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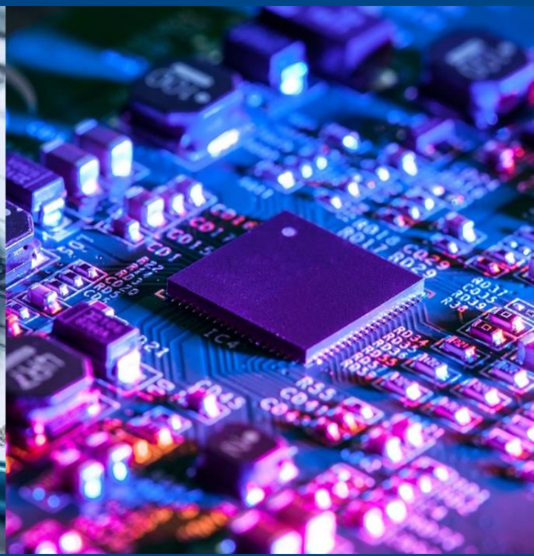

International Journal of Multidisciplinary Research in Science, Engineering and Technology

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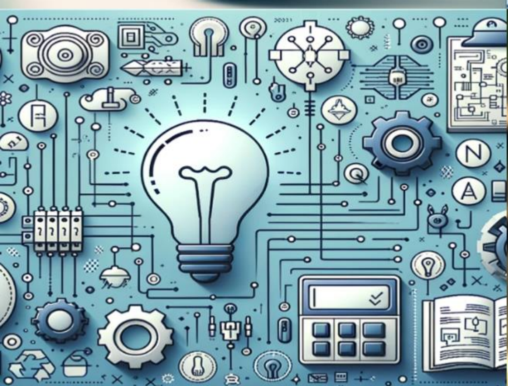

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An Analysis on Equity and Debt Schemes of Reliance Industries for the Financial year 2024 to 2025 on the Basis of AUM, CAGR and Expense Ratio

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ABSTRACT: This study examines the performance of Reliance Industries' equity and loan schemes in fiscal year 2024-2025. The analysis is based on three main financial indicators: assets under management (AUM), compound annual growth rate (CAGR), and expense ratio. By looking at these features, the study seeks to get insight into the profitability and cost-effectiveness of both equity and loan programs. This comparison tool allows investors to make informed decisions. The findings identify trends and patterns in portfolio performance and fund management effectiveness.

KEY WORDS: Equity, Debt, AUM, CAGR, Expense Ratio, Portfolio performance, Fund management.

I. INTRODUCTION

As a diverse corporation, Reliance Industries is involved in a variety of mutual fund investment schemes. Equity and debt schemes are the foundation of portfolio diversity, offering to a variety of risk tolerances and investment objectives. The fiscal year 2024-2025 saw a variety of market variables that influenced fund performance. This study examines how Reliance-backed or related schemes performed throughout this time span. The metrics—AUM, CAGR, and Expense Ratio—are essential instruments for comparison and evaluation.

II. OBJECTIVES OF THE STUDY

1. To Compare the equity and debt schemes of Reliance Industries.
2. To evaluate the Assets Under Management (AUM), Compound Annual Growth Rate (CAGR), and Expense Ratio of selected schemes.

III. STATEMENT OF THE PROBLEM

Investors frequently struggle to choose between equity and debt plans due to differences in risk and return. With several funds tied to Reliance Industries, it is critical to separate the more efficient programs. There is a dearth of understanding of how AUM, CAGR, and Expense Ratio influence decision making. Thus, a comparison investigation is required to close this information gap. Understanding these financial parameters can help investors make better portfolio choices.

IV. RESEARCH METHODOLOGY

Research Design

The study is based on Analytical Research.

Nature Of Data

In the present study, data has been collected by using secondary source.

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Tools

1. Asset Under Management (AUM)
2. Compounding Annual Growth Rate (CAGR)
3. Expense ratio

V. LIMITATIONS OF THE STUDY

- Dependence on historical data, which may not predict future performance, Market volatility and macroeconomic factors that could influence results.
- The schemes listed under, are commonly known and might vary from one person to another based upon their need, situation and future goal.

VI. REVIEW OF LITERATURE

- **Kavitha, T. & Sharma, V. (2023).** "Comparative Study of Equity and Debt Mutual Funds in Indian Financial Markets". This paper compares equity and debt mutual funds in India based on financial metrics such as CAGR and fund costs. The study reveals that while equity funds offer higher returns, debt funds are preferred for capital protection. The Expense Ratio significantly affects the final return, especially in low-yield debt funds. The research supports fund selection based on investment goals and risk profiles. It also highlights the dominance of private players like Reliance in mutual fund space.
- **Srinivasan, R. (2022).** "Performance Evaluation of Mutual Fund Schemes in India Using Risk and Return Analysis". The study examines mutual fund schemes based on key performance indicators like AUM, CAGR, and expense ratio. It indicates that equity plans outperform debt schemes in terms of long-term returns, notwithstanding the higher level of risk. The study stresses the importance of spending ratios in net return calculations. Mutual funds having a higher AUM are regarded to have superior fund stability. This study provides a solid foundation for comparative scheme analysis.
- **Patel, M. (2021).** "Impact of AUM and Expense Ratio on Mutual Fund Performance in India". The study looks at how fund size (AUM) and fee ratios influence mutual fund results across various asset classes. It discovered a negative link between high expenditure ratios and net returns, particularly in actively managed stock funds. AUM is recognised as an indicator of investor trust and fund stability. The study demonstrates that cost-effective fund management increases investor returns. Its conclusions are crucial to assessing huge fund houses such as Reliance.

VII. PROFILE OF THE COMPANY

Dhirubhai Ambani founded Reliance Industries Limited (RIL) in 1966, which is now one of India's largest and most diverse enterprises. Initially focused on textiles, the firm later expanded into petrochemicals, refining, oil and gas exploration, and telecommunications. It made history by building the world's largest grassroots refinery in Jamnagar. Over the previous decade, RIL has expanded into digital services and retail, gaining a foothold in important economic areas. Reliance, led by Mukesh Ambani, is a major player in energy, communications (Jio), and consumer retail. The company's robust stock and debt offerings have continued to attract investors. In fiscal year 2024-2025, Reliance intends to expand its green energy efforts, which include hydrogen and solar projects. Reliance Nippon (previously known as Nippon India Mutual Fund) provides investors with a selection of equity and debt products. With a forward-thinking perspective, RIL aims to be a net-zero carbon company by 2035, fostering environmental and technological advancement.

VIII. ANALYSIS

Equity And Debt Schemes

Every scheme should be undertaken according to the AUM (Asset Under Management), CAGR (Compounding Annual Growth Rate), EXPENSE RATIO (Maintaining expenses).

Equity Schemes

Equity schemes always aligns with High Risk, as Equity comes with high volatility.

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EQUITY SCHEMS	AUM (Assets Under Management)	CAGR (Compound Annual Growth Rate)			Expense Ratio
		For 1 year	For last 3 years	Since the scheme launch	
Nippon India Small Cap Fund Direct Growth	57,009.70Cr	-1.40%	78.40%,	1314.88%	0.72%
Nippon India Large Cap Fund Direct Growth	35,667.30Cr	3.41%	66.75%	491.44%	0.73%
Nippon India Multi Cap Fund Direct Growth	37,593.67Cr	5.26%	82.57%,	509.83%	0.80%

Debt Schemes

Debt schemes aligns with moderate risk, as debt has less volatility.

DEBT SCHEMS	AUM (Assets Under Managemen)	CAGR (Compound Annual Growth Rate)			Expense Ratio
		For 1 year	For last 3 years	Since the scheme launch	
Nippon India Liquid Fund Direct Growth	31,095.50Cr	7.39%	21.44%	125.37%	0.20%
Nippon India Money Market Fund Direct Growth	16,528Cr	5.26%	82.57%	509.83%	0.25%
Nippon India Nivesh Lakshya Fund Direct Growth	9,486.84Cr	8.19%	24.30%	77.37%	0.30%

IX.FINDINGS

- The above schemes align with Asset Under Management, Compounding Annual Growth Rate and Expense Ratio
- Equity schemes had a larger CAGR than debt schemes, indicating greater long-term growth potential, albeit with higher market volatility and risk.
- Debt schemes were more stable, making them suited for conservative investors, but they produced lower returns in fiscal year 2024-2025.

X. SUGGESTIONS

- Investors should match scheme selection to their risk tolerance, choosing equity schemes for long-term wealth growth and debt schemes for capital preservation and consistent income.
- Not only investors, every individual out there can undertake any schemes by knowing all three metrics that are mentioned above.

XI. CONCLUSION

According to the findings of this study, both equity and loan schemes associated with Reliance Industries provide various benefits based on investor goals and risk appetite. Equity schemes, while riskier, have demonstrated more growth potential through higher CAGRs, whereas debt schemes give stability but lower returns. Understanding key parameters like as AUM, CAGR, and Expense Ratio is critical to making sound investing decisions. These indicators assist investors connect their decisions with their financial goals. Finally, a balanced approach led by these criteria can result in higher portfolio performance.

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