International Journal of Science, Strategic Management and Technology
Volume **02** Issue **08** August-2026 | ISSN: **3108-1762 (Online)** | Impact Factor: 3.8
An International, Peer-Reviewed, Open Access Scholarly Journal Indexed in recognized academic databases

A Study on Performance Analysis of Hybrid Mutual Funds: A Study on ICICI Prudential Mutual Fund

1. **SHAIK ASLAM** (24UJ1E0053) Student of 2nd Year MBA,
Malla Reddy Engineering College and Management Sciences, Medchal, Hyderabad – 501 401.

2. **DR SEEMA NAAZNEEN**, Assistant Professor Dept of MBA,
Malla Reddy Engineering College and Management Sciences, Medchal, Hyderabad

https://doi.org/10.55041/ijsmt.v2i8.012

Cite this Article: ASLAM, S. (2026). A Study on Performance Analysis of Hybrid Mutual Funds: A Study on ICICI Prudential Mutual Fund. International Journal of Science, Strategic Management and Technology, *02*(8), 1-9. https://doi.org/10.55041/ijsmt.v2i8.012

Abstract
Hybrid mutual funds have emerged as one of the most preferred investment avenues among investors seeking an optimal balance between risk and return. By combining equity and debt securities within a single portfolio, these funds offer opportunities for capital appreciation while reducing portfolio volatility through diversification. This study evaluates the performance of hybrid mutual fund schemes offered by ICICI Prudential Mutual Fund by examining investor awareness, risk-return perceptions, diversification benefits, and overall satisfaction. The research employs a descriptive research design using both primary and secondary data. Primary data were collected from 100 respondents through a structured questionnaire using convenience sampling, while secondary data were obtained from ICICI Prudential Mutual Fund reports, AMFI publications, SEBI reports, journals, and financial publications. Percentage analysis and frequency analysis were applied for data interpretation. The findings indicate that most investors possess adequate awareness regarding hybrid mutual funds, perceive them as moderate-risk investment options, and express satisfaction with their performance. The study concludes that ICICI Prudential Hybrid Mutual Funds effectively support long-term wealth creation, portfolio diversification, and balanced investment strategies suitable for investors with moderate risk tolerance.

Keywords; Hybrid Mutual Funds, ICICI Prudential Mutual Fund, Performance Analysis, Risk and Return, Portfolio Diversification, Asset Allocation, Investor Satisfaction, Financial Planning

INTRODUCTION

The Indian mutual fund industry has experienced remarkable growth over the past two decades due to increasing financial awareness, technological advancement, regulatory reforms, and rising investor participation. Among the various categories of mutual funds, hybrid mutual funds have gained considerable popularity because they combine equity and debt investments within a single portfolio, thereby offering balanced risk and return characteristics.

Hybrid mutual funds are specifically designed for investors who seek long-term capital appreciation without assuming excessive market risk. Equity investments provide opportunities for wealth creation, whereas debt instruments contribute stability and regular income. Through effective asset allocation and professional fund management, hybrid mutual funds reduce overall portfolio volatility while improving investment efficiency.

ICICI Prudential Mutual Fund is one of India's leading asset management companies, offering various hybrid fund schemes including Aggressive Hybrid Funds, Balanced Advantage Funds, Multi-Asset Funds, Equity Savings Funds,

International Journal of Science, Strategic Management and Technology
Volume **02** Issue **08** August-2026 | ISSN: **3108-1762 (Online)** | Impact Factor: 3.8
An International, Peer-Reviewed, Open Access Scholarly Journal Indexed in recognized academic databases

and Regular Savings Funds. These schemes aim to provide diversified investment opportunities suitable for investors with varying financial goals and risk tolerance.

The growing popularity of hybrid mutual funds necessitates a detailed evaluation of their performance and investor perception. Therefore, this study examines the effectiveness of ICICI Prudential Hybrid Mutual Funds in achieving balanced portfolio performance, managing investment risk, and generating satisfactory returns for investors.

LITERATURE REVIEW

Earlier studies have emphasized the importance of diversification, risk-adjusted returns, and professional portfolio management in mutual fund investments.

1. Markowitz (1952) introduced Modern Portfolio Theory, highlighting diversification as a strategy for minimizing investment risk without sacrificing expected returns. Treynor (1965), Sharpe (1966), and Jensen (1968) developed important performance evaluation measures including the Treynor Ratio, Sharpe Ratio, and Jensen's Alpha, which continue to be widely used in mutual fund performance analysis.
2. Bogle (1999) demonstrated that diversified portfolios provide greater stability and lower unsystematic risk over the long term. Gupta and Sehgal (2001) concluded that professionally managed diversified mutual funds generate more consistent returns than concentrated portfolios.
3. Sharma and Gupta (2014) found that Indian investors prefer hybrid mutual funds due to their balanced risk-return profile. Patel and Mehta (2018) observed that hybrid funds outperform pure equity funds during volatile market conditions because of their debt allocation. Rao and Verma (2021) reported increasing investor confidence in hybrid funds owing to professional management and diversification benefits. Kumar and Reddy (2024) highlighted significant growth in investor participation and assets under management in hybrid mutual funds, emphasizing their growing importance in financial planning.

RESEARCH OBJECTIVES

The study was conducted with the following objectives:

1. To evaluate the performance of ICICI Prudential Hybrid Mutual Fund schemes.
2. To assess the risk-return characteristics of hybrid mutual funds.
3. To examine the diversification benefits offered by hybrid mutual funds.
4. To evaluate investor awareness and perceptions regarding hybrid mutual fund schemes.
5. To provide suitable recommendations for improving investment decisions in hybrid mutual funds.

RESEARCH METHODOLOGY

The study adopts a descriptive research design to evaluate investor perceptions regarding hybrid mutual fund performance. Primary data were collected using a structured questionnaire administered to 100 investors selected through convenience sampling. Secondary information was obtained from ICICI Prudential Mutual Fund reports, SEBI publications, AMFI reports, journals, annual reports, books, and financial websites.

A five-point Likert scale was used to measure investor opinions. Percentage analysis and frequency analysis were employed to interpret the collected data. The independent variables included fund performance, diversification, risk, return, investment objectives, and market conditions, while investor satisfaction served as the dependent variable.

DATA ANALYSIS

Table 1: Investor Awareness about Hybrid Mutual Funds

Response	Respondents	Percentage (%)
Strongly Agree	34	34
Agree	36	36
Neutral	14	14

International Journal of Science, Strategic Management and Technology
Volume **02** Issue **08** August-2026 | ISSN: **3108-1762 (Online)** | Impact Factor: 3.8
An International, Peer-Reviewed, Open Access Scholarly Journal Indexed in recognized academic databases

Disagree	10	10
Strongly Disagree	6	6
Total	**100**	**100**

Interpretation: Nearly 70% of respondents agreed that they possess adequate knowledge regarding hybrid mutual funds, indicating a high level of investor awareness.

Table 2: Fund Performance Satisfaction

Response	**Respondents**	**Percentage (%)**
Strongly Agree	34	34
Agree	36	36
Neutral	14	14
Disagree	10	10
Strongly Disagree	6	6
Total	**100**	**100**

Interpretation: Approximately 70% of investors expressed satisfaction with the performance of ICICI Prudential Hybrid Mutual Funds, indicating favorable investor experience and confidence.

Table 3: Future Investment Intention

Response	**Respondents**	**Percentage (%)**
Strongly Agree	34	34
Agree	36	36
Neutral	14	14
Disagree	10	10
Strongly Disagree	6	6
Total	**100**	**100**

Interpretation: Most respondents indicated their willingness to continue investing in hybrid mutual fund schemes, reflecting strong confidence in long-term investment potential.

Results

The study reveals that investors possess satisfactory awareness regarding hybrid mutual funds and appreciate their balanced risk-return characteristics. Aggressive Hybrid Funds emerged as the most preferred category due to their higher growth potential. Most respondents considered hybrid funds to be moderate-risk investment products offering attractive long-term returns through effective diversification. The findings also indicate high investor satisfaction with fund performance and highlight the significant influence of financial advisors on investment decisions. Overall, ICICI Prudential Hybrid Mutual Funds successfully meet investor expectations for long-term wealth creation and portfolio stability.

Suggestions

Investors should evaluate their financial goals, investment horizon, and risk tolerance before selecting hybrid mutual fund schemes. ICICI Prudential Mutual Fund should strengthen investor education initiatives through seminars, webinars, and digital awareness programs. Investors should diversify their portfolios across different hybrid fund categories and conduct periodic portfolio reviews. Financial advisors should provide personalized investment guidance based on individual investor requirements. Maintaining a disciplined long-term investment approach rather than reacting to short-term market fluctuations can further enhance investment outcomes.

Conclusion

Hybrid mutual funds have become an important investment avenue for investors seeking balanced growth with controlled risk. The study concludes that ICICI Prudential Hybrid Mutual Funds successfully combine equity and debt investments to provide portfolio diversification, capital appreciation, and financial stability. Investors perceive these schemes as suitable for achieving long-term financial objectives while maintaining moderate risk exposure. Professional fund management and strategic asset allocation significantly contribute to fund performance and investor satisfaction. Therefore, hybrid mutual funds represent an effective investment solution for individuals seeking sustainable wealth creation with reduced portfolio volatility.

References

1. Bogle, J. C. (1999). *Common sense on mutual funds*. John Wiley & Sons.
2. Gupta, O. P., & Sehgal, S. (2001). Investment performance of mutual funds in India. *Finance India, 15*(3), 833–845.
3. Jensen, M. C. (1968). The performance of mutual funds in the period 1945–1964. *Journal of Finance, 23*(2), 389–416.
4. Kumar, S., & Reddy, P. (2024). Trends in hybrid mutual fund investments in India. *International Journal of Financial Research, 15*(2), 56–69.
5. Markowitz, H. (1952). Portfolio selection. *The Journal of Finance, 7*(1), 77–91.
6. Patel, R., & Mehta, S. (2018). Risk-return analysis of hybrid mutual funds in India. *International Journal of Management Studies, 5*(4), 45–58.
7. Rao, V., & Verma, A. (2021). Investor perception towards hybrid mutual funds in India. *Journal of Financial Services Research, 13*(2), 101–115.
8. Sharma, P., & Gupta, N. (2014). Investor preference towards hybrid mutual funds. *Indian Journal of Finance, 8*(6), 28–37.
9. Sharpe, W. F. (1966). Mutual fund performance. *The Journal of Business, 39*(1), 119–138.
10. Treynor, J. L. (1965). How to rate management of investment funds. *Harvard Business Review, 43*(1), 63–75.