

Mutual Funds



Internship Presentation: Basics of Mutual Funds by Axis Mutual Funds, by Kotak Mutual Funds, by SBI Mutual Funds, by BNP Paribas, by HDFC Mutual Funds, by Bandhan Bank Mutual Funds and PMS by IIFL, Mutual Funds with Wealth Creation by Mr. Nitin Ambardar Sir

Presented by Harsh Mittal (Jaypee Noida)

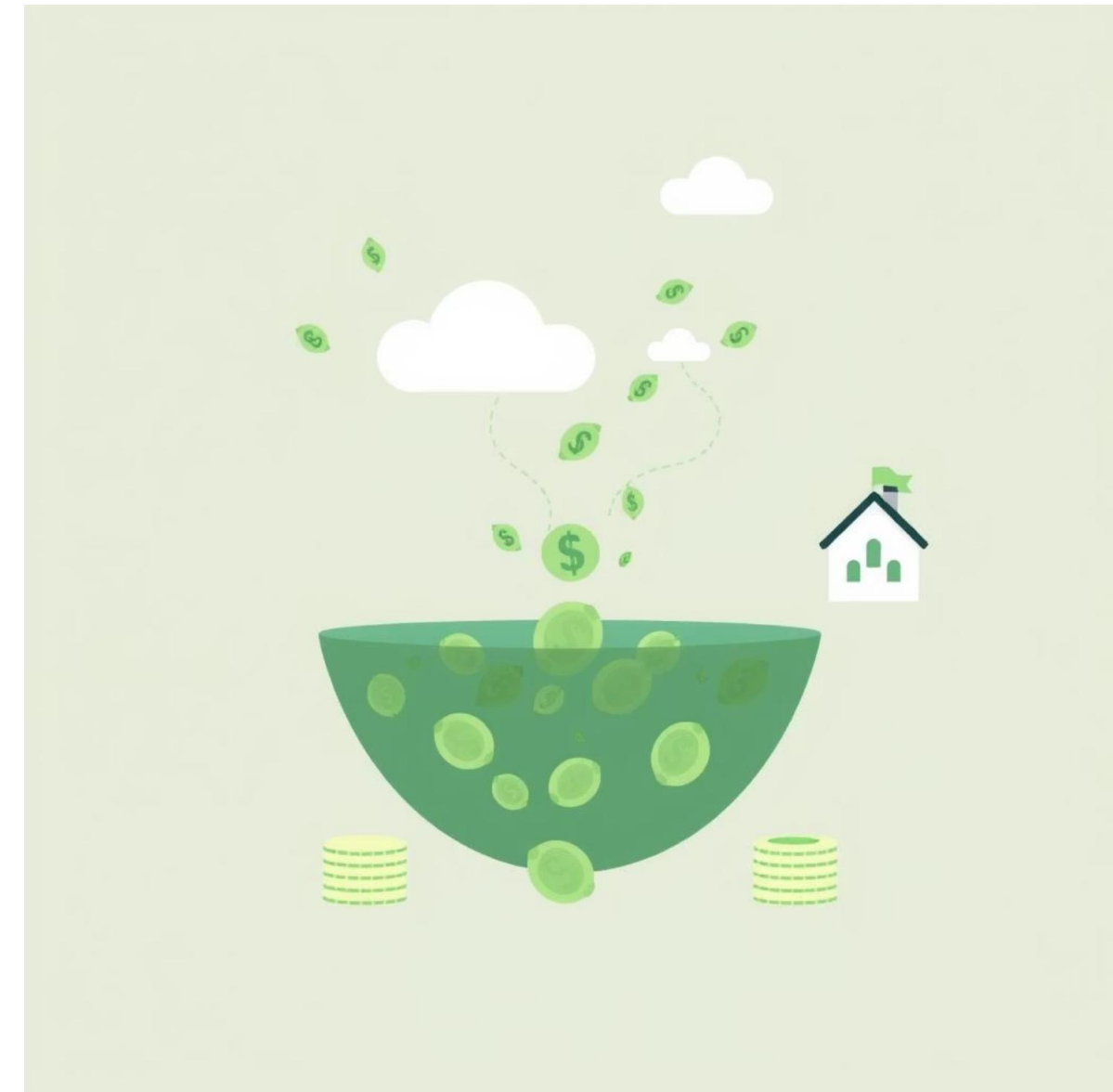


What Are Mutual Funds?

A **mutual fund** is a financial vehicle that pools money from multiple investors and invests it in a diversified portfolio of **stocks, bonds, or other securities**, depending on the scheme's objective. These funds are managed by professional fund managers who research, track markets, and make informed decisions to help maximize returns.

Why Choose Mutual Funds?

- ❖ They suit all types of financial goals: short-term income, tax saving, or long-term wealth creation.
- ❖ Flexibility to choose between SIP (Systematic Investment Plan) for disciplined investing or lump sum for one-time investments.
- ❖ Mutual funds make complex investing simple, even for those without prior knowledge of the stock market.



Key Features



Diversification

Reduces risk by spreading investments across a variety of asset classes and sectors, protecting against market volatility.



Professional Management

Investors benefit from expert analysis, active monitoring, and strategic decision-making by experienced fund managers.



Accessibility

Start investing with amounts as little as ₹100–₹1,000, making it ideal for young or first-time investors to begin their journey.



Liquidity

Open-ended funds allow buying and selling units any day at the prevailing Net Asset Value (NAV), offering flexibility.



Regulated & Transparent

Monitored by SEBI (Securities and Exchange Board of India), ensuring compliance, disclosures, and robust investor protection.

How It Works



Investors Buy Units

Investors purchase units of the fund at its prevailing Net Asset Value (NAV). This pooled money forms the fund's corpus.



AMC Allocation

The Asset Management Company (AMC) collects this money and allocates it according to the scheme's specific mandate and investment objectives.



Performance & Returns

The fund's returns are directly dependent on the performance of its underlying assets, such as stocks and bonds, in the market.



NAV Reflection

All associated income, including interest, dividends, and capital gains from the investments, is seamlessly reflected in the fund's daily Net Asset Value (NAV).



Types of Mutual Funds

Equity Funds

Invest primarily in stocks; suited for long-term wealth creation. Categories include Large Cap, Mid Cap, Small Cap, Multi Cap, and Flexi Cap, each with distinct risk-return profiles.

Debt Funds

Invest in government and corporate securities; stable and lower risk. Types: Liquid Fund, Gilt Fund, Corporate Bond, Credit Risk Fund, Short Duration Fund, offering various liquidity and maturity options.

Hybrid Funds

Combine equity and debt for balance; suited for moderate risk-takers. Includes Balanced, Aggressive Hybrid, Arbitrage, and Multi-Asset Allocation funds, providing diversified exposure.

Other Schemes

ELSS (Equity Linked Savings Scheme) for tax saving, Thematic Funds focusing on specific sectors, ETFs (Exchange Traded Funds), and Fund of Funds for broader diversification.

Power of SIP & Compounding

- SIP (Systematic Investment Plan) : Invest a fixed amount monthly into mutual funds.
- Simple SIP Example : ₹10,000/month for 10 years at 12% = ₹22.4 lakh corpus (gain of ₹10.4 lakh).
- Top-Up SIP : Add ₹1,000 yearly → corpus becomes ₹32.3 lakh, adding ₹9.9 lakh more over 10 years.
- Compounding Example (₹25K at 12%):
 - ₹50L in 9 years
 - ₹1 Cr in 13 years
 - ₹3 Cr in 21.5 years
- Key lesson : Start early, stay consistent, and let compounding do the work.



Risk & Return Metrics

Beta

Measures fund volatility versus the broader market. A Beta >1 means the fund is more sensitive to market movements (e.g., Fund A with Beta 1.2 is more volatile).

Sharpe Ratio

Compares returns to the risk taken. A higher ratio indicates better risk-adjusted returns, signifying greater efficiency in generating returns for the level of risk assumed (e.g., Ratio of 2.6 indicates excellent performance).

Alpha

Measures the excess return generated by a fund over its expected benchmark return. A positive alpha means the fund has outperformed its benchmark, showcasing skilled management.

These sophisticated metrics are crucial tools for investors to assess whether the returns generated by a mutual fund adequately justify the inherent risks involved, aiding informed decision-making.



Taxation in Mutual Funds

Fund Type	Short-Term Capital Gains	Long-Term Capital Gains
Equity	20% if sold < 12 months	12.5% beyond ₹1.25 lakh/year
Debt	Taxed as per income slab (<36 months)	20% post indexation
Hybrid	If equity > 65%, taxed as equity	Else taxed as debt

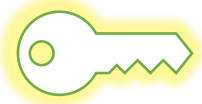
- Hybrid Equity-oriented funds (Equity > 65%) follow equity tax rules.
- Debt-oriented hybrids (Equity ≤ 65%) follow debt tax rules.
- Additional cess and surcharges may apply.

Debt Mutual Funds in Detail

- **Designed for conservative investors** focusing on steady income generation and capital preservation rather than aggressive growth.
- **Overnight, Liquid, and Ultra Short Duration Funds:** Offer very low risk and high liquidity with extremely short tenures, ideal for parking emergency funds.
- **Short, Medium, and Long Duration Funds:** Cater to different investment horizons, managing interest rate risk based on their maturity profiles.
- **Gilt Funds & Gilt with 10-Year Duration:** Exclusively invest in government securities, considered credit-risk-free, making them very safe.
- **Corporate Bond & Credit Risk Funds:** Invest in high-rated or lower-rated corporate bonds, offering potentially higher returns but with varying credit risks.
- **Dynamic Bond & Floater Funds:** Actively adjust their portfolio duration based on interest rate trends, aiming to optimize returns in changing market conditions.



Key Takeaways & Final Thoughts



Smart Wealth Creation

Efficiently build wealth for all investor types.



Goals & Risk Alignment

Match investment choices to your financial objectives.



Compounding Power

Disciplined SIPs provide significant long-term growth.



Fund Evaluation

Use Beta, Sharpe, and Alpha to assess performance.



Tax Optimization

Understand taxation to maximize your net returns.



Effortless Growth

Grow wealth with expert support and ease.



*Thank
you!*



Life Insurance

Internship Presentation – Kotak Life Insurance, TATA Life Insurance, ICICI Life Insurance, HDFC Life Insurance



Presented by Harsh Mittal (Jaypee Noida)



Understanding Life Insurance

Definition

Life Insurance transfers risk and protects by pooling, sharing, and contributing funds.

Historical Evolution

- 1706: First life insurance company (Amicable Society)
- 1870: First Indian life insurance company (Bombay Mutual)
- 1956: LIC was formed after nationalization

Session Reference

- ❖ Basics of Life Insurance by Kotak Life Insurance by Ms. Vincy Kaur
- ❖ Basics of Life Insurance by TATA Life Insurance by Ms. Neeraj
- ❖ Concepts of Life Insurance by ICICI Life Insurance by Mr. Akash
- ❖ Basics of Life Insurance by HDFC Life Insurance by Mr. Shakti

FINANCIAL PYRAMID



Concept & Significance of Life Insurance

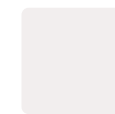
Concept

A legal contract where the insurer pays a sum upon a specified contingency to the policyholder.

Why It's Important

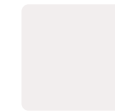
- Financial security for dependents
- Long-term financial planning
- Wealth creation opportunities
- Debt protection to prevent financial burden on family
- Tax benefits through deductions and tax-free payouts
- Retirement security with pension plans and guaranteed returns
- Peace of mind knowing loved ones are financially protected

Types of Life Insurance



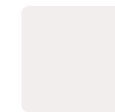
Term Insurance

Pure protection, no maturity benefits.



Endowment Policies

Savings plus protection, with maturity benefits.



ULIPs

Investment combined with insurance coverage.

Industry Insights from Leading Companies

Learnings from Internship Sessions

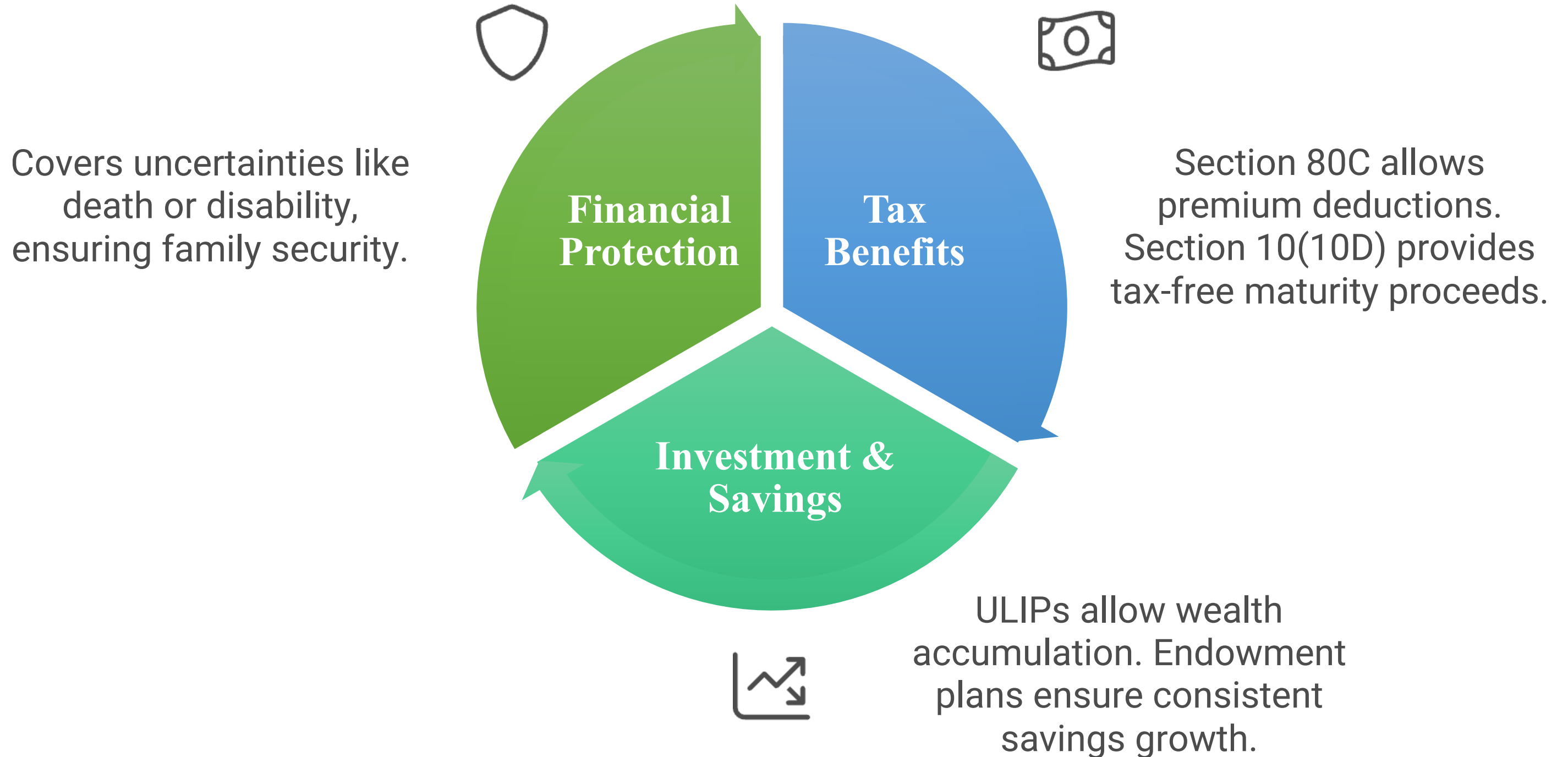
- **Day 3** – Kotak Life Insurance: Basics & Concept
- **Day 4** – TATA Life Insurance by Ms. Neeraj: Core principles & offerings
- **Day 4** – ICICI Life Insurance by Mr. Akash: Products & customer benefits
- **Day 5** – HDFC Life Insurance by Mr. Shakti: Strategic insights & market trends

Comparison of Companies

Each company offers unique strengths. Key differences include claim settlement ratios, product range, and customer benefits.

Kotak Life	98.5%	Savings, Protection
TATA AIA	99.0%	Term, ULIPs
ICICI Pru	98.6%	ULIPs, Annuities
HDFC Life	98.7%	Protection, Retirement

Benefits of Life Insurance



Scope of Life Insurance in India



Growth Factors

Increasing awareness, digital advancements, and supportive government schemes drive growth.



Government Initiatives

Pradhan Mantri Jeevan Jyoti Bima Yojana and LIC expansion boost penetration.



Future Prospects

Rising demand fueled by growing financial literacy and evolving consumer needs.



Challenges & Considerations

Common Concerns

- Misconceptions about actual returns.
- Affordability barriers for some segments.
- Policy exclusions and hidden clauses.
- Long waiting periods for certain benefits
- Complexity in understanding different policy types
- Risk of lapsing due to missed premium payments
- Difficulty in selecting the right coverage amount
- Unawareness about tax benefits and financial advantages



How to Choose the Right Policy

Financial Goals

Align policy with your long-term financial aspirations.

Terms & Conditions

Carefully review policy terms, conditions, and riders.

Premium Structure

Understand payment structures and affordability.

Health Insurance

**FAMILY
HEALTH
INSURANCE**



Day 6

**Basics of Health Insurance by Cigna
Health Insurance**

Day 7

**Basics of Health Insurance by Niva
Bupa Health Insurance**

Introduction to Health Insurance

Definition:

Health Insurance is a financial product designed to cover medical expenses arising from illness, injury, or hospitalization. It helps policyholders access quality healthcare while minimizing financial burdens.

Historical Evolution

- 1 In early times, healthcare costs were covered through personal savings or charity.
- 2 The concept of health insurance evolved globally to make medical care more **accessible and affordable** for all.
- 3 In India, private and government-sponsored health insurance schemes expanded to provide coverage to **millions of people**.



Concept & Significance of Health Insurance

Health insurance plays a crucial role in ensuring that individuals do not face financial distress due to medical emergencies.

Concept :

It operates on a risk-pooling model where policyholders contribute premiums in exchange for financial protection against **hospitalization, treatments, and preventive healthcare expenses**.

Significance :

- Helps individuals and families **manage sudden medical costs** effectively.
- Provides access to **quality medical care** without worrying about affordability.
- Supports **preventive healthcare measures**, including annual check-ups.
- Reduces **out-of-pocket expenses** for surgeries, medication, and long-term treatments.

Industry Insights from Leading Companies

Key Learnings from Industry Experts:

Cigna Health Insurance (Day 6):

- Offers **comprehensive health coverage** including hospitalization and outpatient care.
- Emphasizes **preventive care and wellness programs** for long-term health benefits.

Niva Bupa Health Insurance (Day 7):

- Focuses on **customized health plans** suited for different age groups and professions.
- Highlights **cashless treatment benefits** at partnered hospitals.

Industry Trends:

Increase in **digital adoption** for policy management and claim processing.

Rising demand for **critical illness cover** due to lifestyle diseases.

Government initiatives making health insurance **accessible to lower-income groups**.

Benefits of Health Insurance

Health insurance provides multiple advantages, ensuring financial security and access to medical services.



Cashless Hospitalization

Policyholders can avail **treatment without upfront payments** at network hospitals.



Coverage for Surgeries & Medical Treatments

Plans cover expenses related to **major surgeries, ICU stays, and critical illnesses**.



Preventive Healthcare Benefits

Annual **health check-ups** help detect conditions early.



Tax Benefits

Premium payments qualify for tax deductions under **Section 80D** of the Indian Income Tax Act.



Global Coverage Options

Some policies offer **worldwide emergency coverage**, ensuring international protection.



Scope of Health Insurance in India

Healthcare costs are rising, making insurance a necessity for financial protection.

1

Government Schemes Supporting Health Coverage

- Initiatives like **Ayushman Bharat** provide health coverage to lower-income families.
- Employers now offer corporate health insurance to employees.

2

Increasing Demand for Personalized Health Plans

- Insurers now provide **customized plans** based on age, profession, and medical history
- Growth of **cashless treatment facilities** across India.

3

Expanding Market for Critical Illness Coverage

- Lifestyle diseases (e.g., diabetes, hypertension) have led to higher demand for **critical illness insurance**.



Challenges & Considerations

Health insurance policies come with certain complexities that individuals must be aware of:

Policy Exclusions & Waiting Periods

- Many policies **exclude** cosmetic procedures, fertility treatments, and **self-inflicted injuries**.
- Waiting periods exist for **pre-existing diseases (36 months)** and **maternity benefits (36 months)**, meaning policyholders must plan ahead.

Understanding Deductibles, Co-Payments & Sub-Limits

- **Deductibles** – The portion of medical expenses policyholders must pay before coverage starts.
- **Co-payments** – A percentage (e.g., **10%, 20%**) paid by the insured for each claim, reducing premiums but increasing out-of-pocket costs.
- **Sub-limits** – Restrictions on room rent, ICU charges, or surgeries, even if the policy covers a high sum insured.

Choosing the Right Coverage

- Policyholders should **compare benefits** from different insurers to ensure adequate protection.
- Plans with **shorter waiting periods, minimal exclusions, and higher flexibility** are ideal for comprehensive security.

Additional Features & Optional Benefits

Many health insurance policies come with **additional coverage options** to enhance protection:

1 Discounts on Renewals & Long-Term Policies

- Early renewal discounts
- Family discounts for covering multiple members

2 Sum Insured Restoration Benefits

- 100% additional sum insured restoration for multiple claims.

3 Maternity & Infertility Benefits

- Covers **pregnancy-related hospitalization, newborn care, and vaccination expenses**.
- Infertility treatment covered up to ₹2.5 Lacs per successful procedure.

4 Personal Accident Cover & Disability Benefits

- Lump-sum benefits for **accidental death, total disability, and partial disability**.

5 Worldwide Emergency Coverage

- Covers medical emergencies while traveling abroad.

Conclusion & Summary



Essential Protection

Life and health insurance safeguard financial stability and well-being.



Personalized Choices

Selecting the right policy depends on individual needs and financial goals.



Growth & Future

Rising awareness, digitalization, and government initiatives will shape the industry.



Strategic Investment

Insurance is not just protection but a key tool for wealth management.

Final Thoughts

Stay informed, compare options diligently, and invest wisely for a secure future.



*Thank
you!*