APPENDICES

I  Interview Schedule for TIIC's Clientele Units
II Interview Schedule for Branch Managers of TIIC
INTERVIEW SCHEDULE FOR BRANCH MANAGERS
OF TIIC

Confidential
For Research Purpose only

Ph.D Project

A STUDY PROJECT FINANCING BY TICC AND IT'S CONTRIBUTIONS
TO INDUSTRIAL DEVELOPMENT IN TAMIL NADU

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1. Name and address of the Branch:

2. Have you fix the goals for effective branch operation: Yes / No

   If yes, whether they are general or specific: General / Specific

   If Specific, on what aspects?
   
a. Sanctions Yes / No
   b. Disbursements Yes / No
   c. Collection Yes / No
   d. Others if any Yes / No
   (please specify)

3. Have you adopt time frame for financing industrial projects: Yes / No

   If yes, please mention the average time span fixed on the following aspects:
   
   Screening and Selection
   Analysis and appraisal
   Sanction
   Documentation
   Disbursement

4. Please state the following:

   Average number of applications received in a year
   Average number of applications considered for assistance (in percentage)
   Average number of applications rejected in a year (in percentage)

5. State the major reasons for rejecting applications.
   (Rank your choice)

   Rank  Reasons
   1.    a) Not eligible
   2.    b) Want of information
   3.    c) Non-adherence of instructions / conditions
   4.    d) Promoter may not be a good person
   5.    e) Against the rule of Head office
   6.    f) Others if any (please specify)
6. Given below are the factors to be involved in project financing. Give your views by ranking the factors.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>a) Parties' character and honesty</td>
</tr>
<tr>
<td>2.</td>
<td>b) Viability of the project</td>
</tr>
<tr>
<td>3.</td>
<td>c) Government directions</td>
</tr>
<tr>
<td>4.</td>
<td>d) Target fixed for the branch</td>
</tr>
<tr>
<td>5.</td>
<td>e) Borrowers entrepreneurial experience</td>
</tr>
<tr>
<td>6.</td>
<td>f) Others if any (please specify)</td>
</tr>
</tbody>
</table>

7. Delay in sanction and disbursement of loan is generally due to the following reasons. Give your view by ranking the reasons.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Reasons</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>a) Lack of required information in the</td>
</tr>
<tr>
<td></td>
<td>application and project report</td>
</tr>
<tr>
<td>2.</td>
<td>b) Lack of initiative on the part of applicant</td>
</tr>
<tr>
<td>3.</td>
<td>c) Official procedures and formalities are tight</td>
</tr>
<tr>
<td>4.</td>
<td>d) Paucity of funds</td>
</tr>
<tr>
<td>5.</td>
<td>e) Others if any (please specify)</td>
</tr>
</tbody>
</table>

8. Considering your practical experience, kindly state your views about the following:

(Please put tick mark in the appropriate column)

SA = Strongly Agree; A = Agree; NO = No Opinion
DA = Disagree; SDA = Strongly Dis Agree

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>NO</th>
<th>DA</th>
<th>SDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   Upto date information about
   the financing policies of
   the organisation is vital
   for effective financing

|                 | [ ] | [ ] | [ ] | [ ] | [ ] |

   b. Existing project financing
   procedure adopted in your
   organisation satisfies the
   following:

   Simple to follow : [ ] [ ] [ ] [ ] [ ] [ ]

   Sound and scientific : [ ] [ ] [ ] [ ] [ ] [ ]

   Time saving : [ ] [ ] [ ] [ ] [ ] [ ]

   Highly flexible : [ ] [ ] [ ] [ ] [ ] [ ]
c. Periodical training and orientation to branch officers regarding the following are essential for effective functioning:

Procedural
Administrative training
Entrepreneurial aspects
Technical
General

d. Involvement of functionaries in all the stages of financing is quite necessary for successful branch operation

Co-ordination among agencies such as SISI, ITCOT, DIC, BANKS, etc., is relevant

9. State your views about the borrowers' attitude on the following matters. (Please put tick mark)

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>NO</th>
<th>DA</th>
<th>SDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Getting guidance and counselling during pre-implementation period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Submission of proposals with all details</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Seeking for clarifications during post-implementation period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Prompt execution of instructions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Proper planning and keen involvement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Promptly repaying loan dues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g. Others (please specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10. State your views regarding the borrowers' attitude towards repayment of loan dues in terms of percentages.

- Prompt repayer: %
- Moderate defaulter: %
- Wilful defaulter: %
- Recovery not possible: %

11. Do you assess the impact of financing industrial projects in terms of the entrepreneurial growth in the assisted units? Yes / No

If yes, state the mode of assessing the performance.

a. Getting periodical progress reports from the assisted units Yes / No

b. Making spot visit for credit investigation Yes / No

c. Calling for meeting periodically to discuss about the performance Yes / No

d. Progress report of nominee directors Yes / No

e. Verifying accounts and financial statements Yes / No

12. Have you considered the following growth criteria for assessing entrepreneurial growth in the assisted units? (Tick the relevant criteria that you have adopted and also assign rank to them)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>a) Increase in Production capacity</td>
</tr>
<tr>
<td>2.</td>
<td>b) Increase in the Employment opportunities</td>
</tr>
<tr>
<td>3.</td>
<td>c) Increase in the Turnover</td>
</tr>
<tr>
<td>4.</td>
<td>d) Increase in the value of asset</td>
</tr>
<tr>
<td>5.</td>
<td>e) Prompt repayment of debt</td>
</tr>
<tr>
<td>6.</td>
<td>f) Increase in the profitability</td>
</tr>
<tr>
<td>7.</td>
<td>g) Expansion of Product line</td>
</tr>
<tr>
<td>8.</td>
<td>h) Others if any (please specify)</td>
</tr>
</tbody>
</table>

If no, state the reasons for it

a) It is not our job
b) Lack of Man power
c) Poor response of Borrower
d) Any other (please specify)
13. Have you encountered the following problem while financing the industrial projects:

A. From Organisation side:
   a) Cumbersome procedure   Yes / No
   b) Inadequate delegation of power   Yes / No
   c) More responsibility   Yes / No
   d) Lack of security   Yes / No
   e) Want of man power   Yes / No
   f) Others, if any   Yes / No

B. From Borrowers side:
   a) Inadequate information   Yes / No
   b) Mounting overdues   Yes / No
   c) Deteriorating honesty   Yes / No
   d) Poor feedback   Yes / No
   e) Overrun effect   Yes / No
   f) Prone to sickness   Yes / No
   g) Others, if any   Yes / No

14. Please give your valuable suggestions to simplify the Project financing practices.
INTERVIEW SCHEDULE FOR ENTREPRENEURS

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Karaikudi - 623 003.
I PERSONAL DATA:

1.1 Name:

1.2 Sex: Male/Female

1.3 Age: Under 25/26-35/36-45/above 45

1.4 Education:
   a. School Level
   b. Graduates
   c. Technical Qualification
      I.T.I / Diploma / Graduate

1.5 Main Occupation:

1.6 Have you undergone any training / development programmes organised by T.I.I.C Yes / No
   If yes, how many programs?

1.7 When did you obtain loan from TIIC and for what purpose?

<table>
<thead>
<tr>
<th>Year</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a. Setting up a new unit / b. Expansion / c. Diversification / d. Renovation &amp; Modernisation)</td>
</tr>
<tr>
<td></td>
<td>a   b   c   d</td>
</tr>
<tr>
<td>First Loan</td>
<td>a   b   c   d</td>
</tr>
<tr>
<td>Second Loan</td>
<td>a   b   c   d</td>
</tr>
<tr>
<td>Third Loan</td>
<td>a   b   c   d</td>
</tr>
</tbody>
</table>

II Profile of the Unit/Enterprise:

2.1 Name of the unit:

2.2 Address of the Regd. Office:

2.3 Year of setting up:

2.4 Date of Registration with DIC:

2.5 Nature of the Unit: Manufacturing/Processing/Servicing/
   Fabrication/Assembling/Combination of the above.
2.6 Investment size of the unit at the time of inception:
   Less than Rs. 5,00,000
   Rs. 5 - 15 Lakhs
   above Rs. 15 Lakhs

2.7 Is it an ancillary unit? Yes/No
   If so, to which industry?

2.8 State the location of your unit:
   a. Town/Urban/Rural
   b. Backward area/Others
   c. Own premises/Industrial Estate/Hired place.
   d. Native region / Other region

2.9 Form of Organisation: Propritorship/Partnership/Pvt.Ltd.Company/
   Pub.Ltd.Company/Co-operative

2.10 If newly started, how did you get the idea to start your unit?
   a. Own idea
   b. From friends and relatives
   c. From partners
   d. From TIIC
   e. From DIC
   f. Association of industrialists
   g. Project consultants
   h. Commercial Banks
   i. Other source. Yes / No

III. FUNDS REQUIREMENT:
---------------------------------

3.1 Did you make financial plan for the following aspects, before starting this unit.
   a. Assessment of total Capital to be employed Yes/No
   b. Time frame of funds requirement Yes/No
   c. Sources of funds Yes/No

3.2 How did you assess the initial total funds requirements of your project?
   a. By own experience
   b. With the help of TIIC officials
   c. Private consultant
   d. Any other sources.

IV. MEANS OF FINANCING:
------------------------

4.1 Please specify your sources of initial capital.

Own Contribution / TIIC / Other Term lending Institutions / Banks / Personal Borrowings.
4.2 List out the extent of different sources of finance you have availed so far for your project (it may be specified in % of project cost).

| Own Contribution | : |
| Borrowed funds | |
| TIIC | : |
| Loan from other term lending Institution (OTLIs) | : |
| Loan from banks | : |
| Personal Borrowings (PB) | : |
| Government Subsidies | : |
| **Total** | **100** |

4.3 Where from you are getting working capital?

   a. Own funds
   b. Borrowed funds
      
      TIIC/OTLIs/BANK/DIC/PB

V. FUNDS UTILISATION:

5.1 Could you execute the project in time as planned by you? Yes / No

5.2 If no, state the reasons for it.

   a. Delay in getting loan
   b. Inadequate loan
   c. Delay in getting of Plant and machinery
   d. Complicated procedures in getting financial assistance
   e. Delay in getting infrastructural facilities
   f. Any Other [Specify]

5.3 Please mention the time lag between the idea formation and actual execution of your project.

   On Planning & Designing : 
   On Construction & Installation : 
   On obtaining funds : 
   Procedures in getting infrastructure : 

5.4 Has your project suffered due to cost overrun at any time? Yes / No
5.5 If yes, Why?  
a. Delay in executing project  
b. Cost escalation in the P & M,  
c. Increase in interest rate  
d. Any other (specify)  

5.6 Did you avail any additional loan from TIIC to meet the cost overrun of your project.  
Yes / No  
If no, how did you manage the situation?  

5.7 Could you make the repayment of loan promptly.  
Yes / No  

5.8 If no, state the reasons.  
Lack of proper project planning  
Non availability/Short supply of basic inputs and infrastructural facilities.  
Lack of demand for the product  
Lack of marketing facilities such as transport, communication etc.,  
Lack of support from the Promotional Agencies such as DIC, SISI, ITCOT etc.,  
Other reasons [Please specify]  

VI ABOUT THE TIIC:  
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6.1 Do you know the various schemes of assistance provided by TIIC :  
Yes / No  

6.2 Have you availed any loan under the following special schemes?  

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Yes / No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Soft loan</td>
<td></td>
</tr>
<tr>
<td>Assistance for purchase of generator set</td>
<td></td>
</tr>
<tr>
<td>Transport Scheme</td>
<td></td>
</tr>
<tr>
<td>RMP Scheme</td>
<td></td>
</tr>
<tr>
<td>Modernisation scheme</td>
<td></td>
</tr>
<tr>
<td>Equipment refinance scheme</td>
<td></td>
</tr>
<tr>
<td>ADB line of credit (Import of machinery)</td>
<td></td>
</tr>
</tbody>
</table>

6.3 Do you know the functioning of special cells in TIIC.  

Escorts cell (for clarifying genuine difficulties of entrepreneurs )  
Yes / No  

Grievance cell (Complaints and grievances) Yes / No
6.4 Please state your opinion about the services of TIIC to the units financed by them.

<table>
<thead>
<tr>
<th>Services</th>
<th>Opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SA</td>
</tr>
<tr>
<td>----------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td><strong>On Financing:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>A. Procedural:</strong></td>
<td></td>
</tr>
<tr>
<td>1. TIIC adopts a complicated procedure for sanctioning loans</td>
<td>[ ]</td>
</tr>
<tr>
<td>2. TIIC charges higher rate of interest than commercial bank rate</td>
<td>[ ]</td>
</tr>
<tr>
<td>3. TIIC demands high margin of security</td>
<td>[ ]</td>
</tr>
<tr>
<td>4. TIIC insist on high margin of own funds</td>
<td>[ ]</td>
</tr>
<tr>
<td>5. TIIC collects reasonable charges towards documentation, investigation etc.,</td>
<td>[ ]</td>
</tr>
<tr>
<td>6. Holiday period provided by TIIC is not sufficient</td>
<td>[ ]</td>
</tr>
<tr>
<td>7. TIIC recovers loan on easy instalments</td>
<td>[ ]</td>
</tr>
<tr>
<td>8. TIIC gives prior intimation of loan instalment due to beneficiaries</td>
<td>[ ]</td>
</tr>
<tr>
<td>9. TIIC intimates the position of loan account to the beneficiaries periodically</td>
<td>[ ]</td>
</tr>
<tr>
<td>10. TIIC provides reasonable moratorium period</td>
<td>[ ]</td>
</tr>
<tr>
<td>11. TIIC makes arrangement to get the machines and equipments</td>
<td>[ ]</td>
</tr>
<tr>
<td>12. TIIC assist in getting right type of machines and equipments</td>
<td>[ ]</td>
</tr>
</tbody>
</table>
B. Adequacy:

1. TIIC provides adequate finance [ ] [ ] [ ] [ ] [ ] [ ]
2. TIIC helps in arranging adequate working capital finance [ ] [ ] [ ] [ ] [ ] [ ]
3. TIIC helps to avail eligible subsidies [ ] [ ] [ ] [ ] [ ] [ ]
4. TIIC helps to avail eligible tax relief and concessions [ ] [ ] [ ] [ ] [ ] [ ]

C. Timeliness

1. TIIC takes unreasonably long time to sanction loans [ ] [ ] [ ] [ ] [ ] [ ]
2. TIIC disburses loans without any delay [ ] [ ] [ ] [ ] [ ] [ ]
3. TIIC takes follow-up measures properly to expedite prompt supply of machines & equipments [ ] [ ] [ ] [ ] [ ] [ ]
4. TIIC provides time-to-time finance on genuine grounds [ ] [ ] [ ] [ ] [ ] [ ]

On Training:

--------------------
TIIC arranges entrepreneurial training frequently [ ] [ ] [ ] [ ] [ ] [ ]

It imparts economic insight and managerial skill through training [ ] [ ] [ ] [ ] [ ] [ ]

The duration of the training is adequate [ ] [ ] [ ] [ ] [ ] [ ]

EDP organised by the TIIC is relevant and useful [ ] [ ] [ ] [ ] [ ] [ ]
TIIC creates good awareness about their training programmes

Pre-establishment and post establishment training to industrial unit are provided by TIIC.

Counselling:

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TIIC helps to prepare feasibility report

TIIC helps to select new product/service

TIIC helps in controlling cost

TIIC helps in quality control

TIIC helps in budget preparation

TIIC helps in obtaining subsidy

TIIC provides guarantee service

TIIC gives guidelines to prevent industrial sickness

TIIC undertakes rehabilitation arrangements

TIIC advises about the policy changes of the govt.

TIIC provides advisory services to entrepreneurs

TIIC redresses the grievances and complaints quickly

* SA = STRONGLY AGREE, A = AGREE, NO = NO OPINION
  DA = DISAGREE  SDA = STRONGLY DISAGREE

7.3 Give your valuable suggestions to simplify the project financing practices of TIIC.