APPENDIX B
Structured Questionnaire and the Cover Letter for the Survey of Individual Mutual Fund Investors

Dear Sir/ Madam

Sanjay Kumar Mishra, research scholar at Shri Mata Vaishno Devi University, Katra (J&K) is conducting a study to help understand the buying behaviour of mutual fund investors.

In this regard a survey is conducted on individual mutual fund investors who have recently purchased mutual fund scheme(s) by using a structured questionnaire. The study will aid government agencies charged with regulating the market to make public policy decisions in the interest of the common investors. This will also help mutual fund industry to better serve the investors like you.

Please help us by filling-in your responses in the attached questionnaire. We thank you for sparing your valuable time to participate in this survey of mutual fund investors

You may be glad that the findings of this study will not be commercialized in any manner as present study is a pure academic endeavor and forms a part of the doctoral research work of the first researcher at Shri Mata Vaishno Devi University.

Sincerely,

Mr. Sanjay Kumar Mishra
Research Scholar, SMVDU
1. Name the mutual fund scheme you have purchased most recently------
-----------------------------------------------

2. When did you purchase this scheme?

Within one week  ☐  Within two weeks  ☐
Within three weeks ☐  Within four weeks  ☐

3. Please indicate the extent to which you have used each type of source while gathering information before the purchase of this mutual fund scheme(s). (Tick in the appropriate box)

<table>
<thead>
<tr>
<th>Information source</th>
<th>Did not use</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Used a lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>MF sales agent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brokers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store display</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newspaper</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Magazines</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friends</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Television</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mail</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial portal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Please indicate the extent to which you have used each type of information for comparing schemes before/at the time of purchase of this scheme. (Tick in the appropriate box)

<table>
<thead>
<tr>
<th>Information</th>
<th>Did not use</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Used a lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund historical</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund size</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scheme entry and</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>exit load</td>
<td>Scheme investment portfolio</td>
<td>Favourable rating of fund/ scheme</td>
<td>Clarity of accounting statement</td>
<td>Reputation of fund manager</td>
<td>Fund manager background</td>
<td>Investment style</td>
</tr>
<tr>
<td>-----------</td>
<td>-----------------------------</td>
<td>----------------------------------</td>
<td>---------------------------------</td>
<td>-----------------------------</td>
<td>--------------------------</td>
<td>---------------------</td>
</tr>
</tbody>
</table>

5. Please read the following statements and tick in the appropriate box, which correctly represents your view about your familiarity with mutual funds

<table>
<thead>
<tr>
<th>Compared to average men and women, I am very familiar with wide variety of mutual fund schemes</th>
<th>Strongly disagree 1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Strongly agree 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compared to my friends, I am very familiar with wide variety of mutual fund schemes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compared to people who invest a lot in mutual fund schemes, I am very familiar</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
with wide variety of mutual fund schemes

6. Please read the following statements and tick in the appropriate box, which correctly represents your view.

<table>
<thead>
<tr>
<th></th>
<th>Not at all 1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Very much 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much there is a chance that the agent(s) will mislead while purchasing mutual fund scheme?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How much there is a chance that there may be hidden charges while/after purchasing mutual fund scheme?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How much there is a chance that investment in certain mutual fund scheme can have large negative consequence on your future cash position?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How much there is a chance that investment in certain mutual fund scheme could lead to monetary loss?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. Please read the following statements and tick in the appropriate box, which correctly represents your view about purchase of mutual fund scheme

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree 1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Strongly agree 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>I choose mutual fund scheme very carefully</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Which mutual fund scheme I buy matters a lot to me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
8. Which among the below given options is correct for the given questions? (Please tick the correct answer)

A) If you invest Rs. 1000 today at an interest of 4% for a year, your balance after one year will be
   i) higher if the interest rate is compounded daily rather than monthly   
   ii) higher if the interest rate is compounded monthly rather than weekly  
   iii) higher if the interest rate is compounded yearly rather than monthly  
   iv) will remain same no matter how the interest is calculated

B) What is the expected return on investment if there is a probability of 0.5 to get a return of 10% and probability of 0.5 to get a return of 20%?
   i) 30%  
   ii) 15%  
   iii) 20%  
   iv) 10%

C) If you are suppose to receive Rs. 1000 at the end of this year and the prevailing inflation rate is 10%. What is the value of your money now?
   i) Rs. 1000  
   ii) Rs. 1100  
   iii) Rs. 909.09  
   iv) Rs. 900
D) Suppose you have Rs. 100 for investment and you want to invest Rs. 25 in fixed deposit giving return of 10% and Rs. 75 in MF scheme giving return of 15%. What will be your overall return?
   i) 13.75%
   ii) 12.5%
   iii) 15%
   iv) 10%

E) Suppose your annual income is Rs. 100 and the annual expense is Rs. 25. Assuming 50% tax rate what will be your tax liability for the year?
   i) Rs. 100
   ii) Rs. 75
   iii) Rs. 50
   iv) Rs. 25

F) A dividend distribution from a mutual fund reduces its net asset value (NAV) by:
   a) the entire amount of the distribution
   b) the amount of the distribution less capital gain
   c) the amount of the distribution less capital inflow
   d) a distribution does not reduce NAV
   e) can’t say

G) Consider the following companies and their betas. Which stock will underperforms the others when the stock market rises by 10%?
   a) Blue company : Beta = 0.85
   b) Orange company : Beta = 1.05
   c) Purple Company : Beta = -1.10
   d) Gold Company : Beta = -0.95
   e) can’t say
H) Diversifying your portfolio to protect it against company specific risk
   a) can be achieved only through ownership of a mutual fund
   b) requires an ownership of at least one stock in every industry
   c) requires an ownership of at least 100 stocks in different industries
   d) requires an ownership of at least 10 to 20 stocks in different industries
   e) can’t say

I) Solely in regards to income taxes, if you are considering selling a stock that you have held for eleven months and that has appreciated in price you must
   a) hold the stock for at least one more month to get a lower tax rate on a sale
   b) hold the stock for at least 7 more months to get a lower tax rate on the sale
   c) sell the stock now to get the lower tax rate on the sale
   d) the proceeds of the sale will be taxed at the same rate whenever you sell it
   e) can’t say

J) If other factors remain the same, the Indian Rupee value (INR) of a U.S fund will be
   a) higher if INR rises against U.S dollar
   b) lower if the INR value rises against U.S dollar
   c) unchanged if the U.S dollar value rises against that of INR
   d) lower if the U.S dollar rises against that of INR
   e) can’t say
**Personal detail**

**Sex**: Male ☐ Female ☐

**Age in completed years**
- Below 25 ☐ 25-35 ☐ 36-45 ☐ 46-55 ☐
- 56 and above ☐

**Stage in family life cycle**
- Bachelorhood ☐
- Recently married ☐
- Married and at least one child below 20 years ☐
- Married and children above 20 years ☐
- Married and alone ☐

**Academic qualification**
- School final ☐ Graduate ☐ Post-graduate ☐
- Professional degree ☐

**Monthly family income (Rs.)**
- Below 15,000 ☐ 15,000 to 25,000 ☐
- 25,001 to 50,000 ☐ 50,000 and above ☐

**Occupation**
- Professional ☐ Business ☐
- Salaried ☐ Retired ☐

[Name]

[Date]