



Problems Faced by Entrepreneurs in District Industries Centre in Theni District, Tamilnadu

KEYWORDS

Problems of DIC, Subsidies, Power holiday.

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ABSTRACT *The basic objective of the industrial policy pursued by the Tamilnadu government is to active massive increase in employment by promoting small industries and rural industries. But all industries face problems in marketing their products or services particularly small scale enterprises are more plagued by the MSME's face several problems in marketing their products. The MSME's have to face the cut throat competition in respect of quality, cost and standardization of the products with medium and large scale enterprises.*

The district industries centre is the institution at the district industries centre is the institution at the district level which provides all the services and support facilities to the entrepreneur for setting up small and village industries by providing subsidies and assistance to entrepreneurs in rural and backward areas. Even though, it provides various assistance it faces problems in subsidies, incentives to the industries, power connection for the power loom industries and lack of training given by the DIC. The study progresses to explain the problem faced by entrepreneurs in district industries centre in Theni District, Tamilnadu.

INTRODUCTION:

The District industries centre, Theni has been pursuing the basic objectives by assisting for optimum utilization in existing industries, faster promotion of new small scale industries and village industries with a rural basis and by increasing the employment opportunities in industries sector. The small entrepreneur required various types of assistance right from the selection of an item for manufacture inputs like credits, raw materials, power, land and buildings etc., under the new scheme of DIC the entrepreneur can get all such assistance through one agency. This include identification of suitable schemes, preparation of feasibility reports, arrangements for credit facilities, machinery and equipments, provision of raw materials and extension services.

PROFILE OF DIC:

The DIC's were established on may 8, 1978 in order to provide integrated administrative framework at District level for promotion of small-scale industries in rural areas. During 1985 a separate sub-office was formed at Karaikal, the each district has a DIC at its head quarters and the metropolitan cities Delhi, Mumbai, Kolkata and Chennai are kept outside the purview of the DIC. The DIC consists of general manager functional managers, project managers.

IMPORTANCE OF THE STUDY:

Entrepreneurship being an intangible factor is the moving force and development to the consequence. The gradual shift from agriculture to industry is the need of the hour to the people of this region. The availability of abundant human resources and infrastructure facilities have paved the way for starting and running the small scale industries.

This study was made to determine the role of DIC in entrepreneurial development in Theni. The study aims that the entrepreneurs facing any problems in district industries centre, Theni and what are the improvements they need in DIC. It also to study about the subsidies and assistance given by the DIC, Theni to the entrepreneurs.

REVIEW OF LITERATURE

Chandrika in her dissertation A study of DIC in Madurai

District during 1980-90, has analyzed the various schemes of DIC. In her conclusion, she suggested that there should be a branch office of DIC at each and every Taluk headquarters to promote the small – Scale units. Further, it was suggested that various schemes of DIC should be given wide publicity.

Balasubramaniam in his dissertation has suggested a study of industrial development in the composite Ramnad District, suggested that DIC should make arrangements for adequate supply of raw materials and take more efforts to help the entrepreneurs to market their finished products instead of supply directing them to approach SIDCO. It was also suggested that atleast 40 percent of the project cost should be granted as margin money assistance, instead of the present 25 percent.

Analysis and interpretation

TABLE 1 PROBLEMS IN MARKETING THE PRODUCT

Sl. No	Problems	No. of respondents	Percentage
1.	Competition from Large Entrepreneurs	47	36.43
2.	Competition from small Entrepreneurs	22	17.05
3.	Lack of transport	16	12.41
4.	Lack of Finance	44	34.11
	Total	129	100.00

From Table 1 that out of 129 respondents 47 (36.43 percent) of respondents have competition from large entrepreneurs, 16 (12.41 percent) respondents told about the lack of transport and 44 (34.11 percent) respondents told about the lack of finance and 22 (17.05 percent) respondents felt the competition from small entrepreneurs.

TABLE 2 OPINION REGARDING POWER SUPPLY

Sl. No	Opinion Regarding power Supply	Respondents	Percentage
1.	Power holiday should be reduced	78	60.5

2.	Power subsidy should be increased	38	29.4
3.	Power tariff should be reduced	13	10.1
	Total	129	100.00

Table 2 reveals that out of 129 respondents 78 (60.5 percent) respondents says that power holiday should be reduced, 38 (29.4 percent) respondents says that power subsidy should be increased, and 13 (10.1 percent) respondents expressed that power tariff should be reduced.

TABLE 3 PROBLEMS FACED BY ENTREPRENEURS IN DIC

Sl. No	Problems	Respondents	Percentage
1.	Inadequate financial assistance	116	89.9
2.	DIC does not disburses the subsidies properly	-	-
3.	Subsidies does not help for the unit	6	4.6
4.	DIC shows discrimination	-	-
5.	Irresponsible of DIC officers	3	2.3
6.	Lack of training programmes	4	3.2
	Total	129	100.0

From Table 3 that out of 129 respondents the problem is inadequate financial assistance for 116 (89.9 percent) 3 (2.3 percent) respondents told that officer are highly irresponsible and 4 (3.10 percent) respondents says that they have lack of training programmes.

SUGGESTIONS

1. The government has to increase power subsidy to the entrepreneurs in the agro based and technical sectors.
2. Power holiday should be reduced. So, that it may not effect the power loom industry and like. The government has to create mini size power project to help the entrepreneurs.
3. The DIC, Theni should established centre for entrepreneurship development (CED) in the study area at the block levels so as to help prospective entrepreneurs in preparation of project report, selection of location, objective appraisal and arranging for finance.

CONCLUSION

To District industries centre should make efforts to give various supports and assistance to the entrepreneurs. The government should take necessary steps to increase the subsidies to the backward area and power tariff and power holiday should be reduced.

To encourage and recognize the entrepreneurs The best entrepreneur award should be instituted at District level. And training from DIC should be given to the entrepreneurs by well-trained staff. So that they can complex with multinational corporations through improvement in Technology and quality.

REFERENCE

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