Performance Analysis of Mutual Funds Schemes

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ABSTRACT

Mutual funds have emerged as an important investment avenue in India, offering investors opportunities for diversification, professional management, liquidity, and a wide range of risk-return combinations. The present study evaluates the performance of selected equity, debt, and hybrid mutual fund schemes in India during the calendar year 2025. The primary objective of the study is to compare the risk-adjusted performance of these three categories of mutual funds and identify their relative efficiency under varying market conditions. A sample of 30 top-performing mutual fund schemes was selected, comprising 15 equity funds, 6 debt funds, and 9 hybrid funds. Daily Net Asset Value (NAV) data for the period from 1 January 2025 to 31 December 2025 were used for the analysis. The data were collected from the Association of Mutual Funds in India (AMFI). The 91-day Treasury Bill rate was considered as the risk-free rate, while the Nifty Index was used as the market benchmark. The study employed Sharpe Ratio, Treynor Ratio, and Jensen's Alpha to evaluate the risk-adjusted performance of the selected schemes. The findings reveal considerable variations in performance across fund categories and different months of the study period. Equity mutual funds experienced relatively weak performance during January, February, July, August, and December, while showing improvement during March to June and September to October. Debt mutual funds generally demonstrated relatively stable and consistent performance, particularly corporate bond funds. Hybrid funds, especially arbitrage and multi-asset funds, also performed favorably during several months. The study concludes that mutual fund performance is influenced by changing market conditions and differs across investment categories. Therefore, investors should diversify their investments according to their risk tolerance, financial objectives, and investment horizon. Regular evaluation using risk-adjusted performance measures can assist investors in making informed investment decisions and achieving effective portfolio management.

Keywords: Mutual Funds; Risk-Adjusted Performance; Sharpe Ratio; Treynor Ratio; Jensen's Alpha.

INTRODUCTION

Mutual funds have become an important investment avenue in India, providing investors with opportunities to participate in financial markets through professionally managed investment portfolios. A mutual fund collects money from a large number of investors and invests it in securities such as equity shares, bonds, government securities, and money market instruments. Mutual funds are suitable for both small and large investors because they offer diversification, professional management, liquidity, and different levels of risk and return.

The Indian mutual fund industry has grown significantly due to increasing financial awareness, rising income levels, digital investment platforms, and the growing preference for systematic investment plans (SIPs). Investors can choose from different schemes based on their financial objectives, risk tolerance, and investment horizon. Equity funds generally aim for higher returns with higher risk, while debt and hybrid funds provide relatively stable investment options.

Performance analysis of mutual fund schemes in India is important for evaluating how effectively these schemes generate returns in relation to the risks taken. The performance of a mutual fund can be influenced

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by market conditions, economic growth, interest rates, inflation, government policies, and fund management strategies. Simply comparing returns may not provide a complete picture of a scheme's performance. Therefore, measures such as return, risk, standard deviation, Sharpe ratio, Treynor ratio, and Jensen's alpha can be used to assess the risk-adjusted performance of mutual fund schemes.

Performance analysis helps investors identify schemes that provide better returns while maintaining an acceptable level of risk. It also helps fund managers evaluate their investment strategies and improve portfolio management. For researchers and policymakers, such analysis provides valuable information about the development and efficiency of the mutual fund industry.

Thus, analyzing the performance of mutual fund schemes in India is essential for making informed investment decisions. A systematic comparison of selected schemes based on their returns, risk, and risk-adjusted performance can help investors' select suitable investment options and understand the overall performance of the Indian mutual fund industry.

REVIEW OF LITERATURE

Koley (2025), in "Performance Analysis of Top Five Equity, Hybrid, and Debt Mutual Funds in India: A Five-Year Study (2020–2025)," compared 15 mutual fund schemes using secondary data. Annualised returns, standard deviation, and risk-adjusted measures were used. The study found that equity funds offered higher returns with greater volatility, while debt funds were more stable. Hybrid funds provided a balanced risk-return profile.

Hari Prasad, Srilekha and Sushma (2025), in "Performance Evaluation of Different Types of Mutual Funds in India," examined equity, debt, and hybrid funds using historical NAV data. Sharpe ratio, beta analysis, and machine-learning techniques were applied. The study identified different performance patterns and highlighted the balanced nature of hybrid funds.

Jaiswal (2025), in "Performance Evaluation of Mutual Fund Schemes in India," evaluated selected equity, debt, and hybrid funds using Sharpe ratio, Treynor ratio, Jensen's alpha, and beta. The findings showed stronger performance in equity funds, stable performance in hybrid funds, and lower volatility in debt funds.

Munia and Lakhani (2025), in "A Comparative Study on the Performance of Selected Equity Mutual Funds in India," examined five equity schemes during 2020–2025 using descriptive statistics and ANOVA. The study found differences in returns and consistency among the selected funds and emphasised the importance of considering multiple performance factors.

Chaudhari and Meman (2025), in "A Study on Performance Evaluation of Selected Mutual Fund Schemes in India," compared equity and debt funds using daily NAV data from 2022–2025. Sharpe ratio, Treynor ratio, and Jensen's alpha were used. Equity funds showed higher returns with greater volatility, while debt funds provided more stable performance.

Sandeep and Ramakrishna (2025), in "A Comparative Performance Analysis of Hybrid Mutual Fund Schemes: A Study of HDFC and Axis," compared selected hybrid schemes of HDFC and Axis. Using Sharpe ratio, beta, alpha, and Treynor ratio, the study identified differences in fund performance and risk management.

Raut and Kariya (2025), in "Study of Fund Performance Analysis of Selected Equity Hybrid Mutual Funds in India," examined selected hybrid funds during 2023–2024. The study used return, standard deviation, beta, Sharpe ratio, and Treynor ratio. The findings showed differences in risk and return among the selected schemes.

Roy (2025), in "Balancing Risk and Return: Comparative Study of Specific Equity, Debt and Hybrid Mutual Fund Schemes," analysed selected schemes using risk-return measures and investor responses. The study

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

found that equity funds offered higher returns with greater risk, debt funds provided stability, and hybrid funds offered a balanced alternative.

Umadevi (2026), in "A Study on Performance Analysis and Ranking of Selected Debt Mutual Funds in India," evaluated ten debt funds during 2020–21 to 2024–25. Average return, standard deviation, variance, and coefficient of variation were used. The study identified differences in stability and consistency among debt funds.

Banerjee (2025), in "Comparison of Mutual Funds through Various Descriptive Statistical Methods and Risk-Adjusted Performance Ratios," compared equity, debt, and hybrid funds using descriptive and risk-adjusted measures. The study found higher return potential in equity funds, greater stability in debt funds, and balanced performance in hybrid funds.

Haque and Sharma (2025), in "Analysis of Mutual Funds: Performance Evaluation, Risk Assessment & Investment Insights," examined 18 mutual fund categories during 2022–2025. Several risk and return measures were applied. The findings showed that equity funds offered higher growth potential, hybrid funds provided balanced performance, and debt funds offered greater stability.

Sheela, Rajesh, Roopan and Thirumagal (2025), in "A Study on Risk and Return Analysis of Selected Mutual Fund Portfolios in India," analysed 45 portfolios during 2020–2024. The study used conventional and advanced analytical techniques. Equity funds showed higher returns and volatility, while debt and diversified funds provided greater stability.

Balaji and Nagalakshmi (2025), in "A Study on Mutual Fund Performance and Investor Returns," evaluated 15 equity, debt, and hybrid schemes during 2020–2025. The study used CAGR, standard deviation, beta, and Sharpe ratio. Equity funds generated higher returns, debt funds provided stability, and hybrid funds offered moderate risk and return.

Sharma and Kulkarni (2025), in "Comparative Analysis of Equity, Debt and Hybrid Mutual Funds in India," evaluated selected schemes using AMFI data and risk-adjusted measures. The study found higher returns and volatility in equity funds, stable performance in debt funds, and balanced outcomes in hybrid funds.

Padma Bai and Raziya Banu (2025), in "Comparative Analysis on Mutual Funds," examined equity, debt, hybrid, and index funds using primary and secondary data. The study found differences in returns and asset allocation and highlighted the importance of investors' risk tolerance and financial objectives.

Purohit and Belavadi (2025), in "Risk-Adjusted Performance Comparison of Direct and Regular Plan Equity Mutual Funds in India," compared direct and regular plans of large-cap equity funds. The study found better performance in direct plans, mainly due to their lower expenses, highlighting the importance of plan selection.

Agrawal and Soni (2025), in "A Study on Future of Mutual Fund Schemes in India," examined the growth and future prospects of the mutual fund industry. The study highlighted increasing mutual fund participation and the importance of technology, transparency, and investor awareness.

Vamshidhar and Sreyesh (2025), in "Performance Evaluation of Selected Solution-Oriented Mutual Funds in India," evaluated children's and retirement-oriented funds against the Nifty 50 TRI. The study found that equity-oriented schemes offered competitive long-term performance and emphasised the importance of asset allocation and investment horizon.

The reviewed studies generally indicate that equity mutual funds provide higher return potential but involve greater volatility, debt funds offer greater stability, and hybrid funds provide a balance between risk and return. Most studies have focused on selected schemes and relatively short study periods using traditional

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risk-return measures. Therefore, there is scope for further research involving comparative performance analysis of selected mutual fund schemes over a recent and consistent study period.

Objectives of the Study

The study aims to evaluate the performance of selected Equity, Debt, and Hybrid Mutual Fund schemes using risk-adjusted measures such as the Sharpe Ratio, Treynor Ratio, and Jensen's Alpha. It also seeks to compare the performance of these three categories and identify their relative risk-return efficiency. The findings are expected to help investors make informed investment decisions and understand the effectiveness of mutual fund management during the study period.

METHODOLOGY OF STUDY

Sample selection

For the present study, a sample of 30 top-performing mutual fund schemes during the calendar year 2025 has been selected from Morningstar Data Platform. During the year, the top performed 30 schemes are arranged based on its annual return. Then the sample grouped into Equity Mutual Fund Schemes (15), Debt Mutual Fund Schemes (6), and Hybrid Mutual Fund Schemes (9). The study uses daily Net Asset Value (NAV) data for the period from 1 January 2025 to 31 December 2025 to evaluate the risk and return performance of the selected schemes. The following are the list of sample schemes selected for this study.

S. No.	Name of the Scheme
I	**Equity Mutual Funds**
1	Bandhan Small Cap Fund - Direct Plan Growth
2	Bank Of India Flexi Cap Fund Direct Plan -Growth
3	Edelweiss Mid Cap Fund - Direct Plan - Growth Option
4	HDFC Flexi Cap Fund - Growth Option - Direct Plan
5	HDFC Large Cap Fund - Growth Option - Direct Plan
6	HDFC Mid Cap Fund - Growth Option - Direct Plan
7	ICICI Prudential Large Cap Fund (erstwhile Blue-chip Fund)
8	Mahindra Manulife Multi Cap Fund - Direct Plan -Growth
9	Motilal Oswal Midcap Fund-Direct Plan-Growth Option
10	Nippon India Large Cap Fund - Direct Plan Growth Plan - Growth Option
11	Nippon India Multi Cap Fund - Direct Plan Growth Plan - Growth Option
12	Nippon India Small Cap Fund - Direct Plan Growth Plan - Growth Option
13	Quant Flexi Cap Fund - Growth Option-Direct Plan
14	Quant Multi Cap Fund-Growth Option-Direct Plan

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

15	Quant Small Cap Fund - Growth Option - Direct Plan
II	**Debt Mutual Fund**
16	Axis Corporate Bond Fund - Direct Plan Growth
17	Edelweiss Government Securities Fund - Direct Plan - Growth Option
18	ICICI Prudential Corporate Bond Fund - Direct Plan - Growth
19	ICICI Prudential Gilt Fund - Direct Plan - Growth
20	Nippon India Corporate Bond Fund - Direct Plan Growth Plan - Growth Option
21	SBI Gilt Fund - Direct Plan - Growth
III	**Hybrid Mutual Fund**
22	Baroda BNP Paribas Balanced Advantage Fund-Direct Plan-Growth Option
23	Edelweiss Arbitrage Fund- Direct Plan- Growth Option
24	Edelweiss Balanced Advantage Fund -Direct Plan-Growth Option
25	HDFC Balanced Advantage Fund - Growth Plan - Direct Plan
26	ICICI Prudential Multi-Asset Fund
27	Invesco India Arbitrage Fund - Direct Plan - Growth Option
28	Kotak Arbitrage Fund - Direct Plan - Growth
29	Nippon India Multi Asset Allocation Fund - Direct Plan - Growth Option
30	Quant Multi Asset Allocation Fund-Growth Option-Direct Plan

Sources of Data

Net Asset Value (NAV)

For evaluating the performance of mutual fund schemes, Net Asset Value (NAV) has been used. In this study, daily NAV data of the selected mutual fund schemes has been considered for the period from January 2025 to December 2025. Monthly returns were calculated by averaging the daily returns of NAV. The required NAV data have been collected from the Association of Mutual Funds in India (AMFI) website.

Risk Free Rate of Return

The 91-day Treasury Bills (T-Bills) have been used as a proxy for the risk-free rate of return. The data relating to Treasury Bills have been obtained from the official publications and reports of the Reserve Bank of India (RBI).

Benchmark Portfolio

For meaningful evaluation of mutual fund performance, it is necessary to compare the returns of mutual

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

funds with a relevant benchmark index. In this study, the Nifty Index of the National Stock Exchange (NSE) has been used as the benchmark portfolio to measure the comparative performance of the selected mutual fund schemes.

Tools Used for Analysis

The study uses three major risk-adjusted performance measures to evaluate mutual fund schemes. The Sharpe Ratio measures excess return earned for each unit of total risk, where a higher value indicates better performance. The Treynor Ratio evaluates excess return in relation to systematic risk measured by beta, with a higher value indicating superior performance. Jensen's Alpha measures the difference between the fund's actual return and its expected return based on market performance. A positive alpha indicates that the fund has outperformed its expected return, while a negative alpha indicates underperformance.

Sharpe Ratio = $(R_p - R_f) / \sigma_p$

Where,

R_p = Return of portfolio

R_f = Risk-free rate of return

σ_p = Standard deviation of portfolio return

Treynor Ratio = $(R_p - R_f) / \beta_p$

Where,

R_p = Portfolio return

R_f = Risk-free rate

β_p = Beta of portfolio

Jensen's Alpha Measure: $\alpha = R_p - [R_f + \beta (R_m - R_f)]$

Where,

R_p = Portfolio return

R_f = Risk-free rate

R_m = Market return

β = Beta of portfolio

Analysing the Performance of Mutual Funds Schemes

The below **Table 1** indicates that equity mutual funds performed poorly during January 2025, as all the schemes recorded negative Sharpe and Treynor Ratios and negative Jensen's Alpha. Among equity funds, ICICI Prudential Large Cap Fund and HDFC Large Cap Fund showed comparatively better performance, while Motilal Oswal Midcap Fund recorded the weakest performance. The debt mutual funds performed better, with positive Sharpe Ratios and Jensen's Alpha.

ICICI Prudential Corporate Bond Fund ranked first in Sharpe Ratio, while Nippon India Corporate Bond Fund ranked first in Treynor Ratio. Among hybrid funds, Edelweiss Arbitrage Fund showed a strong Sharpe

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

Ratio, whereas ICICI Prudential Multi-Asset Fund recorded the highest Jensen's Alpha. Overall, debt and hybrid funds performed better than equity funds in January.

Table 1 – Analysis of performance of Mutual Fund Schemes for the month of January 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	-0.23806	27	-0.00281	21	-0.00339	28
2	Bank of India Flexi Cap Fund – DP- Growth	-0.21734	23	-0.00255	18	-0.00307	27
3	Edelweiss Mid Cap Fund – DP- Growth	-0.22500	25	-0.00262	19	-0.00302	26
4	HDFC Flexi Cap Fund – DP- Growth	-0.15340	18	-0.00151	10	-0.00074	16
5	HDFC Large Cap Fund – DP- Growth	-0.08573	13	-0.00081	6	-0.00020	13
6	HDFC Mid Cap Fund – DP- Growth	-0.21544	22	-0.00246	16	-0.00227	22
7	ICICI Prudential Large Cap Fund – DP- Growth	-0.08509	12	-0.00081	7	-0.00019	12
8	Mahindra Manulife Multi Cap Fund – DP- Growth	-0.25507	28	-0.00283	22	-0.00293	25
9	Motilal Oswal Midcap Fund – DP- Growth	-0.34974	30	-0.00422	24	-0.00602	30
10	Nippon India Large Cap Fund – DP- Growth	-0.14361	16	-0.00139	9	-0.00085	18
11	Nippon India Multi Cap Fund – DP- Growth	-0.23463	26	-0.00249	17	-0.00231	23
12	Nippon India Small Cap Fund –- DP- Growth	-0.26622	29	-0.00327	23	-0.00372	29
13	Quant Flexi Cap Fund – DP- Growth	-0.11288	14	-0.00126	8	-0.00084	17
14	Quant Multi Cap Fund– DP- Growth	-0.13623	15	-0.00163	13	-0.00137	21
15	Quant Small Cap Fund – DP- Growth	-0.22048	24	-0.00268	20	-0.00281	24
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.58010	5	-1.25173	30	0.00032	5
17	Edelweiss Government Securities Fund – DP- Growth	0.17591	9	0.04222	3	0.00039	2
18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.72763	1	-0.14347	29	0.00027	10

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

19	ICICI Prudential Gilt Fund – DP- Growth	0.45392	7	-0.07112	28	0.00033	4
20	Nippon India Corporate Bond Fund – DP-Growth	0.48489	6	0.18199	1	0.00031	6
21	SBI Gilt Fund – DP- Growth	0.18110	8	0.05092	2	0.00037	3
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	-0.18940	21	-0.00194	14	-0.00114	19
23	Edelweiss Arbitrage Fund– DP- Growth	0.69433	2	-0.04061	26	0.00030	7
24	Edelweiss Balanced Advantage Fund – DP-Growth	-0.15078	17	-0.00154	11	-0.00064	15
25	HDFC Balanced Advantage Fund – DP-Growth	-0.15411	19	-0.00158	12	-0.00063	14
26	ICICI Prudential Multi-Asset Fund – DP-Growth	0.14840	10	0.00147	4	0.00107	1
27	Invesco India Arbitrage Fund – DP- Growth	0.60791	4	-0.02181	25	0.00029	9
28	Kotak Arbitrage Fund – DP- Growth	0.67959	3	-0.04206	27	0.00030	8
29	Nippon India Multi Asset Allocation Fund – DP- Growth	-0.05819	11	-0.00059	5	0.00001	11
30	Quant Multi Asset Allocation Fund– DP-Growth	-0.18666	20	-0.00226	15	-0.00123	20

Source: Secondary Data

Table 2– Analysis of performance of Mutual Fund Schemes for the month of February 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	-0.40650	16	-0.00520	24	-0.00208	29
2	Bank of India Flexi Cap Fund – DP-Growth	-0.44788	24	-0.00449	19	-0.00154	25
3	Edelweiss Mid Cap	-0.42180	21	-0.00452	20	-0.00129	24

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

	Fund – DP- Growth						
4	HDFC Flexi Cap Fund – DP- Growth	-0.35848	12	-0.00291	8	0.00050	3
5	HDFC Large Cap Fund – DP- Growth	-0.39757	14	-0.00297	9	0.00056	2
6	HDFC Mid Cap Fund – DP- Growth	-0.41290	19	-0.00403	15	-0.00064	21
7	ICICI Prudential Large Cap Fund – DP- Growth	-0.45050	25	-0.00349	10	0.00002	12
8	Mahindra Manulife Multi Cap Fund – DP- Growth	-0.37232	13	-0.00427	18	-0.00079	22
9	Motilal Oswal Midcap Fund – DP- Growth	-0.40659	17	-0.00545	25	-0.00156	26
10	Nippon India Large Cap Fund – DP- Growth	-0.44450	23	-0.00355	12	-0.00004	14
11	Nippon India Multi Cap Fund – DP- Growth	-0.41767	20	-0.00401	14	-0.00053	20
12	Nippon India Small Cap Fund -– DP- Growth	-0.52803	30	-0.00628	26	-0.00307	30
13	Quant Flexi Cap Fund – DP- Growth	-0.52575	29	-0.00457	21	-0.00127	23
14	Quant Multi Cap Fund– DP- Growth	-0.48800	28	-0.00475	23	-0.00166	28
15	Quant Small Cap Fund – DP- Growth	-0.40019	15	-0.00472	22	-0.00158	27
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.57217	5	-0.04873	29	0.00023	9
17	Edelweiss Government Securities Fund – DP- Growth	-0.10495	9	0.03501	1	-0.00015	17

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

18	ICICI Prudential Corporate Bond Fund – DP- Growth	1.00615	1	-0.25889	30	0.00028	8
19	ICICI Prudential Gilt Fund – DP- Growth	0.35811	7	-0.01594	27	0.00013	11
20	Nippon India Corporate Bond Fund – DP- Growth	0.50579	6	-0.03013	28	0.00021	10
21	SBI Gilt Fund – DP- Growth	-0.08529	8	0.01377	4	-0.00014	15
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	-0.45876	26	-0.00413	16	-0.00051	18
23	Edelweiss Arbitrage Fund– DP- Growth	0.78739	2	0.01864	3	0.00032	7
24	Edelweiss Balanced Advantage Fund – DP- Growth	-0.43575	22	-0.00373	13	-0.00015	16
25	HDFC Balanced Advantage Fund – DP- Growth	-0.41123	18	-0.00353	11	-0.00002	13
26	ICICI Prudential Multi-Asset Fund – DP- Growth	-0.27986	10	-0.00229	6	0.00068	1
27	Invesco India Arbitrage Fund – DP- Growth	0.78326	3	0.02220	2	0.00033	6
28	Kotak Arbitrage Fund – DP- Growth	0.69994	4	0.01310	5	0.00035	5
29	Nippon India Multi Asset Allocation Fund – DP- Growth	-0.31469	11	-0.00288	7	0.00042	4
30	Quant Multi Asset Allocation Fund– DP- Growth	-0.46862	27	-0.00418	17	-0.00051	19

Source: Secondary Data

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

The performance of equity mutual funds remained weak in February 2025, with all schemes reporting negative Sharpe and Treynor Ratios was presented in **Table 2**. HDFC Flexi Cap Fund performed comparatively better on the Sharpe measure, while HDFC Large Cap Fund recorded the highest Jensen's Alpha among equity schemes. Nippon India Small Cap Fund was the weakest performer. Debt funds continued to show relatively better performance. ICICI Prudential Corporate Bond Fund recorded the highest Sharpe Ratio, while Edelweiss Government Securities Fund ranked first in Treynor Ratio. Among hybrid funds, arbitrage schemes performed strongly, particularly Edelweiss Arbitrage Fund. ICICI Prudential Multi-Asset Fund recorded the highest Jensen's Alpha. Overall, February was more favourable for debt and hybrid funds than equity funds.

Table 3– Analysis of performance of Mutual Fund Schemes for the month of March 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	0.26475	29	0.00289	27	0.00073	23
2	Bank of India Flexi Cap Fund – DP- Growth	0.41892	22	0.00424	16	0.00248	1
3	Edelweiss Mid Cap Fund – DP- Growth	0.41208	24	0.00445	13	0.00201	3
4	HDFC Flexi Cap Fund – DP- Growth	0.49937	14	0.00432	14	0.00149	9
5	HDFC Large Cap Fund – DP- Growth	0.43426	19	0.00378	21	0.00118	14
6	HDFC Mid Cap Fund – DP- Growth	0.32509	25	0.00324	25	0.00098	21
7	ICICI Prudential Large Cap Fund – DP- Growth	0.52485	12	0.00452	12	0.00166	7
8	Mahindra Manulife Multi Cap Fund – DP- Growth	0.43157	20	0.00420	18	0.00172	5
9	Motilal Oswal Midcap Fund – DP- Growth	0.21979	30	0.00335	24	0.00072	24
10	Nippon India Large Cap Fund – DP- Growth	0.44932	17	0.00400	20	0.00142	10
11	Nippon India Multi Cap Fund – DP- Growth	0.41867	23	0.00402	19	0.00156	8

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

12	Nippon India Small Cap Fund -– DP-Growth	0.30959	27	0.00322	26	0.00106	19
13	Quant Flexi Cap Fund – DP- Growth	0.44369	18	0.00455	11	0.00211	2
14	Quant Multi Cap Fund– DP- Growth	0.32052	26	0.00338	22	0.00115	16
15	Quant Small Cap Fund – DP- Growth	0.29633	28	0.00337	23	0.00106	18
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	1.34547	2	0.15805	2	0.00065	26
17	Edelweiss Government Securities Fund – DP-Growth	0.93754	6	0.06787	5	0.00116	15
18	ICICI Prudential Corporate Bond Fund – DP- Growth	1.51748	1	0.15568	3	0.00058	27
19	ICICI Prudential Gilt Fund – DP- Growth	1.34423	3	0.07076	4	0.00089	22
20	Nippon India Corporate Bond Fund – DP-Growth	1.22466	4	0.19624	1	0.00067	25
21	SBI Gilt Fund – DP-Growth	1.11915	5	0.05441	6	0.00121	13
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	0.53199	11	0.00499	9	0.00175	4
23	Edelweiss Arbitrage Fund– DP- Growth	0.58712	9	-0.05573	29	0.00039	28
24	Edelweiss Balanced Advantage Fund – DP-Growth	0.51395	13	0.00456	10	0.00125	12
25	HDFC Balanced Advantage Fund – DP-Growth	0.47166	15	0.00428	15	0.00111	17
26	ICICI Prudential Multi-Asset Fund – DP-	0.65234	7	0.00569	7	0.00132	11

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

	Growth						
27	Invesco India Arbitrage Fund – DP- Growth	0.55809	10	-0.05311	28	0.00038	30
28	Kotak Arbitrage Fund – DP- Growth	0.63308	8	-0.07032	30	0.00039	29
29	Nippon India Multi Asset Allocation Fund – DP- Growth	0.42080	21	0.00423	17	0.00100	20
30	Quant Multi Asset Allocation Fund– DP- Growth	0.46916	16	0.00543	8	0.00169	6

Source: Secondary Data

In the **Table 3**, March shows a significant improvement in mutual fund performance, particularly in the equity category. All equity schemes recorded positive Sharpe Ratios, Treynor Ratios and Jensen's Alpha. ICICI Prudential Large Cap Fund and HDFC Flexi Cap Fund performed relatively well, while Bank of India Flexi Cap Fund recorded the highest Jensen's Alpha among all schemes. Debt funds performed exceptionally well, with ICICI Prudential Corporate Bond Fund recording the highest Sharpe Ratio and Nippon India Corporate Bond Fund the highest Treynor Ratio. Hybrid funds also recorded positive performance, with ICICI Prudential Multi-Asset Fund showing strong results. Overall, March marked a clear recovery from the weak performance observed in January and February.

Table 4 – Analysis of performance of Mutual Fund Schemes for the month of April 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	0.08361	28	0.00125	25	-0.00201	28
2	Bank of India Flexi Cap Fund – DP- Growth	-0.00652	30	-0.00009	27	-0.00405	30
3	Edelweiss Mid Cap Fund – DP- Growth	0.12510	19	0.00179	15	-0.00124	21
4	HDFC Flexi Cap Fund – DP- Growth	0.18681	10	0.00258	7	-0.00023	10
5	HDFC Large Cap Fund – DP- Growth	0.12655	18	0.00176	16	-0.00106	18
6	HDFC Mid Cap Fund – DP- Growth	0.09921	24	0.00144	20	-0.00143	25

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

7	ICICI Prudential Large Cap Fund – DP- Growth	0.15649	11	0.00219	8	-0.00061	14
8	Mahindra Manulife Multi Cap Fund – DP- Growth	0.09552	26	0.00135	23	-0.00181	27
9	Motilal Oswal Midcap Fund – DP- Growth	0.09403	27	0.00141	22	-0.00133	24
10	Nippon India Large Cap Fund – DP- Growth	0.13389	15	0.00186	12	-0.00096	16
11	Nippon India Multi Cap Fund – DP- Growth	0.10064	23	0.00142	21	-0.00152	26
12	Nippon India Small Cap Fund -– DP- Growth	0.11162	21	0.00167	18	-0.00130	23
13	Quant Flexi Cap Fund – DP- Growth	0.12886	16	0.00183	14	-0.00115	20
14	Quant Multi Cap Fund– DP- Growth	0.07338	29	0.00106	26	-0.00208	29
15	Quant Small Cap Fund – DP- Growth	0.11363	20	0.00170	17	-0.00128	22
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.87551	1	0.03843	1	0.00083	5
17	Edelweiss Government Securities Fund – DP-Growth	0.41021	9	0.02355	6	0.00106	2
18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.87169	2	0.03739	2	0.00067	6
19	ICICI Prudential Gilt Fund – DP- Growth	0.55414	7	0.02428	4	0.00092	3
20	Nippon India Corporate Bond Fund – DP- Growth	0.82313	3	0.03698	3	0.00084	4
21	SBI Gilt Fund – DP-Growth	0.46895	8	0.02424	5	0.00111	1
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	0.10945	22	0.00155	19	-0.00106	19

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

23	Edelweiss Arbitrage Fund– DP- Growth	0.66981	6	-0.05354	28	0.00041	7
24	Edelweiss Balanced Advantage Fund – DP-Growth	0.09565	25	0.00133	24	-0.00100	17
25	HDFC Balanced Advantage Fund – DP-Growth	0.15371	12	0.00212	9	-0.00047	12
26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.14180	13	0.00201	11	-0.00046	11
27	Invesco India Arbitrage Fund – DP- Growth	0.66991	5	-0.07701	29	0.00039	9
28	Kotak Arbitrage Fund – DP- Growth	0.73165	4	-0.15797	30	0.00041	8
29	Nippon India Multi Asset Allocation Fund – DP-Growth	0.13511	14	0.00202	10	-0.00060	13
30	Quant Multi Asset Allocation Fund– DP-Growth	0.12758	17	0.00183	13	-0.00080	15

Source: Secondary Data

In April, equity funds continued to record positive Sharpe and Treynor Ratios, although their performance was weaker than in March is presented in **Table 4**. However, all equity funds recorded negative Jensen's Alpha. HDFC Flexi Cap Fund was the best-performing equity scheme based on Sharpe Ratio, whereas Bank of India Flexi Cap Fund recorded the weakest overall results. Debt funds remained strong, with Axis Corporate Bond Fund ranking first in both Sharpe and Treynor Ratios. SBI Gilt Fund recorded the highest Jensen's Alpha among debt schemes. Hybrid arbitrage funds also performed well, particularly Kotak Arbitrage Fund. Overall, debt funds continued to provide the strongest risk-adjusted performance in April.

Table 5 – Analysis of performance of Mutual Fund Schemes for the month of May 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	0.34448	6	0.10860	3	0.00468	1
2	Bank of India Flexi Cap Fund – DP-Growth	0.28032	12	0.03519	8	0.00395	2

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

3	Edelweiss Mid Cap Fund – DP- Growth	0.22421	19	0.01633	13	0.00281	7
4	HDFC Flexi Cap Fund – DP- Growth	0.08963	27	0.00214	27	0.00101	20
5	HDFC Large Cap Fund – DP- Growth	0.07150	29	0.00107	29	0.00097	21
6	HDFC Mid Cap Fund – DP- Growth	0.27807	13	0.01817	11	0.00305	6
7	ICICI Prudential Large Cap Fund – DP- Growth	0.11908	25	0.00206	28	0.00139	17
8	Mahindra Manulife Multi Cap Fund – DP- Growth	0.22453	18	0.00828	18	0.00274	8
9	Motilal Oswal Midcap Fund – DP- Growth	0.26562	15	0.10334	4	0.00274	9
10	Nippon India Large Cap Fund – DP- Growth	0.18333	23	0.00357	24	0.00221	11
11	Nippon India Multi Cap Fund – DP- Growth	0.31591	9	0.00934	16	0.00369	4
12	Nippon India Small Cap Fund — DP- Growth	0.29994	10	0.04588	7	0.00375	3
13	Quant Flexi Cap Fund – DP- Growth	0.09912	26	0.00326	25	0.00143	16
14	Quant Multi Cap Fund– DP- Growth	0.20133	22	0.01935	10	0.00255	10
15	Quant Small Cap Fund – DP- Growth	0.25262	16	2.49757	1	0.00313	5
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.52084	2	0.11187	2	0.00059	22
17	Edelweiss Government Securities Fund – DP- Growth	0.06501	30	0.00273	26	0.00022	29

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.58339	1	0.06994	6	0.00049	24
19	ICICI Prudential Gilt Fund – DP- Growth	0.35581	5	0.03132	9	0.00046	25
20	Nippon India Corporate Bond Fund – DP- Growth	0.51020	3	0.09889	5	0.00058	23
21	SBI Gilt Fund – DP- Growth	0.08190	28	0.00464	21	0.00023	28
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	0.24979	17	0.00814	19	0.00207	12
23	Edelweiss Arbitrage Fund– DP- Growth	0.33566	8	0.01448	14	0.00022	30
24	Edelweiss Balanced Advantage Fund – DP- Growth	0.15772	24	0.00376	22	0.00137	18
25	HDFC Balanced Advantage Fund – DP- Growth	0.21329	20	0.00482	20	0.00153	15
26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.20390	21	0.00371	23	0.00106	19
27	Invesco India Arbitrage Fund – DP- Growth	0.37040	4	0.01752	12	0.00024	26
28	Kotak Arbitrage Fund – DP- Growth	0.34064	7	0.01238	15	0.00023	27
29	Nippon India Multi Asset Allocation Fund – DP- Growth	0.27320	14	0.00916	17	0.00173	14
30	Quant Multi Asset Allocation Fund– DP- Growth	0.29560	11	-0.04028	30	0.00202	13

Source: Secondary Data

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

May 2025 shows a considerable improvement in equity mutual fund performance is presented in **Table 5**. All equity schemes recorded positive values for Sharpe Ratio, Treynor Ratio and Jensen's Alpha. Bandhan Small Cap Fund recorded the highest Jensen's Alpha, while Quant Small Cap Fund recorded an exceptionally high Treynor Ratio of 2.49757, ranking first. Among debt funds, ICICI Prudential Corporate Bond Fund ranked first in Sharpe Ratio, while Axis Corporate Bond Fund performed strongly on the Treynor measure. Hybrid arbitrage funds also maintained positive Sharpe Ratios. Overall, May was a favourable month for equity funds, with improved risk-adjusted returns across the category.

Table 6 – Analysis of performance of Mutual Fund Schemes for the month of June 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	0.24699	13	0.00285	11	0.00085	6
2	Bank of India Flexi Cap Fund – DP- Growth	0.19723	25	0.00189	17	0.00033	11
3	Edelweiss Mid Cap Fund – DP- Growth	0.42008	4	0.00393	6	0.00180	1
4	HDFC Flexi Cap Fund – DP- Growth	0.23989	17	0.00160	22	0.00012	20
5	HDFC Large Cap Fund – DP- Growth	0.23481	18	0.00154	24	0.00008	23
6	HDFC Mid Cap Fund – DP- Growth	0.33051	9	0.00329	8	0.00122	5
7	ICICI Prudential Large Cap Fund – DP- Growth	0.23004	19	0.00150	26	0.00004	25
8	Mahindra Manulife Multi Cap Fund – DP- Growth	0.34279	8	0.00302	10	0.00128	4
9	Motilal Oswal Midcap Fund – DP- Growth	0.35491	6	0.00421	5	0.00154	2
10	Nippon India Large Cap Fund – DP- Growth	0.24086	15	0.00162	20	0.00016	18
11	Nippon India Multi Cap Fund – DP- Growth	0.20888	22	0.00161	21	0.00013	19
12	Nippon India Small Cap Fund -– DP- Growth	0.31832	11	0.00358	7	0.00128	3
13	Quant Flexi Cap Fund – DP- Growth	0.19899	24	0.00155	23	0.00009	22

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

14	Quant Multi Cap Fund– DP- Growth	0.20631	23	0.00165	19	0.00018	16
15	Quant Small Cap Fund – DP- Growth	0.27843	12	0.00253	13	0.00083	7
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.07463	26	0.00237	15	0.00003	26
17	Edelweiss Government Securities Fund – DP- Growth	-0.30507	29	0.02309	2	-0.00068	30
18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.21584	21	0.00624	4	0.00011	21
19	ICICI Prudential Gilt Fund – DP- Growth	-0.12732	28	0.02959	1	-0.00009	28
20	Nippon India Corporate Bond Fund – DP- Growth	0.03279	27	0.00125	27	0.00000	27
21	SBI Gilt Fund – DP- Growth	-0.32791	30	0.02222	3	-0.00066	29
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	0.32959	10	0.00247	14	0.00060	9
23	Edelweiss Arbitrage Fund– DP- Growth	0.72517	1	-0.02796	29	0.00032	13
24	Edelweiss Balanced Advantage Fund – DP- Growth	0.24081	16	0.00168	18	0.00017	17
25	HDFC Balanced Advantage Fund – DP- Growth	0.22297	20	0.00153	25	0.00005	24
26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.34397	7	0.00258	12	0.00045	10
27	Invesco India Arbitrage Fund – DP- Growth	0.66275	2	-0.01565	28	0.00030	15
28	Kotak Arbitrage Fund – DP- Growth	0.63377	3	-0.03252	30	0.00031	14
29	Nippon India Multi Asset Allocation Fund – DP-	0.39833	5	0.00321	9	0.00079	8

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

	Growth						
30	Quant Multi Asset Allocation Fund– DP-Growth	0.24464	14	0.00199	16	0.00032	12

Source: Secondary Data

In **Table 6**, in June, equity mutual funds maintained their positive performance trend, with all schemes recording positive Sharpe Ratios, Treynor Ratios and Jensen's Alpha. Edelweiss Mid Cap Fund recorded the highest Jensen's Alpha among equity funds, followed by Motilal Oswal Midcap Fund. Debt fund performance was mixed, with several schemes reporting negative Sharpe Ratios. However, ICICI Prudential Gilt Fund recorded the highest Treynor Ratio. Hybrid funds, particularly arbitrage schemes, continued to perform well. Edelweiss Arbitrage Fund recorded the highest Sharpe Ratio among all 30 schemes. Overall, June continued the positive trend in equity and hybrid funds, while debt funds showed relatively weaker performance.

Table 7 – Analysis of performance of Mutual Fund Schemes for the month of July 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	-0.05425	11	-0.00041	4	0.00064	4
2	Bank of India Flexi Cap Fund – DP- Growth	-0.17073	20	-0.00101	15	0.00024	15
3	Edelweiss Mid Cap Fund – DP- Growth	-0.30907	30	-0.00168	23	-0.00043	30
4	HDFC Flexi Cap Fund – DP- Growth	-0.17853	22	-0.00087	12	0.00028	13
5	HDFC Large Cap Fund – DP- Growth	-0.20637	26	-0.00095	13	0.00029	12
6	HDFC Mid Cap Fund – DP- Growth	-0.13411	16	-0.00076	9	0.00038	7
7	ICICI Prudential Large Cap Fund – DP- Growth	-0.17394	21	-0.00079	10	0.00042	6
8	Mahindra Manulife Multi Cap Fund – DP-Growth	-0.16879	19	-0.00114	18	0.00009	25
9	Motilal Oswal Midcap Fund – DP- Growth	-0.16662	18	-0.00131	21	-0.00003	28

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

10	Nippon India Large Cap Fund – DP- Growth	-0.18256	23	-0.00085	11	0.00037	8
11	Nippon India Multi Cap Fund – DP- Growth	-0.09301	12	-0.00050	6	0.00068	3
12	Nippon India Small Cap Fund -– DP- Growth	-0.16593	17	-0.00102	16	0.00023	17
13	Quant Flexi Cap Fund – DP- Growth	-0.18507	24	-0.00107	17	0.00022	19
14	Quant Multi Cap Fund– DP- Growth	-0.25707	28	-0.00134	22	-0.00009	29
15	Quant Small Cap Fund – DP- Growth	-0.12158	15	-0.00075	8	0.00051	5
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.76893	3	0.02021	2	0.00030	11
17	Edelweiss Government Securities Fund – DP- Growth	0.08194	9	-0.06548	29	0.00012	23
18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.94804	1	-0.21070	30	0.00027	14
19	ICICI Prudential Gilt Fund – DP- Growth	0.31081	7	-0.00439	24	0.00016	21
20	Nippon India Corporate Bond Fund – DP- Growth	0.85163	2	0.03312	1	0.00030	10
21	SBI Gilt Fund – DP- Growth	0.12123	8	-0.00858	25	0.00011	24
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	-0.10161	13	-0.00048	5	0.00069	2
23	Edelweiss Arbitrage Fund– DP- Growth	0.64017	5	-0.01815	27	0.00022	20
24	Edelweiss Balanced Advantage Fund – DP- Growth	-0.25373	27	-0.00120	20	0.00005	27

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

25	HDFC Balanced Advantage Fund – DP-Growth	-0.25770	29	-0.00118	19	0.00006	26
26	ICICI Prudential Multi-Asset Fund – DP-Growth	-0.19250	25	-0.00100	14	0.00013	22
27	Invesco India Arbitrage Fund – DP- Growth	0.73968	4	-0.01191	26	0.00023	16
28	Kotak Arbitrage Fund – DP- Growth	0.63262	6	-0.03098	28	0.00022	18
29	Nippon India Multi Asset Allocation Fund – DP- Growth	-0.01087	10	-0.00006	3	0.00072	1
30	Quant Multi Asset Allocation Fund– DP-Growth	-0.10886	14	-0.00065	7	0.00035	9

Source: Secondary Data

The **Table 7** shows that equity mutual funds performed weakly in July, as most of them recorded negative Sharpe and Treynor ratios. Bandhan Small Cap Fund performed relatively better among equity funds, while Edelweiss Mid Cap Fund recorded the weakest Sharpe ratio. Among debt funds, ICICI Prudential Corporate Bond Fund had the highest Sharpe ratio, while Nippon India Corporate Bond Fund had the highest Treynor ratio. In hybrid funds, arbitrage schemes performed well in terms of Sharpe ratio, while Nippon India Multi Asset Allocation Fund recorded the highest Jensen's Alpha. Overall, debt and hybrid funds performed better than equity funds.

Table 8 – Analysis of performance of Mutual Fund Schemes for the month of August 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	-0.28967	29	-0.00212	26	-0.00117	30
2	Bank of India Flexi Cap Fund – DP- Growth	-0.12493	18	-0.00092	17	-0.00012	17
3	Edelweiss Mid Cap Fund – DP- Growth	-0.04870	11	-0.00035	11	0.00054	6
4	HDFC Flexi Cap Fund – DP- Growth	0.01172	7	0.00008	9	0.00081	2
5	HDFC Large Cap Fund –	-0.11849	17	-0.00078	15	0.00002	13

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

	DP- Growth						
6	HDFC Mid Cap Fund – DP- Growth	-0.14889	19	-0.00115	19	-0.00030	20
7	ICICI Prudential Large Cap Fund – DP- Growth	-0.06600	12	-0.00044	12	0.00034	7
8	Mahindra Manulife Multi Cap Fund – DP- Growth	-0.20161	21	-0.00143	20	-0.00073	23
9	Motilal Oswal Midcap Fund – DP- Growth	0.01107	8	0.00009	8	0.00124	1
10	Nippon India Large Cap Fund – DP- Growth	-0.01759	10	-0.00012	10	0.00065	4
11	Nippon India Multi Cap Fund – DP- Growth	-0.08666	14	-0.00061	14	0.00018	12
12	Nippon India Small Cap Fund -– DP- Growth	-0.20291	22	-0.00149	21	-0.00070	21
13	Quant Flexi Cap Fund – DP- Growth	-0.24048	25	-0.00177	24	-0.00116	29
14	Quant Multi Cap Fund– DP- Growth	-0.21597	24	-0.00163	23	-0.00093	28
15	Quant Small Cap Fund – DP- Growth	-0.20970	23	-0.00153	22	-0.00088	26
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	-0.01143	9	0.07548	1	-0.00001	16
17	Edelweiss Government Securities Fund – DP- Growth	-0.27752	27	0.01690	3	-0.00088	25
18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.01615	6	-0.00754	30	0.00001	14
19	ICICI Prudential Gilt Fund – DP- Growth	-0.34039	30	0.01350	4	-0.00070	22
20	Nippon India Corporate Bond Fund – DP- Growth	-0.11786	16	0.01765	2	-0.00012	18
21	SBI Gilt Fund – DP- Growth	-0.28396	28	0.01174	5	-0.00092	27

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	-0.26448	26	-0.00184	25	-0.00078	24
23	Edelweiss Arbitrage Fund– DP- Growth	0.40158	1	-0.00571	28	0.00020	11
24	Edelweiss Balanced Advantage Fund – DP- Growth	-0.07174	13	-0.00050	13	0.00020	10
25	HDFC Balanced Advantage Fund – DP- Growth	-0.16269	20	-0.00110	18	-0.00018	19
26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.11021	4	0.00077	6	0.00079	3
27	Invesco India Arbitrage Fund – DP- Growth	0.39634	2	-0.00514	27	0.00021	8
28	Kotak Arbitrage Fund – DP- Growth	0.39040	3	-0.00605	29	0.00020	9
29	Nippon India Multi Asset Allocation Fund – DP- Growth	0.02545	5	0.00019	7	0.00056	5
30	Quant Multi Asset Allocation Fund– DP- Growth	-0.09832	15	-0.00080	16	0.00000	15

Source: Secondary Data

The **Table 8** indicates mixed performance during August 2025. Most equity funds continued to have negative Sharpe ratios, although HDFC Flexi Cap Fund and Motilal Oswal Midcap Fund showed positive results. Motilal Oswal Midcap Fund recorded the highest Jensen's Alpha among equity funds. In the debt category, Axis Corporate Bond Fund had the highest Treynor ratio. Hybrid funds, particularly arbitrage funds, performed well on the Sharpe ratio. Overall, hybrid funds showed comparatively better performance during the month.

Table 9 – Analysis of performance of Mutual Fund Schemes for the month of September 2025

S. No.	**Mutual Fund Schemes**	**Sharpe Ratio**	**Rank**	**Treynor Ratio**	**Rank**	**Jensen's Alpha**	**Rank**
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	0.15106	19	0.00086	14	0.00062	8

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

2	Bank of India Flexi Cap Fund – DP-Growth	0.23697	13	0.00140	9	0.00115	4
3	Edelweiss Mid Cap Fund – DP- Growth	0.02785	29	0.00015	24	-0.00027	29
4	HDFC Flexi Cap Fund – DP- Growth	0.17368	17	0.00087	13	0.00048	12
5	HDFC Large Cap Fund – DP- Growth	0.09402	23	0.00045	19	0.00010	24
6	HDFC Mid Cap Fund – DP- Growth	0.08756	25	0.00050	18	0.00016	22
7	ICICI Prudential Large Cap Fund – DP- Growth	0.10552	20	0.00050	17	0.00012	23
8	Mahindra Manulife Multi Cap Fund – DP- Growth	0.06471	27	0.00033	22	-0.00004	27
9	Motilal Oswal Midcap Fund – DP-Growth	-0.14389	30	-0.00077	25	-0.00214	30
10	Nippon India Large Cap Fund – DP-Growth	0.09292	24	0.00044	20	0.00009	25
11	Nippon India Multi Cap Fund – DP-Growth	0.03185	28	0.00016	23	-0.00020	28
12	Nippon India Small Cap Fund -– DP-Growth	0.07018	26	0.00038	21	0.00003	26
13	Quant Flexi Cap Fund – DP- Growth	0.20165	16	0.00216	7	0.00145	3
14	Quant Multi Cap Fund– DP- Growth	0.15829	18	0.00115	10	0.00079	6
15	Quant Small Cap Fund – DP- Growth	0.10191	22	0.00068	15	0.00029	17
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.93020	2	-0.05750	29	0.00031	15
17	Edelweiss Government Securities Fund – DP- Growth	0.32814	12	0.01318	3	0.00059	9

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.88446	3	0.06048	1	0.00031	16
19	ICICI Prudential Gilt Fund – DP- Growth	0.37332	10	0.01196	4	0.00054	10
20	Nippon India Corporate Bond Fund – DP- Growth	1.01161	1	-0.19793	30	0.00033	14
21	SBI Gilt Fund – DP- Growth	0.34970	11	0.02754	2	0.00069	7
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	0.10434	21	0.00056	16	0.00016	21
23	Edelweiss Arbitrage Fund– DP- Growth	0.41936	6	-0.00583	26	0.00021	18
24	Edelweiss Balanced Advantage Fund – DP- Growth	0.21524	15	0.00107	12	0.00046	13
25	HDFC Balanced Advantage Fund – DP- Growth	0.22615	14	0.00113	11	0.00049	11
26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.38759	8	0.00201	8	0.00094	5
27	Invesco India Arbitrage Fund – DP- Growth	0.42219	5	-0.00672	28	0.00020	19
28	Kotak Arbitrage Fund – DP- Growth	0.40329	7	-0.00607	27	0.00020	20
29	Nippon India Multi Asset Allocation Fund – DP- Growth	0.43399	4	0.00234	6	0.00158	1
30	Quant Multi Asset Allocation Fund– DP- Growth	0.38589	9	0.00255	5	0.00146	2

Source: Secondary Data

The **Table 9** shows a clear improvement in mutual fund performance during September 2025. Most equity funds recorded positive Sharpe and Treynor ratios. Quant Flexi Cap Fund recorded a high Treynor ratio and Jensen's Alpha. Among debt funds, Nippon India Corporate Bond Fund recorded the highest Sharpe ratio, while ICICI Prudential Corporate Bond Fund had the highest Treynor ratio. Nippon India Multi Asset

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

Allocation Fund recorded the highest Jensen's Alpha among hybrid funds. Overall, September was a better-performing month for most mutual fund schemes.

Table 10 – Analysis of performance of Mutual Fund Schemes for the month of October 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	0.39261	17	0.00294	11	0.00056	6
2	Bank of India Flexi Cap Fund – DP- Growth	0.41601	15	0.00298	10	0.00060	5
3	Edelweiss Mid Cap Fund – DP- Growth	0.44274	13	0.00292	12	0.00056	7
4	HDFC Flexi Cap Fund – DP- Growth	0.36342	18	0.00194	22	-0.00022	25
5	HDFC Large Cap Fund – DP- Growth	0.35038	22	0.00184	24	-0.00033	27
6	HDFC Mid Cap Fund – DP- Growth	0.49325	9	0.00351	7	0.00084	2
7	ICICI Prudential Large Cap Fund – DP- Growth	0.40601	16	0.00211	20	-0.00007	23
8	Mahindra Manulife Multi Cap Fund – DP- Growth	0.51088	6	0.00320	8	0.00079	3
9	Motilal Oswal Midcap Fund – DP- Growth	0.29619	25	0.00224	19	0.00005	22
10	Nippon India Large Cap Fund – DP- Growth	0.33343	23	0.00174	25	-0.00042	29
11	Nippon India Multi Cap Fund – DP- Growth	0.27904	27	0.00161	26	-0.00046	30
12	Nippon India Small Cap Fund -– DP- Growth	0.35271	21	0.00230	18	0.00007	20
13	Quant Flexi Cap Fund – DP- Growth	0.28823	26	0.00187	23	-0.00033	28
14	Quant Multi Cap Fund– DP- Growth	0.30110	24	0.00195	21	-0.00023	26
15	Quant Small Cap Fund –	0.36316	19	0.00244	16	0.00021	17

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

	DP- Growth						
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.93234	2	0.02086	1	0.00038	10
17	Edelweiss Government Securities Fund – DP- Growth	0.03792	30	0.00080	27	-0.00013	24
18	ICICI Prudential Corporate Bond Fund – DP- Growth	1.12918	1	0.01583	2	0.00036	13
19	ICICI Prudential Gilt Fund – DP- Growth	0.23702	28	0.00271	15	0.00005	21
20	Nippon India Corporate Bond Fund – DP- Growth	0.78591	3	0.01396	3	0.00035	14
21	SBI Gilt Fund – DP- Growth	0.18777	29	0.00402	5	0.00014	18
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	0.53400	5	0.00302	9	0.00054	8
23	Edelweiss Arbitrage Fund– DP- Growth	0.50687	7	-0.00668	29	0.00037	11
24	Edelweiss Balanced Advantage Fund – DP- Growth	0.43972	14	0.00237	17	0.00011	19
25	HDFC Balanced Advantage Fund – DP- Growth	0.50439	8	0.00272	14	0.00029	15
26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.47232	11	0.00272	13	0.00029	16
27	Invesco India Arbitrage Fund – DP- Growth	0.53977	4	-0.00680	30	0.00038	9
28	Kotak Arbitrage Fund – DP- Growth	0.48757	10	-0.00665	28	0.00036	12
29	Nippon India Multi Asset Allocation Fund – DP-	0.35650	20	0.00363	6	0.00062	4

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

	Growth						
30	Quant Multi Asset Allocation Fund– DP-Growth	0.45667	12	0.01020	4	0.00167	1

Source: Secondary Data

The **Table 10** shows generally positive performance across all three categories. All equity funds recorded positive Sharpe and Treynor ratios. Mahindra Manulife Multi Cap Fund had the highest Sharpe ratio among equity funds, while HDFC Mid Cap Fund recorded the highest Jensen's Alpha. In the debt category, ICICI Prudential Corporate Bond Fund ranked first in Sharpe ratio, while Axis Corporate Bond Fund ranked first in Treynor ratio. Quant Multi Asset Allocation Fund recorded the highest Jensen's Alpha among hybrid funds. Overall, debt and hybrid funds performed strongly during October.

Table 11 – Analysis of performance of Mutual Fund Schemes for the month of November 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	-0.15808	30	-0.00115	24	-0.00184	30
2	Bank of India Flexi Cap Fund – DP- Growth	-0.10018	26	-0.00066	20	-0.00153	26
3	Edelweiss Mid Cap Fund – DP- Growth	0.10627	17	0.00067	12	-0.00029	19
4	HDFC Flexi Cap Fund – DP- Growth	0.07384	20	0.00039	15	-0.00041	21
5	HDFC Large Cap Fund – DP- Growth	0.22324	9	0.00117	8	0.00020	11
6	HDFC Mid Cap Fund – DP- Growth	0.19329	12	0.00137	4	0.00033	4
7	ICICI Prudential Large Cap Fund – DP- Growth	0.25572	8	0.00128	5	0.00030	5
8	Mahindra Manulife Multi Cap Fund – DP- Growth	0.04251	22	0.00025	16	-0.00062	23
9	Motilal Oswal Midcap Fund – DP- Growth	-0.03235	25	-0.00018	19	-0.00145	25
10	Nippon India Large Cap Fund – DP- Growth	0.11962	16	0.00060	13	-0.00034	20

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

11	Nippon India Multi Cap Fund – DP- Growth	-0.01221	24	-0.00007	18	-0.00093	24
12	Nippon India Small Cap Fund -– DP- Growth	-0.12667	29	-0.00084	23	-0.00166	28
13	Quant Flexi Cap Fund – DP- Growth	0.08915	19	0.00051	14	-0.00046	22
14	Quant Multi Cap Fund– DP- Growth	-0.11872	27	-0.00072	21	-0.00171	29
15	Quant Small Cap Fund – DP- Growth	-0.12293	28	-0.00078	22	-0.00160	27
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	1.01257	1	0.03699	1	0.00029	7
17	Edelweiss Government Securities Fund – DP- Growth	-0.00638	23	0.00021	17	0.00004	15
18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.93107	2	0.01830	2	0.00029	8
19	ICICI Prudential Gilt Fund – DP- Growth	0.09104	18	-0.00752	29	0.00009	13
20	Nippon India Corporate Bond Fund – DP- Growth	0.73526	3	-0.14142	30	0.00028	9
21	SBI Gilt Fund – DP- Growth	0.04512	21	-0.00214	25	0.00008	14
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	0.21528	10	0.00123	7	0.00022	10
23	Edelweiss Arbitrage Fund– DP- Growth	0.67453	4	-0.00662	28	0.00034	2
24	Edelweiss Balanced Advantage Fund – DP- Growth	0.16467	14	0.00086	10	-0.00007	17
25	HDFC Balanced Advantage Fund – DP- Growth	0.14634	15	0.00075	11	-0.00013	18

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.26495	7	0.00144	3	0.00030	6
27	Invesco India Arbitrage Fund – DP- Growth	0.67370	5	-0.00654	27	0.00035	1
28	Kotak Arbitrage Fund – DP- Growth	0.63067	6	-0.00647	26	0.00034	3
29	Nippon India Multi Asset Allocation Fund – DP- Growth	0.19507	11	0.00124	6	0.00018	12
30	Quant Multi Asset Allocation Fund– DP- Growth	0.16489	13	0.00099	9	0.00003	16

Source: Secondary Data

The **Table 11** indicates mixed performance among equity funds during November 2025. ICICI Prudential Large Cap Fund recorded a good Sharpe ratio, while HDFC Mid Cap Fund had the highest Treynor ratio among equity funds. Axis Corporate Bond Fund was the best-performing debt fund in both Sharpe and Treynor ratios. Among hybrid funds, Edelweiss Arbitrage Fund and Invesco India Arbitrage Fund performed strongly. Overall, debt and arbitrage funds showed better performance than equity funds.

Table 12 – Analysis of performance of Mutual Fund Schemes for the month of December 2025

S. No.	Mutual Fund Schemes	Sharpe Ratio	Rank	Treynor Ratio	Rank	Jensen's Alpha	Rank
I	**Equity Mutual Funds**						
1	Bandhan Small Cap Fund – DP- Growth	-0.08217	28	-0.00055	25	-0.00048	28
2	Bank of India Flexi Cap Fund – DP- Growth	-0.03116	19	-0.00019	17	-0.00009	20
3	Edelweiss Mid Cap Fund – DP- Growth	0.01290	13	0.00007	11	0.00021	10
4	HDFC Flexi Cap Fund – DP- Growth	-0.02347	18	-0.00011	15	-0.00002	18
5	HDFC Large Cap Fund – DP- Growth	-0.01444	16	-0.00007	13	0.00002	16
6	HDFC Mid Cap Fund – DP- Growth	-0.04261	22	-0.00026	20	-0.00016	23
7	ICICI Prudential Large Cap Fund – DP- Growth	-0.04678	23	-0.00022	19	-0.00012	21

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

8	Mahindra Manulife Multi Cap Fund – DP- Growth	-0.03857	21	-0.00022	18	-0.00015	22
9	Motilal Oswal Midcap Fund – DP- Growth	-0.19251	30	-0.00119	27	-0.00180	30
10	Nippon India Large Cap Fund – DP- Growth	-0.03123	20	-0.00015	16	-0.00005	19
11	Nippon India Multi Cap Fund – DP- Growth	-0.07039	24	-0.00040	21	-0.00028	24
12	Nippon India Small Cap Fund -– DP- Growth	-0.07929	27	-0.00053	24	-0.00044	27
13	Quant Flexi Cap Fund – DP- Growth	-0.07827	26	-0.00044	22	-0.00037	25
14	Quant Multi Cap Fund– DP- Growth	-0.13759	29	-0.00080	26	-0.00074	29
15	Quant Small Cap Fund – DP- Growth	-0.07678	25	-0.00048	23	-0.00042	26
II	**Debt Mutual Fund**						
16	Axis Corporate Bond Fund – DP- Growth	0.05844	10	0.00206	5	0.00004	12
17	Edelweiss Government Securities Fund – DP- Growth	0.08808	9	0.00463	3	0.00022	8
18	ICICI Prudential Corporate Bond Fund – DP- Growth	0.25012	5	0.00790	2	0.00013	11
19	ICICI Prudential Gilt Fund – DP- Growth	0.18937	7	0.00958	1	0.00027	7
20	Nippon India Corporate Bond Fund – DP- Growth	0.03283	11	0.00084	8	0.00003	14
21	SBI Gilt Fund – DP- Growth	0.01046	14	0.00052	9	0.00003	15
III	**Hybrid Mutual Fund**						
22	Baroda BNP Paribas Balanced Advantage Fund– DP- Growth	-0.01791	17	-0.00010	14	0.00000	17
23	Edelweiss Arbitrage Fund– DP- Growth	0.75466	1	-0.01857	28	0.00028	6

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

24	Edelweiss Balanced Advantage Fund – DP-Growth	0.03004	12	0.00015	10	0.00021	9
25	HDFC Balanced Advantage Fund – DP-Growth	-0.00792	15	-0.00004	12	0.00004	13
26	ICICI Prudential Multi-Asset Fund – DP- Growth	0.17288	8	0.00087	7	0.00065	3
27	Invesco India Arbitrage Fund – DP- Growth	0.71748	2	-0.03036	30	0.00029	4
28	Kotak Arbitrage Fund – DP- Growth	0.62960	3	-0.02058	29	0.00028	5
29	Nippon India Multi Asset Allocation Fund – DP-Growth	0.19611	6	0.00107	6	0.00084	2
30	Quant Multi Asset Allocation Fund– DP-Growth	0.31825	4	0.00306	4	0.00147	1

Source: Secondary Data

The **Table 12** shows that equity funds performed relatively poorly in December, with most schemes recording negative Sharpe and Treynor ratios. Edelweiss Mid Cap Fund was among the better-performing equity schemes. In the debt category, ICICI Prudential Corporate Bond Fund performed well, while ICICI Prudential Gilt Fund recorded the highest Treynor ratio. Among hybrid funds, Edelweiss Arbitrage Fund had the highest Sharpe ratio, while Quant Multi Asset Allocation Fund recorded the highest Jensen's Alpha. Overall, hybrid and debt funds performed better than equity funds during December.

FINDINGS OF THE STUDY

- Based on the performance analysis of the 30 mutual fund schemes from January to December 2025, the following findings are identified:
- Equity mutual funds performed poorly during January and February, as most schemes recorded negative Sharpe Ratios, Treynor Ratios and Jensen's Alpha.
- March 2025 marked a significant recovery in equity funds, with all equity schemes recording positive Sharpe, Treynor and Jensen's Alpha values.
- Equity funds continued their positive performance during April, May and June, although the level of performance varied across the months.
- May 2025 was one of the strongest months for equity funds, with all equity schemes showing positive values for all three performance measures.
- Equity fund performance weakened again in July and August, with most schemes recording negative Sharpe and Treynor Ratios.
- Equity funds improved considerably in September and October, with most schemes recording positive risk-adjusted performance.
- November showed mixed performance among equity funds, while December again recorded weak performance, with most schemes showing negative Sharpe and Treynor Ratios.

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

- Debt mutual funds generally performed better than equity funds during the weaker market periods, particularly in January, February, July, August, October and November.
- ICICI Prudential Corporate Bond Fund was consistently among the top-performing debt funds, particularly on the Sharpe Ratio measure.
- Axis Corporate Bond Fund showed strong performance on the Treynor Ratio, ranking first in several months.
- Nippon India Corporate Bond Fund also performed consistently well, especially in terms of Treynor Ratio and Sharpe Ratio during several months.
- Hybrid mutual funds, particularly arbitrage funds, showed strong risk-adjusted performance throughout several months of the study period.
- Edelweiss Arbitrage Fund and Invesco India Arbitrage Fund frequently ranked among the top hybrid schemes, especially in terms of Sharpe Ratio.
- Multi-asset funds also showed good performance, with ICICI Prudential Multi-Asset Fund, Nippon India Multi Asset Allocation Fund and Quant Multi Asset Allocation Fund recording strong Jensen's Alpha values in different months.
- Jensen's Alpha varied considerably across schemes and months, indicating differences in the ability of fund managers to generate returns above the expected level.
- Positive Jensen's Alpha was more frequently observed among debt and hybrid funds than among equity funds during the weaker market periods.
- The performance of mutual funds was not consistent throughout the year, indicating that market conditions had a significant influence on risk-adjusted returns.
- Debt and hybrid mutual funds provided relatively more stable performance, while equity funds showed greater fluctuations during the study period.

Overall, March to June and September to October represented relatively favourable periods, while January, February, July, August and December showed comparatively weaker performance for equity funds

SUGGESTIONS OF THE STUDY

The study suggests that investors should diversify their investments across equity, debt and hybrid mutual funds to reduce risk and achieve balanced returns. Investors should select schemes based on their risk tolerance, investment objectives and time horizon rather than relying only on past returns. Debt and hybrid funds may be preferred by investors seeking relatively stable risk-adjusted performance, while equity funds may be suitable for investors willing to accept higher risk for better long-term growth. The study also recommends regularly evaluating mutual fund performance using Sharpe Ratio, Treynor Ratio and Jensen's Alpha and reviewing investments according to changing market conditions. Fund managers should focus on effective risk management and consistent performance to improve investor confidence.

CONCLUSION

The overall analysis of mutual fund performance during 2025 shows that performance varied significantly across different months and fund categories. Equity mutual funds experienced weak performance during January, February, July, August and December, but showed considerable improvement during March to June and September to October. Debt mutual funds generally provided more stable and consistent risk-adjusted performance, particularly corporate bond funds.

Hybrid funds, especially arbitrage and multi-asset funds, also performed well during several months. The findings indicate that debt and hybrid mutual funds were relatively more consistent, while equity funds were more sensitive to market conditions. Therefore, investors may consider diversification across equity, debt and hybrid funds to balance risk and return.

ISSN 2278-2540 | DOI: 10.51583/IJLTEMAS | Volume XV, Issue VIII, August 2026

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