

INDIAN INSTITUTE OF TECHNOLOGY KANPUR
Department of Economic Sciences

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Department of Economic Sciences, Indian Institute of Technology Kanpur (IITK) invites quotation from organizations and firms for survey of industries in 6 cities of Gujarat. Specifications are given below:

1. Introduction :

IIT Kanpur is soliciting sealed proposals from eligible organizations who have experience in conducting surveys of industries in Gujarat. A survey has to be carried out under the research project titled "Courts, Networks, and Start-ups: Institutions matter for small enterprise development in South Asia", funded by IDRC, Canada.

2. Objective:

The overall objective of the project is to examine how two institutions of contract writing- formal district courts and informal caste networks-complement substitute and interact with each other to affect people and its decision to start and operate a business.

Key objectives that need to be addressed have been identified as

- i) Assess the quality of formal institutions.
- ii) Assess the impact of judiciary on business.
- iii) Providing quantitative evidence about the businesses that would benefit by the improvement in functioning of formal institutions.

3. Background :

Efficient institutions of contract enforcement are critical for proliferation of business. In this project we aim to see how court efficiency affects business performance. More specifically, we are empirically estimating this relationship between efficiency of formal institutions and various indicators of business performance. As a part of this project, we wish to know this relationship in Gujarat through this survey.

4. Scope:

A survey of 1000 firms has to be taken across various industries in different cities of Gujarat. Details of the type and location of industries is as follows:

Sample size: Sample size of the survey is 1000 firms across 06 cities of Gujarat. Cities are Ahmedabad & Gandhinagar, Mehsana & Surendranagar, Surat/Ankleshwar/Bharuch, Rajkot & Morbi, Bhavnagar district, Kutch.

Nature of Industries: The Firms which should be selected for the survey should be from the following categories of 12 industries:

- i) Textile & Garment
- ii) Printing & Dye

- iii) Diamond polishing
- iv) Machine Tool manufacturing /Engineering
- v) Chemical
- vi) Pharma and Drug
- vii) Automobile & Auto parts
- viii) Agro and Food Processing
- ix) Craft & Art
- x) Tiles & Ceramic
- xi) Plastics & Petrochemicals
- xii) Metallurgical Industry

Geographical Location: Firms should be selected from both rural and urban areas for the survey, so that a representative sample could be formed and valid conclusions could be drawn.

1000 firms are to be surveyed across 12 industries and 06 cities of Gujarat. The survey has to target all the legal constraints which are being faced by the firms in operating their business. It has to address the role of judiciary in regular functioning of the firms. In order to know the role played by the formal institutions in starting and operating a business, a set of questions has to be asked from the individual firms. The provisional list of questions along with the guidelines is given below:

Guidelines for the Questionnaire:

The use of properly designed survey instruments and a uniform sampling methodology enhances the credibility of analysis and the conclusions that stem from this analysis. Therefore in order to understand the survey, some guidelines are given below:

1. Questionnaire is divided into 8 sections, each representing a key indicator which can help us understand the business environment of the enterprise and constraints they have to face. Sections are:
 - a. Section A – Control Information: information collected in the first stage of implementation
 - b. Section B – General information: characteristics of the establishment
 - c. Section C – Sales and Supplies: imports, exports, supply and demand conditions
 - d. Section D – Degree of Competition: number of competitors and technology
 - e. Section E – Crime: extent of crime and losses due to crime.
 - f. Section F – Finance: sources of finance, access to credit.
 - g. Section G – Business-Government Relations: quality of public services, consistency of policy, regulatory compliance costs (management time, bribes).
 - h. Section H – Business Environment: ranking of general obstacles

2. The questionnaires are visually coded to facilitate implementation. Instructions for interviewers appear in **BOLD AND UPPERCASE LETTERS**. The interviewer should not read these instructions out loud; they only operate as guidelines. Also the text that appears between parentheses is intended as a guideline for the interviewer

3. In case of Hard data Questions, if the respondent is unable to answer the question, enumerator should write -9 (don't know). If the respondent refuses to respond, write -8 (refuse to respond).

Questionnaire:

A.CONTROL INFORMATION [TO BE COMPLETED BEFORE INTERVIEW]

Name of the Sampling Region

| | |
|--------------------------|---|
| Ahmedabad & Gandhinagar | 1 |
| Mehsana & Surendranagar | 2 |
| Surat/Ankleshwar/Bharuch | 3 |
| Rajkot & Morbi | 4 |
| Bhavnagar district | 5 |
| Kutch | 6 |

Name of city/town/village

Is this the official Capital city?

| | |
|-----|---|
| Yes | 1 |
| No | 2 |

Is this city the main business city?

| | |
|-----|---|
| Yes | 1 |
| No | 2 |

Size of Locality

| | |
|-------------------------------------|---|
| City with Population over 1 million | 2 |
| Over 2,50,000 to 1 million | 3 |
| 50,000 to 2,50,000 | 4 |
| Less than 50,000 | 5 |

Industry

| | |
|--|---|
| Textile & Garments Industry | 1 |
| Printing & Dye Industry | 2 |
| Diamond Polishing Industry | 3 |
| Machine Tool manufacturing /Engineering | 4 |
| Chemical Industry | 5 |
| Pharma & Drug Industry | 6 |

| | |
|------------------------------------|----|
| Automobile & Auto parts | 7 |
| Agro and Food Processing Industry | 8 |
| Craft & Art Industry | 9 |
| Tiles & Ceramic Industry | 10 |
| Plastics & Petrochemicals Industry | 11 |
| Metallurgical Industry | 12 |

Size

Sampling size and distribution of the sample across various firm sizes should be specified.

Establishment is part of a larger firm

| | |
|-----------------------|---|
| Yes | 1 |
| No, a firm on its own | 2 |

(a)

| | |
|---|--|
| Number of Establishments that form the firm | |
|---|--|

Type of Establishment

| | |
|---|----|
| HQ without production and/or sales in this location | 1 |
| HQ with production and/or sales in this location | 2 |
| Establishment physically separated from HQ and other establishments of the same firm | 3 |
| Establishment physically separated from HQ but with other establishments of the same firm | 4 |
| DOESN'T APPLY | -7 |

Time face-to-face interview begins:

| Day (dd) | Month (mm) | Year (yyyy) | Hour (00 to 23) | Minutes (00 to 59) |
|----------|------------|-------------|-----------------|--------------------|
| | | | | |

B. GENERAL INFORMATION

READ OUT THE FOLLOWING INTRODUCTORY SENTENCE ONLY IF A8 = 1 (yes):
The first few questions apply to the firm which your establishment is part of.

B.1 What is this firm's current legal status?

| | |
|--|---|
| Shareholding company with shares trade in the stock market | 1 |
| Shareholding company with non-traded shares or shares traded privately | 2 |
| Sole proprietorship | 3 |
| Partnership | 4 |
| Limited partnership | 5 |
| OTHER (SPONTANEOUS-SPECIFY) | 6 |

B.2 What percentage of this firm is owned by each of the following?

| | Percent | DON'T KNOW (SPONTANEOUS) |
|--|-------------|---------------------------------|
| Private domestic individuals, companies or organizations | % | -9 |
| Private foreign individuals, companies or organizations | % | -9 |
| Governmentor State | % | -9 |
| Other | % | -9 |
| | 100% | |

IF 100% END INTERVIEW

INTERVIEWER: CHECK THAT TOTAL SUMS TO 100%

B.3 Amongst the owners of the firm, are there any females?

| | | |
|---------------------------------|-----------|--------------------|
| Yes | 1 | |
| No | 2 | SKIP TO B.4 |
| DON'T KNOW (SPONTANEOUS) | -9 | SKIP TO B.4 |

B.3a What percentage of the firm is owned by females?

| | Percent |
|---------------------------------|-----------|
| Percentage of female ownership | |
| DON'T KNOW (SPONTANEOUS) | -9 |

READ ONLY IF A8=1 (yes)

I want to proceed by asking you about this establishment only.

| | |
|------------|---|
| B.4 | In what year did this establishment begin operations? |
|------------|---|

| | |
|-------------------------------------|----|
| Year Establishment began operations | |
| DON'T KNOW (SPONTANEOUS) | -9 |

| | |
|------------|---|
| B.5 | How many full-time employees did this establishment employ when it started operations? Please include all employees and managers (INTERVIEWER: INCLUDE RESPONDENT WHEN APPLICABLE) |
|------------|---|

| | Number |
|---------------------------------|--------|
| Full-time employees at start-up | |
| DON'T KNOW (SPONTANEOUS) | -9 |

| | |
|-------------|--|
| B.5a | Amongst the full time employees of the firm, What percent of the employees are males? Please provide percentage breakdown for the gender of the employees? |
|-------------|--|

| | |
|---------|---|
| Males | % |
| Females | % |

| | |
|-------------|--|
| B.5b | Was this establishment formally registered when it began operations? |
|-------------|--|

| | |
|---------------------------------|----|
| Yes | 1 |
| No | 2 |
| DON'T KNOW (SPONTANEOUS) | -9 |

| | |
|-------------|--|
| B.5c | In what year was this establishment formally registered? |
|-------------|--|

| | Year |
|--|------|
| Year establishment formally registered | |
| DON'T KNOW (SPONTANEOUS) | -9 |
| NEVER REGISTERED (SPONTANEOUS) | -7 |

INTERVIEWER: PROVIDE FOUR DIGITS FOR YEAR.

| | |
|------------|--|
| B.6 | Does this establishment have an internationally-recognized quality certification? (INTERVIEWER: SOME EXAMPLES ARE ISO 9000 or 14000, or HACCP) |
|------------|--|

| | |
|---------------------------------|-----------|
| Yes | 1 |
| No | 2 |
| STILL INPROCESS | -6 |
| DON'T KNOW (SPONTANEOUS) | -9 |

| | |
|------------|--|
| B.7 | Is this establishment located in an export processing zone or other industrial park? |
|------------|--|

| | |
|---------------------------------|-----------|
| Export ProcessingZone | 1 |
| Industrial Park | 2 |
| None of theabove | 3 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.SALES AND SUPPLIES

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING: The next topic to be covered is how and where this establishment makes its sales.

INTERVIEWER: THE FOLLOWING QUESTION IS NOT PART OF THE INTERVIEW. IT WILL BE FILLED OUT IN THE OFFICE

| | |
|------------|--|
| C.1 | PLEASE CHOOSE THE 4 DIGIT CODE THAT BEST APPLIES TO THE ESTABLISHMENT’S MAIN ACTIVITY OR PRODUCT. |
|------------|--|

| | |
|---|-------------|
| CODE OF THE MAIN PRODUCT OR ACTIVITY | Code |
| | |

| | |
|------------|--|
| C.2 | What percentage of total sales does the main product or activity represent? |
|------------|--|

| | |
|--|----------------|
| Percentage of sales represented by main product or activity | Percent |
| DON'T KNOW (SPONTANEOUS) | -9 |

INTERVIEWER: PLEASE NOTE THAT THE NEXT QUESTION REFERS TO THE TOTAL SALES OF ALL PRODUCTS AND SERVICES

| | |
|------------|---|
| C.3 | In fiscal year <u>2016/2017</u>, what were this establishment’s total annual sales for <u>ALL</u> products and services? |
|------------|---|

| | |
|--|--|
| | Taka |
| Last complete fiscal year’s total sales | |
| DON'T KNOW (SPONTANEOUS) | -9 |
| PLEASE ALSO WRITE OUT THE NUMBER | (i.e. 50,000 as Fifty Thousand) |
| | |

C.4 In fiscal year **2014/2015**, three fiscal years ago, what were total annual sales for this establishment?

| | |
|---|----|
| Total annual sales three years ago | |
| IF ESTABLISHMENT WAS NOT IN BUSINESS THREE YEARS AGO | -7 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.5 In fiscal year **2016/2017**, what percentage of this establishment's sales was?
(INTERVIEWER: SKIP PATTERNS MUST BE FOLLOWED IN THE ORDER THEY APPEAR IN THE TABLE) SHOW CARD 4

| | Percent | DON'T KNOW (SPONTANEOUS) |
|---|-------------|-------------------------------------|
| National sales | % | -9 |
| Indirect exports (sold domestically to third party that exports products) | % | -9 |
| Direct exports | % | -9 |
| | 100% | |

INTERVIEWER: CHECK THAT TOTAL SUMS TO 100% (UNLESS RESPONDENT DOES NOT KNOW)

C.6 In fiscal year **2016/2017**, for the main input that this establishment purchases, how many domestic suppliers did this establishment use?

| | |
|---------------------------------|----|
| None | 1 |
| One | 2 |
| 2-5 | 3 |
| More than 5 | 4 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.7 In year **2016/2017**, for the main input that this establishment purchases, how many foreign suppliers did this establishment use?

| | |
|------|---|
| None | 1 |
| One | 2 |

| | |
|---------------------------------|-----------|
| 2-5 | 3 |
| More than 5 | 4 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.8 What percentage of the suppliers are each of the following:

| | |
|-----------------------------------|---|
| a. Family/ Friends/Relative | % |
| b. private enterprise organized | % |
| c. Private enterprise unorganized | % |
| d. Government Entity | % |
| e. Cooperative/Marketing society | % |
| f. Contractor/middleman | % |
| g. Private individual/Household | % |

C.9 How did you come to know about the supplier?

| | |
|--------------------------------|---|
| Through an advertisement | 1 |
| Through a friend/relative | 2 |
| Seller directly approached you | 3 |
| Others- Specify | 4 |

C.10 In year **2011/2012**, for the main input that this establishment sells, how many domestic buyers did this establishment have?

| | |
|---------------------------------|-----------|
| None | 1 |
| One | 2 |
| 2-5 | 3 |
| More than 5 | 4 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.11 In year **2016/2017**, for the main input that this establishment sells, how many foreign buyers did this establishment have?

| | |
|---------------------------------|-----------|
| None | 1 |
| One | 2 |
| 2-5 | 3 |
| More than 5 | 4 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.12 Who are the buyers of your products?

- a. Family/ Friends/Relative
- b. private enterprise organized
- c. Private enterprise unorganized
- d. Government Entity
- e. Cooperative/Marketing society
- f. Contractor/middleman
- g. Private individual/Household

C.13 In fiscal year **2016/2017**, for the main input that these establishment purchases, how many alternative suppliers could this establishment have purchased from?

| | |
|---------------------------------|-----------|
| None | 1 |
| One | 2 |
| 2-5 | 3 |
| More than 5 | 4 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.14 As per contract, When are the buyers required to pay the price for the purchased product?

| | |
|----------------------------|---|
| Immediately after the sale | 1 |
| Within 1 month | 2 |
| 1-6 month | 3 |
| More than 6 months | 4 |

C.15 When do the buyers actually pay the price for their purchase?

| | |
|----------------------------|---|
| Immediately after the sale | 1 |
| Within 1 month | 2 |
| 1-6 month | 3 |
| More than 6 months | 4 |

C.16 What is the average value of the contract?

| | |
|---------------------------------|-----------|
| Value | |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.17 What percentage of purchased inputs and supplies is lower than expected in terms of quality?

| | |
|--|----|
| Percent of inputs purchased with lower than expected quality | % |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.18 Does your main supplier of your most important input manufacture it to your unique specification?

| | |
|---------------------------------|----|
| Yes | 1 |
| No | 2 |
| DON'T KNOW (SPONTANEOUS) | -9 |

C.19 For your main product or batch of goods that this establishment manufactures

INTERVIEWER READOUT

| | Days | DON'T KNOW (SPONTANEOUS) |
|--|------|---------------------------------|
| How many days, on average, elapse from the day the customer places the order to the day this establishment receives 100% payment | | -9 |
| How many days, on average, does it take to manufacture the goods? | | -9 |
| How many days, on average, does it take for the finished goods to be delivered to the customer | | -9 |

| | |
|------|---|
| C.20 | If the buyer does not pay the contracted money in the stipulated time, how long do you wait before you take any action? |
|------|---|

| | |
|--------------------|---|
| 1 month | 1 |
| 1-6 month | 2 |
| More than 6 months | 3 |
| Never | 4 |

| | |
|--------|----------------------------------|
| C.20 a | What kind of action do you take? |
|--------|----------------------------------|

| | |
|--|---|
| Go to court/police | 1 |
| Go to business association | 2 |
| Go to community/political leaders | 3 |
| Tell other members of the business community to boycott this buyer | 4 |
| Do nothing | 5 |

C.21 What two business services would most help increase your domestic sales? Here is a list of possible services- please tell me the two that are the most important.

- 1- Worker training
- 2- Maintenance and repair of factory equipment
- 3- Technical assistance in production and quality management
- 4- Assistance with product design, packaging and labeling for domestic markets
- 5- Marketing and advertising services
- 6- Information about domestic markets
- 7- Assistance with improving IT capabilities
- 8- Reforming domestic regulations that affect access to markets
- 9- Other (specify)

| | Business service | SPONTANEOUS DON'T KNOW |
|--|------------------|---------------------------|
| Most important business service | | -9 |
| Second most important business service | | -9 |

C.22 Does your local chamber of commerce or industry association support your business in obtaining the services previously identified?

| Organization | Yes | No | DON'T KNOW | DOES NOT APPLY |
|---------------------------|-----|----|------------|----------------|
| Local chamber of commerce | 1 | 2 | -9 | -7 |
| Industry association | 1 | 2 | -9 | -7 |

D.DEGREE OF COMPETITION

| | |
|-----|---|
| D.1 | In fiscal year 2016/2017 , which of the following was the main market in which this establishment sold its main product? |
|-----|---|

| | |
|---|-----------|
| Local – main product sold mostly in same municipality where establishment is located | 1 |
| National – main product sold mostly across the country where establishment is located | 2 |
| International | 3 |
| DON'T KNOW (SPONTANEOUS) | -9 |

E.CRIME

| | |
|-----|--|
| E.1 | In year 2016/2017 , what were the estimated losses as a result of theft, robbery, vandalism or arson that occurred on this establishment's premises either as a percentage of total annual sales or as total annual losses? |
|-----|--|

| | |
|--|-----------|
| Losses as percentage of total annual sales | % |
| DON'T KNOW (SPONTANEOUS) | -9 |

PROVIDE EITHER ONE OR THE OTHER, NOT BOTH

| | |
|---------------------------------|-----------|
| Total annual value of losses | % |
| DON'T KNOW (SPONTANEOUS) | -9 |

| | |
|-----|---|
| E.2 | Using the response options on the card; To what degree is Crime, Theft and Disorder an obstacle to the current operations of this establishment? |
|-----|---|

| | | | | | | | |
|--|-------------|----------------|-------------------|----------------|----------------------|-------------------|-----------------------|
| | No obstacle | Minor Obstacle | Moderate Obstacle | Major Obstacle | Very Severe Obstacle | DON'T KNOW | DOES NOT APPLY |
|--|-------------|----------------|-------------------|----------------|----------------------|-------------------|-----------------------|

| | | | | | | | |
|---------------------------|---|---|---|---|---|----|----|
| Crime, theft and disorder | 0 | 1 | 2 | 3 | 4 | -9 | -7 |
|---------------------------|---|---|---|---|---|----|----|

| | |
|-----|------------------------------------|
| E.3 | Have you been cheated in the past? |
|-----|------------------------------------|

| |
|-----|
| Yes |
| No |

| | |
|------|--------------------|
| E.3a | Who did cheat you? |
|------|--------------------|

- | |
|--|
| a. Friend/relative |
| b. Buyer 1) Little known 2) Trusted |
| c. Seller 1) Little known 2) Trusted |
| d. Reputed Organization/company |
| e. Other (specify) |

| | |
|------|--|
| E.3b | What were the estimated losses as a percentage of total annual sales of that year? |
|------|--|

| | |
|---------------|---|
| 0-10% | 1 |
| 10-25% | 2 |
| 25-50% | 3 |
| More than 50% | 4 |

| | |
|-----|-----------------------------------|
| E.4 | What are your views on a cheater? |
|-----|-----------------------------------|

- | |
|--|
| a. He does well in the same business in future |
| b. He does well in other business in future |
| c. Quit business altogether |

F.FINANCE

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

I would like to ask you a few questions about how you finance the operations of this establishment.

F.1 In fiscal year **2016/2017**, what percentage, as a proportion of the value of total annual purchases of material inputs or services was purchased on credit?

| | Percent | DON'T KNOW (SPONTANEOUS) |
|---------------------|---------|-----------------------------|
| Purchased on credit | % | -9 |

F.2 In year **2016/2017**, what percentage of this establishment's total annual sales of its goods or services was sold on credit?

| | Percent | DON'T KNOW (SPONTANEOUS) |
|----------------|---------|-----------------------------|
| Sold on credit | % | -9 |

F.3 Over fiscal year **2016/2017**, please estimate the proportion of this establishment's working capital that is its day-to-day operations, that was financed from each of the following sources?

| | Percent | DON'T KNOW (SPONTANEOUS) |
|---|-------------|-----------------------------|
| Internal funds or retained earnings | % | -9 |
| Borrowed from banks: private and state-owned | % | -9 |
| Borrowed from non-bank financial institutions which include microfinance institutions, credit cooperatives, credit unions, or finance companies | % | -9 |
| Purchases on credit from suppliers and advances from customers | % | -9 |
| Other, moneylenders, friends, relatives, etc. | % | -9 |
| | 100% | |

INTERVIEWER: CHECK THAT TOTAL SUMS TO 100% (UNLESS RESPONDENT DOES NOT KNOW)

| | |
|-----|---|
| F.4 | Over fiscal year 2016/2017 , please estimate the proportion of this establishment's total purchase of fixed assets that was financed from each of the following sources: |
|-----|---|

| | Percent | DON'T KNOW (SPONTANEOUS) |
|--|---------|-----------------------------|
| Internal funds or retained earnings | % | -9 |
| Owners' contribution or issued new equity shares | % | -9 |
| Borrowed from banks: private and state-owned | % | -9 |
| Borrowed from non-bank financial institutions | % | -9 |
| Purchases on credit from suppliers and advances from customers | % | -9 |
| Other, moneylenders, friends, relatives, bonds, etc | % | -9 |

| | |
|-----|---|
| F.5 | At this time, does this establishment have a line of credit or a loan from a financial institution? |
|-----|---|

| | |
|---------------------------------|-----------|
| Yes | 1 |
| No | 2 |
| DON'T KNOW (SPONTANEOUS) | -9 |

| | |
|-----|--|
| F.6 | Referring to the most recent line of credit or loan, what type of financial institution granted this loan? |
|-----|--|

| | |
|--|-----------|
| Private commercial banks | 1 |
| State-owned banks or government agency | 2 |
| Non-bank financial institutions | 3 |
| Other | 4 |
| DON'T KNOW (SPONTANEOUS) | -9 |

F.7 Referring only to this most recent line of credit or loan, in what year was the most recent line of credit or loan approved?

| | |
|--|-----------|
| Year most recent loan or line of credit approved | |
| DON'T KNOW (SPONTANEOUS) | -9 |

F.8 Referring only to this most recent loan or line of credit, what was its value at the time of approval?

| | Taka |
|---|-----------|
| Size of most recent loan or line of credit approved | |
| REFUSE (SPONTANEOUS) | -8 |
| DON'T KNOW (SPONTANEOUS) | -9 |

F.9 Referring only to this most recent loan or line of credit, did the financing require collateral?

| | |
|---------------------------------|-----------|
| Yes | 1 |
| No | 2 |
| DON'T KNOW (SPONTANEOUS) | -9 |

F.10

Referring only to this most recent loan or line of credit, what type of collateral was required?

INTERVIEWER: READ OUT

| Collateral | Yes | No | DON'T KNOW (SPONTANEOUS) |
|--|-----|----|---------------------------------|
| Land, buildings under ownership of the establishment | 1 | 2 | -9 |
| Machinery and equipment including movables | 1 | 2 | -9 |
| Accounts receivable and inventories | 1 | 2 | -9 |
| Personal assets of owner (house, etc.) | 1 | 2 | -9 |
| Other forms of collateral not included in the categories above | 1 | 2 | -9 |

F.11 Referring only to this most recent line of credit or loan, what was the approximate value of the collateral required?

| | Taka |
|---------------------------------|-----------|
| Value of collateral | |
| DON'T KNOW (SPONTANEOUS) | -9 |

F.12 What is the total value of outstanding loans or lines of credit held by this establishment?

| | Taka |
|----------------------------------|-----------|
| Total value of loans outstanding | |
| REFUSAL | -8 |
| DON'T KNOW (SPONTANEOUS) | -9 |

F.13 What was the **main** reason why this establishment did not apply for any line of credit or loan?

| | |
|---|-----------|
| No need for a loan - establishment had sufficient capital | 1 |
| Application procedures were complex | 2 |
| Interest rates were not favorable | 3 |
| Collateral requirements were too high | 4 |
| Size of loan and maturity were insufficient | 5 |
| Did not think it would be approved | 6 |
| Other | 7 |
| DON'T KNOW (SPONTANEOUS) | -9 |

F.14 Using the response options on the card; To what degree is **Access to Finance** an obstacle to the current operations of this establishment?

| | | | | | | (SPONTANEOUS) | |
|-------------------|-------------|----------------|-------------------|----------------|----------------------|----------------------|-----------------------|
| | No obstacle | Minor obstacle | Moderate obstacle | Major obstacle | Very Severe Obstacle | DON'T KNOW | DOES NOT APPLY |
| Access to finance | 0 | 1 | 2 | 3 | 4 | -9 | -7 |

G.BUSINESS-GOVERNMENT RELATIONS

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The following questions assess how establishments, such as this one, deal with government officials and their agencies.

G.1 I am going to read one statement describing the courts system and how it could affect business. Please tell me if you Strongly disagree, Tend to disagree, Tend to agree, or Strongly agree.

| | Strongly disagree | Tend to disagree | Tend to agree | Strongly Agree | DON'T KNOW | DOES NOT APPLY |
|--|-------------------|------------------|---------------|----------------|------------|----------------|
| "The court system is fair, impartial and uncorrupted." | 1 | 2 | 3 | 4 | -9 | -7 |

G.2 In a typical week over the last year, what percentage of total senior management's time was spent on dealing with requirements imposed by government regulations? (By senior management I mean managers, directors, and officers above direct supervisors of production or sales workers. Some examples of government regulations are taxes, customs, labor regulations, licensing and registration, including dealings with officials and completing forms)

| | |
|--|----|
| Senior management's time spent on dealing with regulations | % |
| NO TIME WAS SPENT | 0 |
| DON'T KNOW (SPONTANEOUS) | -9 |

G.3 Using the response options on the card; To what degree is/are **[INSERT OPTION]** an obstacle to the current operations of this establishment?

| | No Obstacle | Minor Obstacle | Moderate Obstacle | Major Obstacle | Very Severe Obstacle | DON'T KNOW | DOES NOT APPLY |
|--------------------------------|-------------|----------------|-------------------|----------------|----------------------|------------|----------------|
| Tax Rates | 0 | 1 | 2 | 3 | 4 | -9 | -7 |
| Tax administration | 0 | 1 | 2 | 3 | 4 | -9 | -7 |
| Business licensing and permits | 0 | 1 | 2 | 3 | 4 | -9 | -7 |
| Political Instability | 0 | 1 | 2 | 3 | 4 | -9 | -7 |
| Corruption | 0 | 1 | 2 | 3 | 4 | -9 | -7 |

| | | | | | | | |
|--------|---|---|---|---|---|----|----|
| Courts | 0 | 1 | 2 | 3 | 4 | -9 | -7 |
|--------|---|---|---|---|---|----|----|

BUSINESS ENVIRONMENT

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

| | |
|-----|--|
| H.1 | Which of the following elements of the Business environment included in the list, if any, currently represents the biggest obstacle faced by this establishment. |
|-----|--|

| |
|--|
| 1- Access to Finance |
| 2- Access to land |
| 3- Business licensing and permits |
| 4- Corruption |
| 5- Courts |
| 6- Crime, theft and disorder |
| 7-Customs and trade regulations |
| 8-Electricity |
| 9-Inadequately educated workforce |
| 10-Labor Regulations |
| 11-Political instability |
| 12-Practices of competitors in the informal sector |
| 13-Tax administration |
| 14-Tax rates |
| 15-Transport |

| | |
|------------------------------|----|
| Biggest obstacle | |
| DON'T KNOW(SPONTANEOUS) | -9 |
| DOES NOT APPLY (SPONTANEOUS) | -7 |

| | |
|-----|---|
| H.2 | According to you, how easy it is to start and operate a new business? (on a scale of 1-5) |
|-----|---|

| | |
|---------------------------------|---|
| Lot of Problems(very difficult) | 1 |
| Difficult | 2 |
| Neutral | 3 |
| Easy | 4 |
| Very Easy | 5 |

| | |
|-----|--|
| H.3 | What kind of improvement is the most important for your business growth: |
|-----|--|

| |
|--------------------------------------|
| a. Better Contract Enforcement |
| b. Easier Credit Access |
| c. Access to Improved Technology |
| d. Improved Physical Infrastructure. |
| e. Other (specify) |

| | |
|-----|--|
| H.4 | What is the most important problem that you faced during the reference year? |
|-----|--|

| | |
|----|---|
| a. | Connectivity with markets |
| b. | Electricity |
| c. | Credit access |
| d. | Local problem/harassment |
| e. | Competition from larger units |
| f. | Labor problem |
| g. | Fuel not available or available at exorbitant price |
| h. | Non recovery of service charge/fees/credit |
| i. | Lack of other infrastructure facilities |
| j. | No specific problem |

| | |
|-----|---|
| H.5 | How much time do you have to spend every month/year to deal with government regulations affecting your business |
|-----|---|

| Item | Days |
|------------------|------|
| Tax filing | |
| Registration | |
| Customs | |
| Court activities | |

| | |
|-----|--|
| H.6 | Have you ever received a payment in cheque ? If yes, has it ever got bounced? How long did it take to recover the money. |
|-----|--|

| | |
|--------------------|---|
| Within 15 days | 1 |
| 15 days-1 month | 2 |
| 1-6 months | 3 |
| More than 6 months | 4 |
| Never | 5 |

Note:

1. All quotations must reach undersigned on or before 11-04-18.
2. Preferences will be given to agencies who have previous experience in collecting industrial data and has also experience of working with reputed institutes.
3. Preferences will be given to agencies who work in Gujarat.
4. Bid proposals will be judged on the basis of :
 - i. cost
 - ii. quality of description of data collection.
5. The quotation should be enclosed in a properly sealed envelope addressed to the "Dr. Sarani Saha, FB-610, Department of Economic Sciences, IIT Kanpur-208016.
6. Quotation should have validity of at least 90 days from the date of opening.

Dr. Sarani Saha
Associate Professor

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