



District Industries Centre (DIC): Promoting Small Scale Industries and Entrepreneurship

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ABSTRACT:

The **District Industries Centre (DIC)** plays a crucial role in the development of small-scale industrial units in both rural and urban areas. These units, which are labour intensive and free from hazards, contribute significantly to economic growth. The DICs serve as focal points for various services and support mechanisms for entrepreneurs. Various Schemes of the DIC help the new entrepreneurs in starting and developing their business. In the present research paper the efforts are made towards the highlighting the schemes of the DIC and the challenges faced by the DIC in the implementation of the schemes.

Keywords: District Industries Centre, Small Scale Industries, Economic Growth.

I. INTRODUCTION:

The **District Industries Centre (DIC)** is a government initiative aimed at supporting small-scale industries in rural areas. These centers play a crucial role in promoting entrepreneurship, providing assistance, and facilitating the growth of local businesses. Let's delve into the details of what DICs are and their significance:

1. **Origins and Purpose:**

○ The DIC program was launched by the Government of India in 1978 as part of the Industrial Policy-1977.

○ Its primary objectives were twofold:

■ **Centralization:** To create a focal point for the development of small-scale and cottage industries at the district level.

■ **Simplified Services:** To provide all necessary services and support under one roof to small and village entrepreneurs.

2. **Operational Structure:**

○ Each district in India has its own DIC.

○ Maharashtra, for instance, has DICs in all 34 districts.

○ These centres act as hubs for various assistance programs, clearances, and guidance related to industry, service, and business.

I. **KEY SCHEMES OF THE DIC:**

3. **Prime Minister's Employment Generation Program (PMEGP)¹:**

○ Implemented since October 2008.

○ Objective: To provide gainful employment and self-employment opportunities to educated unemployed individuals.

○ Activities covered: Industry, service, and business.

4. **Seed Money Scheme¹:**

○ Aim: Encourage unemployed individuals to take up self-employment ventures.

○ Provides soft loans to meet part of the margin money required for institutional finance.

5. **DIC Loan Scheme¹:**

○ Target: Tiny units in towns and rural areas with a population of less than 1 lakh.

○ Investment limit: Plant and machinery below ₹2 Lakhs.

○ Eligible sectors: Small Scale Industries, Village Industries, handicrafts, handlooms, Silk & Coir Industries.

6. **Entrepreneurship Development Training Program¹:**

○ Objective: Train educated unemployed individuals for self-employment or skilled wage employment.

○ Areas covered: Industry, service, business, and skill upgradation.

○ Guidance provided on project reports, no objection certificates, licenses, and marketing strategies.



7. **District Award Schemes¹:**
- Recognition and encouragement for outstanding entrepreneurs and enterprises at the district level.

II. CHALLENGES FACED BY THE DISTRICT INDUSTRIES CENTRE:

While **District Industries Centres (DICs)** play a crucial role in promoting entrepreneurship and fostering industrial growth, they also face several challenges. Let's explore some of these challenges:

1) **Awareness and Outreach:**

- Increasing awareness about the services and benefits offered by DICs is essential.
- Many aspiring entrepreneurs in remote areas may not be aware of the existence and functions of these centers.
- Strengthening outreach programs and conducting awareness campaigns can address this challenge².

2) **Capacity Building:**

- Strengthening the capabilities of DIC staff is vital.
- Staff members need technical knowledge, effective communication skills, and expertise in project evaluation.
- Regular training programs can enhance their skills and ensure better service delivery².

3) **Financial Support and Funding:**

- DICs often struggle with limited financial resources.
- Adequate funding is necessary to provide support services, organize workshops, and facilitate entrepreneurship development.
- Collaborations with financial institutions and government agencies can help address this issue⁵.

4) **Bureaucratic Procedures and Delays:**

- DICs operate within bureaucratic frameworks, leading to delays in decision-making and implementation.
- Streamlining administrative processes and reducing red tape can improve efficiency³.

5) **Data Availability and Monitoring:**

- Lack of comprehensive data on existing industries in certain regions poses a challenge.
- Accurate information about local industries is crucial for effective planning and support.
- Regular monitoring and data collection mechanisms need improvement¹.

6) **Tailoring Services to Local Needs:**

- Each district has unique requirements based on its economic, social, and cultural context.
- DICs must customize their services to address specific local challenges and opportunities⁴.

7) **Coordination with Other Agencies:**

- Effective collaboration with other government departments, financial institutions, and industry associations is essential.
- Coordinated efforts can lead to better outcomes for entrepreneurs².

While DICs have made significant contributions to rural industrial development, addressing these challenges will enhance their effectiveness in supporting micro, small, and medium enterprises. Strategies to Overcome the Challenges faced by the DIC:

Entrepreneurs can overcome the challenges faced by District Industries Centres (DICs) through strategic approaches and proactive measures. Here are some ways they can navigate these obstacles:

1) **Education and Awareness:**

- Entrepreneurs should actively seek information about the services provided by DICs.
- Attend workshops, seminars, and training sessions organized by DICs to understand their offerings and eligibility criteria.
- Regularly visit the DIC office to stay updated on new schemes and initiatives.

2) **Networking and Collaboration:**

- Entrepreneurs can collaborate with other local businesses and industry associations.
- Networking helps in sharing experiences, learning from peers, and accessing resources.
- Joint ventures and partnerships can enhance business prospects.

3) **Customized Business Plans:**

- Entrepreneurs should create well-researched and customized business plans.
- Highlight the unique aspects of their business, including local demand, market potential, and competitive advantages.
- DICs can provide guidance in developing effective business models.

4) **Financial Literacy and Access to Finance:**

- Entrepreneurs must understand financial concepts and manage their finances effectively.
- Seek financial literacy programs offered by DICs or other institutions.
- Explore various funding options, including DIC loan schemes, bank loans, and venture capital.

5) **Leverage Technology:**

- Use digital platforms to access DIC services and information.
- Online portals, mobile apps, and email communication can streamline interactions with DICs.
- Stay informed about government notifications and updates through official websites.



6) Advocacy and Representation:

- Entrepreneurs can collectively advocate for policy changes and reforms.
- Form associations or join existing industry bodies to voice concerns and seek policy support.
- DICs can act as intermediaries between entrepreneurs and government agencies.

7) Persistence and Patience:

- Overcoming challenges requires persistence.
- Entrepreneurs should be patient while dealing with bureaucratic processes.
- Regular follow-ups with DIC officials can help expedite approvals and clearances.

8) Skill Development and Training:

- Entrepreneurs should continuously upgrade their skills.
- Attend skill development programs offered by DICs.
- Learn about new technologies, marketing strategies, and quality standards.

9) Feedback and Evaluation:

- Provide feedback to DICs regarding their services.
- Suggest improvements and share success stories.
- Regular evaluation ensures that DICs remain responsive to entrepreneurs' needs.

10) Advocate for Local Industry Development:

- Entrepreneurs can actively participate in local industry clusters and associations.
- Collaborate with DICs to organize industry-specific events, trade fairs, and exhibitions.
- Promote local products and create demand within the community.

Entrepreneurs can overcome DIC-related challenges by being proactive, informed, and adaptable. By leveraging available resources and advocating for their needs, they can maximize the benefits offered by District Industries Centres.

III. CONCLUSION:

DICs act as catalysts for SSI unit growth, bridging the gap between entrepreneurs and government support. Their role in resource mobilization, subsidy facilitation, and overall development is vital for the economic progress of the country.

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