



ORIGINAL RESEARCH PAPER

COMMERCE

THE ROLE OF STATE BANK OF INDIA IN PROMOTING ENTREPRENEURSHIP, TINSUKIA TOWN .

KEY WORDS: Entrepreneur , investment, financial assistance.

Nehal Chhalani

Head Of The Department, Commerce & Management, Women's College, Tinsukia & Research Scholar, Dibrugarh University.

ABSTRACT

Entrepreneurship development has been recognized as the key to economic development and human welfare. Therefore in recent years both government and private agencies have initiated strategies and programmes for developing Entrepreneurial skills among people. Attempts have been made to provide necessary support and services to train Entrepreneurs. In this paper an attempt is been made to ascertain the role of State Bank of India in promoting Entrepreneurship in Tinsukia town and to know how far the entrepreneurs are benefited from the services been provided by SBI and to understand the concept better.

WHAT IS ENTREPRENEUR ?

Initially there was no universal definition of Entrepreneur and Entrepreneurship. But from the various studies that had been undertaken in different stages, we can derive some definition of Entrepreneur and Entrepreneurship. The Entrepreneurship has been derived from a French root, which means, "to undertake". Today people call it by various name e.g. adventurism, risk taking, thrill seeking, "innovating" etc. According to Adam Smith, "Entrepreneur is an individual who undertakes the function of an organization for commercial purpose".

AREA OF THE STUDY

The study focuses on the Role Of State Bank of India in promoting Entrepreneurship, in Tinsukia Town. The total entrepreneurial population of the area under the preview of S.B.I. was minor as reported by S.B.I. Tinsukia Branch. The study mainly concentrated on – The Role of S.B.I. in promoting Entrepreneurship in Tinsukia Town. The Field survey was restricted to the study of various schemes revived by Tinsukia Branch in Rural/Urban Area and is related only to entrepreneurial promoting aspects and does not include any other area like management, marketing, etc.

HYPOTHESIS

" The Role of S.B.I. is functional in promoting Entrepreneurship in Tinsukia Town."

OBJECTIVE OF THE STUDY

On the basis of the hypothesis the objectives of the study are as follow :

1. To assess role of S.B.I. towards providing different kind of schemes for Entrepreneur.
2. To know how far Entrepreneurs are benefited from schemes offered by S.B.I. branch of Tinsukia Town.

METHODOLOGY

Through this research design the data collection and analysis phases of research are guided and planned.

1. This project mainly tries to obtain a comprehensive description of the Entrepreneurs under Tinsukia Town during the period 6th July 31st September 2014. It deals mainly Rural/Urban Entrepreneurship which are benefited by S.B.I. schemes in Tinsukia Town .
2. Preliminary study was undertaken through discussion with the officers/executive of S.B.I. branch of Tinsukia Town. This was done so as to get a general idea of general information about beneficiaries. Discussion was held with bankers. All there was conducted to get acquaintance with various information, facilities, type of assistances given to the beneficiaries.
3. Data were collected through primary sources. The primary data were collected mainly from beneficiaries through a survey. Interviews were conducted with the help of questionnaire designed for beneficiaries by which various information were collected as for e.g. what are the factors that

are important in influencing the Entrepreneurs.

4. The questionnaire data were collected from Tinsukia Town Branch under Tinsukia District. The question was formed to find out specific information and care was taken to give the questions as for as possible for better understanding by the Entrepreneurs. The questionnaire was short and simple, lucid and precise. The structure and format of questions were also taken care.
5. Statistical devices such as Pie-diagram and Bar-diagram etc. were used to present the data.

Thus the conclusions, which have been drawn from the study, may be subjective to criticism. The project may not provide the best picture of the factors influencing Entrepreneurs.

DIFFERENT FORMS OF ENTERPRISES ARE SHOW IN TABLE - 2.1

Forms of Enterprises	Number of Enterprises	Percentage of Enterprises
Business	8	40%
Service	8	40%
Industry	4	20%
Total	20	100%

(Source: Field Survey)

ANALYSIS : It has been found that 40% enterprises were business, 40% enterprises were in service and 20% were in industry enterprises.

The study shows that the growth of business and service enterprises are more than the Industry enterprises. The entrepreneurs were mostly interested to take up business and service enterprises rather than the industry enterprise.

DIFFERENT KINDS OF ENTERPRISES ARE SHOWN IN THE TABLE - 2.2

ENTERPRISES	BUSINESS		SERVICES		INDUSTRY		TOTAL	
	No. of units	% of ent.	No. of units	% of ent.	No. of units	% of ent.	No. of units	% of ent.
Furniture shop	1	5%	--	--	--	--	1	5%
Grocery	2	10%	--	--	--	--	2	10%
Stationery shop	2	10%	--	--	--	--	2	10%
Cloth Store	1	5%	--	--	--	--	1	5%
Piggery	1	5%	--	--	--	--	1	5%
Computer	1	5%	--	--	--	--	1	5%
Accessory Store							1	5%
Auto repairs	--		1	5%	--	--	1	5%
Dental Clinic	--		1	5%	--	--	1	5%
Photo Studio	--		1	5%	--	--	1	5%
Auto Recshow	--		2	10%	--	--	2	10%

Tend House	--		1	5%	--	--	1	5%
Pharmacy	--		1	5%	--	--	1	5%
Homoepathic	--		1	5%	--	--	1	5%
Clinic	--		--	--	2	10%	2	10%
Steel Fabrication	--		--	--	1	5%	1	5%
Tea Garden	--		--	--	1	5%	1	5%
Rice Mills								
Total	8	40%	8	40%	4	20%	20	100%

(Source: Field Survey)

ANALYSIS : It had been found that total business forms of enterprises consist of 40%, total service forms of enterprises is 40%, total industry forms of enterprises is 20%. Out of 8 business forms of enterprises, 5% consists of furniture shop, 10% grocery, 10% stationery shop, 5% cloth store, 5% piggery, 5% computer accessory store. In business form of enterprises, majority is grocery and stationery shop. Among the service form of enterprises 5% consists of auto repair, 5% dental clinic, 5% photo studio, 10% auto rickshaw, 5% tent house, 5% pharmacy, 5% homeopathy clinic. In service form of enterprises majority is auto rickshaw. In industry form of enterprises, 10% is in steel fabrication, 5% tea garden, 5% rice mills. Among the industry form of enterprises majority are of steel fabrication.

WHETHER ENTREPRENEURS ARE SATISFIED WITH THE FINANCIAL INCENTIVES OR NOT IS SHOWN IN TABLE- 2.3 :

Entrepreneurs	Satisfied	Non Satisfied	Total
Business	7	1	8
Service	6	2	8
Industry	3	3	4
Total	6	6	20

(Source: Field Survey)

ANALYSIS : It was observed that out of entrepreneurs 14 were satisfied with the incentive programme and other 6 entrepreneurs were not satisfied. All enterprises were small in size. Among these enterprises some of them had high initial investment and the incentive was lesser than requirements.

WHETHER MARKETING FACILITIES ARE RECEIVED BY THE ENTREPRENEURS OR NOT IS SHOWN IN THE TABLE 2.4 :

Forms of entrepreneurs	Marketing Facility YES	Marketing facility NO	Total
Business	8	--	8
Service	6	2	8
Industry	4	--	4
Total	18	2	20

(Source: Field Survey)

ANALYSIS : It was found that out of the 20 entrepreneurs, all of them got the marketing facilities except two of them. In the service form of enterprises, two did not receive the marketing facilities properly. They are from service sector. So service forms of enterprises can't run well without marketing facilities.

INVESTMENT PROCEDURE IS SHOWN IN THE TABLE 2.5

Forms of entrepreneurs	Investment process			Total
	Annually	Half Yearly	Quarterly	
Business	1	2	5	8
Service	4	0	4	8
Industry	4	0	0	4
Total	9	2	9	20

(Source: Field Survey)

ANALYSIS : It was found that out of 20 enterprises, 9 enterprises invest their capital quarterly, 9 enterprises invest their capital annually and 2 enterprises invest half yearly. The majority enterprises invest their capital annually and quarterly and a minor enterprise invest their capital half yearly. Out of those who invest their capital annually, 1 was from business form of enterprise, 4

service and 4 industry forms of enterprises. Only 2 business form of enterprises invest their capital half yearly. Out of those who invest their capital quarterly they 5 were business and 4 service forms of enterprises.

PROBLEMS FACED BY ENTREPRENEURS ARE SHOWN IN THE TABLE – 2.6

Problem	Unit	%
Customers problems	4	20
Marketing problems	2	10
Financial Problems	2	10
Administrative problems	4	20
Power problems	1	5
Communication problems	2	10
Organization problems	1	5
Advertisement problems	1	5
Raw materials problems	2	10
Location problems	1	5
Total	2	100

(Source: Field Survey)

ANALYSIS : It was found that out of 20 enterprises, 4 enterprises had customer problem and 2 enterprises were having financial problems and marketing problem each, 4 enterprises administrative problems, 1 enterprise each had faced the power shortage problem, organization problems, advertisement problems and location problems. 2 of the enterprises were having communication problems and raw material problems each. Therefore, different kinds of problems were faced by different enterprises.

FINDINGS

The study addresses towards finding the role of State Bank of India in promoting entrepreneurship in both urban and rural area of Tinsukia Town. The State Bank of India has been a pioneer in the field of financing small scale industries and encouraging small entrepreneurs in Tinsukia Town.

The State Bank of India launched schemes for providing financial assistance to technically qualify and to train entrepreneurs to the extent of 100 percent, if necessary. The financial capability to meet the normal margin stipulated by the bank under its equity schemes, the bank may grant interest free loan upto 25% of the project cost which is the minimum contribution of an entrepreneurs.

The business & service form of entrepreneurs is mostly preferred by entrepreneurs than industry.

Business & service enterprises have more satisfaction & is profitable than other enterprises, that is why new generation entrepreneurs are found reluctant to go for industry and agro base enterprises.

It was found that major numbers of entrepreneurs were satisfied from financial incentives schemes of State Bank of India. But few of the entrepreneurs were dissatisfied because they wanted to extend their operations and they was shortage of fund.

It was observed that maximum entrepreneurs were found proper marketing facilities. The reasons which helped them to get access to marketing were:

- The enterprises were step-up in appropriate place.
- There were good marketing channels and information.

SUGGESTIONS

An over all survey made in Tinsukia Town reveals that majority of the entrepreneurs were not fully aware of S.B.I. schemes properly. So they could not achieve the growth of both urban and rural entrepreneurship.

Following suggestions are stated which needed to take care of.

SUGGESTIONS FOR ENTREPRENEURS :

- I. The entrepreneurship should make use of the opportunity provided by the S.B.I. and other organizations.
- II. Approaches of the S.B.I. are more optimistic regarding entrepreneurship career.

FOR STATE BANK OF INDIA :

- I. S.B.I. should organize training and awareness programme to impart organizational, technical and financial assistance to the enterprises.
- II. S.B.I. should provide necessary guidance, regarding the training and awareness programme for the entrepreneurship development among the beneficiaries.

CONCLUSION

The conclusion extracted from the study concerning the role State Bank of India in promoting Entrepreneurship, in Tinsukia Town is stated in this part of the study. It was found that it was not only the schemes of S.B.I. but also other factors, which helped the entrepreneurs to grow in both urban and rural areas of Tinsukia.

Hence, the hypothesis of the study " The role of S.B.I. in promoting entrepreneurship, Tinsukia Town has found to be partially correct. The above stated suggestions need to be take care of.

References:

1. Entrepreneurship Development in India; Gupta C.B.; Sultan Chand & Sons Publishers ;Delhi; 2003.
2. www.google.com.