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## COMPARATIVE PERFORMANCE ANALYSIS OF EQUITY, DEBT AND HYBRID MUTUAL FUNDS AND EVALUATION OF FINANCIAL PLANNING AWARENESS AMONG INDIVIDUALS.

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### ABSTRACT:

This research article presents a comparative study on the performance evaluation of selected equity, debt, and hybrid mutual funds, and an analysis of financial planning awareness among people. The study uses rolling return and point-to-point return methods to examine mutual fund performance for a defined period, comparing them to the applicable indices. In addition, a formal survey examines the awareness level and behaviour pattern towards the most important areas of financial planning, including budgeting, saving, emergency funding, insurance, and investment. The results are intended to close the gap between investment product performance and individual financial behaviour, and offer realistic input for investors, educators, and policymakers to improve financial literacy and facilitate sound decision-making.

**KEYWORDS :** Mutual funds, equity funds, debt funds, hybrid funds, performance measurement, rolling returns, point-to-point returns, financial planning, financial literacy, emergency fund, insurance, systematic investment plan (SIP), investor behaviour.

### INTRODUCTION

The personal finance landscape is changing very fast, with mutual funds becoming a popular mode of investment due to diversification, professional management, and flexibility. Equity, debt, and hybrid mutual funds have different risk-return capabilities, suiting the needs of different investors. Analyzing the past performance of these funds is essential to assess their efficacy in wealth generation and preservation of capital. At the same time, financial planning consciousness is still unequal, even with greater availability of financial products and information. In this research, a comparative review of mutual fund performance is combined with a review of financial planning awareness in an effort to form a comprehensive perspective of both investment returns and individual readiness for financial emergencies.

While mutual funds are globally sold as effective investment tools, very little comparative research exists that examines the performance of various categories of funds as well as assessments of individuals' financial planning literacy. This lack limits the progress of goal-oriented financial education and renders it more challenging for investors to make well-informed decisions in accordance with their risk preference and financial objectives.

The main objective of the paper is to make a comparative study of some chosen equity, debt, and hybrid mutual funds by the rolling and point-to-point return methodologies and also to check the degree of financial planning consciousness in individuals. By integrating the quantitative measurement of fund performance with qualitative feedback from a systematic survey, the research aims to deepen knowledge of both market-based investment returns and the real-world implementation of individual financial control. Finally, the research hopes to inform the planning for the enhancement of financial literacy and the facilitation of good investment practices.

### LITERATURE REVIEW

Mutual funds have been widely researched for use in the diversification of portfolios and the minimization of risk. Equity funds, with the possibility of higher risk and capital appreciation, are appropriate for long-term investors, while debt funds provide stability and regular returns, suitable for cautious investors. Hybrid funds, which combine equity and debt, seek a balance between growth and safety. Rolling returns and point-to-point returns are well-accepted performance evaluation measures that are used extensively in assessing consistency and reliability of returns over a period of time.

Financial planning consciousness, including budgeting, saving, readiness for emergencies, insurance, and investment choices, is increasingly recognized as a driver of financial health. Research emphasizes the significance of ready money as a cushion against unforeseen expenditure and the role of insurance as a risk-reducing mechanism. SIPs are encouraged as instruments for developing disciplined investment culture. However, studies suggest chronic deficits in financial literacy, with numerous participants not possessing the knowledge or inclination to embrace good financial habits. The interaction between investment product performance and individual financial conduct is an under-researched topic, which calls for an integrative research methodology.

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## METHODOLOGY

The research employs a dual-method approach:

- **Mutual Fund Performance Analysis:** Specific equity, debt, and hybrid mutual funds are studied with rolling return and point-to-point return analysis methods over a fixed time span. These indicators are compared with applicable benchmark indices to identify the reliability and consistency in fund performance. Information is obtained from credible financial databases and fund reports.
- **Financial Planning Awareness Survey:** A formalized questionnaire is completed by a representative sample of people, including information on budgeting, saving, emergency fund readiness, insurance, and investment habits. Additional demographic information like educational level and work history is gathered to look at differences in financial planning strategies. Statistical techniques are used to Recognize trends, behavioural patterns, and financial readiness gaps across population segments.

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## FINDINGS:

- **Equity Funds:** Equity funds show more returns in the long run but show high volatility, showing responsiveness to market forces and business cycles.
- **Debt Funds:** Showing less risk and stable return, debt funds interest conservative investors with the aim of conserving capital and maximising regular income.
- **Hybrid Funds:** Providing a middle way between stability and growth, hybrid funds exhibit moderate risk and returns, hence best for investors who want a midpoint.
- **The financial planning awareness survey reveals some of the most important findings:**
- **Emergency Fund Readiness:** Although most understand the value of emergency funds, a large percentage do not have sufficient savings to sustain 3–6 months of expenses, thus exposing themselves to financial shocks.
- **Insurance Awareness:** Health and term insurance awareness is fairly good, but coverage are low in reality, with most people being underinsured or lacking awareness of policy terms.
- **SIP Adoption:** Systematic Investment Plans are becoming increasingly popular, particularly among salaried personnel, encouraging regular savings and investment discipline.
- **Practical Financial Illiteracy:** While respondents tend to be aware of general financial principles, such awareness often does not translate into practice. Many have difficulty in coordinating investments with individual financial objectives, and the gap between information availability and actual implementation is high.
- **Demographic Differentiations:** Financial planning awareness and readiness vary positively with levels of education and stability of employment, whereas for lower-income and lower-education groups, there is higher vulnerability.

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## CONCLUSION

This research highlights the value of combining mutual fund performance measurement with analysis of financial planning awareness to achieve an effective understanding of personal finance dynamics. Although equity, debt, and hybrid funds all present different risk-return characteristics, their suitability as investment instruments is tied directly to the financial literacy and readiness of investors. The results identify ongoing gaps in emergency fund preparedness, insurance, and the actual use of financial knowledge. Closing these gaps calls for intensive financial education programs, better availability of financial planning resources, and continued promotion of disciplined savings and investment habits. By bridging the gap between theory and practice, the research contributes to the advancement of financial well-being and supports the development of data-driven strategies for enhancing financial literacy and responsible investment.