APPENDIX-II

QUESTIONNAIRE

NAME OF THE INDUSTRY: .................................................................................................................................

PLANNING FUNCTION

Q.1. Do you make plan for the future in writing?

A

Q.2. Who makes plan?

A

Q.3. Do you have organisation chart?

A.

Q.4. Whether plans are made for a month/6month or for a year?

A.

Q.5. Do you make policies for achieving the objectives set in Plan?

A.

Q.6. Do you fix standards for comparison with actual performance?

A.

Q.7. Do you make financial plan?

A.

Q.8. Who is responsible for making financial plan?

A

Q.9. How much time is spent to plan for the future?

A.

Q.10. How many funds are spent on planning for the future?

A

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Q.11. What are management's views regarding the importance of financial planning.
A.

Q.12. Do you plan for the profit?
A.

Q.13. Do you forecast sales?
A.

Q.14. Which technique is used for forecasting sales?
(a) Judgment based
(b) Quantitative models
(c) Other methods
A.

Q.15. Do you forecast expenses?
A.

Q.16. Do you use Break-even Analysis tool in profit planning?
A.

Q.17. Do you have price policy?
FINANCIAL INFORMATION SYSTEM

Q.1. Do you have proper accounting system?
A.

Q.2. Do you have separate department or person for maintaining proper accounts?
A.

Q.3. Whether accounts are maintained by a qualified person?
A.

Q.4. Do you use cost reduction techniques to reduce costs?
A.

Q.5. Do you prepare funds flow and cash flow statements?
A.

Q.6. How many percent of sale amount you spend on maintaining accounts?
A.

Q.7. Does the owner use a budget system for watching income and expenses?
A.

Q.8. Are the personal funds of the owner and his personal income and expenses completely segregated from business?
A.

Q.9. Do you know internal control system?
A.

Q.10. Do you have internal control system?
A.

Q.11. Do you prepare Comparative statements?
A. Yes/No
Q. 12. Do you prepare cost accounts?
A. Yes/No

Q. 13. If ‘Yes’ under whose control these are prepared?
A. 

Q. 14. How are cost accounts written?
   a) Historical Cost Method
   b) Replacement Cost Method
   c) Any Other Method.
A. 

Q. 15. On what basis prices of the products are determined?
   (a) Cost
   (b) Competition
   (c) Any Other.
A. 

WORKING CAPITAL MANAGEMENT

Q.1. Do you make proper planning for working capital?
A.

Q.2. What is the main source of financing?
A.

Q.3. Do you have separate department/person for cash management?
A. Yes/No

Q.4. If 'yes' please state the designation of the person in charge?
A.

Q.5. If not who is authorised to deal in cash matters?
A.

Q.6. Do you allow cash discount?
A. Yes/No

Q.7. How much time is taken to bill a customer?
A.

Q.8. Who checks and tally the cashbook and safe and at what intervals?
A.

Q.9. Do you prepare cash budgets?
A.

Q.10. Who prepares cash budget?
A.

Q.11. What are techniques you are employing to control cash inflows and outflows?
A.
Q.12. Are you facing any problems from your bankers in getting funds at short-notice in case of need?

A.

Q.13. What is your policy for efficient management of cash in future?

A.

Q.16. Is there a separate ‘Credits’ and collection department?

A.

Q.17. If ‘yes’ the designation of person incharge of the department?

A.

Q.18. How is credit policy influenced by the following?
   (a) Competition
   (b) Customs and traditions in the industry.

A.

Q.19. What is the maximum amount and time for which credit is granted?

A.

Q.20. How is the credit-worthness of a prospective customer estimated?
   (a) By seeing his annual accounts and financial statements;
   (b) By referring to the bankers for information;
   (c) By referring to the fellow firms which is already transitioning business with him/and
   (d) Any other method.

A.

Q.21. What incentives are you offering to encourage the customers to pay in time and in advance?

A.

Q.22. What are your suggestions for strengthening the credit and collections in future?

A.
Q.23. Are there any cases against which you proceeded through court of law? If so, result of such proceedings?
A.

Q.24. Do you have a separate material management department?
A. Yes/no

Q.25. If ‘yes’ what are its functions?
A.

Q.26. What is the purchase procedure?
A.

Q.27. Who are your suppliers?
(a) Indigenous
(b) Foreign
A.

Q.28. What are your problems from suppliers of material?
A.

Q.29. How do you overcome the problems of non-supply of materials in time?
A.

Q.30. Which technique of inventory control you use?
(a) A.B.C. Analysis
(b) Minimum Level
(c) Maximum Level
(d) Re-order level
(e) Economic Order Quantity
(f) None of the above
A.

Q.31. How do you fix standards for material consumption?
A.
Q.32. Method of pricing raw-materials issued from store.
   (a) FIFO
   (b) LIFO
   (c) Average
   (d) Others

A.

Q.33. What is your stores organisation?
   (a) Bin System
   (b) Any other method

A.
FINANCIAL LEVERAGE AND CAPITAL STRUCTURE

Q.1. Do you know the meaning of the term financial leverage?
A.

Q.2. While taking a financing decision which one of the following do you keep in mind?
(a) Trading on Equity
(b) Debt-Equity Ratio
(c) Interest Coverage Ratio
(d) None of the above
A.

Q.3. While taking a loan do you calculate the cost of debt?
A.

Q.4. Do you plan capital structure?
A. Yes/No

Q.5. If ‘yes’ which theory of capital structure do you use?
A.

Q.6. On which basis do you take a decision between debt and equity?
(a) Cost of Debt
(b) Non-financial Reasons
A.

Q.7. How many times debt to equity are you using?
A.
CAPITAL BUDGETING

Q.1. Do you prepare capital budgets?
A. Yes/No

Q.2. If yes, who prepare them?
A.

Q.3. Do you make planning before preparing capital budgets?
A.

Q.4. Do you fix priority of the projects?
A.

Q.5. What procedure do you follow to make capital budgets?
A.

Q.6. Do you evaluate projects or not?
A.

Q.7. If yes which method of evaluation of investment proposals do you use?
A.

Q.8. Do you follow the progress of projects from their approval until their completion?
A.
SOURCE OF FINANCE

Q.1. What is the percentage of equity capital to total capital?
   A.

Q.2. What is the percentage of loan capital to total capital?
   A. (a) Short-term loans:
      (b) Intermediate loans:
      (c) Long-term loans:
      (d) Total loans:

Q.3. Which are main sources of?
   A. (a) Short-term loan:
      (b) Intermediate loans:
      (c) Long-term loans:

Q.4. Do you face any problem in getting?
   A. (a) Short-term loans:
      (b) Intermediate loans:
      (c) Long-term loans:

Q.5. Are you making re-payment of loans regularly?
   A. Yes/no