f. Boosting the morale of employees

VERY SIGNIFICANT    LESS SIGNIFICANT
INSIGNIFICANT      CANNOT SAY

g. Improving the credit rating standards of SFCs

VERY SIGNIFICANT    LESS SIGNIFICANT
INSIGNIFICANT      CANNOT SAY

Appendix 2

QUESTIONNAIRE

INVESTORS / LENDERS

1. Do you receive Annual Reports from SFC timely?  
   YES  NO  CANNOT SAY

2. If not indicate delay in receipt of annual reports?
   a.) less than 3 months  b.) 3 to 6 months  c.) 6 to 9 months  d.) 9 to 12 months
      [ ]  [ ]  [ ]  [ ]

3. Will the problems arise if you do not receive the annual report at all?  
   YES  NO  CANNOT SAY

4. How important are the disclosures in SFC’s annual reports?
   VERY IMPORTANT    LESS IMPORTANT    IMPORTANT
                      NOT IMPORTANT    CANNOT SAY
5. Do you feel the information is sufficient?

YES | NO | CANNOT SAY

6. Which financial information, do you consider, is important?

[PROFITS] [DIVIDEND] [FUTURE PROSPECTS]

[PROFITS TREND ] [GENERAL] [ALL]

7. Which parts of annual reports are influencing you?

[CHAIRMAN'S REPORT ] [DIRECTOR'S REPORT ] [P & L ACCOUNT ]
[ BALANCE SHEET ] [AUDITORS REPORT ] [ALL]

8. Do you find all these disclosures in annual reports of SFCs or not?

a. Trend in loans sanctioned and disbursed ---- YES NO
b. Ratio of sanctions to disbursements ---- YES NO
c. Sector-wise sanctions and disbursements ---- YES NO
d. Risk profile of sanctions and disbursements ---- YES NO
e. NPA level of loans and advances ---- YES NO
f. Recovery percentage ---- YES NO
g. Classification of income ---- YES NO
h. Classification of expenses ---- YES NO
i. Region-wise sanctions and disbursements ---- YES NO
j. Scheme-wise sanctions and disbursements ---- YES NO
k. Trend in Profits ---- YES NO
l. Trend in Return as assets ---- YES NO
m. Management – Compensation level ---- YES NO
n. Directors – related information

o. Social responsibility

9. Would graphs, charts or narrative explanations be more useful?

10. Since Investment decisions are futuristic in nature, do you expect SFCs to give forecasts for its operations in their annual reports?

11. Do you invest / lend on the basis of annual reports?

12. If no, what other informations do you ask / get in addition to annual reports?

a. Forecast annual reports
b. Project related annual reports
c. Information relating to management policies and strategies
d. Industry and competitors’ profile
e. Overall risk profile
f. All of the above

13. Have you ever as a big lender / investor taken measures to improve reporting standards of SFCs
14. If yes, which of these?
   
a. Represented board of SFCs to adopt transparent disclosures [ ]
   
b. Pleased for change of SFCs Act [ ]
   
c. Delayed sanction or / and disbursement of funds [ ]
   
d. Increased the expectation rate on loans given [ ]
   
e. Reduced the amount of sanctions [ ]
   
f. Outright rejection of additional loan request [ ]
   
g. All of the above [ ]

15. If not, is it because of these reasons

   a. SFCs governed by separate Act

   b. Committees failed to provide significant recommendations

   c. Any other ______________________________