negative result. In 2023 and 2024 the fund was also shown to have a higher risk, with an equally higher return. This leads to the conclusion that the results are overall positive. When analyzing the Mutual Fund Ratios,

Treynor Ratio – 2020, 2023 shows best result.

Sharpe Ratio – 2020, 2023, 2024 shows a good result.

Jenson Ratio – 2020, 2023, 2024 shows a good result.

Remaining years 2021 and 2022 show a bad result.

### Axis Small Capital Fund

After collecting secondary data on the Axis Small Capital Fund from the respective company websites, the following tools were used to evaluate the fund's risk and return. The results can be found in the table below.

**Table 8 Axis Small Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.13519	0.6283	0.1766	0.3333	0.1955	0.1037	0.1007
2021	-0.0298	0.7096	-0.1878	1.8362	-0.0543	-0.14073	-0.5732
2022	0.0791	0.6526	-0.0454	0.4599	0.0199	0.0140	-0.0439
2023	0.08326	1.4274	0.1072	0.0723	0.1833	0.0092	0.0159
2024	0.1945	0.9153	0.1639	0.8479	0.1469	0.1360	0.2042

### Interpretation

Based on the above table, it is inferred that, In the year 2021 the risk of the fund is more and the return is less. For the year 2022 the return is median and it is moderate. It is clear 2021 has negative result. Then for the year of 2020, 2023, 2024 the risk of the fund

is more and the return of the fund also more. So it is clearly shows result is positive. While analysing the Mutual Fund Ratios, Treynor Ratio – 2020, 2022, 2023, 2024 shows best result.

Sharpe Ratio – 2020, 2022, 2023, 2024 shows a good result.



Jenson Ratio – 2020,2022,2023,2024 shows a good result.

Remaining year 2021 only shows a bad result.

### Quant Small Capital Fund

The secondary data on the Quant Small Capital Fund has been sourced from the company's websites and the following tools were applied to determine the risk and return of the fund which is presented in the table below.

**Table 9 Quantsmall Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.0193	0.1543	0.1759	1.5619	-0.0324	-0.3281	0.1147
2021	0.0121	0.5287	-0.1937	0.6186	-0.0934	-0.1093	-0.2209
2022	-0.1043	1.1419	-0.0454	0.7529	-0.23150	-0.15265	-0.2612
2023	0.1937	1.5473	0.1072	0.1578	0.7838	0.0799	0.1296
2024	0.2616	1.30347	0.1639	0.5895	0.3250	0.1470	0.2470

### Interpretation

From the above table, it is inferred that, In the year 2022 the risk of the fund is more and the return is low. In the year 2018 the risk is medium and return is also moderate. So it is clear that the 2022 has shown a negative result.

In the year of 2020,2023,2024 the risk of the funds is more and the return of the fund is also more. So it is clearly shows the result is positive. While analysing the Mutual Fund Ratios,

Treynor Ratio – 2023,2024 shows best result. In the year 2020 the ratio is medium and it is moderate.

Sharpe Ratio – 2023,2024 shows a good result.

Jenson Ratio – 2020, 2023, 2024 shows a good result.

Remaining years 2021 and 2022 show a bad result.

### SBI Small Capital Fund

The secondary information on SBI Small Capital Fund collected from the company websites and the below tools have been employed to assess the risk and return of the fund and the same has been presented in the below table.

**Table 10 SBI Small Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.2361	0.7819	-0.1302	0.1662	0.9992	0.2124	0.1328
2021	-0.0848	0.9886	-0.0521	0.0598	-2.5851	-0.1565	-0.1621
2022	0.02709	0.7310	-0.0643	0.1894	-0.2264	-0.0586	-0.0683
2023	0.1033	1.3060	0.0268	0.0957	0.3480	0.0255	0.0291
2024	0.1579	0.8840	0.0134	-0.1243	-0.7071	0.0994	0.0949

### Interpretation

From the above table, it can be derived that, In the year 2021 the risk of the fund is above average and the return is low. In the year 2020 and 2022 the return is average, that is moderate. Therefore it is clear that the 2021 has displayed unfavorable results.

However in 2023 and 2024 the risk of the fund is above average and the return of the fund is also high. So it is clearly indicates the results are favorable. When conducting the analysis of mutual fund ratios,

Treynor Ratio – 2020, 2023 shows best result.





Sharpe Ratio – 2020, 2023, 2024 shows a good result.

Jenson Ratio – 2020, 2023, 2024 shows a good result.

Balance year of 2021 and 2022 shows a bad result. In the year 2024 the ratio is medium and it is moderate.

### Union Small Capital Fund

The secondary data related to the Union Small Capital Fund was gathered from the company's websites, and the tools provided were applied to know of the risk and return of the fund and the same has been presented in the following table.

**Table 11 Union Small Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.1425	0.7442	-0.1302	0.3073	0.2361	0.0975	0.0110
2021	-0.0882	0.9554	-0.0521	0.0886	-1.7848	-7.4184	-0.1690
2022	0.0123	0.7628	-0.0643	0.1293	-0.4455	-0.0755	-0.0749
2023	0.0975	1.4904	0.0268	0.0491	0.5615	0.0185	0.0254
2024	0.1978	0.9729	0.0134	-0.0958	-1.3334	0.1313	0.1332

### Interpretation

From the table above, this indicate there is more risk taken in the year 2021 and less return. In the years 2020 and 2022 the return is medium and it is moderate. So it indicates 2021 was a negative result. In the years 2023 and 2024, the money managers took more risk and made a higher return. So these results were positive. When we start looking at the Mutual Fund Ratios,

Treynor Ratio – 2020,2023 shows best result.

Sharpe Ratio – 2020,2023,2024 shows a good result.

Jenson Ratio – 2020,2023,2024 shows a good result.

Balance year of 2021 and 2022 shows a bad result. In the year 2024 the ratio is medium and it is moderate.

### DSP Medium Capital Fund

The secondary information on the DSP Medium Capital Fund has been obtained from the company's websites together with the following approach having been applied to ascertain the risk and return of the fund, and is included in the table below.

**Table 12 DSP Medium Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.1401	0.6879	0.1610	1.1566	0.0606	0.1019	0.1755
2021	-0.0346	0.9106	-0.0586	1.2283	-0.0852	-0.1149	-0.2627
2022	0.0433	0.7292	-0.0330	1.48336	-0.0179	-0.0366	-0.1795
2023	0.0829	1.4375	0.0839	-0.0770	-0.1686	0.0090	-6.9180
2024	0.1065	0.9096	0.1511	1.2425	0.0293	0.0401	0.1373

### Interpretation

It can be concluded from the above chart, in the year 2021 the level of risk of the fund was high and return was low. In the year 2022 the level of risk was medium and the return was medium. Hence it is evident that the year 2021 has reported negative performance. Similarly, in 2020, 2023, and 2024 the

level of risk of the fund was high and the level of return was high too. Hence it clearly indicates the performance was positive. In terms of performing the analysis of the Mutual Fund Ratios,

Treynor Ratio – 2020, 2024 shows best result.

Sharpe Ratio – 2020,2023,2024 shows a good result.



Jenson Ratio – 2020,2024 has shown a good result.  
Balance years 2021,2022,2023 show a bad result.

### Bank of Baroda Medium Capital Fund

After collecting secondary data on the Baroda

Medium Capital Fund from the firm's websites, the following tools were used to assess the fund's risk and return. The results can be seen in the table below.

**Table 13 Bank of Barodamedium Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.1454	0.7635	0.1639	0.1622	0.4652	0.0988	0.0754
2021	-0.0599	0.9292	-0.0586	1.1968	-0.1085	-0.3971	-0.2838
2022	-0.0005	0.8062	-0.0330	1.2911	-0.0546	-0.0874	-0.2035
2023	0.1002	1.4524	0.08393	-0.1193	-0.2536	0.0208	0.0286
2024	0.1890	1.0707	0.1511	1.0476	0.1136	0.1112	0.2040

### Interpretation

From the above mentioned table, it can be inferred that in years: 2012, 2021 and 2023, the risk of the fund is higher and the return is lower; so it is clear that the years of 2012 , 2021 and 2023 showed a negative result. In the years of 2013, 2014 and 2022, the risk of the fund is higher, and the return of the fund is also higher; so it is clear that years of 2013, 2014 and 2022, showed a positive result. While examining the Mutual Fund Ratios, Treynor Ratio – 2020,2024 shows best result.

Sharpe Ratio – 2020,2023,2024 shows a good result.  
Jenson Ratio – 2020,2023,2024 shows a good result.  
Balance year of 2021 and 2022 shows a bad result. In the year 2023 the ratio is medium and it is moderate.

### HDFC Medium Capital Fund

The tools used to assess risk and return of the HDFC Medium Capital Fund were then applied after secondary data about the fund were collected from the various company's websites. The findings are shown in the table below.

**Table 14 HDFC Medium Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.1427	0.6827	0.1610	1.2202	0.0596	0.1065	0.1838
2021	-0.0442	0.9187	-0.0586	1.2656	-0.0903	-0.1244	-0.2771
2022	0.0036	0.8028	-0.0330	1.3710	-0.0483	-0.0826	-0.2075
2023	0.0757	1.4929	0.0839	-0.0370	-0.1545	0.0038	0.0052
2024	0.1371	1.0128	0.1511	1.1349	0.0592	0.0663	0.1592

### Interpretation:

From the table above, it can be inferred that, in the year of 2021 the risk is more and the return is low. In the year of 2022 the return is medium and the risk of the fund is moderate. So, it is clear that the year of 2021 has shown a negative result. In the year of 2020, 2023, 2024 the risk of the fund is more and the return of the fund is also more. So, is it clearly show the

result is Positive. When analyzing the Mutual Fund Ratios,Treynor Ratio – 2020,2024 shows best result.  
Sharpe Ratio – 2020,2023,2024 shows a good result.  
Jenson Ratio – 2020,2023,2024 shows a good result.  
Balance year of 2021 and 2022 shows a bad result. In the year 2023 the ratio is medium and it is moderate.



### Motilal Oswal Medium Capital Fund

The secondary data related to the Motilal Oswal Medium Capital Fund has been sourced from the greater company's websites and calculated using the

following tools to determine the risk and return of the fund and the calculations have been expressed in the following table.

**Table 15 Motilal Oswal Medium Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.1142	0.7528	0.1610	0.9478	0.0467	0.0588	0.1306
2021	-0.0429	1.0026	-0.0586	1.0812	-0.1044	-0.1126	-0.2091
2022	0.0458	0.9435	-0.0330	1.0576	-0.0227	-0.0255	-0.1330
2023	0.0473	1.6501	0.0839	-0.0546	0.4149	-0.0137	-0.0707
2024	0.1877	1.0699	0.1511	0.9871	0.1192	0.1100	0.0100

### Interpretation

Based on the given table it was seen that in the year of 2021 the fund was heavy riskier and the return low, in the year of 2022 the return was moderate and risk moderate. So it is observed that the result was negative for the year of 2021. in the year of 2023 and 2024 the fund was heavy riskier and the return was much higher. thus the result is positive, when also it was looking at the Mutual Fund Ratios, Treynor Ratio – 2020, 2023, 2024 shows best result.

Sharpe Ratio – 2020, 2023, 2024 shows a good result.

Jenson Ratio – 2020, 2023, 2024 shows a good result.

Balance year of 2021 and 2022 shows a bad result.

### ICICI Prudential Medium Capital Fund

The secondary data on the ICICI Prudential Medium Capital Fund has been collected from the company's websites and the following methodologies have been applied to find the risk and return of the fund and they are mentioned in the following table.

**Table 16 ICICI Prudential Medium Capital Fund**

Year	Fund Return	Standard Deviation	Market Return	Slope	Treynor Ratio	Sharpe Ratio	Jenson Ratio
2020	0.1458	0.7048	0.1610	1.1746	0.0645	0.1075	0.1828
2021	-0.0428	0.8874	-0.0586	1.2934	-0.0872	-0.1271	-0.2792
2022	0.0016	0.8656	-0.0330	1.2810	-0.0533	-0.0789	-0.2003
2023	0.0699	1.6024	0.0839	-0.0568	0.0015	-5.6155	-0.0008
2024	0.1496	1.0206	0.1511	1.1469	0.0694	0.0780	0.1726

### Interpretation

Based on the previous table, it can be concluded that, in 2021, the fund had more risk and lower return. In 2022, the fund's risk return is medium and moderate. Therefore it can be concluded that 2021 showed a negative result. In 2020 and in 2023 and 2024, the fund had more risk and higher return therefore it can be concluded that the three years did show a positive result. When analyzing the ratios of the Mutual Fund,

Treynor Ratio – 2020,2023,2024 shows best result.

Sharpe Ratio – 2020,2024 shows a good result.

Jenson Ratio – 2020, 2024 shows a good result.

Balance year of 2021 ,2022,2023 shows a bad result.

### Summary of Findings

#### Sharpe Ratio

- It is inferred that, Aditya Birla Small Capital Sharpe Ratio, is 0.2313 on 2020, -0.1602 on 2021, -0.1141 on 2022, 0.0027 on 2023 and



0.1024 on 2024. The increased in the ratio year is 2020.

- It is inferred that, IDBI Small Capital Sharpe Ratio, is 0.0712 on 2020, -0.1298 on 2021, -0.0963 on 2022, 3.8542 on 2023 and 0.1451 on 2024. The increased in the ratio year is 2020.
- It is inferred that, Nippon Small Capital Sharpe Ratio, is 0.1663 on 2020, -0.1272 on 2021, -0.0834 on 2022, 0.0174 on 2023 and 0.1531 on 2024. The increased in the ratio is 2020.
- It is inferred that, ICICI Prudential Small Capital Sharpe Ratio, is 0.1113 on 2020, -0.1897 on 2021, -0.0275 on 2022, 0.0082 on 2023 and 0.1290 on 2024. The increased in the ratio year is 2024.
- It is inferred that, HDFC Small Capital Sharpe Ratio, is 0.1766 on 2020, -0.1175 on 2021, -0.1343 on 2022, -0.0006 on 2023 and 0.1303 on 2024. The increased in the ratio year is 2020.
- It is inferred that, DSP Small Capital Sharpe Ratio, is 0.1103 on 2020, -0.1892 on 2021, -0.0749 on 2022, 0.0239 on 2023 and 0.1287 on 2024. The increased in the ratio year is 2024.
- It is inferred that, Axis Small Capital Sharpe Ratio, is 0.1037 on 2020, -0.14073 on 2021, 0.0140 on 2022, 0.0092 on 2023 and 0.1360 on 2024. The increased in the ratio year is 2024.
- It is inferred that, Quant Small Capital Sharpe Ratio, is -0.3281 on 2020, -0.1602 on 2021, -0.1093 on 2022, 0.0799 on 2023 and 0.1470 on 2024. The increased in the ratio year is 2024.
- It is inferred that, SBI Small Capital Sharpe Ratio, is 0.2124 on 2020, -0.1565 on 2021, -0.0586 on 2022, 0.0255 on 2023 and 0.0994 on 2024. The increased in the ratio year is 2020.
- It is inferred that, Union Small Capital Sharpe Ratio, is 0.0975 on 2020, -7.4184 on 2021, -0.0755 on 2022, 0.0185 on 2023 and 0.1313 on 2024. The increased in the ratio year is 2024.
- It is inferred that, DSP Medium Capital Sharpe Ratio, is 0.1019 on 2020, -0.1149 on 2021, -0.0366 on 2022, 0.0090 on 2023 and 0.0401 on 2024. The increased in the ratio year is 2020.
- It is inferred that, Bank of Baroda Medium

Capital Sharpe Ratio, is 0.0988 on 2020, -0.3971 on 2021, -0.0874 on 2022, 0.0208 on 2023 and 0.1112 on 2024. The increased in the ratio year is 2024.

- It is inferred that, HDFC Medium Capital Sharpe Ratio, is 0.1065 on 2020, -0.1244 on 2021, -0.0826 on 2022, 0.0038 on 2023 and 0.0663 on 2024. The increased in the ratio year is 2020.
- It is inferred that, Motilal Oswal Medium Capital Sharpe Ratio, is 0.0588 on 2020, -0.1126 on 2021, -0.0255 on 2022, -0.0137 on 2023 and 0.1100 on 2024. The increased in the ratio year is 2024.
- It is inferred that, ICICI Prudential Medium Capital Sharpe Ratio, is 0.1075 on 2020, -0.1271 on 2021, -0.0789 on 2022, -5.6155 on 2023 and 0.0780 on 2024. The increased in the ratio is 2020.
- Treynor Ratio
- It is inferred that, Aditya Birla Small Capital Treynor Ratio, is 0.8426 on 2020, -5.4463 on 2021, -0.7732 on 2022, 0.0521 on 2023 and 4.1221 on 2024. The increased in the ratio year is 2024.
- It is inferred that, IDBI Small Capital Treynor Ratio, is 0.4358 on 2020, -0.8890 on 2021, -0.1819 on 2022, 0.0005 on 2023 and 0.1707 on 2024. The increased in the ratio year is 2020.
- It is inferred that, Nippon Small Capital Treynor Ratio, is 0.1172 on 2020, -0.1008 on 2021, -0.2215 on 2022, 0.2886 on 2023 and 0.1921 on 2024. The increased in the ratio year is 2023.
- It is inferred that, ICICI Prudential Small Capital Treynor Ratio, is 0.3238 on 2020, -1.3075 on 2021, -0.0603 on 2022, 0.1295 on 2023 and -0.0871 on 2024. The increased in the ratio year is 2020.
- It is inferred that, HDFC Small Capital Treynor Ratio, is 0.4538 on 2020, -0.9713 on 2021, -0.8912 on 2022, -0.0094 on 2023 and -1.0188 on 2024. The increased in the ratio year is 2020.
- It is inferred that, DSP Small Capital Treynor Ratio, is 0.5248 on 2020, -5.0530 on 2021, -



- 0.5805 on 2022, 0.7584 on 2023 and -2.0952 on 2024. The increased in the ratio year is 2023.
- It is inferred that, Axis Small Capital Treynor Ratio, is 0.1955 on 2020, -0.0543 on 2021, 0.0199 on 2022, 0.1833 on 2023 and 0.1469 on 2024. The increased in the ratio year is 2020.
  - It is inferred that, Quant Small Capital Treynor Ratio, is -0.0324 on 2020, -0.0934 on 2021, -0.2315 on 2022, 0.7838 on 2023 and 0.3250 on 2024. The increased in the ratio year is 2023.
  - It is inferred that, SBI Small Capital Treynor Ratio, is 0.9992 on 2020, -2.5851 on 2021, -0.2264 on 2022, 0.3480 on 2023 and -0.7071 on 2024. The increased in the ratio year is 2020.
  - It is inferred that, Union Small Capital Treynor Ratio, is 0.2361 on 2020, 1.7848 on 2021, -0.4455 on 2022, 0.5615 on 2023 and -1.3334 on 2024. The increased in the ratio year is 2023.
  - It is inferred that, DSP Medium Capital Treynor Ratio, is 0.0606 on 2020, -0.0852 on 2021, -0.0179 on 2022, -0.1686 on 2023 and 0.0293 on 2024. The increased in the ratio year is 2020.
  - It is inferred that, Bank of Baroda Medium Capital Treynor Ratio, is 0.4652 on 2020, -0.1085 on 2021, -0.0546 on 2022, -0.2536 on 2023 and 0.1136 on 2024. The increased in the ratio year is 2020.
  - It is inferred that, HDFC Medium Capital Treynor Ratio, is 0.0596 on 2020, -0.0903 on 2021, -0.0483 on 2022, -0.1545 on 2023 and 0.0592 on 2024. The increased in the ratio year is 2020.
  - It is inferred that, Motilal Oswal Medium Capital Treynor Ratio, is 0.0467 on 2020, -0.1044 on 2021, -0.0227 on 2022, 0.4149 on 2023 and 0.1192 on 2024. The increased in the ratio year is 2023.
  - It is inferred that, ICICI Prudential Medium Capital Treynor Ratio, is 0.0645 on 2020, -0.0872 on 2021, -0.0533 on 2022, 0.0015 on 2023 and 0.0694 on 2024. The increased in the ratio year is 2024.

### Jensen Ratio

- It is inferred that, Aditya Birla Small Capital Jensen Ratio, is 0.1390 on 2020, -0.1690 on 2021, -0.1311 on 2022, 0.0007 on 2023 and 0.1024 on 2024. The increased in the ratio year is 2020.
- It is inferred that, IDBI Small Capital Jensen Ratio, is 0.0712 on 2020, -0.1570 on 2021, -0.1203 on 2022, 0.0756 on 2023 and 0.2156 on 2024. The increased in the ratio year is 2024.
- It is inferred that, Nippon Small Capital Jensen Ratio, is 0.2551 on 2020, -0.4862 on 2021, -0.1119 on 2022, 0.0310 on 2023 and 0.2400 on 2024. The increased in the ratio year is 2020.
- It is inferred that, ICICI Prudential Small Capital Jensen Ratio, is 0.1046 on 2020, -0.1991 on 2021, -0.0680 on 2022, 0.0160 on 2023 and 0.00549 on 2024. The increased in the ratio year is 2020.
- It is inferred that, HDFC Small Capital Jensen Ratio, is 0.0688 on 2020, -0.0788 on 2021, -0.1253 on 2022, -0.0054 on 2023 and 0.1447 on 2024. The increased in the ratio year is 2024.
- It is inferred that, DSP Small Capital Jensen Ratio, is 0.0470 on 2020, -0.1885 on 2021, -0.0748 on 2022, 0.0325 on 2023 and 0.1295 on 2024. The increased in the ratio year is 2024.
- It is inferred that, Axis Small Capital Jensen Ratio, is 0.1007 on 2020, -0.5732 on 2021, -0.0439 on 2022, 0.0159 on 2023 and 0.2042 on 2024. The increased in the ratio year is 2024.
- It is inferred that, Quant Small Capital Jensen Ratio, is 0.1147 on 2020, -0.2209 on 2021, -0.2612 on 2022, 0.1296 on 2023 and 0.2470 on 2024. The increased in the ratio year is 2024.
- It is inferred that, SBI Small Capital Jensen Ratio, is 0.1328 on 2020, -0.1621 on 2021, -0.0683 on 2022, 0.0291 on 2023 and 0.0949 on 2024. The increased in the ratio year is 2020.
- It is inferred that, Union Small Capital Jensen Ratio, is 0.0110 on 2020, -0.1690 on 2021, -0.0749 on 2022, 0.0254 on 2023 and 0.1332 on 2024. The increased in the ratio year is 2024.
- It is inferred that, DSP Medium Capital Jensen



Ratio, is 0.1755 on 2020, -0.2627 on 2021, -0.1795 on 2022, -6.9180 on 2023 and 0.1373 on 2024. The increased in the ratio year is 2020.

- It is inferred that, Bank of Baroda Medium Capital Jenson Ratio, is 0.0754 on 2020, -0.2838 on 2021, -0.2035 on 2022, 0.0286 on 2023 and 0.2040 on 2024. The increased in the ratio year is 2024.
- It is inferred that, HDFC Medium Capital Jenson Ratio, is 0.1838 on 2020, -0.2771 on 2021, -0.2075 on 2022, 0.0052 on 2023 and 0.1592 on 2024. The increased in the ratio year is 2020.
- It is inferred that, Motilal Oswal Medium Capital Jenson Ratio, is 0.1306 on 2020, -0.2091 on 2021, -0.1330 on 2022, -0.0707 on 2023 and 0.0100 on 2024. The increased in the ratio year is 2020.
- It is inferred that, ICICI Prudential Medium Capital Jenson Ratio, is 0.1828 on 2020, -0.2792 on 2021, -0.2003 on 2022, -0.0008 on 2023 and 0.1726 on 2024. The increased in the ratio year is 2020.

### Suggestions

The current research is of descriptive and analytical character. Secondary fund data for Medium Capital and Small Capital funds has been gathered over five years from 2020 to 2024 by AMFI from the Money Control website. Journals and magazines. There are 43 mutual fund houses operating in India. Each house offers various investment plans tailored to individual investor requirements. The study's sample consists of 10 small Capital funds and 5 Medium Capital funds. The study's selection is based on the Net Asset Value and mutual fund regular planning returns of all Mutual Fund schemes.

### Conclusion

One of the important sections of financial middlemen that meet the needs of future investors is a mutual fund. It is clear from our research that small and Medium Capital funds have a lot of ability to generate large returns; Nevertheless, investors need to be careful about plans that these funds actually move and provide significant returns. Trainor ratio,

sharp ratio, janson ratio, beta, standard deviation, market return, and fund returns can all be analyzed with the use of this study. In total, there were 1067 small and Medium Capital funds. Ten small Capital fund businesses of mutual funds in India and five Medium Capital fund companies are among the companies I have chosen.

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