

**ROLE OF DIC IN THE PROMOTION OF ENTREPRENEURSHIP IN
SIVAGANGAI DISTRICT OF TAMILNADU**

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ABSTRACT

Entrepreneurs play a vital role in the economic development of a country. Economic development of a country depends primarily on its entrepreneurs. An entrepreneur is often considered as a person who sets up his own business or industry. He has initiative, drive, skill and spirit of innovation who aims at high goals. The entrepreneur is the individual who identifies the opportunity, gathers the necessary resources and is ultimately responsible for the performance of the organisation. Economic development is invariably accompanied by industrialization. Economic development leads to increase in national and per capita income, change in the demand and output pattern of industrial goods and increases employment opportunities. Government is very keen on the promotion and development of small scale units based on capital sparing and labour intensive. In a developing nation like India, where population is high and incomes are low, it is absolutely necessary to develop the small industries to overcome the problems of unemployment, poverty and to remove the regional disparities or imbalances. The District Industrial Centre (DIC) programmers are also making available various pre-investment and post-investment assistances and incentives under a single roof. DIC are also acting as a nodal agency for providing support services to small scale industries. In this paper an attempt is made by the researcher to study the entrepreneurship promotion in Sivagangai district and the role of the District Industrial Centre in its growth.

Introduction

Entrepreneurs play a vital role in the economic development of a country. Economic development of a country depends primarily on its entrepreneurs. An entrepreneur is often considered as a person who sets up his own business or industry. He has initiative, drive, skill and spirit of innovation who aims at high goals. The entrepreneur is the individual who identifies the opportunity, gathers the necessary resources and is ultimately responsible for the performance of the organisation.

Tamil Nadu is one among the few States that adopted the strategy of industrial growth with emphasis on Small Scale Industries. The average annual growth in number of units was 12.8% and employment generation around 10.6%. The State has always laid stress on harmonious development of both large and small industries to reduce disparities in sectoral stabilisation and uniform economic development. The District Industrial Centre (DIC) programme was aimed at providing all the services and support required by village and small entrepreneurs under a single roof. The District Industries Centres undertake economic investigation of the potential for development of district including its raw material and other resources, supply of machinery and equipment, provision of raw materials, effective arrangement of credit facilities, marketing assistance, quality control, research extension and entrepreneurial training. The DICs are also operational machines for according sanction and other facilities for setting up industries in the rural areas and ensuring their continued viable operation by developing close linkages with the rural development blocks on the one hand and with the specialised and developmental institutions on the other. Assistance to women entrepreneurs given under the District Rural Development Agency (DRDA), Self Employment for Educated Unemployed Youth (SEEUY) and Mahila Grammodityog Schemes, are monitored by the DIC.

Statement of the Problem

Economic development is invariably accompanied by industrialization. Economic development leads to increase in national and per capita income, change in the demand and output pattern of industrial goods and increases employment opportunities. Government is very keen on the promotion and development of small scale units based on capital sparing and labour intensive. In a developing nation like India, where population is high and incomes are low, it is absolutely necessary to develop the small industries to overcome the problems of unemployment, poverty and to remove the regional disparities or imbalances. DIC programmers are also making available various pre-investment and post-investment assistances and incentives under a single roof. DIC are also acting as a nodal agency for providing support services to small scale industries. In this paper an attempt is made by the researcher to study the entrepreneurship promotion in Sivagangai district and the role of the District Industrial Centre in its growth.

Profile of Entrepreneurs

Variables	Category	Number of Respondents	Percentage
Gender	Male	356	79.10
	Female	94	20.90
Age	Upto 30 years	41	9.10
	31 to 40 years	264	58.70
	41 to 50 years	107	23.80
	Above 50 years	38	8.40
Marital Status	Married	408	90.70
	Unmarried	42	9.30
Educational Qualification	School level education	124	27.60
	Graduate	252	56.00
	Post-Graduate	60	13.30
	Others	14	3.10

Source: Computed from Primary Data

Table 1 shows that out of 450, 79.1 per cent of the respondents were male and only 20.9 per cent were female entrepreneurs among the selected respondents for the study. It is found that more number of male undertakes small business than female in the study area. Out of 450 respondents, 9.1 per cent are upto 30 years old, 58.7 per cent of them are between 31-40 years, 23.8 per cent of them are between 41-50 years, 8.4 per cent of them are above 50 years. It can be inferred that 31-40 years old entrepreneurs are more in the study areas and which age is considered to be the most productive period in a person's life. Out of 450 respondents, 90.7 per cent are married and balance 9.3 per cent is unmarried. It is concluded that majority selected entrepreneurs are married. 27.6 per cent of respondents had school level educational qualification. The majority (56 per cent) of the selected respondents are found to have graduation. 13.3 per cent of the selected respondents are found to have post graduate educational qualification and only 3.1 per cent of the respondents are found to have other educational qualification. It can be inferred that graduate entrepreneurs are more in the study area.

Objective of the Study

To evaluate the measures taken by DIC for entrepreneurial development in Sivagangai district

Sampling Technique

As per the records at the DIC, Sivagangai district, the total number of small scale units is 4,629 and out of which 10 per cent 463 units selected at random and due to some incomplete data it is finally rounded up into 450 units. Hence, the purposive random sampling method has been adopted for the present study. The sample includes tiny and small scale type of units except ancillary enterprises situated both at the rural and urban areas. The sample encompasses the units coming under the purview of agriculture, chemical, steel & engineering, mineral and readymade garments. Sick and closed units are totally excluded from the study and the sample of the present study covers only the units which are existing at present.

Type of Unit

The sample entrepreneurs has been broadly categorized into ten groups on the bases nature of business. The distribution pattern of respondents on the bases of nature business is presented in Table 2.

TABLE 2
TYPE OF UNIT

Type of Unit	No. of Respondents	Percentage
Agro and animal husbandry	64	14.2
Building and engineering materials	70	15.6
Textile and garments	27	6.0
Hotel and food processing	61	13.6
Education and transports	66	14.7
Chemical and Mineral	34	7.6
Electrical and Electronic	42	9.3
Sports goods and stationary	44	9.8
Drugs and Pharmaceuticals	18	4.0
Automobiles and others	24	5.3
Total	450	100.0

Source: Computed from Primary Data

It is found from the above Table 2 that the total of 14.2 per cent of the units selected for this study belongs to agro and animal husbandry, 15.6 per cent of the units belongs to building and engineering materials which also represents that largest group within this review, 6 per cent from textile and garments, 13.6 per cent from hotel and food processing, 14.7 per cent belongs to education and transports 7.6 per cent belongs to chemical and mineral, 9.3 per cent of units from electrical and electronic, 9.8%, 4% and 5.3%of units are from sports goods and stationary, drugs and pharmaceuticals and automobiles and others respectively.

TABLE 3
PROMOTIONAL MEASURES OF DIC

Variables	Category	Number of Respondents	Percentage
Time Taken	Upto 4 weeks	227	50.40
	4 to 8 weeks	183	40.70
	More than 8 weeks	40	8.90
Number of Visits	1times	137	30.40
	2 times	215	47.80
	3 times	61	13.60
	More than 3 times	37	8.20
Serves the Purpose	Yes	327	72.70
	No	123	27.30
Obtaining Training	Yes	450	100.00
	No	0	0
Obtaining Assistance	Yes	450	100.00
	No	0	0.0
Number of Assistance	Only One	117	26.00
	More than one	333	74.00
Types of Subsidy	Capital Subsidy	202	44.90
	Special Capital Subsidy	200	44.40
	Power Subsidy	48	10.70
Machinery Purchased	Yes	130	28.90
	No	320	71.10
DIC Programmes Attended	Industrial Dissemination	88	19.60
	Motivation campaign	246	54.70
	Skill Development Training	116	25.80
Frequency of DIC Official Visit	Once in month	143	31.80
	Twice in a month	233	51.80
	More than twice	74	16.40
Obtaining Raw Material Quota	Yes	323	71.80
	No	127	28.20

Source: Computed from Primary Data

It is inferred from the above Table that 50.4 per cent of entrepreneurs stated that they have got registered their units with 4 weeks of time, 40.7 per cent of entrepreneurs have weighted 4 to 8 weeks of time to registered their units and 8.9 per cent of entrepreneurs have weighted to get registered their units more than 8 weeks. It could be observed that out of 450 selected units 30.4per cent of the respondents have visited only one time for getting registered the unit, 47.8 per cent of the respondents have visited two times,13.6 per cent of the respondents have visited three times and 8.2 per cent of the respondents have visited more than three times for getting their units permanent and provisional registration from DIC. It could be observed that out of 450 selected units 72.7 per cent of the respondents stated that getting registered have served its purpose and 27.3 per cent of the respondents stated that have not served its purpose of registration. It could be observed that 00 per cent of selected entrepreneurs have got some training from DIC. It could be observed that all the selected entrepreneurs

have got some assistance from DIC. It could be observed that out of 450 selected units 26 per cent of the respondents stated that they have got one assistance only and 74 per cent of the respondents stated that have received more than one assistance from DIC. It could be observed that out of 450 selected entrepreneurs 44.9 percent got capital subsidy, 44.4 of the respondents got special capital subsidy and 10.7 per cent got power subsidy from DIC. It could be observed from Table 4.33 out of 450 selected entrepreneurs 28.9 per cent of them have purchased machinery under NSIC and good majority (71.1%) of them have not purchased from NSIC through DIC. An attempt has been made by the researcher to know what types of programme attended by the respondents in DIC. It could be observed from Table 4.34 out of 450 selected entrepreneurs 19.6 per cent have attended industrial dissemination meeting, 54.7per cent have attended motivation campaign and 25.8 per cent have attended skill development training from DIC. It could be observed that out of 450 selected entrepreneurs 31.8 per cent stated that DIC officials visit their unit once in a month, 51.8 per cent stated that DIC officials visit their unit twice in a month and 16.4 per cent stated that more than twice DIC officials visit their unit. It could be observed that 71.8 per cent of selected entrepreneurs have received scare raw material quota from DIC and 28.2 were not received this quota.

TABLE 4
TYPE OF INCENTIVES OR SUBSIDY AVAILED FROM DIC

Type of Incentives or Subsidy Availed	No. of Respondents	Percentage
Central/state investment subsidy	122	27.1
Interest subsidy	149	33.1
Concessional finance	41	9.1
Seed capital/Margin money loan	25	5.6
Power subsidy	69	15.3
Water subsidy	31	6.9
Generator subsidy	13	2.9
Total	450	100.0

Source: Computed from Primary Data

It could be observed from the above Table that 27.1 per cent of selected entrepreneurs have received Central/state investment subsidy, 33.1 per cent have received interest subsidy, 9.1 per cent have concessional finance, 5.6per cent have received seed capital/Margin money loan. Power subsidy, Water subsidy and Generator subsidy have been received by 15.3%, 6.9% and 2.9% respectively.

TABLE 5
ASSISTANCE RECEIVED FROM DIC

Availability of Assistance	Yes	No	Total
Project profile	377	73	450
	(83.80)	(16.20)	(100.0)
Supply of the Product	402	48	450
	(89.30)	(10.70)	(100.0)
Procedural aspects	411	39	450
	(91.30)	(8.70)	(100.0)
Feasibility report Preparation	422	28	450
	(93.80)	(6.20)	(100.0)
Feasibility report appraisal	357	93	450
	(79.30)	(20.70)	(100.0)
Information of Machine supplies	354	96	450
	(78.70)	(21.30)	(100.0)
Permanent and provisional registration	386	64	450
	(85.80)	(14.20)	(100.0)
Raw material assistance	411	39	450
	(91.30)	(8.70)	(100.0)
Marketing assistance	368	82	450
	(81.80)	(18.20)	(100.0)
Recommending for eligible incentives	353	97	450
	(78.40)	(21.60)	(100.0)
Counseling	354	96	450
	(78.70)	(21.30)	(100.0)

Source: Computed from Primary Data

It could be observed from the above Table that 83.80 per cent of selected entrepreneurs have received Project profile assistance, 89.30%, 91.30%, 93.80% and 79.30% per cent of selected entrepreneurs received assistance relating to supply of the product, procedural aspects and feasibility report preparation respectively. Selected entrepreneurs have received assistance of Information of machine supplies, permanent and provisional registration, raw material assistance, marketing assistance, recommending for eligible incentives and counseling by 78.70%, 85.80%, 91.30%, 81.80% and 78.40% respectively.

Conclusion

In Sivagangai district of Tamilnadu, the District Industrial Centers are playing a vital role in entrepreneurship promotion. This initiative of government produced excellent result like generating self employment, utilizing regional resources, enhancing the standard of living and reducing the regional imbalances and developed and underdeveloped regions. In order to make the DIC programme more effective, proper collection of statistics regarding the requirement of machinery and raw materials by the SSI and artisan units, monitoring and observation of market fluctuations of certain items of raw materials should be undertaken by DICs more seriously. The DIC should impart training not only to the prospective entrepreneurs but also to the existing entrepreneurs on the latest technology.

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