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# **ROLE OF SFC CREDIT FACILITIES TO ENTREPRENEURSHIP**

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## **ABSTRACT:**

Entrepreneurship is one of the growing concepts, which is emerging. In recent trends most of the entrepreneurs to start the business organization in all over India. But most of the entrepreneurs to meet the finance problem. Finance is the life blood of our concern; it is the back bone of all the business organization. The State Finance Corporation (SFC) to encourage entrepreneurship through Long-term business credit. It is promoting small and medium size industrial units, achieving balanced regional socio-economic growth, catalyzing higher investment to entrepreneurs. In this study expose the role of SFC credit facilities to entrepreneurship.

**KEYWORDS:** Institutional Credit, SFC, Entrepreneurship, SFC Schemes, Subsidy Schemes

## **INTRODUCTION:**

Entrepreneurship is one of the new concept which decide not only to employment opportunity but also to continue the economic empowerment for the person concerned. Encouragement of entrepreneurship is only substitute to provide employment opportunities taking away the regional imbalances and promoting life styles of the educated youth, particularly new generation entrepreneurs. State Finance Corporation is one of the first financial institutions in the state; they have promote entrepreneurship direct or indirectly. To provide financial assistance to entrepreneurs and also provide subsidy schemes, and also to provide special

consideration to the SC/ST and women entrepreneurs. Therefore, the present research study the explore the SFC schemes and financial performance of the entrepreneurs.

### **BANK CREDIT:**

Finance is life blood of every concern, now-a-days most of the entrepreneurs not having own funds from the beginning stage. They are not ready to start the new enterprises, they have no options but do continue their business, they are depends upon the outside the finance and financial institutions. So, the institutional credit is one of the best resources for new generation entrepreneurs.

### **STATE FINANCE CORPORATION: (SFC)**

The state finance corporation act was passed by the parliament on September 28, 1951 under which the state finance corporation, could be set up. The first SFC was set up in Punjab 1953. The SFCs provide Long-Term finance to small and medium size industrial units. Promoting small and medium enterprises for achieving balanced regional socio- conomic growth, catalyzing hire investment; generating greater employment opportunities and widening the ownership base industry.

**TABLE. NO. 1**  
**SCHEMES OF SFC:**

<b>S. No</b>	<b>Schmes</b>	<b>Subsidies</b>
1.	Financial assistance	Upto 24- million
2.	Term finance	Expension, modernization quality control, pollution control
2.	Loan assistance	Function in atleast 3- years earn profit last 3 years
3.	Marketing assistance scheme	SSI and cottage & rural industrial units
5.	Promotional schemes	Quality upgradation, entrepreneurship development consultancy services pollution control assistance.

**Source:** SFC Chennai

**TABLE NO.2**  
**SCHEMES FOR SC ENTREPRENEURS**

<b>S. No</b>	<b>Schemes</b>	<b>Subsidy</b>
1.	Term loan	Amount upto Rs.5 Lakh@ 14% of SC entrepreneurs
2.	RTDM Scheme	Not exceed 50- Lakh for SC entrepreneurs 20% interest
3.	Financial assistance	Liberal terms top SC entrepreneurs.

**Source:** SFC Chennai

TABLE NO. 3

Proposed district wise target on new schemes “promotion of entrepreneurship” for the year 2013-14.

Name of the district	Target for sc/st category		Target for general category		Total
	UNIT – I	UNIT – I & ABOVE	UNIT – I	UNIT – I & ABOVE	
ASSAM	3	3	11	8	26
BIHAR	33	33	107	86	259
CHATTISGARH	25	25	80	65	195
DELHI	25	25	80	65	195
GOA	33	33	107	86	259
GUJARAT	17	17	53	43	130
HARYANA	50	50	160	130	389
HIMACHAL PRADESH	17	17	53	43	130
JAMMU & KASHMIR	3	3	11	8	26
JARKHAND	3	3	11	8	26
KARNATAKA	17	17	53	43	130
KERALA	50	50	160	130	389
MADHYA PRADESH	25	25	80	65	195
MAHARASTRA	3	3	11	8	26
ORISSA	3	3	11	8	26
PUNJAB	3	3	11	8	26
RAJASTHAN	46	46	147	120	357
SIKKIM	17	17	53	43	130
TRIBURA	17	17	53	43	130
UTTAR PRADESH	4	4	13	11	32
UTTARANCHAL	3	3	11	8	26
WEST BENGAL	17	17	53	43	130
PUDUCHERRY	17	17	53	43	130
DAMAN & DIU	4	4	13	11	32
TAMIL NADU	33	33	107	86	259
ANDHRA PRADESH	3	3	11	8	26

**Source:** Annual Credit Plan Report – 2014

The above table no.3 shows the proposed district wise target on new schemes “promotion of entrepreneurship” for the year 2013-14. As regards in the state of Assam, target of SC/ST catetory, unit 1 of 3 and unit 1 & above 3, and target for general category unit 1 of 11 and unit 1 & above 8, and total no of units is 26. As regards in the state of Bihar, target of SC/ST catetory, unit 1 of 33 and unit 1 & above 33, and target for general category unit 1 of 107 and unit 1 & above 86, and total no of units is 259. As regards in the state of chattisgarh, target of SC/ST catetory, unit 1 of 25 and unit 1 & above 25, and target for general category unit 1 of 80 and unit 1 & above 65, and total no of units is 195. As regards in the state of delhi, target of SC/ST catetory, unit 1 of 25 and unit 1 & above 25, and target for general category unit 1 of 80 and unit 1 & above 65, and total no of units is 195. As regards in the state of goa, target of SC/ST catetory, unit 1 of 33 and unit 1 & above 33, and target for general category unit 1 of 107 and unit 1 & above 86, and total no of units is 259. As regards in the state of gujarat, target of SC/ST catetory, unit 1 of 17 and unit 1 & above 17, and target for general category unit 1 of 53 and unit 1 & above 43, and total no of units is 130. As regards in the state of Haryana, target of SC/ST catetory, unit 1 of 50 and unit 1 & above 50, and target for general category unit 1 of 160 and unit 1 & above 130, and total no of units is 389. As regards in the state of Himachal Pradesh, target of SC/ST catetory, unit 1 of 17 and unit 1 & above 17, and target for general category unit 1 of 53 and unit 1 & above 43, and total no of units is 130. As regards in the state of Jamm & Kashmir, target of SC/ST catetory, unit 1 of 3 and unit 1 & above 3, and target for general category unit 1 of 11 and unit 1 & above 8, and total no of units is 26. As regards in the state of Jarkhand, target of SC/ST catetory, unit 1 of 3 and unit 1 & above 3, and target for general category unit 1 of 11 and unit 1 & above 8, and total no of units is 26. As regards in the state of karnataka, target of SC/ST catetory, unit 1 of 17 and unit 1 & above 17, and target for general category unit 1 of 53 and unit 1 & above 43, and total no of units is 130. As regards in the state of kerala, target of SC/ST catetory, unit 1 of 50 and unit 1 & above 50, and target for general category unit 1 of 160 and unit 1 & above 130, and total no of units is 389. As regards in the state of Madhya Pradesh, target of SC/ST catetory, unit 1 of 25 and unit 1 & above 25, and target for general category unit 1 of 80 and unit 1 & above 65, and total no of units is 195. As regards in the state of maharastra, Orissa and Punjab, target of SC/ST catetory, unit 1 of 3 and unit 1 & above 3, and target for general category unit 1 of 11 and unit 1 & above 8, and total no of units is 26. As regards in the state of Rajasthan, target of SC/ST catetory, unit 1 of 46 and unit 1 & above 46, and target for general category unit 1 of 147 and unit 1 & above 120, and total no of units is 357. As regards in the state of Sikkim and Tripura, target of SC/ST catetory, unit 1 of 17 and unit 1 & above 17, and target for general category unit 1 of 53 and unit 1 & above 43, and total no of units is 130. As regards in the state of Uttarpradesh, target of SC/ST catetory, unit 1 of 4 and unit 1 & above 4, and target for general category unit 1 of 13 and unit 1 & above 11, and total no of units is 32. As regards in the state of Uttaranchal, target of SC/ST catetory, unit 1 of 3 and unit 1 & above 3, and target for general category unit 1 of 11 and unit 1 & above 8, and total no of units is 26. As regards in the state of West Bengal and Puducherry, target of SC/ST catetory, unit 1 of 17 and unit 1

& above 17, and target for general category unit 1 of 53 and unit 1 & above 43, and total no of units is 130. As regards in the state of Daman & Diu, target of SC/ST category, unit 1 of 4 and unit 1 & above 4, and target for general category unit 1 of 13 and unit 1 & above 11, and total no of units is 32. As regards in the state of Tamil Nadu, target of SC/ST category, unit 1 of 33 and unit 1 & above 33, and target for general category unit 1 of 107 and unit 1 & above 86, and total no of units is 259. As regards in the state of Andhra Pradesh, target of SC/ST category, unit 1 of 3 and unit 1 & above 3, and target for general category unit 1 of 11 and unit 1 & above 8, and total no of units is 26.

## CONCLUSION

Entrepreneurship is one of the essential and important concepts of our country. It is the tool of economic development, eradicate the poverty and employment generation of our people through entrepreneurship. The State Finance Corporation (SFC) does the best and quality services to entrepreneurship. They were financial credit to general category and as well as Scheduled Caste entrepreneurs to promote the entrepreneurship. Therefore, state financial corporation is one of the levers to promote the entrepreneurship.

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