

Information & Communication Technology/Services Sector Survey



A. CONTROL INFORMATION (to be filled <u>prior</u> to the interview)									
COMPANY CODE Co	de								
Year of survey implementation	Yea	ır							
Country	Coun	etry (
State	Sta	te	State	Centre	Code				
E			Karnataka	Bangalore	2				
			Tamil Nadu	Chennai	5				
City	Cit	У У	Delhi	Delhi	7				
			Andhra Pradesh	Hyderabad	8				
Industry	Indus	tani	Maharashtra	Mumbai	10				
Industry	1710775	u y	Maharashtra	Pune	11				
			Haryana	Gurgaon	19				
Telecom Services		30	Haryana	Faridabad	20				
Software		31	Maharashtra	Nagpur	28				
ITES Media & Entertainmen	+ Somiooo	32	Tamil Nadu	Coimbatore	33				
Interna & Entertainmen	it services	33	Uttar Pradesh	Noida	37				

Time face-to-face interview begins:

Time						
Hour	Minutes	AM/PM				

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The purpose of this survey is to better understand conditions in the local investment climate and how they affect the information technology sector. The goal is to advise government on ways to change policies that hinder private establishments like yours and to develop new policies and programs that support growth. Your answers should reflect only your experience of doing business in your country. Please note that the information obtained here will be treated strictly confidentially. Neither your name nor the name of your firm or establishment will be used in any document based on this survey.

B. GENERAL INFORMATION

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

Please keep in mind that the following four questions apply to the firm, not the establishment. After these five questions, the rest of the questionnaire is directed solely to establishment-level issues.

B.1	What is this firm's current legal status?	B1

Publicly listed company	1
Private held, limited company	2
Sole proprietorship	3
Partnership	4
Other (SPECIFY)	5

B.2 What percent of this firm is owned by each of the following:

Private Sector:	
a) domestically-owned	<u>B21</u> %
b) foreign-owned	<u>B22</u> %
i.) of which Non-resident Indian	<u>B23</u> %
Government/State	B24 %
Other (SPECIFY)	<u>B25</u> %
	100%

INTERVIEWER: CHECK TOTAL ADDS UP TO 100%

B.3 What percent of this firm does the largest shareholder(s) own?

 Percent

 Percent held by largest shareholder
 B3

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -9

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

Now, I want to ask you a couple of questions about what this establishment produces and how it began operations.

B.4 In fiscal year **2004-05**, what are this establishment's two main services (including software products) represented by annual sales? (For "code" show lists of ISIC-rev3, 4-digits code of the corresponding sector to which the establishment belongs).

	Description (SHOW CARD)	% of total sales	Code
First	B4ax	<i>B41</i>	B41a
Second	B4bx	<i>B42</i>	B42a

INTERVIEWER: TOTAL DOES NOT NECESSARILY ADD UP TO 100%

B.5 In what year did this establishment begin operations in this country?

	Year	
Year establishment began operations	B 5	
INTERVIEWER: IF THE RESPONDENT DOES N	NOT KNOV	V, WRITE -9

B.6	How many	permanent,	full-time	employees	did	this	establishment	employ	when	it	started
	operations?										

	At Start up	
Number permanent, full-time employees	<i>B6</i>	
INTERVIEWER: IF THE RESPONDENT	DOES NOT KNOW, WRITE	

B.8 Have non-resident Indians (NRIs) played a role in the operations or founding of this establishment?

Yes	1	<i>B8</i>
No	2	GO TO SECTION C
Don't know	-9	GO TO SECTION C

B.9 What roles have non-resident Indians (NRIs) play?

Roles	Yes	No	
a) Founder	1	2	B91
b) Major investor	1	2	<i>B92</i>
c) Former or current member of top management	1	2	<i>B93</i>
d) Other role (SPECIFY)	1	2	<i>B94</i>

B.10 As I list some of many possible benefits of the role that NRIs played in this establishment, please tell me if you think that for each benefits the NRI's role provided No Benefit, Few Benefits, Some Benefits, Significant Benefit, or a Very Significant Benefit to the current operations and opportunities for growth of this establishment.

Has the role of NRIs in this establishment brought No Benefit, Few Benefits, Some Benefits, Significant Benefit, or a Very Significant Benefit with respect to *(READ EACH CATEGORY)*?

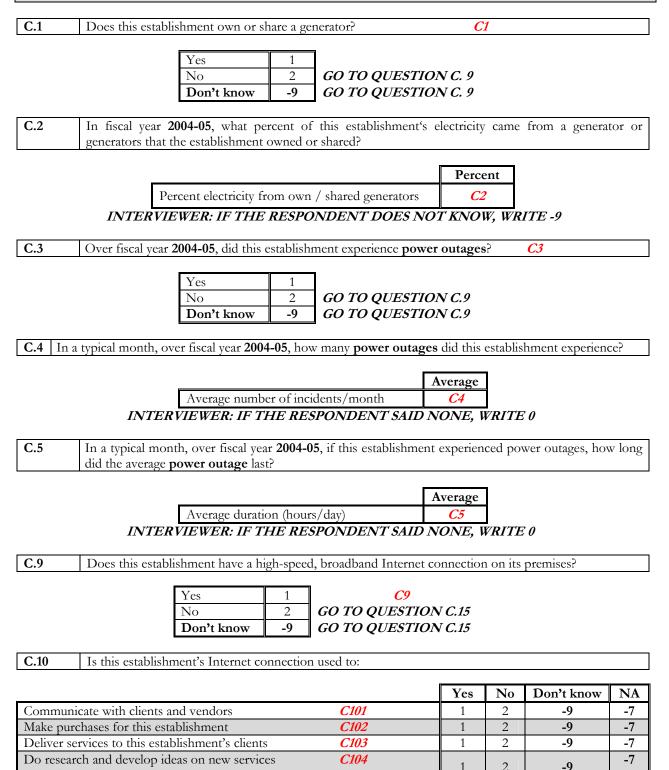
	No Benefits	Few Benefits	Some Benefits	Significant Benefits	Very Significant Benefits	Don't Know	NA	
Access to capital	0	1	2	3	4	-9	-7	B101
Access to management practices	0	1	2	3	4	-9	-7	<i>B102</i>
Access to markets	0	1	2	3	4	-9	-7	<i>B103</i>
Access to technology	0	1	2	3	4	-9	-7	<i>B104</i>

C. INFRASTRUCTURE AND SERVICES

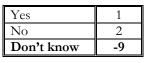
(including software products

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING: Now, we turn to the establishment's operations in fiscal year 2004-05.

The following topic is infrastructure and infrastructure services. The questions that follow assess how infrastructure and infrastructure services affect this establishment



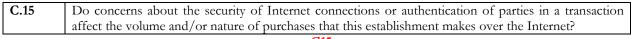
C.11	Over fiscal year 2004-0	5, did this establishment experience unavailability of quality Internet
	connection?	<i>C11</i>

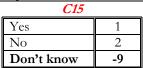


C.12	In a typical month, over fiscal year 2004-05, how many times has this establishment experienced
	unavailability of quality Internet connection?

Average number (incidents/month)







C.16	Do issues of cost, quality, and/or reliability in telecommunications and the Internet affect this
	establishment's relations with its clients and vendors? C16

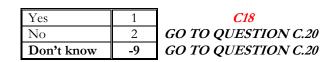
Yes	1
No	2
Don't know	-9

C.17	As I list some of many factors that can affect the current operations of a business and opportunities for its growth, please tell me if you think that each factor is No Obstacle, a Minor Obstacle, a Major
	Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.
	Are telecommunications No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?
	Is electricity No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?
	Is road transportation , of goods, supplies, inputs and workers, No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?
	Is air transportation No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?

		No obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Don't Know
Telecommunications including internet	C171	0	1	2	3	4	-9
Electricity	<i>C172</i>	0	1	2	3	4	-9
Road transportation	<i>C173</i>	0	1	2	3	4	-9
Air transportation	<i>C174</i>	0	1	2	3	4	-9

INTERVIEWER: ASK THE FOLLOWING TO RESPONDENTS THAT RESPONDED 3 or 4 IN THE ROAD TRANSPORTATION QUESTION:

C.18 At the present time, does this establishment provide its own transport for movement of its employees, clients or other working for or with this establishment?



C.19	In fiscal year 2004-05, what percent of this establishment's total annual sales revenue was spent on cost
	of personnel transport to work at this establishment?

Percent of total annual sales for personnel transport **C19**

INTERVIEWER: ASK THE FOLLOWING TO RESPONDENTS THAT RESPONDED 3 OR 4 IN THE AIR TRANSPORTATION QUESTION:

C.20

At the present time, is there enough direct flight connectivity with this city?

		Domestic	International
Yes	1	<i>C201a</i>	<i>C201b</i>
No	2	<i>C201a</i>	С202Ь
Don't know	-9	<i>C203a</i>	С203Ь

C.21	In the past year were there enough	business class seats easily available for direct international flights to
	and from this city?	<i>C21</i>

Yes	1
No	2
Don't know	-9

C.22	In the past year has adequate availabili	ty of suitable hotel accommodation been a constraint
	for your company?	<i>C22</i>

Yes	1
No	2
Don't know	-9

D. SALES AND SUPPLIES

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

this establishment obtains inputs required for production.

D.1

In fiscal year **2004-05**, what percent of this establishment's revenue were:

Sold domestically	D 11	%
Funcerted	D12	0/
Exported	DIZ	100%

INTERVIEWER: CHECK THAT THE TOTAL IS 100%

D.2 In fiscal year 2004-05, did this establishment imported goods?

Yes	1
No	2
Don't know	-9

D2 GO TO QUESTION D.5 GO TO QUESTION D.5

D.3 In fiscal year **2004-05**, when this establishment **imported goods**, what was the average number of days that it took from the time goods arrived to their point of **entry** (e.g. port, airport) until the time these goods could be claimed from customs?

	Days
Average number of days to clear customs	D3

INTERVIEWER: IF THE RESPONDENT SAID LESS THAN ONE DAY, WRITE 0

D.4	In fiscal year 2004-05 , when this establishment imported goods what was the longest number of days it
	took from the time goods arrived to their point of entry (e.g. port, airport) until the time these goods
	could be claimed from customs?

	Days
Longest number of days to clear customs	D 4
ερ. τε τίμε δεςδωνισεντ'ς λτο τ έςς τ	UANOR

INTERVIEWER: IF THE RESPONDENT SAID LESS THAN ONE DAY, WRITE 0

D.5	Please tell me if you think that customs and trade regulations are No Obstacle, a Minor Obstacle, a
	Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of
	this establishment.

D5	No obstacle	Minor obstacle	Moderate obstacle	Majo r obstacle	Very Severe Obstacle	Don't Know
Customs and trade regulations	0	1	2	3	4	-9

E. DEGREE OF COMPETITION

E.1 From the period beginning in fiscal year **2004-05**, to the end of that same fiscal year, please characterize the main market in which this establishment sells its main product line or main line of services.

E1

Type of market	Code
Local - Services (including software products) sold mostly in	1
same state where establishment is located	
National - Services (including software products) sold mostly	2
across nation where establishment is located	
International - Services (including software products) sold	3
mostly to nations outside India	

Interviewer: Multiple picking allowed

E.2 From the beginning to the end of fiscal year **2004-05**, for the main market in which this establishment sold its main product have this establishment's sales.

<i>E2</i>	Code
Increased	1
Remained the same	2
Decreased	3
Don't know	-9

E.3	From the beginning to the end of fiscal year 2004-05, for the main market in which this establishment
	sold its main product, have average prices:

E3	Code
Increased	1
Remained the same	2
Decreased	3
Don't know	-9

ſ	E.4	From the beginning to the end of fiscal year 2004-05, for the main market in which this establishment
		sold its main product, have the number of this establishment's major customers:

<i>E4</i>	Code
Increased	1
Remained the same	2
Decreased	3
Don't know	-9

E.5	Describe a few characteristics of your industry and the market, on a scale from 1 to 5:
-----	---

E51	a) How big a competitive threat are foreign firms operating in India	No threat	2	3	4	Big threat
<i>E52</i>	b) How big a competitive threat are foreign firms located in other countries?	No threat	2	3	4	Big threat 5
<i>E53</i>	c) How big a competitive threat are domestic firms operating in India	No threat 1	2	3	4	Big threat 5
<i>E54</i>	d) How big a competitive threat are informal sector firms operating in India	No threat 1	2	3	4	Big threat 5

.6 Please tell me if you think that the anti-competitive and informal practices are No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.

Еб	No obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Don't Know
Anti-competitive and informal practices	0	1	2	3	4	-9

E.7 If anti-competitive and informal practices are a moderate or bigger obstacle, in which area or forms do they operate?

	Not at all important	Slightly important	Fairly important	Very important	Don't know	NA	
Through uneven enforcement of tax (e.g. VAT, corporate income taxes, import duties or other taxes)	1	2	3	4	-9	-7	<i>E71</i>
Through uneven enforcement of government regulations (e.g. labor regulations, inspections, land restrictions)	1	2	3	4	-9	-7	<i>E72</i>
Through uneven enforcement of product / service standards and intellectual property rights	1	2	3	4	-9	-7	<i>E73</i>

F. CAPACITY	,							
F.1 In th	ne next twelve mont	hs. what are	vour expect	ations for	this establish	ment?		
		To cease operation	e To as lowe	have r sales evenues	To maintain sales and revenues	To incr sales a reven	und	on't know
Expectations fo	r establishment	1	and it	2	3	4	ue	-9
••		1 11. 1	. 1	· .		1 15		
	F.2 Over the last three, has this establishment made investment in operations abroad? Yes 1 No 2 Don't know -9 GO TO QUESTION F.4 GO TO QUESTION F.4							
F.3 With valu	h respect to those i	nvestments	in operatio	ns abroad	made in the	last three	years, wha	t was their
IN F.4 Is ad F.5 Pleas Majo	INTERVIEWER: TERVIEWER: IF ccess to foreign tech Yes No	THE RESI nology an ol t know	ESPONDEN Dostacle to gr 1 2 -9 GC Access to for	TO QUA	the current of F4 ESTION F.6 ESTION F.6	POND, W	PRITE -8 or this esta	Obstacle, a
	F5		No obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Don't Know
Access to foreign	n technology		0	1	2	3	4	-9
fore Reas Dom	ccess to foreign tec ign technology beca ons estic regulation llingness of foreign	use of:		or bigger	obstacle, is the second	ne obstacle No 2 2	to gainin F61 F62	g access to
	restrictions to foreig blishment?	gn direct inv	restments an	1 obstacle	to growth and	d the curre	nt operatio	ons for this

Yes	1
No	2
Don't know	-9

G. LAND

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING: We change topics and we would like to ask you questions about land issues.

0	. .1	Of the land	occupied by	this establis	hment, what	percent is:
---	-------------	-------------	-------------	---------------	-------------	-------------

Owned by this establishment	G 11	%
Leased by this establishment	<i>G12</i>	%
		100%

INTERVIEWER: CHECK SUM IS 100%

G.2	Of the buildings occupied by this establishment, what percent is owned, what percent is under
	management and what percent is rented or leased?

Owned by this establishment	<i>G21</i>	%
Leased by this establishment	<i>G22</i>	%
		100%

INTERVIEWER: CHECK SUM IS 100%

G.3 Is this establishment located in a Software Technology Park?

G3

Yes	1
No	2
Don't know	-9

G.4	Is this establishment located in a Export Processing Zone?	<i>G</i> 4
	Yes1No2GO TO QUESTION G.6Don't know-9GO TO QUESTION G.6	
G.5	Are you satisfied with the operation and maintenance of the STP or EPZ?	<i>G5</i>
	Yes 1 No 2 Don't know -9	
G.6	In the last three years, has this establishment acquired or attempted to buildings to expand operations? G6	o acquire additional land or
	Yes1No2Don't know-9GO TO QUESTION G.9GO TO QUESTION G.9	
G. 7	In the last three years, has this establishment been unsuccessful in acquiring	land or new premises?
	Yes 1 G7 No 2 GO TO QUESTION G.9 Don't know -9 GO TO QUESTION G.9	

G.8	If in the last three years this establishment was unsuccessful acquiring land or new premises, do any of
	the following reasons explain why these attempts were unsuccessful

	Yes	No	Don't know	NA	
It was not possible to find an appropriate industrial zone for my industry profile	1	2	-9	-7	G81
The government did not want to sell the land	1	2	-9	-7	<i>G82</i>
The required zoning approval would take too long	1	2	-9	-7	<i>G83</i>
Could not obtain land in desired industrial zone	1	2	-9	-7	<i>G84</i>
Municipality would not provide infrastructure for desired site	1	2	-9	-7	<i>G85</i>
Other (please specify)	1	2	-9	-7	G86

G.9 What was this establishment's most recent acquisition

Acquisition	Yes	No	
Land	1	2	<i>G91</i>
Buildings	1	2	<i>G92</i>
Land and buildings, both	1	2	<i>G93</i>

G.10 When was this most recent acquisition completed?

	Month/Year
Date of acquisition	G10

G.11 How long did the entire process take from the time a suitable site was identified to the time licenses, excluding construction permits, were acquired?

	Weeks
Time to complete acquisition	<i>G11</i>

G.12 Excluding the cost of the land and buildings how much did the process cost in transaction fees)?

	Rs.
Transaction fees (including registration fees, payments to lawyers, brokers etc):	G121
Informal payments to government officials or private parties to get things done	<i>G122</i>

G.13 Please tell us if any of the following issues are a problem for the operation and growth of this establishment.
 Please judge its severity as an obstacle on a four point scale where:
 0 = No obstacle 1 = Minor Obstacle 2 = Moderate obstacle 3 = Major obstacle 4 = Very severe obstacle

<i>G13</i>	No obstacle	Minor Obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Do Not Know	Does Not Apply
Access to land	0	1	2	3	4	-9	-7

G.14	If access to land is an obstacle (moderate or higher) to the operations or growth of your business in what
	way is that the case? Code: Yes=1, No=2.

	Yes	No	
Availability of Land			G
Ownership of the seller/size of land was unclear			G
Problematic and costly registration process			G
Obtaining permits/licenses to use the land is problematic and costly			G

H. COURTS

The next	READ THE FOLLOWING TO THE RESPOND. t set of questions address payment disputes that this e	
	is set of questions address payment disputes that this e as are designed to get an idea of how establishments lik	
H.1	In the last three years, has this establishment been invol	lved in a court case?
		H1 UESTION H.3 UESTION H.3
H.2	How long did it take to resolve the case?	
	H2 Time to resolve court case	Weeks
H.3	On average over the last year, what percent, in terms total sales to private customers were not paid within the	
	<i>H3</i> Percent not paid in agreed time	Percent
	INTERVIEWER: IF ZERO, PLEA	ASE GO TO H.7
H.4	Typically, what percent, in terms of value, of these mo	onthly sales are never repaid?
	<i>H4</i>	Percent
	Percent not re-paid	
H.5	In general, how many days does it typically take to moment it becomes overdue until you receive p negotiations?	
	H5 Timeto resolve overdue payment	Days
H.6	Over the last 2 years, what percent of this establish private customers were resolved by:	ament's disputes over overdue payments with
Busin Arbit	art action%iness association%intration agency%her (SPECIFY)%100%	F 0 SKIP TO QUESTION H.9 H61 H62 H63 H64
H.7	If the dispute over overdue payment was solved by cour court cases take to resolve, that is from the moment the the court decided the case?	

H 7	Weeks
Time to resolve court case over overdue payments	

H.8 If the disputes were solved by court action, were the decisions of the court (whether in your favor or not) generally enforced? **H8**

Yes	1
No	2
Don't know	-9

H.9 I am going to read some descriptions of how the court system handles business disputes between private parties. Disputes might include matters of payment for goods or services, liability, and property right enforcement, but not labor disputes. For each description, please tell me if you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree.
 The court system is (*READ EACH DESCRIPTION*). Do you Strongly disagree, Disagree in most cases, Tend to agree, Agree in most cases, or Strongly agree?

	Strongly disagree	Disagree in most cases	Tend to disagree	Tend to agree	Agree in most cases	Strongly agree	Don't know	
Fair, impartial and uncorrupted	1	2	3	4	5	6	-9	<i>H91</i>
Quick	1	2	3	4	5	6	-9	<i>H92</i>
Affordable	1	2	3	4	5	6	-9	<i>H93</i>
Able to enforce its decisions	1	2	3	4	5	6	-9	<i>H94</i>

H.10	I am going to read some statements that describe the courts. For each statement, please tell me if you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree.
	(READ STATEMENT). Do you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree?

<i>H10</i>	Strongly disagree	Disagree in most cases	Tend to Disagree	Tend to Agree	Agree in most cases	Strongly agree	Don't know
"I am confident that the judicial system will enforce my contractual and property rights in business disputes."	1	2	3	4	5	6	-9

H.11	Please tell me if you think that the legal system/conflict resolution is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.
	Please tell me if you think that the extent of legal protections for data privacy is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.

	No obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Do Not Know	Does Not Apply	
Legal system/conflict resolution	0	1	2	3	4	-9	-7	H111
Legal protection for data privacy	0	1	2	3	4	-9	-7	H112

INTERVIEWER: ASK THE FOLLOWING TO RESPONDENTS THAT RESPONDED 3 or 4 IN THE LEGAL PROTECTION FOR DATA PRIVACY QUESTION:

H.12 Is the legal protection for data privacy identified as an obstacle to the current operations and opportunities for growth of this establishment because of:

Reasons	Yes	No	
Inadequate legal framework	1	2	H121
Weak enforcement of the existing laws	1	2	H122

I. CRIME

I.1	In fiscal year 2004-05, did thi	s establishm	ent experien	ce losses in t	the last year	due cyber cr	ime or data		
	protection crime?								
	Yes No Don't know	1 2 w -9	-	<mark>11</mark> DUESTION DUESTION					
I.2	Please estimate the value of year 2004-05 .	the total ann	ual losses du	ie cyber crin	ne or data p	rotection cri	me in fiscal		
	Total annual losses from cyber crime (Rs. 000s)								
I.3	How many cases of cyber crin	ne or violatio	on of data pro	otection occu	urred in fisca	l year 2004-0	5.		
	Number				<i>I3</i>				
I.4	In fiscal year 2004-05 , did the professional security services)		ent pay for s	security (e.g.,	, equipment,	software, pe	ersonnel, or		
	Yes No Don't kno	1 2 w -9		I4 DUESTION DUESTION					
I.5	In fiscal year 2004-05 , what annual cost of security?	percent of it	ts total annu	al sales is pa	aid for secur	rity, or what	is the total		
	Percent of to	tal annual sa	les for securi	ty	I5a				
			OR						
	Total annual cost of security(Rs. 000s) [15b]								
I.6 Please tell me if you think that street crime, theft and disorder is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment.									
	<i>16</i>	No obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Don't Know		
Street crin	ne, theft and disorder	0	1	2	3	4	-9		

BUSINESS-GOVERNMENT RELATIONS

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

We next cover the relationship between business and government. The following questions assess how establishments, such as this one, deals with the relationships with government officials, their agencies, and the rules and regulations these agencies are designed to implement and enforce.

J.1 I am going to read some statements that describe business-government relations. For each statement, please tell me if you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree.

(**READ STATEMENT**). Do you Strongly disagree, Disagree in most cases, Tend to disagree, Tend to agree, Agree in most cases, or Strongly agree?

J1	Strongly disagree	Disagree in most cases	Tend to Disagree	Tend to Agree	Agree in most cases	Strongly agree	Don't know	Refuses to Answer
"Government officials' interpretations of the laws and regulations affecting this establishment are consistent and predictable."	1	2	3	4	5	6	-9	-8

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

	J2	Percent
	Percent of total senior management's time	
$\tau \tau$	ΕΟVIEWED. ΙΕ Τ΄ΠΕ DECONIDENT' CAID	NO TIME WAS SDENIT WDI

INTERVIEWER: IF THE RESPONDENT SAID NO TIME WAS SPENT, WRITE 0

J.3	Based on the experience of this establishment over the last year :
	a) How many times was this establishment either inspected by the following agencies or required to
	meet with officials from these agencies?
	b) How long did these meetings take?
	c) In any of these inspections or meetings was a gift or informal payment expected or requested?
	d) Were the agencies from the state, center or local level?

A) Was this establishment visited and or inspected by officials of the following agencies?

IF RESPONDENT ANSWERS 'NO', DO NOT ASK (b) AND (c). SKIP TO NEXT QUESTION.

]3

B)

Inspections and requir	ed meetings with	c. Was a gift or informal payment ever expected/ requested?	d. State (S) /Center (C) /Local (L) (write all that apply)		
	a. Times (no. of visits) b. Average duration (hours)		l = Yes $2 = No$		
i. Tax Inspectorate (VAT, sales tax, income, customs, excise)	J31a	J31b	J31c	J31d	
ii. Labour	J32a	J32b	J32c	J32d	
iii. Fire and Building Safety	J33a	J33b	ЈЗЗС	J33d	
iv. TOTAL , all agencies (including those not listed above)	J34a	J34b	J34c	J34d	

J.4	When establishments like this one do business with the government, what percent of the contract value
	would be typically paid in additional or informal payments/gifts to secure the contract?

percent of contract value %



INTERVIEWER: IF THE RESPONDENT SAID NO PAYMENTS/GIFTS ARE PAID, WRITE 0 IF RESPONDENT REFUSES TO RESPOND, WRITE -8

J.5 We've heard that establishments are sometimes required to make gifts or informal payments to public officials to "get things done" with regard to customs, taxes, licenses, regulations, services etc. On average, what percent of total annual sales, or estimated total annual value, do establishments like this one pay in informal payments/gifts to public officials for this purpose?

percent of total annual sales %

J5a

OR

Estimated value(Rs.Rs.) **J5b**

PROVIDE EITHER ONE OR THE OTHER, NOT BOTH

INTERVIEWER: IF THE RESPONDENT SAID NO PAYMENTS/GIFTS ARE PAID, WRITE 0 IF RESPONDENT REFUSES TO RESPOND, WRITE -8

J.6	Based on the experience of this establishment over the last two years:
·	a) Were applications submitted to obtain (READ EACH ITEM) in the last 2 years? IF
	RESPONDENT ANSWERS 'NO', DO NOT ASK (b) AND (c). SKIP TO NEXT ITEM.
	b) What was the <u>average</u> wait experienced to obtain (READ EACH ITEM) from the day this
	establishment applied to the day this establishment received the service or license?
	a) Was an informal gift expected ore requested to obtain approval for <i>(READ EACH ITEM)</i> ?

	a) Over the last two years, has this establishment sought	b) Average wait (days)	c) Was an informal gift or payment expected or requested?
	Yes=1 No=2 DK=-9	Less than one day=0 NA=-7	Yes=1 No=2 DK=-9 Refuses to respond=-8
	IC1:		1
A mainline telephone connection	J61a	J61b	J61c
An electrical connection	J62a	J62b	J62c
A construction-related permit	J63a	J63b	<u> J63с</u>
An import license	J64a	J64b	J64c
An operating license	J65a	J65b	<u>J65c</u>

INTERVIEWER: IF THE RESPONDENT SAID NO WAIT, WRITE 0 INTERVIEWER: IF THE RESPONDENT SAID NO PAYMENTS/GIFTS ARE PAID, WRITE 0 J.9

As I list some of many factors that can affect the current operations of a business and opportunities for its growth, please look at this card and tell me if you think that each factor is No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment. *(SHOW CARD)*

Is/Are *(READ EACH CATEGORY)* No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?

		No Obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Do Not Know	Does Not Apply
Tax rates	J91	0	1	2	3	4	-9	-7
Tax administration	J92	0	1	2	3	4	-9	-7
Business licensing and permits	J93	0	1	2	3	4	-9	-7
Macroeconomic instability	J94	0	1	2	3	4	-9	-7
Regulatory and Policy uncertainty	J95	0	1	2	3	4	-9	-7
Corruption	J96	0	1	2	3	4	-9	-7

K. FINANCE

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

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

K.3	Over fiscal year 2004-05, please estimate the proportion of this establishment's working capital that was
	financed from each of the following sources? (SHOW CARD)

	Percent Sources of Working Capital
Internal funds/Retained earnings	K31
Borrowed from private commercial banks	K32
Borrowed from state-owned banks and/or government agency	K33
Borrowed from family/friends	K34
Borrowed from non-bank financial institutions	K35
Purchases on credit from vendors and advances from customers	K36
Borrowed from informal sources (e.g., moneylenders)	K37
Other (SPECIFY SOURCES)	K38
	100%

INTERVIEWER: CHECK THAT TOTALS ARE 100%

K.4 In fiscal year 2004-05, did this establishment purchase fixed assets, such as machinery, vehicles, equipment, land, buildings or improvements to leaseholds?

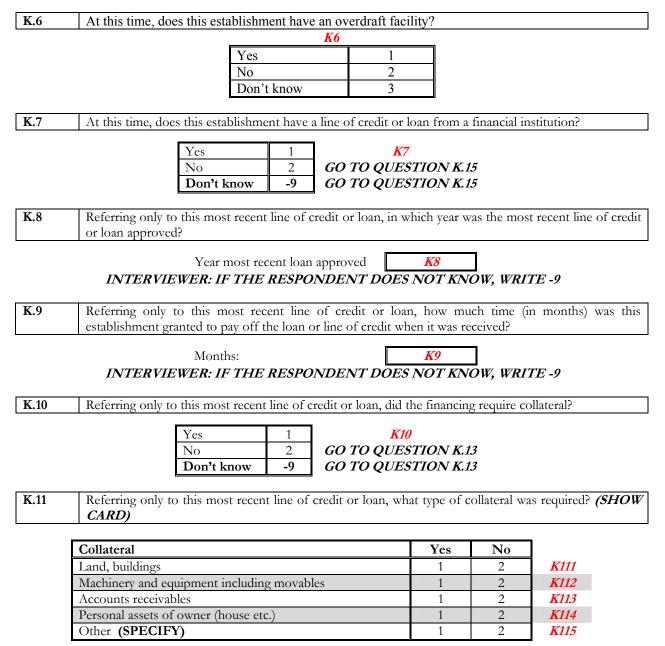
Yes	1	
No	2	G
Don't know	-9	G

K4 GO TO QUESTION K.6 GO TO QUESTION K.6

K.5	Over fiscal year 2004-05, please estimate the proportion of this establishment's purchase of fixed assets
	that was financed from each of the following sources? (SHOW CARD)

	Percent Sources of Investment
Internal funds/Retained earnings	<u>K51</u>
Issued new equity shares)	<u>K52</u>
Issued new debt (including commercial paper and debentures)	K53
Borrowed from private commercial banks	K 54
Borrowed from state-owned banks and/or government agency	K 55
Borrowed from family/friends	K 56
Borrowed from non-bank financial institutions	K 57
Purchases on credit from vendors and advances from customers	K 58
Borrowed from informal sources (e.g., moneylenders)	K 59
Other (SPECIFY SOURCES)	K510
	100%

INTERVIEWER: CHECK THAT TOTALS ARE 100%



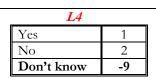
K.12	Referring only to this most recent line of credit or loan, what was the approximate value of the
	collateral required as a percentage of the loan value or the value of the line of credit?

.....% **K12**

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -9

K.13	Going back to of credit?	o the past, in fi	scal year 20	04-05 , did	this establi	shment a	pply for nev	w loans or	new lines
		Yes No Don't kno	1 2 w -9		<mark>K13</mark> QUESTI QUESTI				
K.14	In fiscal year credit?	2004-05 , how	many time	s did this	establishme	ent apply	for new lo	ans or nev	w lines of
	INTERV	Number o TEWER: IF T	f applicatio HE RESP			<mark>K14</mark> NOT KN	OW, WRIT	TE -9	
K.15	How many of	those loan or li	ne of credi	t applicatio	ns were reje	ected?			
	INTERVIEW		f applicatio RESPONL	,	SWERED	<u>K15</u> 0 0, GO T	TO QUEST	'ION K.17	•
K.16		2004-05 if any was the most c							
		Lack of accep Perceived lack			gners		K161 K162		
		Inadequate cro					K102 K163		
		Incompletene			on		K164		
		Lenders perce					K165		
		Other				6.	K166		
		Don't know				-9	K167		
K. 17	If in fiscal year reason? <i>(SHC</i>	ar 2004-05 , this <i>DW CARD)</i>	establishm	ent did not	apply for	line of cr	edit or loan	, what was	the main
	No need for	a loan - establis	hment has :	sufficient c	apital		1	K171	
		a loan - establis			*	redit	2	K172	
	Application p	procedures for l	oans or line	of credit a	re too burc	lensome	3	K173	
	Interest rates	0					4	K174	
		uirements for l		of credit a	re too stric	t	5	K175	
		mounts and ma					6	K176	
Did not think it would be approved Other							7	K177 K178	
	Ould						0	11170	
K.18	requirements)	financing , w , No Obstacle, tions and oppor	a Minor (Obstacle, a	Major Ob	stacle, or			
	K18		No	Minor	Moderate	Major	Very Severe	Do Not	Does Not
	mo		obstacle	obstacle	obstacle	obstacle	Obstacle	Know	Apply

L. LABOR L.1 How many permanent, full-time employees did this establishment employ fiscal year 2004-05? By permanent, full-time employee, I mean an employee that has a contract to work for more than a year and works for 8 or more hours per day. 2004-05 **L1** Number permanent, full-time employees L.2 How many permanent, full-time employees did this establishment employ three fiscal years ago? L22001-02 Number permanent, full-time employees INTERVIEWER: IF ESTABLISHMENT WAS NOT IN BUSINESS THREE YEARS AGO, WRITE -7 L.3 Over fiscal year 2004-05, did this establishment run formal in-house training programs for its permanent, full-time employees? L3 Yes 1 2 No Don't know -9 Over fiscal year 2004-05, did this establishment send its permanent, full-time employees to formal L.4 training run by other organizations?



L.5 If this establishment does not offer formal training (neither internal nor external), please indicate the three principal reasons (choose from list below) for not doing so:

New workers become proficient through learning by doing	1
In-house informal training is sufficient	2
Unaware of formal training programs	3
Training is not affordable	4
Recently trained workers can be readily hired from other firms	5
Skills that workers learn in school are adequate	6

First	L51
Second	L52
Third	L53

L.6	For what proportion of this establishment's staff, is English critical to perform their tasks?					
<i>L6</i> Percent						
	Percent of staff for which English is critical					

L.7	In the last three years, estimate how much the average wages for employees with the following sets of
	skills have changed?

	Percent change in average wages
Basic computer skills to fill out online forms move between forms and files, retrieve and save information, and perform elementary word processing, data entry, or software installation.	L71
Good working knowledge of standard office software to manipulate and format information, do sophisticated word processing to create customized documents, customized spreadsheets, create databases, and use presentation software	L72
Facility with industry specific software to produce original digital media content, designer web pages and customized graphics design content, or use specialized financial or business management software.	<i>L73</i>
Knowledge of hardware and maintenance, the ability to troubleshoot and provide technical and network support.	L74
Advanced knowledge of programming and application or system architecture, the ability to write new software and design system architectures.	L75



<i>L8</i>	
Yes	1
No	2
Don't know	-9



Yes	1	
No	2	GO TO QUESTION L.12
Don't know	-9	GO TO QUESTION L.12

L.11	In fiscal year 2004-05, would this establishment have hired or fired workers had it not been for having
	to comply with labor regulations?

	L11	
Workers	Code	How many?
Hire	1	
Fire	2	

L.12	In fiscal year 2004-05, how much time, in weeks, did it take to fill the most recent vacancy through
	external recruitment for the following category of workers?

Workers	Weeks
Managers	L121
Professionals	L122
Skilled workers	<i>L123</i>

L.13	Is an inadequately educated workforce No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?
	Are labor regulations No Obstacle, a Minor Obstacle, a Major Obstacle, or a Very Severe Obstacle to the current operations and opportunities for growth of this establishment?

	No obstacle	Minor obstacle	Moderate obstacle	Major obstacle	Very Severe Obstacle	Don't Know
Inadequately educated workforce <i>L1</i> .	31 0	1	2	3	4	-9
Labor regulations L1.	32 0	1	2	3	4	-9

M. RESEARCH AND DEVELOPMENT

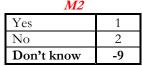
READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The next set of questions address issues of technology use, licensing, and research and development. There are some questions about expenses incurred with respect to research and development. It is important that these questions be answered with reference to this establishment's financial statements.

M.1 In the last 24 months, has this establishment received an internationally-recognized quality certification such as ISO and/or SEI CMM certificate?



M.2 During the last three years, did this establishment introduce onto the market any new or significantly improved products (goods or services) not only for your enterprise but also for your market?



M.3 Now turning to fiscal year 2004-05. In fiscal year 2004-05, did this establishment spend on research and development activities?
 Research and development (R&D) activities include all creative work undertaken on a systematic basis in order to increase the stock of knowledge, and the use of that knowledge to devise new and improved products (goods and services) and processes. Please consider all research and development activities undertaken within this establishment, and/or R&D activities contracted to other companies, and other public or private research organizations and purchased by this establishment.

Yes	1
No	2
Don't know	-9

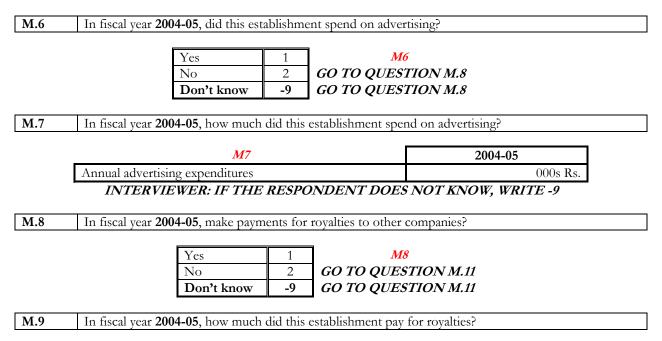
M3 GO TO QUESTION M.6 GO TO QUESTION M.6

M.4	In fiscal year 2004-05, how much did this establishment spend on research and development?					
	RESEARCH AND DEVELOPMENT (R&D) ACTIVITIES ARE DEFINED ABOVE. REFER TO THIS DEFINITION IN CASE CLARIFICATION IS REQUIRED.					
	Please include the cost of personnel and related materials and investment expenditures (no depreciation) needed to implement R&D activities.					

<i>M4</i>	2004-05	
R&D expenditures, purchased or performed in-house	000s Rs.	
INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW WRITE -9		

M.5 In the last three years, has this establishment

	a)	b) If yes, how many?	c) If yes, where?	
1)filed for (applied for) any patents?	(1) □ Yes (2) □ No <i>M51a</i>	M51b	 (1) □ In India (2) □ Abroad (3) □ Both [M51c
2) been awarded (received) any patents?	(1) □ Yes (2) □ No <i>M52a</i>	M52b	(1) □ In India (2) □ Abroad (3) □ Both [M52c
3) formally registered any copyrights?	(1) □ Yes (2) □ No <i>M53a</i>	M52b	(1) □ In India (2) □ Abroad (3) □ Both [М53с



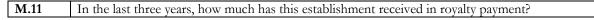
<i>M9</i>	2004-05
Annual payments for royalties	000s Rs.

INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -9

M.10 Has this establishment received royalties or technology fees paid it from intellectual property owns?

Yes	1
No	2
Don't know	-9

M10 GO TO QUESTION N.1 GO TO QUESTION N.1



M11	2001-02	
Annual royalty payments received	000s Rs	
INTERVIEWER: IF THE RESPONDENT DOES NOT KNOW, WRITE -9		

N. INVESTMENT CLIMATE CONSTRAINTS TO THE ESTABLISHMENT

READ THE FOLLOWING TO THE RESPONDENT BEFORE PROCEEDING:

The next set of questions is designed to get a general picture of your opinion about the investment climate in your country and city of operations. Please think about all of the issues we addressed in this survey when answering these questions.

N.1 You have indicated that several obstacles affect the operation and growth of this establishment. Here is a card with the obstacles I just listed (*HAND RESPONDENT CARD LISTING ALL FACTORS*). Please tell me the three that you think are currently the biggest problem, beginning with the worst of all three.

S1.	FACTOR	Ranking
		[AF1]
i	Access to finance (availability and cost)	<i>N11</i>
ii	Access to land	<i>N12</i>
iii	Business licensing and permits	<i>N13</i>
iv	Corruption	<i>N14</i>
v	Crime, theft and disorder	N15
vi	Customs and trade regulations	N16
vii	Electricity (availability and cost)	<i>N17</i>
viii	Legal system/conflict resolution	N18
ix	Inadequately educated workforce	<i>N19</i>
x	Labor regulations	<i>N110</i>
xi	Macroeconomic instability	N111
xii	Regulatory and Policy uncertainty	N112
xiii	Anticompetitive or informal practices	<i>N113</i>
xiv	FDI limitation	<i>N114</i>
xv	Access to foreign technology	N115
xvi	Tax administration	N116
xvii	Tax rates	<i>N117</i>
xviii	Road Transportation	<i>N118</i>
xix	Air Transportation	<i>N119</i>
xx	Telecom	<i>N120</i>

INTERVIEWER: PLEASE CHECK THAT RESPONDENT UNDERSTANDS DIRECTIONS 1=BIGGEST PROBLEM, 2=SECOND BIGGEST, 3=THIRD BIGGEST and so on...

O. LOCATION

Why did the establishment choose to be located in the particular state?:

(Codes: Yes=1 No=2)
a. The owner(s) / major shareholder(s) are from that state?
b. The state government gave concessions and benefits which made it more attractive to locate there
c. The state was chosen based on a location feasibility report (and after comparison with other states)
d. Other factors (*Please Specify*)....

P. PERFORMANCE

P.1 For fiscal year **2004-05**, please provide the following information about this firm (in Rs. thousands):

	2004-05	2003-04
Total annual revenue	P11a	<i>P11b</i>
Total annual cost of labor (including wages, salaries, bonuses, social payments)	P12a	P12b
Total annual costs of electricity	P13a	P13b
Total annual costs of communications services	P14a	P14b
Total annual costs of transport for goods and workers	P15a	P15b
Total annual cost of rental of land/buildings, equipment, furniture	P16a	P16b

P.2 What was total sales revenue for this firm (in Rs. Thousands) three complete fiscal year's ago?

P22001-02Total revenue

INTERVIEWER: IF ESTABLISHMENT WAS NOT IN BUSINESS THREE YEARS AGO, WRITE -7

P.3 In the last fiscal year, how much did this establishment spend on purchases of: (in Rs. 000s)

	2004-05	2003-04
ICT hardware, vehicles and equipment (new and/or used)	P31a	P31 b
Land, buildings or improvements to leasehold	P32a	P32b
Information technology (software including operating systems & Tools)	P33a	P33 b

P.4	What was the net book value of the following at the end of last fiscal year? (in Rs. 000s)

	2004-05	2003-04
ICT hardware and equipment (including transport)	P41a	P 41b
Land, buildings and leasehold improvements	P42a	P42b

THE SURVEY ENDS HERE THANK YOU VERY MUCH FOR YOUR COOPERATION.

INTERVIEWERS PLEASE ANSWER AT END OF THE INTERVIEW:

A. It is my perception that the questions regarding opinions and p	erceptions:
QA	*
Truthful (reflect real opinions)	1
Somewhat truthful	2
Not truthful	3
QB	
B. The questions regarding figures (productivity and employment	numbers):
·	n
Are taken directly from firms records	1
Are estimates computed with some precision	2
Are arbitrary and unreliable numbers	3
INTERVIEWER'S COMMENTS	
QB1	

(Problems occurred/extraordinary circumstances which could influence results)

SUPERVISORS PLEASE ANSWER:

C.

This questionnaire was completed in: <u>QC</u> One visit in face-to-face interview with one person

One visit in face-to-face interview with one person	
One visit in face-to-face interview with different managers/staff	
Several visits	3