

**BANKING FOR ENTREPRENEURIAL DEVELOPMENT****\*Dr.B.Girimurugan, \*\*Dr.N.Jeganathan, \*\*Dr.S.Geetha**

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**DOI : 10.48047/IJFANS/V11/Splis5/29****Abstract**

Entrepreneur means the person interest to start new business by facing the risk and uncertain. Entrepreneurs are potent and capable to startup new business enterprise but the drawback is lack of sufficient fund. The entrepreneurs can develop and brought into financial inclusion is possible by lending loans and advance for the project proposal. There are several government and financial institution are providing financial support for the entrepreneur. The researchers made an attempt to identify the banking institution such as Bank of India, Corporation of Bank, NABARD, Bank of Baroda providing financial support for entrepreneur. Financial support is the major factors to develop and increase the number of entrepreneur. Hence forth, the researcher analysis the suitable bank to entrepreneur development. It also increases the GDP of the country.

**Key Words:** Entrepreneur, financial institution, development, GDP**1.Introduction:**

Entrepreneurship is a process of combine land, labour, capital and organizer. Entrepreneurs are waiting for the chances and take immediate decision to achieve the task. Entrepreneurs introduce new product based upon the market expectation.

As the banking sector has responsibility of social welfare enhance financial assistance for young entrepreneur. Among financial institution and money market the banking sector is an

official entity to provide loans and advances to upgrade and encourage the capital venture. The object and scheme of banking sector to upgrade the young entrepreneur are identified in the present study.

There are four factors support and composite to create a new business enterprise, they are land, labour, capital and organizer. These factors expect remuneration for working process and operation. Meanwhile the land demand rent, labour demand wage, capital demand its interest and the organizer demand profit. Hence forth finance plays a crucial role to fulfill all the factors. So, to start-up any new enterprises financial support is much needed for the entrepreneur. The study comprises the sources of financial support for the entrepreneurs are descriptively considered and made a attempt thereof.

## **2. Statement of problems:**

The financial crisis is a major problem for entrepreneur to start new business. On the hand, sources of fund and identification of location is a considered secondary problem. In fulfillment of social activity by the banking sector through providing financial assistant and technical guidance are to be highlighted and reach the entrepreneur. Banks are reluctant to lent money to new business, and other possible financing sources for new start-ups can include loans from small money lenders and can be borrowed from friends and family members. The new enterprise may face the birth sickness. The birth sickness may lead the business to deficit. Finance is the only considered factor, it safeguard the entrepreneur from the birth sickness. In case, there was a reasonable financial support and guidance helps the entrepreneur to retain business in stagnant level in product life cycle.

### **2.1 Objectives of the study:**

The primary objectives as concerned for the study are as follows:

- To identify the financial assistant and technical guidance given to entrepreneur by the bank.

## 2.2 Research Methodology:

Research methodology gives a clear layout to the beneficiary, that explain about the data collection, nature of the study, coverage of the study and so on,

**Data collection:** The present study is descriptive in nature. The study consists three divisions such as introduction, conceptual and conclusion. The present study comprises secondary data from books, journals, annual reports and previous study related to the topic.

## 3. Financial supporters to entrepreneurs

The financial inclusion consider by entrepreneur are viable and feasible by financial supporters with financial supports to assist the new entrepreneurs. Some financial institution, money markets, commercial sectors and banking industries are supporting the entrepreneurs in their financial crisis. The financial institutions supporting the entrepreneurs are as follows;

### \*Bank of Baroda:

Started on 20<sup>th</sup> July 1980, under the companies act of 1897 that has now translated into a strong trustworthy financial body. It diversified into the areas of merchants banking, housing finance, credit cards and mutual funds.

### \*Bank of India:

Bank of India is a premiere and one of the oldest commercial banks in India. The bank was formed in September 1906 and has all along maintained position of pride among the top 5 commercial banks among the country.

### \*Corporation Bank of India:

Established in 1906, Corporation Bank is an organization based on the traditional Indian values of service to the country. Corp bank is regarded as the well running bank in the comity of public sector banks in the country. The bank has been publishing the results under US GAAP since 1998-99

#### 4. Findings:

On the basis of overview towards the subject matter, summary of the major findings are as follows:

- Banks of Baroda support the entrepreneurs by lending loan from 2lakhs-5crores. The loan payment procedure was open to all nature of enterprisers, specially focused on small and medium-sized enterprise.
- Bank of India supporting the weavers and farmers (own land) in financial crisis by lending average Rs.2lakhs as loan at the rate of 13.25 percent of interest. So the weavers and farmers prefers BOI.
- Corporation bank of India delegates loan facilities to the entrepreneurs via agents and apex body at the rate 13.25. CBI operates the service through some government policies and plans they are:
  - \*Mukya mantra Yuva Swarozgar Yojna scheme
  - \*Central laghu uduyami credit card etc.
- The Punjab national bank is focused on the woman entrepreneurs, Agricultural labour , and professionals(retailer) through the scheme introduced by the government, they are,
  - \*Agriculture credit scheme
  - \*PNB vanita scheme
  - \*PNB kushal vyapari
  - \*PNB professional scheme.

The amount of loan may be depends upon the scope of enterprises.

- Canara bank had introduced number of schemes for the development of micro and medium scale industries, those who are unable to maintain their stock books, and for their purpose of working capital. Their loans limit extents from 5lakhs. The main special feature of canara bank is lending loans without any collateral securities.

## 5. Recommendations:

- The researcher had suggested some recommendations on the basis of the major findings. The Baroda bank has mainly concentrated on the development of small and medium sized industries but the nature of operation open ended. The bank may open to all the case of industry. The loan limit is upto 5crores that is great enough to meet the demand of large scale industries also.
- The Bank of India concentrates only the farmers those who posses own farm. BOI concentrates to minimizing their value of nonperforming asset. BOI may extent their operation throughout the sector such as technical and service.
- Corporation Bank of India may not confirm that their agents and apex body operation as fair. So the CBI may involve directly and support the entrepreneur by eliminating the intermediaries.
- The operation of Punjab National Bank is tentative and stratified, they may generalize their operation. Punjab National Bank was rendering their service under compulsion. It may upgrade their service motivation.
- The Canara bank gave training to maintain their stock books and buildup their working capital. The Canara bank may concentrate and support the entrepreneur to build up their capital structure neither working capital.

## 6. Conclusion:

The financial support and guidance for entrepreneur is a vital factor for initiating any new enterprise. The researcher has suggested a valuable recommendation on the basis of major finding. In case of considering the recommendations as valid and implement that into an account may upgrade the financial support for entrepreneurs by the banking sectors.

## Scope for further study:

The study enables some further study and may wider its scope on the below perceptions:

- A quantitative study in the topic “Bankers support to entrepreneurs in financial support”.
- A case study with the reference to a particular bank in financial support to the entrepreneurs.

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