SCHEDULE
SCHEDULE FOR COTTON MILLS

Financial performance of Cotton mills in Andhra Pradesh for Doctoral Research.

1. IDENTIFICATION DATA

1.1. Name of the Cotton Mill

1.2. Its location and address

1.3. Type of organization:
   - Cooperative
   - Public limited company
   - Private limited company

1.4. Date of acquiring letter of intent

1.5. Date of registration of incorporation

1.6. Date of commencement of production

1.7. The installed capacity of the plant

   7.1 Initial crushing capacity

   7.2 Expanded capacity

<table>
<thead>
<tr>
<th>Capacity</th>
<th>Date of utilisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>First stage</td>
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<tr>
<td>Second stage</td>
<td></td>
</tr>
<tr>
<td>Third stage</td>
<td></td>
</tr>
</tbody>
</table>

2. ORGANISATIONAL STRUCTURE

2.1. What is the organizational set up of the mill (Please furnish a copy of the organization chart indicating different levels and departments and positions).

2.2. What is the designation of the Chief Executive of the undertaking?

2.3. To whom is he answerable?

2.4. Do you have a separate finance department? Yes ( ) No ( )

If yes
2.5 Furnish the details of the set-up of the Finance Department and its functions and authorities.

2.6 Which department takes financial decisions relating to?
   6.1 Capital expenditure
   6.2 Cash management

2.7 Do you have separate stores section? Yes ( ) No ( )
   If no

2.8 Which department takes the responsibility of maintaining stores?

2.9 Do you have a separate department to attend to purchasing stores and equipment? Yes ( ) No ( )
   If no

2.10 Which department attends to above purchases?

2.11 Do you have a separate section to attend to cotton procurement? Yes ( ) No ( )
   If no

2.12 Which department looks after cotton procurement?

3. RAISING CAPITAL

3.1 How were the requirements of fixed capital estimated?

3.2 Who estimate the capital requirements?

3.3 What are the sources of capital to your undertaking?

3.4 What has been basis for determining the proportion of various components of total capital?
   3.4.1 Cost of capital ( )
   3.4.2 Financial Institutions directive ( )
   3.4.3 Any other basis (to be specified) ( )
   If no

3.5 Have you computed cost of capital for each source?
   If yes
3.6 State the method of computation

<table>
<thead>
<tr>
<th>Source</th>
<th>Method (Formula)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.6.1 Equity share capital</td>
<td></td>
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<tr>
<td>3.6.2 Irredeemable preference share capital</td>
<td></td>
</tr>
<tr>
<td>3.6.3 Redeemable preference share capital</td>
<td></td>
</tr>
<tr>
<td>3.6.4 Retained earnings</td>
<td></td>
</tr>
<tr>
<td>3.6.5 Irredeemable debentures</td>
<td></td>
</tr>
<tr>
<td>3.6.6 Redeemable debentures</td>
<td></td>
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<tr>
<td>3.6.7 Long-term loans</td>
<td></td>
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<tr>
<td>3.6.8 Depreciation reserves</td>
<td></td>
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<tr>
<td>3.6.9 Short term loans</td>
<td></td>
</tr>
<tr>
<td>3.6.10 Any other source.</td>
<td></td>
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</tbody>
</table>

If no

3.7 State the reasons for not computing the cost of capital.

3.7.1 Difficulty of computation
3.7.2 Use of predetermined cost of capital
3.7.3 Cost of changes continuously
3.7.4 Cost is immaterial for evaluation
3.7.5 Any other reason

3.8 Have you been issuing share capital every year?

3.9 If so, provide the following particulars:

Table showing year-wise particulars of the equity shares issued.

<table>
<thead>
<tr>
<th>Year</th>
<th>Purpose</th>
<th>Share value (Rs)</th>
<th>Number of shares</th>
<th>Total value of shares (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
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<tr>
<td>2010-11</td>
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</tbody>
</table>
3.10 What is the pattern of subscription to your shares?

<table>
<thead>
<tr>
<th>Year</th>
<th>Total value of shares allotted to Government Institutions / individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td></td>
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<tr>
<td>2002-03</td>
<td></td>
</tr>
<tr>
<td>2010-11</td>
<td></td>
</tr>
</tbody>
</table>

3.11 Have you been issuing preference shares? IF SO

3.12 Specify the years and value of preference shares issued?

3.13 What is the value of a preference share?

3.14 What type of preference shares has been issued?
Cumulative
Non-Cumulative

3.15 Have you been raising long-term loans? IF YES

3.16 Provide the following details.

<table>
<thead>
<tr>
<th>Year</th>
<th>Purpose</th>
<th>From whom</th>
<th>Amount borrowed Rs.</th>
<th>Rate of interest</th>
<th>Amount of instalment Rs.</th>
<th>Due date of payment Rs.</th>
<th>Actual date of payment</th>
<th>Reasons for the delay</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
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<td>2010-11</td>
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</table>

4. INVESTMENT OF FIXED ASSETS

4.1. How do you ascertain capital expenditure proposals

4.1.1 Through research and development departments (   )

4.1.2 Through departmental heads (   )

4.1.3 Through any other means [specify] (   )

4.2. Who is authorized to decide investment on fixed assets?
4.3. Is there any limit on the size of investment on fixed assets that can be determined at various levels?

IF YES

4.4. Specify the authorized limits at the following levels:

i. Departmental Head

ii. Managing Director/Plant Manager

iii. Board of Directors

iv. General body

4.5. Were there any instances when the officers of the undertaking exceeded the authorized limits?

IF YES

4.6. State the reasons

4.7. What has been the basis for determining investment on fixed assets?

4.8. Have you been adopting any technique for evaluating investment proposals on fixed assets?

IF YES

4.9. Specify the technique.

i. Pay-back period

ii. Accounting Rate of Return

iii. Discounted cash flow method

4.10. Furnish the following information regarding investment on fixed assets:

<table>
<thead>
<tr>
<th>Name of the investment proposal</th>
<th>Cost of the proposal Rs.</th>
<th>Annual cash-in-flow from the proposal Rs.</th>
<th>Life of the proposal</th>
<th>Proposal/Proposals chosen for investment</th>
<th>Basis of selection</th>
</tr>
</thead>
<tbody>
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<tr>
<td>3</td>
<td></td>
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</tr>
</tbody>
</table>
4.11 How have you been financing investment on fixed assets?

4.12 What has been the procedure for purchasing fixed assets?

   Tender system (   )
   Direct placement of order (   )
   Turn key basis (   )

4.13 Would you provide the following information regarding depreciation?

   i. What is the method of depreciation?
   ii. How are the rates of depreciation determined?
   iii. Have you been maintaining reserve fund for depreciation?

5. INVENTORY MANAGEMENT

5.1 What is the organisational set up for maintenance of materials and stores?

5.2 Is there a separate department for purchases? Yes (   )

   IF NO No (   )

5.3 Which department takes care of purchases?

5.4 What has been the procedure followed for making purchases?

5.5 Has there been a purchase committee?

5.6 Who are the members of the purchase committee?

5.7 What has been the role of purchasing committee?

5.8 What is the method of purchasing?

   i. Open tenders
   ii. Limited tenders
   iii. Repeated tenders
   iv. Others, if any.
5.9 Has the enterprise promoted the spirit of delegation for allowing the purchases to be at the lower of management?

IF YES

5.10 Has there been any limit upto which the materials can be purchased at the lower level?

IF YES

5.11 State the limit at the departmental head.

5.12 What has been your policy regarding the value and stock limit of:
   i. Raw materials
   ii. Cotton-in-process
   iii. Supplies and construction materials
   iv. Stores and spares

5.13 How have such limits been evolved?

5.14 Have the actual limits within such limits?

IF NO

5.15 What has been done to bring down inventories to conform to the prescribed limits?

5.16 What are the raw materials used in production?

5.17 How and by whom the raw materials requirements are estimated?

5.18 How you have been purchasing raw materials required for the season in bulk or in stages?

5.19 What has been the lead time involved in the case of cotton?

5.20 Who estimates the spare parts requirements?

5.21 What has been the basis for estimating the spare parts requirements?

5.22 What has been the percentage of imported spare parts in the total value of spare parts inventory in each year?
5.23 Has the value of import content gone down in the total spares?

5.24 What has been the lead time for purchase of stores and spares?

5.25 What is being done/ has been done to reduce such lead time?

5.26 How are stores and spares inventory controlled?

5.27 Have you been adopting the following control techniques?
   i. Classification and codification
   ii. Variety reduction and standardization
   iii. A B C Analysis.

5.28 What has been the impact of stock controls over the inventory volume of the concern?

5.29 Do you feel that there is over stocking of stores and spares?
   IF YES

5.30 What in your opinion are the causes for overstocking?

5.31 What are your suggestions for reducing the overstocking?
   IF PURCHASED ON CREDIT BASIS

5.32 How much time is taken for the payment?

6. **CASH MANAGEMENT**

6.1 Is there a separate organization for cash management?

6.2 On what basis the requirements of working capital estimated?

6.3 What is the procedure adopted for the purpose?

6.4 What has been the undertaking policy towards liquidity?

6.5 What have been criteria for measuring liquidity?

6.6 What has been the policy of the undertaking regarding cash?

6.7 How has been such a policy formulated?
6.8 What are the sources of working capital?

6.9 What is the relative importance of each source?

6.10 In what manner short-term loans are raised?
   - Secured
   - Unsecured
   - Cash credit
   - Overdraft

6.11 What had been the cash/credit limits?
   (For the period of study)

6.12 How have you been regulating the cash balances?

6.13 How have you been evaluating the adequacy of cash balances?

6.14 Had there been shortage or surplus cash?
   - IF YES

6.15 Specify the years and reasons:

6.16 Would you provide the following particulars regarding month-wise cash receipts and payments?

<table>
<thead>
<tr>
<th>Year and month</th>
<th>Amount received Rs.</th>
<th>Amount paid Rs.</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>2</td>
<td></td>
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<tr>
<td>3</td>
<td></td>
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</tr>
</tbody>
</table>

6.17 What is your opinion could improve cash management?

7. PROFITABILITY

7.1 Have you been adopting any system for profit planning and control?
   - Yes ( )   - No ( )

7.2 On what basis profit target is determined?
7.3 What are the departments involved in profit planning?

7.4 For achieving the profit targets has the management been reviewing?
   i. Purchases
   ii. Inventory
   iii. Cash Management
   iv. Cost of production

7.5 What has been the follow-up action to achieve the profit targets?

8. PRODUCTION

8.1 Who is the executive head of production activities?

8.2 Who is responsible for maintaining plant and machinery?

8.3 Would you provide the year-wise data relating to the working results of the factory?

<table>
<thead>
<tr>
<th>Year</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td></td>
<td></td>
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<tr>
<td>2010-11</td>
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</tbody>
</table>

8.4 How is the value of cotton-in-process arrived?

8.5 What are the factors that influence the quantity of cotton-in-process?
9. COST OF PRODUCTION

9.1 Would you provide the following particulars regarding the cost of production? (Year-wise)

- Cost of cotton
- Stores and spares consumed
- Power and fuel
- Repairs
- Salaries, wages and bonus
- Interest
- Rent, rates, taxes and insurance
- Depreciation on plant and machinery and factory building
- Contribution to Provident Fund
- Packing and Stocking
- Staff welfare expenses
- Administrative expenses
- Sampling and analysis charges

Cost per quintal

Note: The above proforma has to be repeated for all the years of study.

10. SALES

10.1 What are the products sold by the unit?

10.2 What has been the method of sales?

Cash ( ) Credit ( )

If on credit basis:

10.3 What has been the time taken for collection of credit sale proceeds?

10.4 Are there any regulations on the quantity and timing of sale of yarn?

IF YES

10.5 Specify the details

10.6 Would you provide the month-wise data of yarn sales?
11. DIVIDEND POLICY

11.1 What is your policy regarding distribution of profit?

11.2 What has been the policy of the undertaking regarding payment of dividends?
   2.1 Regular dividend
   2.2 Irregular dividend
   2.3 Regular plus extra dividend
   2.4 Stock dividend

11.3 What has been the basis for evolving a dividend policy?
   3.1 Keeping shareholders interests in view.
   3.2 Keeping current financial requirements of the undertaking
   3.3 Keeping future requirement and modernization.

11.4 Would you provide the rate of dividend declared by your undertaking?

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate of dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td></td>
</tr>
<tr>
<td>2002-03</td>
<td></td>
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<tr>
<td>2010-11</td>
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</tbody>
</table>

Please supply a copy of each of the following:

1. Manufacturing account for the years 2001-02 to 2010-11
2. Trading account for the years 2001-02 to 2010-11
3. Profit and loss account for the years 2001-02 to 2010-11
4. Profit and loss appropriation account for the years 2001-02 to 2010-11
5. Balance sheet for the years 2001-02 to 2010-11
6. Depreciation statement for the years 2001-02 to 2010-11
7. Organisational chart for the years 2001-02 to 2010-11