Chapter 1

Introduction

Section - I: Statement, Contextual Background and Scope of the Study

1.1 Women’s Work Participation

Women constitute around forty-nine per cent of the available human resource in India. Out of which a significant percentage, i.e. 22.7 per cent are represented in the work force (1991 census) and play crucial roles in the production processes in all sectors of the transitional economy. However, the form and extent of their productive work participation have changed over the years, mostly because of the changes in the methodology of production caused by the various phases of industrialisation, urbanisation, the emerging techno-economic environment of the country and specific professional requirements of the labour force, viz. education, training, etc.

In India for long period of time, the nature of women’s economic activity has been centred around traditional activities, viz. Agriculture, fishing, household industry, etc.. Since the economy was based on the traditional self-sufficient village community system of production, women’s economic activities were mostly home-based. However, following the large-scale destruction of the self-sufficient village communities and village industries that followed the coming of the British, women’s traditional economic activities received a severe blow. It was only in the middle of the 19th Century, with the initiation of a new phase of industrialisation and
urbanisation, that an urban industrial force emerged in India. Since then a significant section of the women work force has been a part of the urban labour force, especially in the urban industrial sector.

1.2 Women Workforce in Industrial Sector

The extent of female work participation has always remained lower in urban areas in comparison to rural areas. According to 1991 Census, female work participation in urban areas was only 9.2 per cent of the urban total female population. Whereas in rural areas this was 26.7 per cent. This is mostly because of the fact that the overwhelming majority of the female workforce in India is engaged in agriculture. However, of the total female workers in the urban areas in 1991, a total of 79.57 were in non agricultural sectors (household industry, service, trade, commerce, manufacturing etc.) while in 1981 this was to the extent of 78.77 per cent.

All India level figures show that, of the total number of women employed in the industrial sector, 21.5 per cent were in the manufacturing sector in 1977. However, it has declined to 17.1 per cent in 1987. Though the general trend of work participation of both male and female workers shows a gradual increase in this sector, women's work participation however, shows a declining trend from 1982 onwards. In 1982, the number of women employed in this sector was 620,400 which came down to 568,000 in 1988 and 484,300 in 1991 (Employment Review, 1987-88 and Census-1991). This trend indeed presents a crucial dichotomy between expansion of the
industrial sector on the one hand and decline in the number of women workers on the other.

The literate women workers in urban areas in 1981 represented 43 per cent of total women workforce. At the all India level, among the total literate women workers, the share of manufacturing sector was 1.2 per cent only. This 1.2 per cent of the total literate women workers constituted 30 per cent of the total women workers of the manufacturing sector (Census 1981). In 1983, of the total number of educated women workers in the private sector manufacturing industry, 2 per cent had graduate and post graduate degrees in technical and professional subjects and the rest 88 per cent had general educational qualifications (Occupational Educational Pattern in India, Private sector, 1983, DGE & T, 1988).

India is a tradition bound pluralistic society. The nature and extent of women's work participation here is widely affected by the broad socio-cultural matrix, viz. the traditional norms and values, beliefs, attitudes and expectations of the society, among other factors. For ages, these normative arrangements in society by and large have been instrumental in shaping women's work participation. The situation is broadly reflected in traditional sectors such as agriculture, handicraft and cottage industries. However, a significant number of the small industrial units are in a phase of transition and belongs to the modern sector in terms of the items produced and technology used. It has been observed in recent years that working skill, educational background and the labour market structure have come
to play more important roles in women's participation in the small industrial units than the predominance of traditional norms and values that used to largely determine women's work participation in the traditional sectors of economy.

1.3 Small Scale Industry
Since Independence, the Government of India has laid stress on the development of the industrial sector for the rapid economic development of the economy. Various Industrial Policy Resolutions of 1948, 1956, 1977, 1980 and 1990 have assigned prime importance to the small scale Industries (SSI). In the context of a labour surplus and capital scarce economy, the SSIs naturally assume a great importance in the industrial sector.

1.4 Characteristics of Small Scale Industry
The basic characteristics of small scale industry are that these are labour intensive, require less capital, use local resources and skill. These industries are relatively decentralised in nature, and produce consumer goods and add to the balanced growth of a region. They can also be prospective exporters. These characteristics are examined below with reference to the Indian SSIs.

1.4.1 Employment
The Karve Committee on the SSI (1975) had emphasised on the labour intensiveness of these units. Vepa Ram (1971), Oomen (1972), Mathur
(1979), Chuta and Liedholm (1985), Bollard and David (1986), and Sandesara (1988) also found that the SSI units were labour 'potential' in nature. They further mentioned that the traditional SSI units are comparatively more labour oriented than the modern SSI units.

However, Dhar and Lydall (1961) in their study, "The Role of Small Enterprises in Indian Economic development", criticised the 'labour potentiality' of SSI. According to them, maximum use of scarce resources is the prime concern of the underdeveloped economies like India, however it is found that SSI units in India usually require relatively more amount of capital which is scarce in supply. Therefore, their capital-output ratio is very low. They further examined the traditional and modern uses of SSIs and pointed out that the latter category is comparatively more advantageous from the employment point of view than the former, since the labour-output ratio is quite high in this category of industry.

Keeping in view the availability of surplus labour, scholars are of the opinion that SSI should be considered from the point of view of its labour absorption capacity rather than its capital-output ratio or labour-output ratio.

1.4.2 Capital Consumption

SSI units are favoured by various experts due to their relatively low-capital-intensiveness. Here the labour-capital ratio is quite high. In other words, the requirement of labour per unit of capital is very high. Dhar
and Lydall (1961) objected to this statement on the ground that though the capital consumption rate is low in SSI units, the use of capital in these units is not optimum since the capital-output ratio is very low. Mehta (1969) however, pointed out that the productivity level of small scale units does not reflect the actual picture, because sick or ailing large scale units employing only a skeleton staff or new units undergoing teething troubles may get classified in the small size group.

1.4.3 Balanced Growth

Because of the SSIs' low capital intensiveness, they attract young potential entrepreneurs from all sections of the society. At the same time, being labour intensive in nature, they allow the income generated from SSI units to be widely distributed among the labour class. Dhar & Lydall (1961) however, argued that SSI units did not generate enough income/profit, resulting in low wages for labourers. They further argued that the incidence of labour exploitation was high in SSI which led to concentration of income in few hands.

1.4.4 Use of Local Resources

Due to the small-size requirement, it is possible to start an SSI unit with relative ease in any part or region of the country. They are very effective in utilising the local resources and also the talents of the potential entrepreneurs.
1.4.5 Decentralisation

One of the important features of SSI units are their spatial decentralisation. Due to this unique nature, they are adapted to many rural and underdeveloped environments where they can attract the savings and divert them to productive channels. A SSI unit uses the unutilised or under-utilised resources and talents of local areas and provides employment to the local youth. Again, the SSI unit checks rural-to-urban migration by bringing all facilities to rural areas itself and thus helps maintain the regional balance.

Dhar & Lydall (1961) argued that although traditional SSI units are rural based in nature this was not necessarily for modern SSI units. Modern SSIs are mainly urban based as they use sophisticated machinery and produce modern goods which do not get proper market in the rural areas.

1.4.6 Export Prospects

The main products of SSI are handicrafts and traditional items. These items are mostly liked by the foreigners and therefore, generate high demand in the international market. The small scale industry sector contributes more than 35 per cent of the exports both direct and indirect (Approach paper to the Ninth Five Year Plan, 1997-2002, 1997), and helps in earning valuable foreign exchange for the country.
1.5 Categorisation of SSI

SSIs have been categorised into traditional and modern sectors depending on items produced and tools and machinery used by them in the manufacturing processes. Traditional small industry sector produces items using traditional tools, technology and skills, and thereby maintains the traditional crafts and culture of the country. On the other hand, modern small industry sector meets the contemporary demand by producing sophisticated items like electronics goods, T.V. sets, etc. with appropriate modern technology. This industry adopts up-to-date innovations of technology which come through research and development. The traditional SSI units are found to be more labour intensive in comparison to modern SSI units. However, one of the inherent weak points of the traditional SSI units is that in spite of their more labour-intensive quality they are not in a position to provide employment throughout the year. Employment in these units is mainly seasonal and of part-time in nature. On the other hand, the modern SSI units though less labour-intensive, ensure full-time employment throughout the year (Datt, R & K.P.M., Sundharam, 1984: 553).

1.6 Economies of Scale and the SSI

Because of the unique features the small scale industry has its relevance in the developing countries. Different sizes of firms and establishments are being encouraged for their association with the attainment of different social, economic and environmental goals. In view of the above, the Government of India is providing various incentive and facilities for the
expansion, growth and survival of small industries sector. However, the high rate of sickness among the small scale industries raises doubt on the economic viability of the SSIs and thereupon the prospect of applicability of the economies of scale.

A small scale industry unit like any other firm transforms inputs like labour, material and machine into output. In the process of such transformation, it adds utility to its product and generates surplus. Such transformation process defines the economic activity and technological process of the firm, which further depends on its operational efficiency.

Since the basic assumptions of economies of scale indicates the increase in output more than proportionate increase in all inputs with static state of technology, fixed factor proportion and at a given price, the factors which contributed to the increase in output are of crucial importance. The factors contributing to the economies of scale are broadly categorised into specialisation, dimensional effect, and indivisibility (Rosegger, 1986).

**Specialisation**, which includes the reorganisation of task among the labour force, changes in their skill, changes in the technology of production and shifts in the proportion of labour and capital inputs (Babbage, 1833, Gold, 1981) and Rosegger (1983) are applicable to the firm engaged in large scale production. Studies conducted in various parts of the world accepted that the large scale firms avail the advantages of economies of production due to the specialisation effect (Marshall, 1958, Cohen and Levin, 1989).
The advantages of dimensional effect i.e. increase in the capacity of certain types of equipment vessels, containers, pipelines as a multiple of their exterior dimensions (and the materials required for their manufacture) accrue to the firm involved in the production and use of these equipment/components. Large scale firms generally use such components. However, since these effects apply to individual components of a plant, it may not apply to the plant as a whole.

Indivisible character of certain inputs also become advantageous to the firm involve in large scale production. Such inputs are remained under-utilised in the small scale firm. However their full utilisation are possible in the large scale firm without causing any extra cost.

As the scale and size of the firm are inter-linked, the larger the firm the higher the returns to scale. However, this proposition does not hold true always. Gold (1981) pointed out that the scale concepts that have been used until recently in economic theory has defined increases in scale as involving increases in the size or capacity of production units, provided that there were no changes in factor proportions, or by direct implication, in the technologies employed for production. To him, this restrictive theoretical concept of scale raises doubt on the economies of production with unchanged factor proportions and technology (:6). He further discarded Marshall’s propositions that “further increase in one input while keeping the others fixed would yield decreasing returns” and that “altering the
hitherto efficient proportions of inputs through substitutions among them would yield (cost) benefits only if relative factor prices had changed”. To Gold the above statements contradict the Marshallian explanation of “larger plants often yield larger returns than smaller plants within the static framework of fixed prices and a given state of technology” (Gold, 1981 : 7). Due to these looseness in the basic concept of scale it is very difficult to measure changes in scale, its effect and to evaluate actual results.

Against this backdrop, we can say that increase in size may not insure an increase in scale. Increase in scale can also be brought “not just through the expansion of physical facilities, but also through changed organisation and co-ordination, or through the allocation of plant resources to a different range of products” (Rosegger, 1986 : 79).

1.7 Economies of Scope and the SSI

In contrast to economies of scale, the cost-efficiency in production has also been achieved through the variety of production better known as economies of scope. It includes diversification of product within the given scale plant, joint production, etc. For example it is cheaper to produce pairs of items such as wool and mutton, wheat and straw in one firm rather than in separate specialised firms. Studies conducted by Panzar (1989), Panzar and Willig (1981), Clark et al. (1981) show that shareable inputs or public inputs like factory building, managerial expertise, etc. are costlessly available for the use in the production of other items.
From the above discussion one can infer that it is not the sheer size or scale of production of a firm rather the variety of production can also bring economies to the firm. It enhances the scope for economic viability of small scale industry. In addition to the above, SS industry reaps the economic and social benefits due to its small size.

1.8 Expansion of small Scale Industry and Employment

In recent years, due to Government policy and its political commitment there has been phenomenal expansion of the small scale industries in the country. The number of small scale industrial units registered with Small Industry Development Organisation (SIDO) in 1973-74 was 2.16 lakhs, 14.57 lakhs in 1986-86, 20.82 lakhs in 1991-92, 23.84 lakhs in 1993-94 and it went up to 27.24 lakhs in 1995-96. So far as employment in the SSI sector is concerned, in 1973-74 it provided employment to 49.65 lakhs persons, 101.40 lakhs in 1986-87, 129.80 lakhs in 1991-92, 139.38 lakhs in 1993-94 and it went up to 152.61 lakhs in 1995-96 (Economic Survey, 1996-97). The number of SSIs and the number of people employed in this sector are shown in the bar diagram (figure 1.1)
1.9 Education and Women's Employment

Education establishes its link with employment by inculcating in human beings, the skill and knowledge which are generally demanded in the labour market. In general, education is linked with employment in two ways. First, it provides skill and knowledge to the individuals, through which sustenance of advanced technology is made possible, which in turn creates more and more avenues of employment. Second, education plays a crucial role through research and development (R&D) ushering in industrialisation that fosters the scope and further growth of employment.
In this process, it provides the background for the introduction of appropriate technology in tune with the changing requirements of the economy. Thus, education helps enormously in the qualitative and quantitative expansion of the labour force on the one hand, and smoothens the process of technological transfer/ transformation, on the other. Thus education is perceived to be the pivotal factor for economic growth that shapes manpower according to the changing requirements of the economy and the various avenues of employment.

In the successive Five Year plans several attempts have been made to improve the literacy rate among women. In the last three decades there has been significant increase in women's literacy rate. The literacy rate among women from 1961 to 1991 is depicted in Table 1.1 and in figure 1.2 below:

Table 1.1: Literacy Rate of Women in India: 1961-91

<table>
<thead>
<tr>
<th>Year</th>
<th>Literacy Rate</th>
<th>Decadal Difference</th>
<th>Total (men + women)</th>
<th>Decadal Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Women</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>15.34</td>
<td>-</td>
<td>28.31</td>
<td>-</td>
</tr>
<tr>
<td>1971</td>
<td>21.97</td>
<td>+6.63</td>
<td>34.45</td>
<td>+6.14</td>
</tr>
<tr>
<td>1981</td>
<td>29.75</td>
<td>+7.78</td>
<td>43.56</td>
<td>+9.11</td>
</tr>
<tr>
<td>1991</td>
<td>39.42</td>
<td>+9.69</td>
<td>52.11</td>
<td>+9.55</td>
</tr>
</tbody>
</table>

Note: 1. Literacy rate for 1961 & 1971 related to population aged five year & above. The rates for the years 1981 and 1991 relate to the population aged seven years & above.


The educational attainment of women cannot be viewed independently of societal norms, values and gender role stereotyping in Indian society which are operationalised and inculcated through the process of socialisation. The process of socialisation starts with a discriminatory attitude towards the girl child. One important reflection of this discrimination is available in education. Conventionally, while the expenditure on education of a child is considered as an investment, for a girl child it appears to be that of charity. This hampers the whole processes of educational well being of women.
affecting their employment, work and political participation. The notion of
girl education by and large counters the value system of the family
tradition. The distribution of household function, better known as sexual
division of labour, allots women the reproductive roles and invisible work
participation. It confines women to the traditions of early marriage and
‘Purdah’. Along with these phenomena as and when there is any increase in
the quantum of work in the household, girls are usually withdrawn from the
school. Studies show that agricultural modernisation has increased the
quantum of indoor agricultural activities like storage, processing, food
preparation for the labours etc. Girls are usually made to drop out from
school for helping in the above tasks. Again, persistent agricultural
backwardness and poverty at home have compelled the parents of lower
economic background to withdraw their daughters from the school (Singha
Roy, 1996). What is significant here is that when the question of
withdrawals from the schooling comes it is the girl child who becomes the
first victim mostly because of traditional role expectation of women and
parental apathy towards girls education. Scholars have also pointed out that
the ongoing educational system has been gender biased tilting against the
educational interest of women. It is pointed out that a large number of
women are unable to avail the educational opportunity mostly because of
non-availability of educational institutions in the surroundings, rigid
schooling schedule, absence or inadequate number of women teachers in the
school, near absence of girl schools, insufficient incentives and inadequate
child care facilities. They have also pointed out the existence of gender bias
in the textbook and among the teacher as well to be the important reasons of educational discrimination against women (Karlekar, 1992).

As the process of socialisation and the gender role stereotyping in the family and society create a myth of backward self image among women, a majority of them tend to avail the soft option in the field of education. This is reflected in the choice of their subject in the study as majority of them are found in humanities and social science stream. Even though, a few of them who venture in the science and technical stream, the societal and parental pressure compel them to accept the traditional profession. In a traditional society like India, gender determines the ways through which men and women participate not only in the familial relation but also in-work relation. As indicated above the material basis of the sexual division of labour, the institutional arrangement of the society and their ideologies and the various socialisation processes have put women at a disadvantageous position in the society. Under the given circumstances discrimination of women in all realms of the society, in one form or the other, has been a general rule rather than an exception. The technological innovation and the conventional welfarist approach to development has failed to alter the situation in general. Women are compelled to co-operate with the need of the family even under extreme conflicting situation in performing the gender roles.

The sexual differential between men and women which has emerged among other things out of unequal access of women to education have adversely
affected the status of women in the society. The discrimination which starts with a birth of a girl child continues in all the processes of her upbringing, training, placement and their work participation in the labour market. The working status of women in different sectors of the economy according to their educational level in the year 1981 has been depicted in Table 1.2.

The table highlights that women with educational qualification of matriculation and above are engaged mostly in the Work Division 0-1, 2 and 3. Their representation in other divisions of work is very limited. It shows that either these divisions (0-1, 2 & 3) of work gave more preference to educated women workers or vice versa.
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Occupation division</th>
<th>Literate</th>
<th>Lit. without any edl. level</th>
<th>Primary</th>
<th>Middle</th>
<th>Matric/secondary</th>
<th>Higher Sec./inter</th>
<th>Non tech.Dip.</th>
<th>Technical Dip.</th>
<th>Graduate &amp;above</th>
<th>Total Main Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-1</td>
<td>Professional, technical &amp; related workers</td>
<td>0.76</td>
<td>3.88</td>
<td>5.45</td>
<td>18.98</td>
<td>57.62</td>
<td>56.85</td>
<td>91.7</td>
<td>95.34</td>
<td>67.3</td>
<td>15.0</td>
</tr>
<tr>
<td>2</td>
<td>Administrative, executive &amp; managerial workers</td>
<td>0.22</td>
<td>0.46</td>
<td>0.60</td>
<td>1.14</td>
<td>1.17</td>
<td>1.63</td>
<td>0.65</td>
<td>0.45</td>
<td>2.60</td>
<td>0.59</td>
</tr>
<tr>
<td>3</td>
<td>Clerical and related workers</td>
<td>0.02</td>
<td>2.06</td>
<td>2.38</td>
<td>5.85</td>
<td>22.85</td>
<td>30.91</td>
<td>4.76</td>
<td>2.17</td>
<td>26.2</td>
<td>5.12</td>
</tr>
<tr>
<td>4</td>
<td>Sales workers</td>
<td>9.34</td>
<td>7.53</td>
<td>7.26</td>
<td>6.13</td>
<td>2.35</td>
<td>2.11</td>
<td>0.33</td>
<td>0.16</td>
<td>1.02</td>
<td>7.38</td>
</tr>
<tr>
<td>5</td>
<td>Service workers</td>
<td>16.89</td>
<td>16.02</td>
<td>13.31</td>
<td>10.57</td>
<td>1.96</td>
<td>1.13</td>
<td>0.40</td>
<td>0.18</td>
<td>0.48</td>
<td>13.1</td>
</tr>
<tr>
<td>6</td>
<td>Farmers, fishing, hunters, loggers &amp; related workers</td>
<td>12.1</td>
<td>9.32</td>
<td>7.24</td>
<td>4.04</td>
<td>0.71</td>
<td>0.24</td>
<td>0.04</td>
<td>0.05</td>
<td>0.08</td>
<td>8.85</td>
</tr>
<tr>
<td>7-8-9</td>
<td>Production &amp; related workers, transport equipment operators &amp; labourers</td>
<td>56.57</td>
<td>58.53</td>
<td>61.84</td>
<td>50.89</td>
<td>12.01</td>
<td>5.52</td>
<td>1.91</td>
<td>1.23</td>
<td>1.27</td>
<td>46.8</td>
</tr>
<tr>
<td>X</td>
<td>Workers not classified by occupation</td>
<td>4.12</td>
<td>2.19</td>
<td>1.93</td>
<td>2.41</td>
<td>1.32</td>
<td>1.61</td>
<td>0.20</td>
<td>0.42</td>
<td>1.04</td>
<td>3.16</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: 1. Percentages calculated upon the total column.

2. Occupational classification has been given according to the broad divisions given in the National Classification of Occupations-1968.

Source: Census, part III B (VI), General Economic Tables, 1981.
1.10 Objectives of the Study

In the background of the Small Scale Industry’s (SSIs) expansion, spread of education amongst women and prevailing gender inequality in the society this study seeks to examine the following:

- *The form and extent of women’s employment in the SSIs.*
- *The relationships between women workers’ education and their employment conditions in this sector.*
- *Nature and form of labour market discrimination against women workers in the SSIs.*
- *The impact of technological innovation on women’s employment.*
- *The form and extent of women workers’ access to protective facilities meant for them in the SSIs.*
- *The pattern of women workers’ participation in trade union activities, and,*
- *Socio-economic profiles of women entrepreneurs in the small scale sector.*

In brief, the study examines the form and extent of women’s work participation in the small scale industrial sector, the relationship between their educational background and work participation, the conditions and constraints relating to their work participation, the relationship between their education and general awareness about protective laws and trade union activities and the impact of technological changes on their work participation. The general question of gender-discrimination in the industrial sector will be covered within each aspect of this study. These
issues will be examined exclusively in the context of SSI units of an urban Industrial Estate, called Okhla, New Delhi.

1.11 Scheme of the Study

First chapter consists of three sections. Section - I provides the general introduction. Section-II discusses the Small Scale Industry: Dimensions and Government Policies and Section - III deals with Scheme and Methodology of the Study.

Chapter-2 presents an Overview of the Literature.

Chapter-3 highlights Women's Status in Small Scale Industry of Okhla: Socio-economic profiles and work participation.

Chapter-4 deals with the Women Workers and Their Education-Employment Profile in SSI units of Okhla.

Chapter-5 talks about the Women Entrepreneurship in the Small Scale Sector: Some Case Studies.

Chapter-6 presents the Summary and Conclusions.

Section- II : Small scale Industry : Dimensions and Government Policies

The Industrial Development and Regulation Act of 1955 made a distinction between the small scale industries and the village and cottage industries and defined a Cottage Industry unit as one which is carried on wholly or primarily with the help of members of the family, either as a whole or part-time occupation, and a SSI unit as one which is operated mainly with hired labour, usually 10 to 50 hands. Thus, we can say that the major difference between these two categories lay in the separation of workers/labourers from proprietors in the case of SSI units while cottage and village
industry units operated with family labour (Agrawal, 1986:394). This definition of an SSI unit as different from a cottage and village Industry units continued for quite some time. However, since both these industries belong to the small sector having common problems of smallness, we have clubbed them together in our study.

1.12 Small Scale Industry and Industrial Policy Resolutions

The Industrial Policy Resolution of 1948 has defined the Small Scale Industries (SSI) as those industrial units which do not register themselves under the Indian Factory Act of 1948. Under this definition, the units which use electric power and employ less than ten workers or the units without power employing twenty workers constitute SSI. This definition was also adopted in the First Five Year Plan. However, in 1955, a significant modification was introduced in this definition. According to this modification, enterprises using power and employing less than fifty workers or those employing less than hundred workers without power come under the SSI category. However, the investment ceiling of an SSI unit on plant and machinery has been fixed as Rs. 5 lakhs. During 1960s again, it was realised that defining SSI on the basis of labour-use was not justifiable for a country like India where labour was in abundant supply. Since then, therefore, it is the scarce resource viz. capital investment has been taken as the criterion for differentiating SSI from large scale and medium scale industries. The ceiling of investment on capital has been changed from time to time, keeping in view the rising value of physical
resources (plant & machinery), mainly due to inflationary pressure. In 1966, the ceiling was fixed at Rs. 7.5 lakhs for an SSI unit and Rs. 10 lakhs for an ancillary unit. In 1975, this investment amount was raised to Rs. 10 lakhs for an SSI unit and Rs. 15 lakhs for an ancillary unit. It was further enhanced to Rs. 20 lakhs and Rs. 25 lakhs respectively in 1980. Again the investment limit for plant and machinery were revised to Rs. 35 lakhs in the case of an SSI unit and Rs. 45 lakhs in the case of an ancillary unit (1985) (Five year Plan Documents). In 1990, the New Industrial Policy has given special consideration to the SSI. It revised the investment limit for an SSI unit at Rs. 60 lakhs considering the rate of inflation and rise in price (New Industrial Policy, 1991). In 1995-96 the investment ceiling on plant and machinery for SSI units has been raised to Rs. 3 crores (Economic Survey, 1996-97).

**Ancillary Industry**

An “ancillary” unit is one which manufactures and supplies its products mainly to the large scale industry. In 1975, the investment limit for ancillary unit was fixed at Rs. 15 lakhs and was enhanced to Rs. 25 lakhs in 1980 and again then to Rs. 45 lakhs in 1985.

A new category of Industry which had been introduced in 1977 called 'tiny' industry with an upper investment limit of Rs. 1 lakh, enhanced to Rs. 2 lakhs in 1980 and kept so in 1985. The investment limit has been raised to Rs. 25 lakhs in 1995-96 (Economic Survey, 1996-97).
1.13 Incentives and Facilities Given to SSIs

The SSI sector has been getting ample facilities from the government for its expansion and promotion over the last fifty years. The measures have been consolidated gradually over the various plans keeping in view the current need of the country at the time. In the First and Second Five Year Plans, steps were taken to strengthen and promote the SSI units by reserving items for exclusive production through SSIs. Provision was also made for assured marketing of these goods. The Third Five Year Plan emphasised spatial development of SSI units by alluring them towards rural and village areas with all sorts of infrastructure facilities like finance, subsidies, marketing, sales rebate and also linking them up with large scale industries through both forward and backward linkages. The Fourth Five Year Plan laid emphasis on modernisation of SSI units. Provision for assistance was made for their technical upgradation, strengthening the skill of workers, installation of better equipment and credit to improve their production capacity along with export orientedness. The Fifth Five Year Plan realised the lack of targeted growth of SSI and made provision for motivating the potential entrepreneurs towards SS ventures. Among these, the entrepreneurial development training programme, free consultancy services, incentives given to the potential entrepreneurs to attract them towards this activity, application of modern technology to make the units viable, and so on were introduced and given primary importance. During the Sixth Five Year Plan, steps have been taken to strengthen the existing units by providing them sufficient raw materials, financial assistance,
marketing facilities, etc. To avoid regional disparities and to make the SSI units wide based, preferential treatment has been given to the units located in rural and backward areas. The Seventh Five Year Plan, focused on the modernisation and expansion of SSI units and the rehabilitation of the sick industries. The Eighth Five Year plan emphasised on the promotion and development of SSI units (Five year Plan Documents). The Approach paper to the Ninth Five Year Plan (1997-2002) has proposed greater focus on the investment and technology upgradation, infrastructure support, marketing and credit facilities, testing, quality certification and training facilities of the Village and Small Industry (VSI).

1.13.1 Infrastructure Facilities

An intensive institutional network has been set up to provide information, consultancy, entrepreneurial training, technological and financial support and other infrastructure facilities to the Small Scale (SS) Industrialists. In 1970, in the Ministry of Industry, a new division, called the Small Industry Development Organisation (SIDO) was set up. The main objective behind this is to provide institutional support to the SS Industrialists through its nodal agency of Small Industry Service Institute (SISI) which has spread all over country, (at least one in each state). Besides there is a District Industry Centre (DIC) in almost each district of India which looks after and extends support to the SSI units under its jurisdiction. A scheme of Integrated Infrastructure Development has been
launched in 1994 to strengthen the infrastructure facilities in rural and backward areas.

1.13.2 Financial Support

Since arrangement of capital is one of the major constraints coming in the way of potential entrepreneurs while starting industrial units, several schemes have been launched by the government, to strengthen their financial position. Under this: The leading bank of each state has been instructed by the Industrial Development Bank of India (IDBI) and the Reserve Bank of India (RBI) to extend financial support to the small entrepreneurs for commercially viable project at a subsidised interest rate. Such loan does not require the security of a collateral. Besides these, Small Industries Development Fund (SIDF), 1986, National Equity Fund (NEF), 1987 and the Single Window Scheme (SWS), 1988 and recently proposed Small Industries Development Bank of India (SIDBI), 1990 etc. have been set up to strengthen the provision of financial assistance to the small industry sector. The New Industrial Policy, 1991 has decided to widen the scope of NEF scheme by covering projects upto 10 lakhs for equity support to the maximum limit of 25 per cent of the project cost subject to a maximum of Rs. 2.5 lakhs. Single-window loan scheme has been enlarged to cover project of value upto Rs. 20 lakhs with working capital margin upto Rs. 10 lakhs. Provision has been made to channelise the Composite loan under single window scheme through commercial banks also. Earlier
it was available through SFCs and the twin-function body, State Small Industries Development Corporation (SSIDCs).

1.13.3 Reservation of Items

It was felt that in this competitive world, Small Industries need support to compete with large industries in the market because the cost of production of their products is comparatively high. Keeping this point in consideration, the Government of India has reserved 836 items exclusively to be produced by Small Scale Industrial units. Among them some of the items are exclusively reserved to be manufactured by women run SSI units.

1.13.4 Marketing and Export

The government purchases some of the items produced by the SSI units for the use of the government departments so as to provide such units an assured market for their products, to a certain extent. Besides, for the advertisement of their products, media facilities have been extended to them at a subsidised rate. Sometimes, arrangements are also made for holding exhibitions of the products of SSI units exclusively. New Industrial Policy suggested that (1) National Small Industries Corporation (NSIC) would concentrate on marketing of mass consumption items under common brand name and organic links between NSIC and SSIDCs would be established. (2) Industry Associations would be encouraged to establish sub-contracting exchanges, in addition to strengthening the existing ones under the SIDO. Emphasis would also be laid on promotion of a viable and competitive
'Component' market. Looking at the significant contribution of small scale sector to export, the SIDO has been recognised as the nodal agency to support the small scale industries in export promotion. For that, an Export Development Centre has been proposed to be set up in SIDO to serve the small scale industries through its network of field offices to further augment export activities of this sector.

1.13.5 Technological Supports

Institutions like National Small Industry Corporation (NSIC), provides machinery on hire purchase basis to the small industrialists. There are Tool Room and Training Centres operating in several parts of India with the assistance of International agencies. They help the SSI units in the upgradation of their technology. At the same time, these centres provide consultancy and training on designing and standardisation of components etc. to their supervisory staff. Technology Information Centre (TICs) was established under the New Industrial Policy 1991 to provide updated know-how on technology and markets. Besides this, IITs and selected Regional/other Engineering colleges have been asked to serve as Technological Information, Design and Development Centres in their respective command areas. Besides, Technology Development and Modernisation fund (TDMF) scheme was launched for modernisation and installation of improved and updated technology to export oriented units.
1.14 Industrial Estate

An Industrial Estate, as defined by Dr. P.C. Alexander (1961) is a group of factories constructed on a planned way in suitable sites with facilities of water, electricity, transport etc. Besides these, it also has the facilities like bank, post-office, canteen, watch-and-ward staff and first aid. Special arrangements have also been provided there for technical guidance and common services such as creches etc.

It was maintain the regional parity, that the government developed industrial estates in backward areas of the country. To encourage the young entrepreneurs to start SSI units in backward areas, the government provided industrial sheds either on rent or on hire purchase basis in the industrial estates equipped with all infrastructure facilities. It saved time, energy, and capital of the industrialists which they were supposed to arrange on their own. A number of Industrial Estates were developed in India during Second Five Year Plan in order to enable some small scale units to have the advantage of common services and other facilities in a particular place at a concessional rate. (Planning Commission, 1955). The development of Industrial Estates is one of the major steps taken by the Government of India under the strategy of promoting small scale industries in the country. The Estates are expected to: Stimulate the potential entrepreneurs towards this venture, Generate/draw up the latent resources, specially physical and human capital, Decentralise the industrialisation of the country, Develop the backward areas, Provide facilities, assistance and
guidance for the promotion, expansion and modernisation of small scale industrial units.

Section III: Methodology and Techniques Used

1.15 Data Base
The required information of this study has been collected personally from the primary and also from secondary sources. For the collection of data from the primary sources samples were selected from the identified locale of the study.

Selection of Location
The present study is an empirical exercise based on information collected from selected small scale industrial units of the Okhla Industrial Estate, Phase I, New Delhi.

The Okhla Industrial Estate is the first Industrial Estate of India established in 1958. It was inaugurated by the then Prime Minister, Pandit Jawaharlal Nehru. This Estate is situated in the South Zone of the National Capital, Delhi. It consists of three phases, Phase I, II and III. The layout and planning of Phase I was done by the famous British architect Mr. Walter George, who was also associated with the planning and construction of New Delhi. This Estate is well planned and connected with 'pucca' roads from all sides with sufficient lighting facilities. The main purpose of the Estate was to promote SSIs. In the beginning, there were only about
twelve factories which employed around one hundred workers; and the total turnover at that time was only around one crore rupees. By 1987, the Estate presented a totally different picture. There were around 250 establishments which employed over 15,000 workers and its turnover had crossed the Rs.100 crore mark. The products of various units of this estate have captured the international market by export of goods to various countries of the world. The annual turnover from exports is around Rs. 10 crores (Directory of Okhla Industrial Estate, 1987).

There are several Industrial Associations in the Estate. Some of the Associations represent a particular category of Industries, like Engineering Industry Association, Electronics Industry Association, etc., some of the Associations represent a bunch of units of various categories. The main purpose of these associations is to make a bridge between the Government and the industrialists. They tackle the problems faced by the small scale units and their member units of the Estate. Besides, there are several registered Trade Union offices. Workers engaged in the factories of this Estate are members of the trade union.

The units of this Estate are engaged in the production of a variety of items, ranging from sophisticated machine tools of modern variety to handicraft items of traditional variety. The items produced by the various industries can be classified into fourteen broad categories. These are:

(1) Automobile Parts and Accessories

(2) Cycles and Cycle Parts
(3) Electronics and Electrical
(4) Furniture
(5) Garments and Textile Products
(6) Handicrafts
(7) Hardware
(8) Machine Tools and Steel Fabrication
(9) Plastic, Rubber, Foam, Bakelite and Fibre Class Items.
(10) Printing, Publishing and Stationery
(11) Refrigeration and Air Conditioning
(12) Scientific, Optical and Mathematical Instruments
(13) Sports Goods.
(14) Miscellaneous

Selection of Sample
As mentioned earlier, there are altogether 250 factories producing fourteen broad category of items. Initially the up-to-date list of units in this Estate was collected from its Industrial Association. From this list, one hundred establishments covering all the above-mentioned categories were selected randomly from Phase - I. The scholar visited these 100 units with the prior permission of their concerned owners to collect the basic information about their functioning and the categories of workers working therein. She found that, of these 100 units, only 59 units were employing women workers; and of these 59 units, only 10 were operated by the women entrepreneurs. Since this study is aimed at women workers only,
these 59 units were initially considered to be relevant for further in-depth study. After the preliminary investigation, out of the 59 units 32 units were randomly selected for sampling considering the following factors: (a) availability of sufficient number of women employees in these units (b) heterogeneity of the women workers and (c) promise made by the workers and the employers to extend their full co-operation for field work. However, of the 32 units selected, 25 and 7 are run by men and women respectively. Apart from these 32 units, another 5 units without women workers were also included in the sample size in order to find out the reasons for non-appointment of women workers.

Thus, in all, 37 units were investigated personally. Women workers from 32 units were selected. For selecting the women workers from each of the units, first the types of work in which women were engaged in were identified and then they were categorised into seven groups. From each category a proportionate number of women workers were selected. The procedure has been repeated for each of the selected units in order to get an accurate picture on women workers from each unit separately. On those jobs where only one or two women workers were found working interviews were conducted without any further selection. Thus altogether, 150 women workers were selected but 122 responded. Apart from 122 workers, the scholar has also interviewed all the 37 entrepreneurs of the selected units. It includes seven women entrepreneurs also.
For collection of data from the primary sources, the following techniques were used:

**Primary sources of data Collection**

(a) Interview Schedule

Two sets of interview schedules were developed, one each for women workers and entrepreneurs respectively. The schedules contain the items mainly based on the objectives of the study. Most of the questions were framed with structured multiple choice answers and a few of them were open ended questions. The interview schedules were finalised after conducting some pre-tests in consultation with the experts (two schedules are attached as appendices 1 & 2). The interviews were taken mostly at the workplace. While collecting the data through interview schedule, some of the unstructured interviews were also made. It was further supplemented by non-participant observations. It was found to be very useful in securing in-depth and authentic data. These techniques (interview schedule, unstructured interview and observation) were used to collect information on economic, social and educational status of women workers, the problems they face (in work place), their access to protective laws and their participation in the trade union activities.

(B) Case studies

Case studies of seven women-run units were collected to get in-depth information on the socio-economic, educational profile of women
entrepreneurs, the problems they face being the first generation entrepreneurs and also on their entrepreneurial potentials.

*Secondary Sources of Data Collection*

For collection of data from secondary sources the following government documents/reports and survey studies of various institutions have been referred to:


*Field Work*

The field work continued for seven months and was completed in two stages, February to April, 1988 and September to December 1988. In order to get acquainted with the Okhla Industrial Estate, the scholar approached
the managing body of the Okhla Industrial Association which located in the Estate premises by fixing prior appointment. The Association introduced the scholar to several industrialists. Interaction with the Association was highly instrumental in establishing rapport with the industrialists which was helpful in collecting data from their units under reference. The industrialists also co-operated in conducting interviews of their women employees at the work place.

Most of the women employees having been introduced by their employers or supervisors were contacted at their workplace. Some of the women employees were also introduced by the trade union leaders at the trade union offices. After getting herself familiarised with the work situation and employers' attitude, she approached the women workers and collected the information directly from them. However, women working on piece-rate basis could not be interviewed in the work place. Here it should be mentioned that the scholar took the care not to interview the employees in the presence of their employers. However, where the employers insisted that their employees to be interviewed in their presence, the interview was formally conducted there, but later these employees were once again interviewed outside the work place. In order to minimise chances of misinformation and misunderstanding, such women workers were contacted after working hours either at their home during holidays or by travelling with them in the same bus in which they commute regularly. All efforts were made to gather accurate and correct information.
1.16 Problems of Data Collection

The process of data collection was not smooth. As the employers possess a negative attitude towards such research studies, initially, it was very difficult to convince them and make them understand the implications of such study. However, after frequent visits, and persuasions this problem was solved to a large extent.

None of the employers wanted their workers to be disturbed at workplace. Thus, it took a longer time in getting their approval to interview their employees. Some of the employers were found to be very suspicious about the issues raised during the interview with their workers. Such problems had to handle carefully and with tact. Naturally, it took longer to build confidence amongst the employers. Women employees, particularly those who initially thought that the scholar was their employer's 'agent', were reluctant to respond. This misunderstanding was cleared only after various informal meetings, frequent visits and by taking the help of trade union leaders.

Data Analysis and Statistical Tools

In this study attempts have been made to quantify the qualitative attributes like job satisfaction, working conditions, employers attitude, trade-union participation etc.. Whenever required, statistical techniques like correlation, regression and some tests of significance were carried out.
Terms Used

Workers

The term 'worker' in general and woman worker in particular refers to an individual who works for others and gets remuneration either in cash or in kind for his/her labour. In this study, the scholar has included only those women as workers who work on the above terms and conditions in the selected SSI units. It is to be noted here that women workers have been included in the sampling of this study irrespective of the fact as to whether they are on regular payrolls or working on contract basis. Any woman working either in the production process, managerial or supervisory work or engaged in the cleaning up of premises or machinery is also considered as worker.

Employers/Industrialists/Entrepreneurs

These three terms have been used interchangeably. An entrepreneur is operationally conceived as a person who owns and runs an enterprise with hired labourers and invests his/her capital on plant and machinery.