

Tutorial Notes

Class: B.Com (Hons.) Semester VI (DSE3)

Subject: New Venture Planning

Topic: State Financial Corporations.

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### **State Financial Corporations (SFCs)**

State Financial Corporations (SFCs) are the State level financial institutions which play a vital role in the growth of small medium enterprises in the concerned States.

At present in India, there are 18 state finance corporations (out of which 17 SFCs were established under the SFC Act 1951). Tamil Nadu Industrial Investment Corporation Ltd. which is established under the Company Act, 1949, is also working as state finance corporation.

State Financial Corporations (SFCs) are the State level financial institutions which play a vital role in the growth of small & medium enterprises in the concerned States. They offer financial assistance in the form of direct subscription to debentures/equity, term loans, guarantees, discounting of bills of exchange & seed/ special capital, etc. SFCs have been set up with the purpose of catalyzing higher investment, engendering greater employment & extending the ownership base of industries. They have also started offering assistance to newer types of business activities like tissue culture, floriculture, poultry farming, services related to engineering, marketing and commercial complexes. In India, there are 18 State Financial Corporation's (SFCs). These are:

- Andhra Pradesh State Financial Corporation (APSFC)
- Himachal Pradesh Financial Corporation (HPFC)
- Madhya Pradesh Financial Corporation (MPFC)
- North Eastern Development Finance Corporation (NEDFI)
- Rajasthan Finance Corporation (RFC)
- Tamil Nadu Industrial Investment Corporation Limited

- Uttar Pradesh Financial Corporation (UPFC)
- Delhi Financial Corporation (DFC)
- Gujarat State Financial Corporation (GSFC)
- The Economic Development Corporation of Goa (EDC)
- Haryana Financial Corporation (HFC)
- Jammu & Kashmir State Financial Corporation (JKSFC)
- Karnataka State Financial Corporation (KSFC)
- Kerala Financial Corporation (KFC)
- Maharashtra State Financial Corporation (MSFC)
- Odisha State Financial Corporation (OSFC)
- Punjab Financial Corporation (PFC)
- West Bengal Financial Corporation (WBFC)