



## Role of District Industries Centre in Entrepreneurial Development in Theni District

### KEYWORDS

DIC, financial & marketing assistance, problem faced.

### AMATHULLAH THUSNEEM

LECTURER IN COMMERCE, JBAS WOMEN'S COLLEGE, CHENNAI.

**ABSTRACT** Indian industry has entered a new phase in its development. In many sector of the industry such as machine tools, textile machinery, power equipments, material handling equipment etc., the industry is in a position to plan for major initiatives even on an international basis. The country has the four advantages in terms of cheaper labour cost, as also abundant availability of well-trained engineers and experienced managers and technical labour force, scientists, etc. these aspects are likely to receive adequate attention in the present decade. The country has been opened up to the forces of globalization. With globalization, they are more exposed to severe competition both from large-scale sector, domestic, foreign and from the MNCs. The entrepreneur is the key to the creation of new enterprises that energies the economy and rejuvenate the established enterprises that make up the economic structure. The paper focuses on the entrepreneur in Theni district and assistance from DIC in entrepreneurial development.

### INTRODUCTION

Entrepreneurship has progressed from successful management of small-scale enterprises to managing multi-national companies. A few Indian enterprises appear in the first 500 world corporations and in the IT industry, many of the enterprises are in top slot like Infosys, Wipro, HCL etc., are in top slot. Due to technological advancement the business environment has changed. Some individuals saw an opportunity in the emerging IT industry. India has been able to demonstrate its caliber and play a dominant role at present. Due to country's crisis, a large number of workers are forced remain jobless both in rural and urban areas. In order to tackle this problem, DIC plays a prominent role in entrepreneurial development. They give support and assistance to the entrepreneurs.

### OBJECTIVES OF THE STUDY

The study objectives are

1. To study the entrepreneurs condition in the Theni District.
2. To analyse various Assistance provided by the DIC in entrepreneurship development.
3. To offer suggestions to improve the entrepreneurial development in the study area.

### REVIEW OF LITERATURE

Ilyaraja has pointed in his research findings that the 43 respondents getting assistance from DIC, on which 45 of the respondents satisfied about the role of DIC, and he also pointed that the lack of technique assistance was the major problem by the entrepreneur.

Sumathi in her article has pointed that, the support and assistance of all these institutional has helped SSI, to grow meritoriously. Today, the SSI sector produces almost 8,000 products; the number of units has gone up from 19 lakhs in 1991 to over 31 lakhs in 1999. So we have a vision of a strong and vibrant sector contributing its mite to economic progress and Job creation whites at the same time, working with laid industry to ensure that the comparative advantages of both compliment each other.

One problem for the entrepreneur is determining how to successfully secure a loan from the bank. Banks are generally cautious in lending money, particularly to new ventures, since they do not want to incur bad loans. Regardless of geographic location, commercial loan decisions are made only after the loan officer and loan committee do a careful review of the borrower and the financial track record of the business.

These decisions are based on both quantifiable information and subjective judgments.

### ANALYSIS AND INTERPRETATION

**TABLE 1 MOTIVATION TO BECOME AN ENTREPRENEUR**

Sl.NO	Motivation to become an entrepreneur	No. of Respondents	Percentage
1.	Motivation Campaign by DIC	26	20.2
2.	Desire for independence	78	60.5
3.	Desire to earn more	20	13.5
4.	EDP by DIC	5	3.8
	Total	129	100.00

Source: Primary data

Table 1 reveals that out of 129 respondents 26(20.2 percent) respondents are motivated by DIC 78(60.5 percent) respondents have desire for independence, 20(15.5 percent) respondents have to earn more and remaining 5(3.9 percent) respondents are given EDP by DIC.

**TABLE 2 FINANCIAL ASSISTANCE FROM DIC**

Sl.NO	Financial Assistance	No. of Respondents	Percentage
1.	YES	13	10.08
2.	NO	116	89.92
	Total	129	100.00

Source: Primary data

Table 2 reveals that out of 129 respondents 13(10.08 percent) respondents are getting financial assistance from DIC and 116(89.92 percent) respondents say that they do not get financial assistance from DIC.

**TABLE 3 MARKETING ASSISTANCE FROM DIC**

Sl.NO	Opinion	Manufacturing Sector	Service Sector	Agro based industries	Total
1.	YES	13 (10.1%)	-	-	13 (10.1%)
2.	NO	39 (30.2%)	52 (40.35%)	25 (19.4%)	116 (89.9%)
	Total	52 (40.3%)	52 (40.35%)	25 (19.4%)	129 (100%)

Source: Primary data

It is evident from table 3 10 percent of the respondents get marketing assistance and the remaining 89.9 percent do not get marketing assistance from DIC.

#### FINDINGS

1. It is inferred from the study that 116 (89.9 percent) respondents did not get financial assistance from DIC.
2. It is inferred that 103 (79.8 percent) respondents are getting subsidy from the government and 26 (20.2 percent) respondents are not getting subsidy from the government.
3. The study shows that 78(60.5 percent) of the respondents are desired for independence and 26(20.2 percent) of the respondents are motivated by DIC.

#### SUGGESTIONS

1. The District Industries centre, Theni have to give marketing Assistance and financial Assistance to the small-scale entrepreneurs to large extent.
2. Motivation campaign by DIC should be conducted more in order to increase the student entrepreneurs, particularly in schools and colleges.
3. To encourage and recognise entrepreneurs "THE BEST ENTREPRENEUR AWARD" should be instituted at district level also.

#### CONCLUSION

The Growth and development of MSME's has been constrained by several factors of technological obsolescence, inadequate and irregular supply of raw materials, imperfect knowledge of market conditions, constraints of infrastructure facilities including power supply. These have been lack of marketing Assistance and financial Assistance from DIC for the MSME's. Even though governments are taking an increased interest in promoting the growth of entrepreneurial development, subsidies and incentive it should be increased, individuals are encouraged to form new business by motivation campaign. The District industries centre should make efforts to give various supports and Assistance to the entrepreneurs. So, that they can compete with multinational corporation through improvement in technology and quality.

#### REFERENCE

1. Ilayaraja S., Institutional Support for Entrepreneurship development – A study with | Special reference to Madurai District, M.Phil, Dissertation, M.K.U, March 2006. | 2. Jancovic, A,D, and R.D. Hisrich, Institution in Small business lending decisions, | Journal of Business Management, July 1987, pp.45-52. | 3. Prabakara Sharma, " Entrepreneur and innovation" Indian Journal of marketing, Vol.29, No.1-3, January-March 1999, pp.8-13 | 4. Krishnaswami O.R and Ranagatham, Methodology of Research in Social Sciences, Second revised edition, Himalaya Publishing house, Mumbai, 2005,p. 295. | 5. Gupta C.B., Srinivasan N.P., Entrepreneurial Development, Sultan Chand & Sons, New Delhi, 2003.