CHAPTER III
CHAPTER III

PROJECT FINANCING PROCEDURE AND PRACTICES

3.1 INTRODUCTION

Development Banks are very much concerned about the effective utilisation of their scarce resources. Hence, they have designed their operational principles and procedures on scientific lines and practised them for realising the objectives of the Corporation. This chapter briefly describes the project financing procedure practised by TIIC and also the opinions of the officials who are virtually implementing and practising the procedure.

In discharge of its functions, the Corporation is required to act on business principles; due regard being given to the interest of industry, commerce and general public. A special feature of its lending policy is that it is tailored to the changing requirements of a growing economy and at the same time with the objects of the national policies and priorities laid down from time to time by the Central Government. The Corporation has had to strive continuously to sophisticate its tools for project appraisal, implementation and follow-up.
The entire process of project financing from presenting the application to the drawal of the loan and setting up the project may be divided into certain main stages as given below:

Conceptualisation and Application stage

Appraisal of the project by the Corporation

Legal Documentation

Disbursement of the loan

Follow-up and Inspection.

3.1 CONCEPTUALISATION AND APPLICATION STAGE

It is the first stage where the promoter goes in for the selection of the product/project. He may consult the TIIC officials or consultants to have the advice about the desirability of setting up a particular project. Then he has to prepare a detailed project report and submit it alongwith a prescribed application form. Then detailed procedure of the appraisal of the project is initiated by TIIC. It is at this stage that promoter starts negotiating with the financial institutions for the sanction of the necessary financial assistance.

Once the basic information is available in the application practice of registration of the project begins.
The registration committee also take into consideration the Government guidelines with respect to location and type of the industry proposed and other criteria like eligibility of seed capital and refinebility etc.

Immediately after the project is cleared by registration committee the following actions are normally taken:

a. Allotment of the case to appraising officer

b. If, the application is incomplete additional information may be asked.

The proposal is likely to get favourable consideration of the Registration Committee if

* the project has some priority according to Government Policy

* the Promoters inspire confidence

* the technology to be adopted is well proven

* the product has a distinct market potential

* the project cost is not unreasonably high and is comparable with similar projects earlier financed by the institution.

* the promoter's contribution is satisfactory

* the profitability estimates are conservative and indicate that the repayment is to be made after a reasonable time.

The proposal is likely to be rejected if some of the following features are observed:
* Bankers report about promoter is not satisfactory

* Promoters are economic offenders

* Promoters hail from a group which is not taking steps to rehabilitate the other unit assisted by institutions.

* Financial position of company is not satisfactory

* The product belongs to low-priority sector.

* Setting up of the unit would adversely affect the existing units.

* Cost of the project is unduly excessive

* Promoters' contribution is low and promoters don't agree to increase it.

* Debt-Equity ratio is adverse

* Collaborators have inadequate experience

* Past experience of institutions with consultant is not satisfactory

* Process know-how has become obsolete/ is insufficient

* Availability of raw material is inadequate

* Product does not have adequate market potential

Preference is given to the following projects

* Projects which would utilise agricultural surplus as raw material

* Projects dealing with Export-oriented / Import substitution items

* Employment oriented projects
* Projects Located in specified backward districts especially "No Industry District"

* Project that would promote ancillary units etc.

3.2 PROJECT APPRAISAL

Usually the viability of project is judged by conducting various feasibility studies viz., technical, commercial, financial, managerial and economic. These studies not only examine the intrinsic worth of project but also all the circumstances surrounding it. The results of the feasibility studies give a fair idea about the project and its viability from different angles. A brief note about the project appraisal process practised by the study unit is given below:

Project appraisal is being undertaken by TIIC Ltd. in a systematic manner. The Corporation appraises all the major aspects of the project with eminent team of project officers consisting of technical officer, documentation and legal officers etc. They have designed a scientific procedure for evaluating/processing the applicant's project so as to identify its technical and commercial viability.
3.2.1 Site Inspection

Having accorded registration, visit to the site is the first step towards detailed appraisal of the project. Many details given in the application can be checked and certain deficiencies are removed by internal discussions instead of issuing a letter seeking clarification. Further, the progress made at site can also be verified. The site inspection is conducted after the issuance of the letter seeking additional information. It is conducted to assess the suitability of the site and ascertaining the distance from railway station/national high way/state high way etc. Timely availability of power is assessed. The detailed analysis of waste disposal scheme adopted by the applicant unit is carefully examined.

3.2.2 TECHNICAL APPRAISAL

Technical appraisal of a project is essential to ensure that necessary physical facilities required for production will be available and the best possible alternative is selected to procure them. It includes the study of manufacturing process, technical arrangements size of the plant, product-mix, selection and procurement of plant and machinery, plant layout, schedule of project implementation
and location of the project with reference to availability of various inputs required for production. Technical officers and project officers working in the TIIC office are undertaking this evaluation with their technical know-how, common sense, experience and discussions with the promoters and their technical personnel.

To judge the feasibility of a project to produce goods or render a service TIIC adopts technical appraisal with technically qualified and experienced personnel. The scrutiny of technical aspects helps the TIIC officials to identify the availability of physical facilities, required for production, to a project. Thus they confirm the technical feasibility of a project.

3.2.3 COMMERCIAL APPRAISAL

A project may be technically feasible in terms of availability of physical facilities required for production but its implementation depends on the benefits obtained from the project is more than its cost and it is found suitable after commercial and managerial appraisals. It is easier to own a factory but difficult to own a market. Therefore, proper study of demand, market environment, pricing policy,
distribution system, packing, sales promotion etc should be done before sanctioning the loan.

Commercial appraisal highlights the marketability feature of the project and thus helps to know whether the project is economically viable or not. Many entrepreneurs come to the bank and financial institutions with a proposal to produce without giving due consideration to the marketability of the proposed product. In many cases, very vague and general statements like "market is good" or "competition is normal", are made. This results in the lending institution supporting wrong investment decisions which would in turn lead to problems both to the entrepreneurs and term lending institutions. This may also lead to misuse of scarce resources.

In order to make this appraisal effective TIIC insists on information about the following aspects such as demand, supply, distribution, pricing and external forces. Besides that, TIIC itself takes efforts for the proper evaluation of the demand for the different products proposed to be manufactured by entrepreneurs. To have a check on the information provided by the entrepreneurs various techniques are being adopted to forecast the aggregate demand. They
are: Past trend method, End-use method, correlation and regression, Extent of import substitution, export market potentials etc.

Ascertaining the demand alone is not sufficient to study commercial feasibility of a product, Knowledge of proper pricing policy, distribution policy, advertising policy and many other aspects of marketing are also essential to sell products. Discussion on these aspects with the promoters would help the appraising officer to make an opinion whether the promoter will be able to sell his products. It will also help in selecting proper product mix to suit the requirement of the market.

TIIC practices a scientific approach to evaluate the commercial viability of a project. Proper study of demand, market environment, pricing policy, distribution system, packing, sales promotion etc are being undertaken by the TIIC before sanctioning the loan. Even after the commencement of production, a close watch on the market is necessary to take corrective steps, whenever necessary.
3.2.4 FINANCIAL APPRAISAL

It is of vital importance that the project/scheme should be financially sound. The cost of fixed assets and working capital requirements should be worked out as accurately as possible. The financial feasibility of a project has to be assessed on various aspects such as

Estimation of capital cost.
Sources of financing
Production cost and profitability.
Cash flow statements.

Profitability analysis such as Break-even, Ratio analysis, discounted cash flow analysis.

To complete the financial appraisal of a project, TIIC adopts mainly the two techniques viz., Ratio analysis and Break-even point. With the help of the projected financial statements TIIC computes three categories of financial ratios. They are:

1. Loan safety ratio: Debt-Equity ratio.
   Current ratio.
   Debt service coverage ratio.
   Margin on safety.
2. Productivity ratio:

   Capital employed to value of output/sales.
   Capital employed to net value method.
   Investment per worker.
   Productivity per worker.

3. Profitability ratio:

   Operating profit ratio.

The technique of break-even point is also being used to know the margin of safety and the minimum level of activity that the project should perform to reach the safety level.

To put in a nutshell, TIIC appraises the applications for the technical feasibility and economic viability of the project before according sanction. The project should be sound and generate sufficient profits to service the loan. The applicant should satisfy TIIC regarding the marketability and commercial viability of the project. Finally, TIIC assesses, the financial soundness of the project in terms of payback period, debt service coverage ratio and break-even production.

3.3 DOCUMENTATION

In respect of the various types of assistance sanctioned to the units, following security documents are obtained:
Registered Mortgage
Equitable Mortgage
Deed of hypothecation
Personal guarantees
Deed of undertaking
Deed of power of attorney
Promissory Note.

As soon as the terms and conditions of the loan assistance are accepted by the borrower, depending upon the nature of security offered the following documents should be called for scrutiny.

Where the unit takes a private leasehold premises.

a. Lease deed as per format
b. No Objection letter
c. Copy of title deed
d. Encumbrance certificate for 15 years.

Where immovable property is offered either as primary or collateral security

a. Sale deed or other document in favour of the owner
b. Prior title deeds
c. Encumbrance certificate for 15 years
d. Patta, tax receipt etc.

When the unit has taken land/shed from SIPCOT/SIDCO/Other Industrial Estate/Govt. agencies:

a. Original letter of allotment
b. Original lease deed, sale deed or both
c. Original certificate for taking possession of land
d. Certificates of boundaries of property
3.4 DISBURSEMENT PROCEDURE

Disbursements of all term loans upto Rs.15 lakhs including those cases which are sanctioned at head office will be done by the respective branch offices. The borrower is expected to bring in his entire contribution and invest the same in the project before release of any part of the TIIC loan. The borrower should ensure compliance of all the terms and conditions of loan sanction to ensure speedy disbursement. The loan sanctioned will be valid in the first instance, for a period of 6 months of due to valid reasons there is delay to draw the loan, revalidation of loan is considered for a further period of 6 months.

The work of the Operations (Disbursement) department at the Head office commence after receipt of the file from project department after the loan is sanctioned and the terms and conditions of sanction are issued to the constituent. The transferred file not only contains back papers pertaining to the project, but also the sanction memorandum and the terms and conditions of sanction, intimated to the borrowing units returned duly signed by them in token of the acceptance of the terms and conditions of sanction.
As soon as the file is transferred to Operations department, Manager(OP) will write a letter to the constituent to call on him for the purpose of getting disbursement. If he has any problem regarding the compliance of the terms and conditions of sanction stipulated., he can approach the operations department to get guidance. Simultaneously, the legal department will follow up the matter keeping operations department informed about the position, from time to time. After receipt of the file from the project department, the manager(op) will allot the file to one of the office staff members in his department, who, in turn, will pursue the matter till the loan is fully drawn.

Periodically, reminders will be sent to the parties calling them to approach the Corporation for documentation and /or getting disbursement of the loan sanctioned. Reminders will be sent on monthly basis.

At every stage of disbursement, compliance of financial norms like security margin, debt equity ratio, etc., will normally be insisted. Relaxation can be permitted for temporary periods by the Managing Director for special reasons recorded.
Lapsing of the partly undrawn cases will be done after inspection of the unit and getting branch manager's report about the stage of implementation of the project.

In case, where there is considerable delay in the implementation of the project due to factors beyond the control of the borrowing unit or there are special circumstances, the borrowing units may approach the Corporation for revising the repayment schedule or be given time for the payment of interest and other dues. Such requests may be considered on merits of each case.

In case, where the borrowing unit approaches the Corporation for getting approval for ceding second charge on the assets of the unit mortgaged/hypothecated to the corporation, for availing itself of working capital facility from commercial banks, such requests will be considered on merits provided there are no overdues from the borrowing unit. In case of overdues, approval of Managing Director will be obtained for issue of such "No Objection" certificate.
Inspection of assisted unit

TIIC will inspect the borrowing unit before disbursing 50% of loan sanctioned and another inspection will be done before making final disbursement. These two inspections will be carried out by officers apart from the panel engineer's inspection.

Insurance coverage

Insurance coverage will be effected on the higher of the market or book value of the assets. In case of machinery items insurance coverage should be effected on the invoice value. Even in the case of transport, erection and electricals insurance coverage should be insisted. At every stage of disbursement, the adequacy of insurance cover and validity of the policy should be ensured.

3.5 FOLLOW UP AND INSPECTION

Amongst all project financing activities, much importance is attached to follow-up and supervision of projects in order to ensure the project financed by the financial institutions, results in the desired socio-economic gains and the deviations therefrom are not many as to vitiate the very concept or the objective of the project.
The follow-up activity assumes added significance because of the long term relationship between the institution and the client. Proper monitoring and supervision shall be perceived in its true perspective to ensure implementation of the project according to schedules to avoid any overrun in cost and time with all their consequential problems and also watching the growth and health of a project to avoid sickness, and if sickness set in, to cure it with all the resources at the command of the institution. Then, development financial institutions are trustees of public funds and have, in turn, to inculcate the spirit of trusteeship in the assisted concerns.

The follow-up may be defined as a systematic sequencing of activities following the sanction of financial assistance for a specific investment proposal arrived at optimising the benefits of investments within the given constraints and opportunities.

Follow-up may be taken at two stages

a. Follow-up during project implementation is called project monitoring

b. Follow-up after the project goes into stream

3.6 VIEWS OF THE OFFICIALS OF THE CORPORATION

The foregoing discussion clearly explains the project
financing procedure and practices followed by the Corporation. Though TIIC has designed project financing procedure on scientific lines with the guidelines given by IDBI, its significance and utility could be only inferred from opinion of the officials who are virtually implementing and practising the procedure. This helps to design the project financing mechanism in a simple manner and ensure easiness in it for better implementation. Hence, an attempt was made during the study to contact few officials of the corporation on a sample basis at the selected branches. For this, responses were elicited from twenty five officials of TIIC (Manager and Officers cadres). This contact was made in order to cross check the efficiency, simplicity and easiness of the procedure that is being practiced in the corporation. A specially designed interview schedule was used for obtaining responses from the officials and its specimen is shown in the Appendix section of the present research report. Loanee's responsiveness, factors adopted in project financing, reasons for rejecting application, span of time in loan processing, problems in financing the industrial projects, mode of assessing growth criteria are some such aspects presented here-under.
3.6.1 Responsiveness of Loanees

An attempt was made to identify the loanees' responsiveness to the corporation at the time of availing financial assistance. The interview brings to limelight the views of officials on the nature of responsiveness of loanees at the time of availing financial assistance vide table 3.1.

The table shows that 70% of the respondents felt that loanees' response was good and the remaining 30% held the negative view.

<table>
<thead>
<tr>
<th>Response</th>
<th>No. of officials</th>
<th>% of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good</td>
<td>18</td>
<td>72</td>
</tr>
<tr>
<td>Not Good</td>
<td>7</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>25</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data

TIIC usually helps the clientele units whenever they seek financial assistance and other advisory services. Normally, the clientele units, especially SSI units, are not conversant with the rules and regulations to be adhered to by them for availing of such assistance. The officials
help them in the form of clearing their doubts. Offering proper and timely explanation to their queries and so forth.

Further, the officials were asked to rate their views about borrower's attitude at different stages.

Table 3.2  Loanees  Attitude

<table>
<thead>
<tr>
<th>Attitude</th>
<th>SA</th>
<th>A</th>
<th>NO</th>
<th>DA</th>
<th>SDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Getting guidelines and counselling during pre-implementation period.</td>
<td>--</td>
<td>14</td>
<td>8</td>
<td>3</td>
<td>--</td>
</tr>
<tr>
<td>2. Submission of proposals with all details</td>
<td>--</td>
<td>7</td>
<td>5</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>3. Seeking clarification during post-implementation period.</td>
<td>--</td>
<td>12</td>
<td>7</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>4. Prompt execution of instruction</td>
<td>4</td>
<td>10</td>
<td>5</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>5. Proper planning and keen involvement</td>
<td>2</td>
<td>10</td>
<td>6</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>6. Promptly repaying overdues</td>
<td>-</td>
<td>8</td>
<td>4</td>
<td>10</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: Primary Data

Officials' perception about loanees' attitude vividly inferred from the table 3.2 that the attitudes of the loanees were agreeable over getting guidance and counselling during pre-implementation period; seeking clarification during post-implementation period; proper execution of instruction; and proper planning and keen involvement. However, their
attitudes were disagreeable especially with respect to submission of proposals with all details; and prompt repayment of overdues.

3.6.2 Loanees Attitude towards repayment of Loan overdue

Being the financial institutions effective utilisation of funds leads to furtherance of loan and advances which inturn promotes industrial development in the region. For this, consciousness about loan repayment must rightly be inculcated in the minds of loanees which significantly solve the problem of mounting overdues of development banks. This requires a survey among officials over the attitude of loanees towards repayment of loan overdue. Respondent views in this regard are given in the table 3.3.

Table 3.3 Loanees' Attitude towards repayment of Loan overdue

<table>
<thead>
<tr>
<th>Category of Loanees</th>
<th>5%</th>
<th>10%</th>
<th>20%</th>
<th>25%</th>
<th>30%</th>
<th>40%</th>
<th>50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Prompt repayers</td>
<td></td>
<td>-</td>
<td>12</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>b. Moderate defaulters</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>8</td>
<td>15</td>
</tr>
<tr>
<td>c. Wilful defaulters</td>
<td>12</td>
<td>8</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>d. Recovery not possible</td>
<td>14</td>
<td>11</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Primary data
The table reveals that the respondent viewed 20-40% of the assisted units as prompt repayment. On an average 30-50% of the assisted units come under the category of moderate defaulter. 5-20% of clientele units come under wilful defaulter case. Hardly 5-10% of the total units assisted come under repayment impossible category.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Time span level and Frequency</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&lt;15 days</td>
<td>&lt;30 days</td>
</tr>
<tr>
<td>Screening &amp; Selection</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td>Analysis &amp; Appraisal</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Sanction</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>Documentation</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Disbursement</td>
<td>2</td>
<td>10</td>
</tr>
</tbody>
</table>

Source: Primary Data

The timelag that normally occurs in handling the project financing procedures counts a lot for the better and timely services of the financing industry. This depends upon the procedure and practices that are being adopted in the corporation to accord sanction and disbursement of loan. Hence, an enquiry was made to analyse the time span that normally occurs while handling various project
financing activities from the date of submission of application. This has been made in the present study and given in the table. From the table it is clear that the majority of the officials felt that screening and selection of project could be made in less than a month which ensure sanction of assistance mostly within a month. The documentation and disbursement of assistance take not more than 2 months time in almost all cases. However, in few cases due to want of information and lethargic attitude of loanees in submitting information lead to more than 2 months time to accord sanctions and disbursement of loan.

3.6.4. Reasons for delay in sanctions and disbursement

There is a general notion among the clients that the corporation takes undue delay in according sanctions and disbursements. To get to know the reasons for this officials' views were elicited through the personal interview.
Table 3.5 Reasons for the delay in Sanction and Disbursement

<table>
<thead>
<tr>
<th>Reasons</th>
<th>No. of officials</th>
<th>% of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Lack of required information in the application &amp; project report</td>
<td>10</td>
<td>40</td>
</tr>
<tr>
<td>2. Lack of initiative on the part of the applicant</td>
<td>8</td>
<td>32</td>
</tr>
<tr>
<td>3. Tight official procedure and formalities</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>4. Paucity of funds</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>5. Others</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>25</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data

3.6.5 Problems in Financing Industrial Projects

Financing industrial projects involves lot of complications and formalities. The toughness of the procedure and practices that are being followed creates lot of problems to the officials in taking decisions on many occasions. This requires clear set of rules, procedures, well defined authority and responsibilities. Otherwise, people who are involving in the activity seem to be fish out of water. Problems of officials with respect to financing industrial projects are two dimensional: viz.,
From the organisation side

From the borrowers' side

Hence, designing suitable mechanism is very essential. The various problems faced by the officials while rendering their services and their views about them are given in the table 3.6.

<table>
<thead>
<tr>
<th>Problems</th>
<th>Response</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Organisation Side:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Cumbersome procedure</td>
<td>12</td>
<td>13</td>
</tr>
<tr>
<td>2. Inadequate delegation of power</td>
<td>16</td>
<td>9</td>
</tr>
<tr>
<td>3. More responsibility</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>4. Lack of security</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>5. Want of manpower</td>
<td>6</td>
<td>19</td>
</tr>
<tr>
<td><strong>Borrowers Side</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Inadequate information</td>
<td>10</td>
<td>15</td>
</tr>
<tr>
<td>2. Deterioration of honesty</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>3. Poor feedback</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>4. Over-run effects</td>
<td>6</td>
<td>19</td>
</tr>
<tr>
<td>5. Political pressures</td>
<td>7</td>
<td>18</td>
</tr>
</tbody>
</table>

Source: Primary Data

The table 3.6 vividly reveals that the officials of the Corporation felt that there responsibility of their more with inadequate delegation of power. This sometimes affects their initiative and interest in taking risk. There is a severe threat always in the form of political pressure.
and other local forces, since their affairs are concerned with money. Serious efforts may be taken to ensure safety to them.

From the clientele side, the major problem is inadequacy of information in their application and also in their project report. Moreover, there is a general deterioration in their morality and honesty in revealing truthful information and honest action upon the instructions given to them. They always try to get sanctions by hook or crook.

The objective of the present chapter is to give an overview about the project financing procedure and practices that are being adopted in the Corporation and to cross check how far this mechanism makes the official to do their job effectively and to serve the purpose for which the corporation has been functioning. The procedural aspects clearly narrates the various activities that are being practised by the Corporation with some rationales.

3.7 CONCLUSION

With this end in view, officials of the corporation were contacted to elicit their views and experiences in
practising project financing function and their suggestions were invited to simplify this mechanism. They expressed that project financing procedure has been formulated on sound lines. Networking system can be adopted to analyse and appraise the project instantaneously and to obtain concurrence and clearance on various issues. This will considerably save the time, minimises the paper work and reduces the fatigue of employees as well as clients. The Corporation mostly encourages secured loan than the unsecured by mortgage of the security offered to the Corporation. As a result, legal formalities in case of Corporation's loan are much stiffer as well as time-consuming. There is a criticism outside, that the Corporation's assistance is more security-oriented than development oriented. It may be concluded that the Corporation has been practising various operational aspects at par with other SFCs of the country and thereby is devoid of the peculiar problems deserving special attention of the institutional financing agencies. The overall achievement of different practices as resorted to by the Corporation from time to time may be viewed from the financial performance of the Corporation as discussed in the next chapter.

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