APPENDIX I

PRIORITY SECTOR ADVANCES

QUESTIONNAIRE FOR THE BANKER

Note: Please tick (✓) the relevant point wherever necessary.

1. Name of your Bank

2. How would you rate the evolution and development of scheme of advances to priority sector in respect of meeting its objectives:
   (a) Not satisfactory
   (b) Satisfactory
   (c) Good
   (d) Excellent

3. As a banker, do you think the benefits of Priority Sector Advances have reached those for whom they were proposed. Please specify the segment* in each case:
   (a) In less than 25% cases
   (b) Between 25% to 49% cases
   (c) Between 50% to 74% cases
   (d) Between 75% to 90% cases
   (e) More than 90% cases

   *(i) Agriculture (ii) Small Scale Industries (iii) Others (Road and Water Transport Operators, Retail Trade and Small Business, etc.) (iv) Weaker Sections (SC/ST, DRI, IRDP, Small and Marginal Farmers).

4. Are the advances to priority sector subject to same degree of scrutiny as other advances are?
   (a) Yes
   (b) No

Any reasons ....

5. To which extent the formalities and paper work in respect of priority sector advances is less as compared to other advances:
   (a) Not at all
   (b) Between 10% to 19%
   (c) Between 20% to 39%
   (d) Between 40% to 70%
   (e) More than 70%

6. Which factor is given the utmost importance while lending money to a project falling within the ambit of priority
sector (please give appropriate ranking):
(a) Contribution to National Income
(b) Social upliftment
(c) Demand for the product
(d) Employment potential
(e) Foreign exchange saving
(f) Complying the targets
(g) Any other, please specify

7. Which qualities of an entrepreneur you give utmost importance while evaluating a proposal under priority sector credit (please give appropriate ranking):
(a) Technical competence
(b) Financial soundness
(c) Need
(d) Capacity to grow
(e) Any other, please specify

8. Which category of priority sector lending you consider safest of all priority sectors:
(a) Agriculture
   (i) Direct
   (ii) Indirect
(b) Small-scale Industries
(c) Others
   (i) Road and Water Transport Operators
   (ii) Retail Trade & Small Business
   (iii) Professional and Self-employed persons
   (iv) Education
   (v) Housing
   (vi) Consumption

9. Which category of priority sector credit you consider most risky of all priority sector credit. Please also specify the reasons*:
(a) Agriculture
   (i) Direct
   (ii) Indirect
(b) Small-scale Industries
(c) Others
   (i) Road and Water Transport Operators
   (ii) Retail Trade and Small Business
   (iii) Professional and Self-employed persons
   (iv) Education
   (v) Housing
   (vi) Consumption

*Reasons: (i) Incomplete records (ii) Misutilisation (iii) Inadequate Legislative measures (iv) Any other, please specify.
10. Are you facing any problems or what are the limitations in meeting your target for advances to priority sector. Please also specify reasons*:
   (a) Overall Priority Sector Credit
   (b) Direct Finance to Agriculture
   (c) Credit to Weaker Sections:
       (i) Overall target
       (ii) DRI target
       (iii) SC/ST target
       (iv) Credit Deposit Ratio

11. As an objective banker do you think the proposition to carry on with the priority sector schemes is feasible in the long-run for you in terms of Cost-Benefit analysis?
   (a) Yes
   (b) No
Please specify the reasons.

12. What is the average cost you have to bear (including overheads) for the funds you make available as advances:

   (a) Direct Interest cost (as a percentage of working funds)
   (b) Overhead Cost (as a percentage of working funds)

   Total

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13. From your experience, please specify, in general, what is the average return from:
   (a) Advances as a whole (i.e. to all the sectors)

      (i) 11%
      (ii) 12%
      (iii) 13%
      (iv) 14%
      (v) 15%

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(b) Advances to priority sector in particular:

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<tr>
<th>Year</th>
<th>8%</th>
<th>9%</th>
<th>10%</th>
<th>11%</th>
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(c) Advances to sectors other than priority sector:

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<th>Year</th>
<th>12% but less than 14%</th>
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Comments, if any.

14. In your opinion what has been the percentage of overdues included in the outstanding advances:

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<th>Year</th>
<th>(a) Advances to Industry</th>
<th>(b) Advances to Priority Sector</th>
<th>(c) Others</th>
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<td>(Medium and Large)</td>
<td>Agriculture</td>
<td>Small Scale Industry</td>
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<td>(i) Direct</td>
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15. Time-lag between submitting of loan application and disbursement of loan:

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<th>Year</th>
<th>(a) Within a month</th>
<th>(b) More than one month but within three months</th>
<th>(c) More than three months but within six months</th>
<th>(d) More than six months</th>
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