

9. What is the lead time in the case of imported raw materials or spare parts?
10. What are the steps initiated by the company to reduce such lead time?
11. Whether the company has made any emergency purchases?

Yes / No

*If yes,

Year	Reason for such purchase	Value	JD
------	--------------------------	-------	----

12. Is there any 'Purchase Committee', instead of purchase Department?

Yes / No

*If yes, (a) its constitution (b) its functioning.

13. What action has been taken by the company when goods are not supplied in time or the supply contract has been broken?
14. How are the goods transported and what is the average cost of transporting?
15. What are the difficulties that the company is facing in transportation of its supplies and goods manufactured?
16. How are the raw materials, spare parts and finished goods stored?
17. Are there adequate storage facilities for all the items of inventory?

Yes / No

18. What is the policy of the company of the disposal of surplus stores?
19. What are the reasons for the presence of such surplus stores?
 - (a) discontinuance of the production of the previous product;
 - (b) errors in demand forecast; and
 - (c) revision of targets downwards.
20. What are the causes for the stores losses?
21. How is the stores priced ?

- | | |
|---------------------------|--------------------------------|
| (a) F.I.F.O | (b) L.I.F.O |
| (c) Average methods, etc. | (d) Any other, please specify. |

22. What system of ordering do you follow ?
 - (a) Fixed Order Quantity or Economic Order Quantity System
 - (b) Fixed Period Order or Periodic Review or Replenishment System

- (c) Single Order and Scheduled Part-Deliveries System
 - (d) Any other system, please specify.
23. Do you have A B C classification of inventories ? Yes / No.
- If yes, please answer the following :
- (a) Who looks after the procurement of A items ?
 - (b) What is the period of stock of A items to the top management?
 - (c) Who looks after the procurement of B and C items?
 - (d) Do you have issue record of C items also? Yes / No.
24. Is there any Committee working on inventory control in the company?
- Yes / No
25. What is the policy of the company with regard to finished goods inventory?
- How many months sales are set as standard?
26. What is the policy action, if there are deviations found between norms and actual ?
27. What are the problems of inventory management in the company?
28. Any other additional information, opinion and comments you want to give:

B. RECEIVABLES MANAGEMENT IN THE INDUSTRIAL COMPANIES

1. How do you determine the level of investment in accounts receivable (Please mark the appropriate place):
 - (a) By making sales forecast.
 - (b) By adjusting past figures.
 - (c) By extra profit from credit sales as compared to cash down sales
 - (d) Any other basis (Please specify).
 2. Do you prepare accounts receivable report? Yes / No
- If yes, please mark the appropriate place,
- (a) Monthly (b) Quarterly (c) Any other (Please specify)
3. What is the maximum amount and time of credit permissible?
 4. What is the company's policy about the financial credit to,
 - (a) public, and (b) private customers?
 5. Has the policy varied from time to time? Yes / No

6. Will there be laxity in the credit policy towards big customers? Yes / No
7. Does the company allow a discount to its customers for prompt payments? Yes / No
8. If you do not receive amount on due date, what steps do you take?
9. What is your collection policy?
(a) Strict (b) Liberal
10. What are the factors determining the credit and collection policy of the company?
11. How the collection is made?
12. What is the maximum period of letter of credit?
13. What is the period of credit for local and export sales and their percentage of total sales?
14. Do you follow any of the following ratio as credit norms?
(a) Receivables to current assets (b) Collection period
(c) Receivables to sales (d) Any other (Please specify)
15. Is there any specific policy for loans and advances in the company?
Yes / No
16. Does the company charge any interest on the loans and advances outstanding for a longer period? Yes / No
17. Does the company charge interest on the advances granted to its contractors and suppliers? Yes / No
18. What are the problems of receivables management in the company?
19. What are your suggestions about making the 'Credit and Collection Management' more effective and efficient?

C. CASH MANAGEMENT

1. What are your objectives for keeping cash ?
(a) to fulfill current obligations
(b) to meet installment commitments under long term contracts
(c) to allow for contingencies
(d) to take advantage of favourable market conditions
(e) to take advantage of speculative gains

- (f) any other objective (please specify)
2. Do you prepare cash reports? Yes / No.
If yes, is it;
(a) daily (b) weekly (c) monthly (d) any other
3. How are your requirements of cash met when the cash balance goes down the minimal desirable level? Is it:
(a) by utilizing the bank credit line
(b) by liquidating marketable securities
(c) by raising loans or deposits from institution or persons other than bank
(d) by delaying payments
(e) any other (please specify)?
4. Does the company allow 'cash discount' ? Yes / No
If yes, what are the terms?
5. Does the company utilize cash discount facilities offered? Yes / No
6. What is the policy of the company about 'optimal cash balances' to be kept ?
7. How is such policy determined and effected ?
8. What does the company do to the excess cash ?
9. Whether such balances are invested in accordance with policies prior to settled? Yes / No
10. Does the company prepare weekly or monthly cash flow reports in order to control the level of cash ? Yes / No
11. Were there any instances of surplus / deficit of cash position in your company during 1987 to 1996? Yes / No
If yes, when and why ?
* How could it overcome the shortage?

D. PLANING, FINANCING AND CONTROL OF WORKING CAPITAL

1. How do you define working capital management in your company?
2. Who looks after working capital management?
3. How is the planning of working capital done?

4. What is the policy of the company about financing of working capital:
 - (a) Short term bank borrowings,
 - (b) Retained earning,
 - (c) Trade credit and provisions,
 - (d) Depreciation fund,
 - (e) Long term loan,
 - (f) Others, if any.
5. Is there any specific limit for raising short term bank borrowing to finance the working capital ? Yes / No
6. Does the company acquire long term loan from Government to finance working capital ? Yes / No
7. How is the control of working capital done ?
 - (a) Standard costing and budgetary control,
 - (b) Control of inventory,
 - (d) Control of cash,
 - (c) Control of receivables,
 - (e) Control of current liabilities,
 - (f) Review of working capital, if any.
8. What are the causes of inadequate net working capital?
9. What are the factors responsible for high cost of production ?
10. What are the factors determining the sales price of the company goods?
11. What is the policy of the company in securing funds for working capital requirement ?
12. What are the main sources of working capital ?
 - (a) Internal
 - (b) External
13. What is the policy of the company in utilizing the following internal sources of funds for working capital ?
 - (a) retained earnings
 - (b) depreciation
 - (c) provision for taxation, etc.
14. What is the policy of the company in using the following long term external sources of working capital ?
 - (a) share capital
 - (b) debentures
 - (c) term loans from banks
 - (d) public deposits.

15. What is the policy of the company in using the following short term external sources ?

(a) short - term loans from banks

(b) trade credit

16. Is the company getting any loan from the Jordan government to finance its working capital needs?

Yes / No

If yes, please state its magnitude.

17. Is there any fixed line for raising such credits to meet out the working capital needs ?

Yes / No

18. Could the company acquire overdrafts also ? Yes / No

If yes, what proportions were financed by this way ?

19. Are there any specific guidelines issued by the government of Jordan in relation to financing of working capital ?

Yes / No

If yes, please enclose a copy of such guidelines.

20. How does the company forecasts its working capital requirements.