APPENDICES
BANK FINANCE TO PRIORITY SECTOR
A STUDY WITH REFERENCE TO SMALL SCALE INDUSTRIES
IN CUDDAPAH DISTRICT, ANDHRA PRADESH

SCHEDULE FOR SSI ENTREPRENEURS

1. IDENTIFICATION OF DATA

1.1 Name of the unit :
1.2 Place of establishment :
1.3 Year of establishment :
1.4 Form of organization : Sole proprietorship/Partnership/Private Limited
1.5 Nature of business : Manufacturing/processing/
Servicing/Miscellaneous
1.6 Whether the applicant : Technically qualified/experienced/
Educated unemployed.
1.7 Whether the beneficiary belongs to : SC/ST/BC/OC
1.8 Whether the factory premises are : Own/Rented/On lease
1.9 Present bankers :
1.10 Nature of account with the present bankers :

2. ESTABLISHMENT OF SSI UNIT

2.1 Selection of industrial activity :
   i] Friends/relatives
   ii] Banks
   iii] Advice of DIC

2.2 Selection of the product :
   i] Previous experience
   ii] Market survey
   iii] Diversification
   iv] Government incentive
   v] Demand potential
   vi] Absence of competition
2.3 Locational advantage of the existing unit
   i) Proximity of raw material source
   ii) Accessibility to the market
   iii) Availability of power, water, labour and transport

2.4 Management of the Unit
   i) Self
   ii) Manager
   iii) Partner
   iv) Both self and manager

2.5 Capacity of the unit
   i) Initial
   ii) Expanded
   iii) Present capacity

2.6 Utilisation of the capacity: Fully/Partially

2.7 Category and number of employees working in the unit
   i) Skilled
   ii) Unskilled
   iii) Administrative/Office staff

2.8 Name of the product including by-products

2.9 Nature of the product: Durable/Non-Durable

2.10 Whether clearance has been obtained from Pollution Control Authority? YES/NO

2.11 Whether the product is produced exclusively by SSI sector? YES/NO

3. FINANCE

3.1 Sources of funds

<table>
<thead>
<tr>
<th>Sources of Funds</th>
<th>Security</th>
<th>Rate of interest</th>
<th>Repayment per month (Amount in Rs.)</th>
<th>Overdues (Amount in Rs.)</th>
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</thead>
<tbody>
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<td>Long Term</td>
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<tr>
<td>Short Term</td>
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</tbody>
</table>
3.2 Show the relative share of the following sources of funds in your Unit?

<table>
<thead>
<tr>
<th>Sources of funds</th>
<th>In percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Own Funds</td>
<td></td>
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<tr>
<td>2. Bank Funds</td>
<td></td>
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<tr>
<td>3. Relatives/Friends</td>
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<tr>
<td>4. Advances from customers</td>
<td></td>
</tr>
</tbody>
</table>

3.3 Do you confront the problem of working capital shortage?
[i] Always  
[ii] Seasonal  
[iii] Occasional  
[iv] Never  

3.4 How do you meet the working capital shortage?
[i] Borrowing at high rate of interest  
[ii] Delaying payment to the creditors  
[iii] Approaching banks for additional finance  
[iv] Lowering the production  

3.5 In which form do you avail bank loan?
[i] Overdraft  
[ii] Cash credit  
[iii] Demand loans  
[iv] Bills discount  

3.6 Are the following considered by the bank in evaluating the loan proposal?
[i] Quality of the proposal  
[ii] Financial strength  
[iii] Intimacy with bank manager  
[iv] Both quality and financial strength  
[v] Any other  

3.7 Do you borrow from more than one bank? YES/NO

3.8 If yes, Specify the name of the banks
3.9 What rate of interest do you pay on the following?

<table>
<thead>
<tr>
<th>Sources</th>
<th>Rate of interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Short Term bank finance</td>
<td></td>
</tr>
<tr>
<td>2. Friends/Relatives</td>
<td></td>
</tr>
<tr>
<td>3. Others</td>
<td></td>
</tr>
</tbody>
</table>

3.10 What is your opinion about the rate of interest charged by the banks?

[i] Reasonable  
[ii] Low rate of interest  
[iii] High rate of interest

3.11 What is your opinion regarding the procedure adopted by the bank to sanction the loan?

[i] Easy  
[ii] Cumbersome  
[iii] Normal

3.12 Is there any delay in sanctioning the loan?

[i] Timely  
[ii] Delay  
[iii] Inordinate delay

3.13 Are you satisfied with the repayment schedule?

Satisfied/Not satisfied

3.14 State the reasons for approaching the bank for credit?

[i] Low interest rate charged by bank  
[ii] Non-availability from other agencies  
[iii] Easy terms of repayment  
[iv] Facility of consultancy services

3.15 State the amount of loan you have applied for

3.16 State the amount of loan sanctioned to you

3.17 State the amount actually received by you
3.18 Is the availed loan adequate/inadequate?

3.19 Are you able to meet the bank loan instalments regularly?  
YES/NO

3.20 Do you feel that there is a regular follow-up action from banks?  
YES/NO

3.21 Have you received any technical assistance from banks in addition to financial assistance?  
YES/NO

3.22 What is the impact of bank credit on income generation of your unit?  
[i] Positive  
[ii] Adverse  
[iii] No impact

3.23 What problems do you face in organizing the unit?  
[i] Shortage of capital  
[ii] Increasing prices of raw material  
[iii] Power cuts and higher power tariffs  
[iv] Lack of skilled labour and infrastructure facilities  
[v] Use of inappropriate technology  
[vi] Severe competition
BANK FINANCE TO PRIORITY SECTOR  
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IN CUDDAPAH DISTRICT, ANDHRA PRADESH

SCHEDULE FOR BANK OFFICIALS

1. Name of the Bank : 

2. Public/Private Sector : 

3. Please, give the details of year-wise deposits, and credits, of your bank at the district level

<table>
<thead>
<tr>
<th>Year</th>
<th>Deposits (Amount in Rs.)</th>
<th>Credit share (Amount in Rs.)</th>
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<tbody>
<tr>
<td>1993-94</td>
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<td>1994-95</td>
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<td>1988-99</td>
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</tbody>
</table>

4. Segment-wise, to which sector the bank prefers to lend
   [i] C & I 
   [ii] PS 
   [iii] Both 

5. Please provide the following details:-

<table>
<thead>
<tr>
<th>Year</th>
<th>Total advances (Amount in Rs.)</th>
<th>PS advances (Amount in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993-94</td>
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6. Targets and achievements of PS Advances

<table>
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<th>Year</th>
<th>Targets (Amount in Rs.)</th>
<th>Achievements (Amount in Rs.)</th>
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7. Bank lending to Small Scale Industry

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Advances (Amount in Rs.)</th>
<th>SSI advances (Amount in Rs.)</th>
</tr>
</thead>
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8. Targets and achievements of SSI advances

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9. Type of SSI loans bank prefers to lend
   [i] Term loan
   [ii] Working Capital
   [iii] Both

10. What are the bases of selecting the SSI borrower?
    [i] Managerial competence
    [ii] Technical competence
    [iii] Past experience
    [iv] DIC advice
    [v] Demand potential
    [vi] All
11. Do you seek the advice of technical consultant regarding the feasibility of the unit before selecting it for lending?  YES/NO

12. Have you appointed any specialist officer for this purpose?  YES/NO

13. Do the bank has any specialized branch?  YES/NO

14. Do you choose to finance preferably the existing unit?  YES/NO
   If YES, please specify the reasons.

15. How do you determine the viability of an SSI unit?
   [i] Nature of the product
   [ii] Proximity to raw material
   [iii] Availability of skilled labour
   [iv] Marketability of the product
   [v] All

16. If the unit requires additional funds, do you act favourably?  YES/NO

17. What is the rate of interest charged in such instance?

18. Please, list out the measures adopted for the following

   [i] Monitoring the end use of funds
      [a] Verifying end use of funds
      [b] Monthly statements
      [c] Surprise inspection of the unit
      [d] Verification of account books
      [e] All

   [ii] Recovery of overdues
      [a] Reminder
      [b] Personal visit
      [c] Legal notice
      [d] One time settlement