Chapter 2

CONCEPTUAL FRAMEWORK OF THE STUDY

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Chapter 2

CONCEPTUAL FRAMEWORK OF THE STUDY

2.1 Introduction

In the research study, the researcher has highlighted the problems of women employees working in Kalyan-Dombivali MIDC unit in Thane district. There are various problems faced by women employees in the organization which have been segregated into different parts, like problems related to employers, management, male colleagues, female colleagues, Government policies, other staff members etc. However in order to study the problems of women employees in detail all above problems have been divided into various parts such as social problems, economic problems, family related problems, organizational problems and so on. The researcher has also discussed the work performance of the women employees assessed by their superiors. The attitude of management and superiors towards women employees in the Kalyan-Dombivali MIDC has been discovered in the research study. All the above aspects form the core of the research study. In the course of the research study, the researcher has made use of certain terminologies that require greater understanding. Hence, the researcher has explained these concepts in context to the research study to get better insight of those concepts.
2.2 Concept Related to Women Employees

In male dominated country like India, women have always struggled hard from beginning. They struggled for equal rights and responsibilities in all spheres of life and for improvement in their living conditions. Women employees are generally given second priority as compared to men employees in the organization. They do not get equal rights in terms of employment, payment of wages/salaries, other incentives, promotion opportunities, transfer, training facilities and so on. Unlike the rest of the world, In India, there are more men than women. The ratio of it is like 1000 men for 933 women. This is because many young girls die before they become adults. Only 54 per cent of women in India are literate, only half the numbers of women compared to men are enrolled in schools and many drop out much before they finish schooling because they are required at home to look after their younger siblings and help in household. Although women work all the time and in fact work more than men, only 20 per cent are in the paid work force. Those who are in the work force get paid much less than men, even though there is a legal principle of equal pay for equal work in India.

Different segment of small scale industry sector are dominated by different social group. Women are mostly found in the unregistered sector, manufacturing enterprises and weaving sector. Less educated women are engaged in packing, labeling, grading, punching of good, some of them engaged in garment enterprises, handloom industries, work as embroidery maker, knitting, stitching clothes, threading and so on. On the other side, qualified women employees are performing higher level jobs in various industries in Kalyan-Dombivali MIDC areas. They work as managers,
supervisors, accountants, receptionist, computer operator etc. They are performing their job at each and every level efficiently and effectively.

Theoretical and empirical analysis on economic and social condition of female workers:

Women play an important role in the development of human society. According to opinion of Swedish Scholar Gustar Geigor, the dignity of women in society provides an exact measure of the development of society. Our late Prime Minister Honorable Jawaharlal Nehru has observed that, to awaken the people it is the woman who must be awakened, once she is on the move, the family moves, the village moves, the nation moves.

Father of ethical values, Manu wrote that where women are adored, God frequents that place. But unfortunately at any time, at any age, at any stage, women do not enjoy equal and honorable status in her family and society with men. Manu himself wrote that there can be no independence for woman at any stage of her life, that before marriage she must remain under the tutelage of her parents, after marriage under that of her husband and after the death of her husband under that of her children.

At the time of arriving of Britishers in India, the dignity of women in Indian society has reached its lowest ebb. There were many bad traditions and customs just like child marriage, polygamy, seclusion and purdah, which had brought about a giant degradation and deterioration in the status of women in the society. But nineteenth century was a century of liberalization, freedom and equity for women. Many social
and economic legislation and reforms were enacted by Government. Many philosophers, politicians, reformers, sociologists had tried for social reforms in context of higher dignity, honour, and status of women. This movement was further accelerated during the twentieth century. During this century, the doors are opened of professions for women due to higher educational facilities for them.

Many factors are responsible for the changing scenario of women’s dignity not only in the society but in the economy, politics, professions, etc. Industrialization, urbanization, higher female education, evolution and revolution of new thinking etc., are the major factors for changing the whole scenario. The new industrial organization made women an integral part of the new economic order and an important part of its man power resource.

During the planning period, the number of women and their participation in work has considerably increased. Most of the female workers are engaged in unorganized sector. Women were engaged in different sectors such as primary sector, secondary sector and tertiary sector. Women labour involved in primary sector, includes industrial categories work primarily cultivation, agriculture, livestock, forestry, fishing, mining and quarrying etc. Women labour engaged in secondary sector, includes manufacturing processing, servicing and repairs work, household industry, other than household industry work, construction related work etc. Women employees engaged in tertiary sector, consisting involvement in trade and commerce, transport, storage and communication and other related services. The most important problem facing by women employees, that most of them are either illiterate or having lower education. Therefore, they have to work in low paid and low skilled jobs. In
thosedays responsibility of women were not limited. Not only she contributes to household activities but also to economic activities e.g. agriculture sector and industrial sectors but at the same time it was expected that this contribution from women in the economic activities should be increased. For this there are three reasons, first, status of a working women is better, second, this helps increase the income of household and third, female labour is an important part of total human work force. They work in all kinds of economic activity. As the number of women work force increases, national and international level organizations make force to develop an ideology, planning, specified for women. They change the conditions of employment, working conditions, working hours etc. International Labour Organization suggests and recommends its member-nations to implement the changes morally for women workers. International Labour Organization has suggested several important resolutions like maternity leave, security in terms of health and job, women working during the night or in mining were provided special services and practices. India has adopted almost all the resolutions given by the International Labour Organization. But still female workers are suffering from several problems despite the efforts of International Labour Organization and its implementation by government of India. Working condition, working hours, terms of work, types of job and other situation is still not favourable to women workers, women employees still have problems and the problems of women employees are more serious and severe, it causes to feel women employees more uncomfortable and inconvenient at their workplace.
The International Labour Organization (ILO) and Women:

The International Labour Organization (ILO) is a specialized agency associated with the United Nations. Its purpose is to lay the basis for lasting peace by improving the working conditions of all peoples everywhere. The ILO’s work is financed by Governments, but unlike other specialized agencies it is controlled jointly by Governments, employers and workers. The organization operates through three main organs. These are the general conference of national tripartite delegations, which meets annually, the governing body, a tripartite executive council, and the International Labour Office, a permanent secretariat which is currently headed by David Morse as Director-General.

All women, whether they work in a field, a factory or the home, are affected by successes and failures of the International Labour Organization. As the mothers, wives and daughters of the men who fight in wars, they have a special investment in the ILO’s main task which is to help put peace on a solid foundation of social justice. The ILO as one of the specialized agencies associated with the United Nations, deals with the problems of workers and their families in more than sixty countries. While the ILO believes that the interests of women as workers are generally indistinguishable from those of men, it has always recognized that the woman workers have special difficulties which are derived from her function in the family and from social attitudes and customs. These problems requires particular solutions, But the ILO considers that they must be approached in the same way as problems of workers in general. In dealing with them, however, account must be taken of the physiological difference between men and women. Women’s problem, meanwhile, is
to achieve full opportunity to develop her qualifications freely and to play a full and effective part in social and economic life.

According ILO, efforts to improve the status of the employed woman must be based on a knowledge of whom she is and where she is, of what kind of work she does and the conditions in which she does it, of her family responsibilities. There is no doubt that women are providing an increasing proportion of the world’s labour force. As industrialization develops, the number of women working at jobs not immediately connected with the home tends to increase, employment opportunities for women grow. In some countries industrialization has led to active measures to recruit workers among women. The growth of industry fosters a tendency for women to enter jobs which hitherto have been filled by men. They work in commercial jobs, enter the service industries, and are drawn into such new industries as the chemical, electrical and light metal trades. In rising numbers they find work of a kind in which men and women in the industrially developed countries continue on the whole to be restricted to certain occupations and to semi-skilled work. There are still relatively few women in industrial or commercial jobs calling for the higher technical qualification.

In the less developed countries of Asia, the Middle East and Latin America the great majority of employed women are engaged in agriculture. They do almost every kind of work connected with production of crops and with livestock and poultry breeding. They work on family holdings, as share croppers, or as plantation workers. The other principal occupation of women in the less developed regions is the production of handicrafts, either for family use or for the market. In some countries
however the number of women employed in factories is quite large. In Greece and the Philippines a considerable proportion of industrial workers are women. In India and China, the number of women in industry is increasing. Women industrial workers are for the most part employed in such trades as textile, tobacco, the manufacture of matches, and food processing. Much of their labour is unskilled. Too often, they are employed to carry loads and to do such heavy work as building and road construction.

The 1947 Conference adopted a resolution which recalled that the ILO, since its inception had endeavored to offer to women workers an opportunity for full participation in the economic life of their countries. The resolution recognized that the employment of women and particularly of mothers has physical and psychological, as well as economic and social, consequences. The status of women workers was closely related to the social and economic structure and to technical and economic development. It was desirable to eliminate the inequitable treatment of women workers, with full understanding of the specific problems which arise from actual but changing social, economic and industrial conditions in the various parts of the world.

In the ILO’s early days the stress was placed on protecting women against exploitation. In recent years the programme has been more directly aimed at helping women to attain equal opportunities in employment. It has explained as under:

1. Maternity Protection: The ILO’s standards for the protection of maternity have set a pattern for national legislation since they were adopted in 1919. The convention declares that an employed woman shall be required not to work for at least twelve weeks at the time of her confinement, and that at least six weeks of this period’s shall follow the birth of her child. During maternity leave, she shall be entitled to
cash and medical benefits provided as a matter of right by social insurance or public funds. She shall be given time off from work to nurse her child. It shall be unlawful to discharge her during her leave. It also suggested that the maternity benefit should be as high as a woman’s earning, that nursing breaks should total an hour and a half daily that seniority rights should be preserved during maternity leave, and that pregnant and nursing women should be prohibited from working over time or at night.

2. Night work of women: The ILO conventions place restrictions on the employment of women in industry during the night. Women shall not be employed at night except in family enterprises. The convention does not apply to women in managerial and technical jobs or to women doing non-manual work in health and welfare services. It provides that night work may be permitted in case of serious national emergency.

3. Equal pay for equal work: The ILO convention requires ratifying countries to promote the application of the principle of equal remuneration regardless of sex. It stipulates further that equal pay shall be ensured to the extent that national methods of wage determination permit. The convention employs the word remuneration rather than wages or pay. It defines remuneration as including the ordinary basic or minimum wage or salary and any additional emoluments whatsoever, payable directly or indirectly, whether in cash or in kind.

4. Other Proposals for the welfare of women: A number of other ILO conventions and recommendations contain provisions which seek the practical equality of the woman worker. Workers of both the sexes should have equal right of admission to
technical and vocational schools, it urges that technical and vocational training should be provided for occupations filled mainly by women. It adds that women and men should get the same certificates after completing the same duties. ILO recommend that the participation of women in the administration of social legislation. It also urges that women should be represented adequately in the administration of invalidity, old age, and widow and orphans insurance.

In addition to her job as mother and housekeeper, woman contributes much to the world’s work. Even in the less industrialized countries, she plays a growing part in the forms of production which are socially organized. In the economically advanced lands she has long been an integral part of the labour force. Woman’s share in the productive process may be expected to increase with the growth of the world’s economy. As her contribution rises, so may her status as citizen be expected to be enhanced. With the development and widespread use of techniques enabling full use to be made of national resources, woman will take her place as a fully equal partner of man. In a world of abundance there will be no reason for the exploitation of one sex by the other or for discrimination among groups on any other basis.

The basic concepts of women employees are stated as under:

According to Narendra Prasad¹, in any economy, women play a prominent role at various levels. In recent years women have been taking increasing interest in entrepreneurship. This is seen in respect of all kind of women, both in urban and rural areas. The best thermometer to the progress of nation is its treatment of its women.

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An Indian woman has the capability to do all things. If we develop the intellect of our women in all fields, the Indian Women of the future will be the ideal women of the world.

For the development of society it is necessary that all the section of people fully participate in it and the opportunities of full development of potentialities of women are available. Women remain financially dependent therefore, they are exploited. This can be considered as the non-acceptance of human rights and non-availability of social justice for them. Due to lack of proper employment opportunities, limited skills and illiteracy, restricted mobility and lack of autonomous status. Condition of women employees remains very bad due to absence of control on the sources of production and chronic indebtedness created by continuous gap between income and consumption, which deprive them from all the bargaining power and occupational mobility².

Maharshi Karve, the outstanding educationist who was responsible for establishing the exclusive S.N.D.T. Women University in Maharashtra, believed that the place of women was distinct from that of men and that education should equip women for this place. Status of women in human society all over the globe has remained critical and pathetic despite the fact that they have to play significant role in all walks of life³.


The women have to empower themselves. They have to understand the causes of the existing inequality of women in all sectors—economic, social, political, legal and educational and take initiative to change their status\(^4\).

According to Fundamental Rights, Constitution of India, the state shall not discriminate against any citizen on grounds only of religion, race, sex, and place of birth or any of them. [Article 15 (1)]. Nothing in this article shall prevent the state from making any special provision for women and children [Article 15(2)]\(^5\).

Development process in a given society affects women and men differently. The differential development treatment of both the sexes had a serious negative impact on women. Women play an important role in the development of human society. According to the opinion of Swedish Scholar GustarGeiger, the dignity of women in society provides an exact measure’s of the development of society. Our late prime minister honorable Jawaharlal Nehru has observed that, to awaken the people it is the women who must be awakened, once she is on the move, the family moves, the village moves, the nation moves. Father of ethic values, Manu wrote that when women were adored God’s frequented that place. But unfortunately at any time, at any age, at any stage, women did not enjoy equal and honorable status in her family and society with men\(^6\).

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A World Bank expert panel stresses that investing in women’s progress instead of in men’s affairs, leads to proportionately greater development. Since women are a mother, her education and safeguard has a greater impact on the health and culture of her children. Also according to the report wherever the domestic finances are under the control of women, they are more economically and rationally managed.

Empowerment of women involves many things economic opportunity, property rights, political representation, social equality, personal rights and so on. Historically, the world over either by law or by custom, the status of women is undermined by asymmetrical power relationships in decision making, personal and social rights, access to resources and entitlement. Women in many countries still lack rights to inherit property, own land, get education, obtain credit, earn income or work outside home, control their fertility, they are still widely underrepresented in involvement in decision making at the household or social level.

Income of the family is a factor in the participation rate. High income households in villages provide ideal circumstances to women to escape from double duties of managing the house as well as to earn money to balance the household budget. While at the helpless stage abandon the fight and may even live on doles, otherwise higher participation definitely affects income of families. As families in the

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highest income group need not send either their young children or women for work the participation rate among them is low⁹.

In this modern age women are mainly entering into the lucratively paid jobs to enhance the family income and prestige and to utilize the education and the social status, rather than merely due to the economic constraints. The study also stated that educated urban women have now begun to realize that job can raise their self-esteem and self-confidence and can accomplish their socio-psychological security and freedom. Educated women are now more keen and desirous of utilizing their education and training than was the case previously¹⁰.

2.3 Concepts Related to Problems of Women Employees

In the research study, the researcher has discussed several problems faced by women employees in the industrial organizations including small scale industries. Some of these problems require conceptual clarity as explained below:

2.3.1 Gender Mechanism

There are two types of mechanisms that important for understanding the structure of labour process and gendering of work, in many industrial organization the priority in jobs are given to male employees rather than female employees, exploitation by men of horizontal and vertical differentiation in the occupational


structure and the active gendering of both people and jobs. It is further observed that, as men move out of jobs and the leftover positions are filled by women. This is achieved through greater male bargaining power.

2.3.2 Gender Discrimination

Women experience gender discrimination in labour market due to many reasons such as:

a) Women have lower accessibility than men to productivity augment opportunities like schooling, required training and experience, continuity in career and regional mobility.

b) Women receive less favorable jobs than men do or they will not get any job because of their less education and experience.

c) Women get lower wages than men for the same job. This is identified as wage discrimination.

2.3.3 Facilities at the place of work

Working environment and condition is a prime factor for workers efficiency and productivity. Facilities available for workers at the place of work are most determinant factor. The working capability depends upon these facilities at the place of work. Industrial women employees have to work more than eight to ten hours at the workplace. They are continuously engaged in different type of works, while working in industrial organization, they are not provided with adequate facilities, which
creates unhealthy environment among them. Female industrial workers need to provide specific and separate more facilities at the work place. They are needed separate sanitation facility, rest-house, child care facility etc. But these types of facilities are not available in number of industrial organization which causes for dissatisfaction among women employees.

2.3.4 Security

Adequate amount of security not only provide relief to the women employees but it also provides comfortable at the work place. In many industrial organization the female workers are badly exploited, harassed physically, mentally and sexually from their employers, managers executives etc. It causes to make women employees become unsecured at the work place.

2.3.5 Accidents

The ratio of accidents is high in construction industry and other dangerous and hazardous industries. Women workers engaged in these particular industries needs to get an adequate protection against accidents arising at the work place. To give medical treatment and financial remuneration to the injured female workers from their respective employer is a legal and ethical human obligation. There are various laws regarding accidents taking place in industry organization are elaborated in companies act and trade union act. There is specific of workmen’s compensation act for organized industrial workers.
For understanding concepts related to problems of women employees more clearly, following additional concepts are explained as under:

In the recent years, the small scale industries are the hub of many economic activities in a developing country like India. The role played by these industries in the economic activity of advanced industrialized countries is also very significant. The socio-economic transformation of India cannot be achieved without paying adequate attention to the development of this labour intensive and capital sparing sector.\(^{11}\)

The role which small and medium enterprises play in the economy varies from nation to nation and reflects the cultural background of the different countries. In the US economy, small and medium enterprises are considered to be the cornerstone of a free market economy where free entry into business is a central element. Small and medium enterprises are seen here as major forces for economic dynamism. Small and medium enterprises do not only play a different role in different countries but also in different time periods in different industries in a national economy.\(^ {12}\)

The removal of women’s illiteracy and obstacles inhibiting their access to and retention in elementary education will receive overriding priority though provision of special support services setting of time target and effective monitoring. Major emphasis will be laid on women’s participation in vocational, technical and professional education at different level. The policy of non-discrimination will be pursued vigorously to eliminate sex stereotyping in vocational and professional


courses and to promote women’s participation in non-traditional occupation as well as in existing and emergent technologies\textsuperscript{13}.

Masculine and feminine skills are problematic in the workplace as there is more emphasis on the nature of the worker rather than the work. Additionally categorizations and equations relating to skill are deeply ingrained with gender bias\textsuperscript{14}.

Women have to face strong prejudice and discrimination at every stage of their professional career. Women have received discriminatory treatment in recruitment, job assignment, salaries, and promotion. They have not had the same access to their colleagues as men have and they have been more restricted by their family commitments. The pursuit of career goals has been difficult and the rewards uncertain\textsuperscript{15}.

The labour legislation in India has been designed in such a manner as to protect women and children from undue exploitation. But law itself cannot offer protection unless there is a sense of awareness of its existence among the workers. In this direction, education of women requires to be given top most priority so that they may not only become conscious of their rights and responsibilities but also take


advantage of the statutory privileges. Moreover, it also necessary to ensure proper implementation of the various labour laws\textsuperscript{16}.

Changes in the real level of earnings of men compared to women are consistent with trade liberalization introducing significantly greater competition for male jobs than for female ones. Women fared relatively better, because men experienced more severe downward pressure on real wage levels. Since 1992 the major contributor to the narrowing of the gender wage gap has been the improvement in the returns to the endowments of women\textsuperscript{17}.

Gender based discrimination has been identified at each level of social organization or arrangement used for fulfilling human wants be it the family or community or the labour market. It has been pointed out that the existing system has an inherent bias in which women’s economic roles are perceived as subsidiary or secondary to their role as home makers. This systematically pushes women out to the category of non-working members of society included under the label housewives\textsuperscript{18}.

Women are employers as well as workers. They managed a quarter of the total number of enterprises, one quarter were run by men and a half jointly by men and their wives. Men managed the largest and women the smallest. Among the full time workers the men were the printers while the women did the waxing and scraping


\textsuperscript{17}Arabsheibani Reza G., “Gender Wage Differentials in Brazil”, School of Management and Business publication, World Bank, 2003, p. 16.

which was no easier than printing but was paid lower wages because work done by women was called trained and not skilled\textsuperscript{19}.

Woman remains the last colony, the last serf, the last minor in many respects. The influence of tradition, culture and social patterns is so strong that notwithstanding the progress of science, technology and law, there are social, economic and psychological obstacles that still prevent her from liberating herself entirely and perpetuate inequality in every sphere. The most important of these obstacles is the division of labour, which persists in defiance of laws, declarations of principle and even a few spectacular exceptions\textsuperscript{20}.

In almost all sectors of the economy, only particular jobs are accessible to women. In general, the lower paid and less appreciated jobs. Their earnings are much less than those of men and possibilities for upward mobility unlikely, even with equal education and equal work\textsuperscript{21}.

Rao Usha\textsuperscript{22} in her article, ‘Changes in Economic Activity of Males and Females in India’ has observed that, the failure of structural change in employment to accompany urbanization can be traced to the fact that the growth of modern industry in town and cities dealt a death blow to the rural household industry. With changing technology and scale of production there was a shift in the location of industry from


rural to urban centers especially large metropolitan cities, these changes were unfavorable to women’s participation in work.

The labour market is not neutral to men and women. It favours men against women. Gender inequalities exist in almost all sectors, the division of labour is highly sex biased.

Women have a firm presence in the workforce and leaders, who invest time and resources to draw upon this reality, are the leaders who are fully aware and engaged with their workforce.

Sociologists have rightly remarked that the employment of women is one of the key determinants of a country’s social growth and development. If this statement is examined from the Indian perspective, it would be observed that certainly the Indian working women are at the lowest level of development hierarchy. In fact on the various employment indices, they have given a poor show. They stand nowhere in comparison to working women of developed and developing countries and lag far behind the Indian working males. Their miserable plight has been well summarized in the annual report, Ministry of Labour (1994-95) which reads that they lag behind men considerably both in terms of level and quality of employment.

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Employers and workers—men and women, sometimes shared these perceptions of gender. Employers paid women less than men because women performed tasks designated as “unskilled”, conversely, employers deemed certain tasks unskilled and fixed lower wages for them if these tasks were habitually undertaken by women. Men workers associated low wages, low skill and lower status with women’s tasks. These tasks, designated as ‘women’s’ work, very rarely bore any special relationship to the needs of biological reproduction, though employers and male workers often advanced specious arguments about their suitability in relation to childbearing and location.  

In the case of the jute industry, most women of what may be called the working class family remained in the village to undertake agriculture or otherwise procure the means of subsistence. The few women who came to the cities concentrated in unskilled and manual work, petty services and retail traders where rewards were poor and the condition of work unregulated. In these urban occupations, as in the rural workforce, gender division of labour was pervasive. In the silk industries women mainly spun and turned reels. In indigo factories, they carried the cakes to the godown. In modern industries, large numbers of women in rice mills were drying spreading, the turning rice, moving it from the hullers and winnowing ban in rice mills, in the shellac industry they were stripping, grinding and sieving, in earthwork and the building trade they were mainly carriers.

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27 Ibid
In case of Agriculture work, a woman does every kind of field work except driving the plough. She helps the men in preparing the field for sowing, making the embankments in the fields, weeding and hoeing, winnowing, picking cotton, plucking maize cobs and millet earheads, stripping sugarcane before crushing, carrying heavy load of fodder crops on her head to the home, putting the food grains stored and looked after these to avoid any damage and pilferage. Cooking food, caring about the children, managing fuel and water for the home, looking after the domestic animals, chaffing the fodder, cleaning the animal houses preparing the animal feed, milking the animals, filling the manure pits and using the cow dung for making cow dung cakes—are all done by women. All this makes them busy from early morning till late in the evening. In spite of all these burdens of farm and home their contributions are not given due recognition. Their condition is far from satisfactory and they suffer from various socio-cultural constraints which come in the way of improving their productivity. Women are biologically more vulnerable, sociologically less mobile both geographically and occupationally and consequently more neglected during childhood. Evidence of these is available from several demographic and sociological analyses. The sex ratio in the State is low, expectation of life at birth is less for females, infant’s mortality rate is more for girl babies, female literacy rates are low and women’s rate of participation in employment in the organized sector is also low.

One of the obstacles to the integration of women into development is the social, political and economic invisibility of the female half of the human race in every society. Rural development, based on growth with equity, requires the full

integration of women including their equitable access to land, water, other natural resources, inputs, services and organizations, and equal opportunity to develop and employ their skills. There is an urgent need to expand knowledge and statistical data of all aspects of the rural women, particularly in regard to their roles in the rural activities and to disseminate information in order to promote greater awareness of women’s role in society. It is poor rural women who constitute the hitherto invisible but crucial element and perhaps the ultimate determinant of success or failure in guaranteeing development with equity in the Third World. So there is a need to understand their existing socio-economic conditions and constraints.

In many parts of Asia, there has been a perceptible increase in the recent past in the proportion of women in the labour force. This has particularly been the case in the rapidly growing economies of the Far East where both demand and supply factors have been active in drawing a large number of female workers into the labour market. In South Asia, however, the picture is mixed and very often the debate on labour force participation rates tends to get bogged down at the stage of definition itself. A consensus has however been reached that in India there has been no major shift recently in the broad structure of the labour force, participation rates or the quality of the workforce for both men and women, other than the changes brought about by demographic forces.

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9Op. cit

10Jose A. V., “Women Workers in Rural India”, International Labour Office publication, Switzerland, 1989, p. 11.
Until the mid 1980s, the majority of women working in development programmes were recruited locally and worked locally, sometimes on a quasi-volunteer basis. These were relatively low-visibility roles, mobilizing women to participate in either NGO community-development projects, or to promote government initiative such as family planning or immunization programmes. What is different about the development worker this is considered that she is a development professional, with by and large, higher education and a middle-class background. She is not a volunteer, but is part of the formal bureaucracy of her organization. Thus job in both NGO’s and government service favour urban, educated candidates willing to accept frequent transfers to rural locations and able to engage in high-profile, high-visibility rural development work involving interactions with a great cross-section of people from government officers to villagers, rather than staying within a familiar village environment. These conditions favour the employment of middle class men rather than women. Women are more likely to have been denied opportunities for higher education, and are denied the same mobility and public exposure as men. Their family obligations and subordinate status in relation to husbands make it impossible to accept frequent transfers. In addition, work on credit programmes, which involves carrying cash in rural areas, sometimes at night, exposes staff to greater risk of attack than some other kinds of development work, and this too works against women’s employment, as they are seen as more vulnerable to physical attack than men.

There is a great deal of evidence than women’s poor labour-market position is in large part due to discrimination in placement and pay, and that, despite some

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progress, discrimination continues to play a significant role. Statistical studies of women’s and men’s pay and qualifications suggest that only about a third of the gap between men’s and women’s pay can be accounted for by differences between the sexes in experience or education. This evidence is backed up by court testimony about conditions in many workplaces.

Many economists deny even the possibility that qualified women could be dealt with unfairly by employers, seeing nothing amiss, they deny that government intervention is needed to improve women’s place in the labour market. They convince themselves through purely theoretical exercises, based on made-up and untested assumptions, that systematic and long-lasting discrimination is simply impossible. Having proved to their own satisfaction that employer’s lapses from impartiality are unimportant or nonexistent, they are led to believe that women’s low position must derive from the free choice of the women themselves. Women occupy the lowest rungs of the ladder at the lowest pay voluntarily. Any woman who doesn’t want to do have to, these economists imply. More women are coming to believe that they are unjustly treated, despite the continued insistence of some academic economists that the job market is perfectly fair. Women’s groups, along with some unions are demanding pay equity—that pay scale be revamped to raise the wages paid in the traditionally female occupations. And increasingly women are trying to overcome the barriers to jobs that have been off-limits to them.

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33 Ibid.
There is no dearth of studies about Indian women in general. If one scans through the vast array of literature one can find that Indian women have been put under scholarly microscope to examine the various aspects of her life, by the foreign as well as Indian scholars. Women employees has been studied in her various roles to highlight the changing status that she has been given in Indian society from ancient to the modern times; she has been studied from a social reformers point of view listing a catalogue of injustices heaped upon her by the society and urging upon the conscience of its enlightened members to mould the social institutions to relive her of such injustices. She has also been studied from the point of view of how modern institutions have created new roles as well as problems for her especially in relation to the important social and psychological functions that a woman has to perform as mother and as wife. Finally, she has been studied from the view point of how the emerging economic and political structure in India is related to the problems of enhancing her participatory rights and obligations in functioning of the society 34.

Historical Studies about Indian Women: The historical studies about Indian women have been done not only by social historians but also by anthropologists and sociologists. Early researches on women in India were primarily done by social historians, Indologists, anthropologists and sociologists. Historians and Indologists investigated the position of women, mainly of the high castes and elite sections of society; reasons for the deterioration in their status and the emergence of social evils like child marriage, sati, the general oppression of widows, pardah and illiteracy. For example, Raja Ram Mohan Roy wrote on the subject of women from a reformers

He wrote about the social evils and problems of the society like sati pratha, pardah system, polygamy, child marriage etc.

A number of facts about the female labour force have been gathered in order to elicit information about attitudes of women particularly married women towards going out to work and about the factors which were preventing some married women from working outside their homes. The long-term interests of the economy demand an increase in the productive labour force, which for the most part, will have to come from married women who are not working at present: the findings of the survey indicate the lines along which efforts can be directed in order to enable more women to take up productive work. It shows clearly the pronounced changes in women's working habits which have occurred in recent years. Nearby half the married women were working and they accounted for two-thirds of the female labour force, nearby one-third of the working women was responsible for children under 16; three-quarters were running a home in addition to doing their job. More highly educated women were more likely to be economically active than were less highly educated. This was true of both married and non-married women. An interesting sidelight is that more highly educated women were less likely to be married; this is possibly a relic of the days when the choice had to be made between marriage and a career.

The Equal Pay Act requires the same pay for men and women doing substantially equal work on jobs requiring equal skill, effort and responsibility under similar working conditions in the same establishment. Equal does not mean identical.

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but jobs to be compared under the Act have to be substantially similar. The law does not prohibit wage differentials based on a seniority system, a merit system, or a system measuring earnings by quantity or quality of production, or any factor other than sex. It covers employer’s contributions for most fringe benefits as well as wages and overtime. An employer is prohibited by the law from reducing the wage rate of an employee in order to eliminate a prohibited wage differential. A labour organization is prohibited from causing or attempting to cause an employer to discriminate against an employee in violation of the equal pay provisions, the law applied to both men and women.

The Equal Pay Act of 1963 prohibits pay discrimination because of sex. The Act is an amendment to the 1938 Fair Labour Standards Act (FLSA). The FLSA established minimum wage, overtime pay, equal pay, and child labour standards for employment covered by the Act unless a specific exemption applied. Approximately two million establishments employing more than 62 million workers are covered by the equal pay provision of the law, including factories, farms, schools, hospitals and most businesses. On July 1, 1972, the Equal Pay Act was extended to executive, administrative, and professional employees including academic administrative personnel and teachers in elementary and secondary schools and outside sales people.

The modern industrial era has witnessed a tremendous change in the character of work assigned to women. The cost of living necessitated earnings supplementary to those of the chief wage-earners. It was therefore deemed preferable that daughters and

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young wives should work for wages. About fifty years ago in our country, it was considered derogatory for a middle class woman to take outside work as a means of earning, even though she has no other means of subsistence. But under pressure of economic necessity, the rising cost of living and insufficient income of the family, this contempt for work among some sections of Indian society steadily diminished. What was perhaps not sufficiently appreciated was that women did not want to escape their responsibilities in the home or to be aggressively competitive and deprive men of their jobs.

The main attraction of educated women for employment appeared to be money and secondly, the company and interest to do particular job. Sometimes employment may be motivated by aspirations for upward social mobility and also by a desire for a sense of competence. Both of these would be more likely in a woman who has a strong desire for achievement. It is possible that education and employment for married women relate positively not because education is a manifestation of and a stimulation to the achievement motivation. To some women, the role of a wife and mother does not seem to call for the utilization of the women's full potential, and employment may be seen as offering a greater opportunity in this respect. For the professionally trained or talented, this may also involve a feeling of obligation to oneself or to society to use one's skills.

Highly educated people work because of intrinsic interest, while those with lower qualifications do so for monetary motives. The financial return is however

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38 Ibid.
mentioned as an important element even for highly qualified women. Many women
carry a great responsibility in their childhood and youth under the compulsion of
family circumstances. For them work is taken for granted as a part of the adult world.
They are so much used to working that, if they were to give up their jobs after
marriage, they would not like it. Two pay packets are always better than one. The
standard of living is raised because means are available for the provision of better
food, better clothes, better housing, better education to children, and recreation. The
woman feels that she is also contributing her bit to the family and society, besides
satisfying her desire for self-fulfillment.

Advantages of working: Employment offers several advantages to women,
depending upon the education, temperament, upbringing and training of each of them.
To the majority of middle class Indian women in urban areas, it provides a measure of
social freedom and economic independence. For others, it improves the standard of
living. Their employment enhances the importance of some women in society and
accords them a social status. Employment keeps the talented and skilled women busy
and occupied fruitfully. Apart from all the above advantages the employment is
instrument in improving the life style of women. employment bring the gifts of social
importance and economic status the women employees not enjoyed before. In few
solitary cases where the husband used to pester his wife for money, the employment
of the wife brings about a cessation of harassment. In the microscopic minority of few
instances, employment relieved the affluent and gifted women of the loneliness they
felt when the husband left for office and the children for school by keeping
themselves occupied.
In the status of Indian women, upward and downward trends of mobility could always be observed on the practical level, although on the theoretical level it has always been claimed that the place and honour of women is just the same, as of men—neither less nor more. According to Hindu ideals wives are called the Ardhangini of the husbands. Motherhood is respected so much in the Hindu society that even the country is called the mother India and thus the feeling of devotion and respect is expressed towards it. The powers of God have been described in the original forms of Goddess Laxmi, Saraswati and Durga: In this manner the woman in our country has been considered as the symbol of nationality, wealth, knowledge and power. But these ideals, in the life of a common Indian woman have failed miserably in providing her status equal to man, during every period.

In India, most of the women seek outside jobs to a great extent due to economic necessity. Some take up a profession to kill boredom, for they have more leisure now than women had in olden days. The present trend suggests that women in greater number are threatening to enter the man’s exclusive domain and remunerative employment. It is essentially the middle class women, who have forged forth into the employment market.

The women are taking to work to utilize their potentialities in addition to fulfilling the functions as wife and mother. Some are for adult companionships or for personal independence. Some may find their home making tasks dull or unrewarding. Some for fruitful use of their spare time and others might have originally planning to

\(^{39}\)Op.cit

\(^{40}\)Op.cit
resume the careers; yet others, who have trained themselves to be teachers or nurses 
may be impelled to return to work to make use of professional skills. Some may feel 
that their lives will be empty when their children are grown and no longer live with 
them. Such women try to enter into professions. Throughout the world, women are in 
the working force who earns monthly salary. In South-East Asia, commerce is open to 
women. In Jakarta, wives of senior civil servants run shops and make jewellery. In 
Thailand many large hotels are run by women. Philippine women are adept in real 
estate business as stock brokers and runners of business. Now women have entered 
into the technical field, medical, teaching and nursing. They are working as pilots, 
taxi drivers, policewomen, ambassadors, ministers and heads of nations. They are 
serving in territorial army of Israel and most difficult and dangerous job of espionage. 
etc. Kiran Bedi is the much admired IPS officer of the day.

2.4 Concepts Related to Small Scale Industrial Units

Small scale industries have been recognized as engines of economic growth 
worldwide. It not only generate higher employment opportunity per capita investment 
but also go a long way in checking rural urban migration by providing villagers and 
people living in isolated areas with sustainable source of employment. The main 
concepts relating to small scale industries are elaborated as under.
2.4.1 Small scale industry

Small scale industries are an industrial undertaking with the investment not exceeding rupees 100 lakhs in plants and machinery. In case of auxiliary industries the investment ceiling on plant and machinery is also rupees 100 lakhs.

2.4.2 Tiny industry

Tiny industry is an industrial undertaking with an investment limit in plant and machinery is rupees 25 lakhs irrespective of the location of the unit.

2.4.3 Industry

An industry is a department or branch of craft, art and business or manufacturer of similar product or services. Normally industries convert raw material into finished product.

2.4.4 Trade

Trade is buying and selling of goods and services. It occurs as and when people need and want things that are produced by others.

2.4.5 Business

Business includes activities of all commercial or trading of goods and services. There activities range small shops owned by one person to huge organizations owned by shareholders.
Small scale industries have occupied a prominent place in the overall strategy of industrial development in India. For development of small sector, Five Year Plans has allocated increasing resources in the view of the abundance of labour, scarcity of capital and rural nature of the economy. The main arguments in favour of small industries are stated as below:

1. High employment potential: In developing country like India, small scale industries provide maximum employment next to agricultural sector. Small industries are generally labour intensive and therefore offer wider employment possibilities for the ever increasing population of India. It also offers promising opportunities to educated unemployed in the urban areas to become self-employed successfully.

2. Widely dispersed entrepreneurial base: Small industries ensure widest possible participation by different regions and different classes in the industrial growth of the country. These industries can be set-up easily in any part of the country with modern skill, techniques and resources.

3. Regional balance development: Regional balance development is one of the significant objectives of India’s Five Year plans. Many district of the country particularly in tribal and hilly areas have remained industrially underdeveloped, however these areas are also now a day’s become developed through a network of cottage and small industries.

4. Export potentials: Small scale industries dominate in export of various commodities. SSIs are unable to take advantage of economies of scale, they are ideal for meeting small order quantities. SSI has tremendous potentials to expand
the quantum of export because they are handicraft, eco-friendly and exclusive. In short small industries constitute an important segment of the India economy.

The important concepts related to small industries are stated as follows:

According to the Small Scale Industrial Board at its 24th meeting held on 8th July, 1966 and as per the Ministry of Industry Letter No.SSI (A) 18 (5)/66 dated 31st October, 1966\(^1\). Small Scale Industries will include all industrial units with a capital investment of not more than Rs. 7.5 lakhs irrespective of the number of person employed. Capital investment for this purpose will mean investment in plant and machinery only.

The Government has liberalized its policy towards small industries to bring about better co-ordination between small sectors. They have to rise to the challenge of ancillarisation process now evolving in the country. They should think big and grew bigger. It has been seen that the vested interest in small industries want to remain small because of the protective shelter. But protection cannot be forever. It creates a permanent interest in remaining on inefficient and incompetent industry in order to enjoy the benefits that go to the west\(^2\).

Global View: The definitions of small scale industries prevalent in some countries are as follows.


ECAFE: The working group of the Economic Commission for Asia and the Far East had suggested in 1952 that small industries be defined for statistical purposes as establishment employing not more than 20 persons when using power or 50 when not using power.

Italy: Units having a capital investment of not more than 1500 million lire and employing not more than 500 workers are considered to be small industries.

Ceylon: Small Scale Industries have been defined as those industries which are mainly run by power and have a capital investment not exceeding Rs. 2 lakhs.

Japan: By small industries is meant those relatively small in the scale of management and capital investment, although the basis for classification varies according to the type of industry, and cannot be generalized.

Philippines: The Small Scale Industry, “as a manufacturing or industrial service enterprise in which the manager is not actively engaged in production but performs a varied range of tasks involved in guidance and leadership without the help of specialized staff officer”.

Netherlands: There is no definition of small scale industry. The entrepreneur has to fulfill all the managerial tasks himself in a small scale industry which generally employs 10 to 100 workers\textsuperscript{23}.

Use of “small” as a designation in industry differentiates one set of industries from others. Comparatively small in operation, employment, products, capital, technology etc. In the case of manufacturing units, small industries are to be expected to have a unique set of problems in relation to their “smallness” that differentiates them from medium and large manufacturing units. At the same time, the small sector has unique advantages. And, as such small is not only beautiful, but also beneficial, efficient and reliable.

Small scale industries are labour intensive industries. They have the potentials of creating mass employment opportunities but at a relatively small capital investment.

Small scale industries have a vital role in the economy of our country or for that matter in any country where labour is abundant and capital is scarce. Small scale industries have enabled million of our unemployed manpower to earn their livelihood and contribute to the economic, social, and industrial development of the country.

Small scale industries in India are offered a number of incentives because they fulfil two important objectives of economic development. Firstly, they facilitate the decentralization of economic power by encouraging prospective entrepreneurs to take up industrial ventures and assist in the dispersal of industries over the entire geographical area of the country. Secondly, they facilitate the transformation of a traditional technology, which is characterized by low skill, low productivity and low

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wages, into a modern technology, which is characterized by improved skills, high productivity, rising wages and a higher standard of living. In considering the future growth industries, fields and companies, it is important to realize that the small business sector is where it is all happening. Daily, new businesses are starting up to meet the needs of the future. In many cases it will be new, small businesses that will rise to the challenge of finding an emerging futuristic need and filling it. After all, it is the unique ability of small business to move quickly on an idea and innovate and implement many times faster than their large, bureaucratic counterparts.

It is not only in India that the development of small and cottage industry has received increasing attention in the last 25 years and figured prominently in the development plans of countries. Many nations, both developed and developing, see in the small industry sector a useful vehicle for growth in the former as complementary to the large industry, and in the latter for the creation of new employment opportunities on the wide scale in the shortest possible time.

Small Scale Industries are the backbone of the Indian industrial structure. They provide a variety of non-traditional low technology product. SSI plays crucial role in the process of economic development by value addition, employment generation, equitable distribution of national income, regional dispersal of industries.

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mobilization of capital and entrepreneurial skills and contribution to export earning. The contribution of SSI sector to employment is next only to agriculture as a dynamic and vibrant sector of the economy⁴⁹.

The Small Scale Industry is expected to facilitate mobilization of resources of capital and skill which may, otherwise remain unutilized. By doing so, this sector of industry should help in raising level of earning and standards of living of a large number of artisans, craftsmen and entrepreneurs. This would be done by promoting entrepreneurship extensively with focus on villages and small towns. The encouragement to the small scale sector should also ensure prevention of concentration of economic wealth and power in the hands of few. Looking to the major expectations it is obvious that the Government of India has special programme to assist this sector⁵⁰.

The Small Scale Industry’s policy as an historical product of the nationalist movement, specifically of one of its major ideological constituent’s Gandhism. A process of self-sustaining industrialization pre-supposed a growing market for machinery and basic consumer goods. This could be generated by a policy to encourage the growth and modernization of craft units by employing modern tools and wage labour²¹. Interrelated to this process was the requirement of social stability.


Some stability could, however, be achieved by the consolidation of a middle class based on modern small scale industrial enterprise.

The Small Scale Industry's labour intensity meant more employment and its consumption orientation lead to increase in the production of consumer goods. The emphasis on small scale industries was built on the rational of its employment creating capacity and quick yielding technique.

The Small Scale Industries are important for national development programmes because they can make a definite contribution to the realization of the central purpose of such problems, i.e., to bring about an efficient utilization of natural, human and capital resources of the country and for the achievement of pre-determined ends.

The Importance of Small Scale Industry can be realized by its contribution to the process of industrialization evening developed countries. Even with advancement in the technology of production and the craze for mechanization, automation and mass scale production the small scale industry continues to play the same role.

Small Scale Industry is widely recognized as a powerful instrument for socio-economic growth and balanced sectorial development. One of the distinctive characteristics of the small scale industrial sector is its capacity to create broader

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employment opportunities assist in entrepreneurship and skill development and ensure better use of scarce financial resources and appropriate technology\textsuperscript{55}.

The Director General of Supplies and Disposal defined\textsuperscript{56}, Small Scale Industries included all industrial units with a capital investment of not more than Rs. 5 lakhs irrespective of the number of persons employed. Small Scale Industries are located in urban centers and produce goods with partially or wholly mechanized equipment employing outside labour, small in size, having little capital resources and a small labour force.

The National Conference convened by the Government of India in 1947, the conference recognized the importance of small scale industry to the economy of the country and is of the view that, while the size and nature of these industries make unavoidable that their proper development must remain the responsibility of the provincial and State Government\textsuperscript{57}.

Small Scale Sector occupies an important place in industrial economy of the world. It is a misconception that small scale enterprises are meant only for developing and under developed economy. Even in the highly developed of small firms make up the overwhelming majority of all business enterprise. It is true that because of their limited size, they have far less impact on the statistics for national output, investment


and employment. In developing economies, small scale industries are especially important in the context of employment opportunities, equitable distribution of wealth, balanced regional growth and above all the preservation and development of ancient art and craft.\textsuperscript{58}

The healthy development of small scale industries would be of effective approach to the pressing human welfare problem of unemployment and would moreover provide a strong base for stable growth of a large sector of the Indian economy.\textsuperscript{59}

Small Scale Industry accelerates Indian economy not only in terms of its contribution to industrial output and national export but also in growing employment opportunities. Small Scale Industry accounts for about 95 per cent of industrial units contributes about 40 per cent of the value added manufacturing sector and over 33 per cent of the national exports through 28 lakhs of units spread all over the country.\textsuperscript{60}

Under the circumstance, the problem of unemployment and underemployment can be tackled by the expansion and modernization of the existing small scale industries and the introduction of new industries capable of raising the levels of production and improving the present depressed standard of living. Small Scale Industries apart from agriculture are still the most extensive occupation of the people in India. Distribution both in rural and urban areas they help to meet a variety of

\textsuperscript{58}Narasaih Lakshmi, “Small Scale Industry”, Discovery publication house, New Delhi, 1999, p. 67.


essential needs connected with agriculture, housing, transport and the demands of everyday life⁶¹.

In spite of rapid growth of large enterprises and multinationals and the scale of economies in recent years, there has been renewed interest in and appreciation of the value of small and medium enterprises and efforts have been made to encourage them and create better climate for their successful operations in the hope that they would reduce the nation’s dependence on imports and promotes greater decentralization of economic activity in the country⁶².

At the same time, it may be possible to strengthen local and regional value which would make up possible for individual entrepreneurs to achieve a greater sense of identity with local community. This apart small scale sector has been given due importance in the developing countries on account of their employment potential.

Small and medium enterprises promote sustainable economic growth and generate employment in the era of growing global competition. Nevertheless, the development of small scale enterprises requires external assistance. Market imperfections and institutional failure are among the most important reasons for increased policy induced biases that will benefits small and medium enterprises and for increased Government intervention⁶³.


Small scale industries including traditional village industries, small workshop and modern small enterprises have been given an important place in the framework of Indian economic planning for ideological and economic reasons. Small Scale Industries have been given an important place in the framework of Indian planning since beginning both for economic and ideological reasons. Today, India operates the largest and oldest programmes for the development of small scale industries in any developing country. As a matter of fact, small sector has now emerged as a dynamic and vibrant sector for the Indian economy. It has been widely believed, over a long period of time, that small scale industry, in its wider sense has special place in the Indian economy and its development. The role perceived for small scale industries and the nature of industries it refers to has been changing over time, but the importance attached to it the developmental process remains.

In a vast country like India with abundant manpower resources, where relieving unemployment and underemployment among the educated as well as uneducated was one of the major problems for which the development of the small scale sector was taken up as one of the important plan programmes. The majority of entrepreneurs in the country being capable of only relatively small investment gave enthusiastic support to the small industry development programme.

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One of the most significant features of planned economic development in India has been the phenomenal growth rate of small scale industries. Aware of the risk of concentration of economic power and resultant monopolies, the Government of India developed a positive attitude towards small scale industries.66

One of the important agencies responsible for the growth of industrialization in Bombay Region is the Maharashtra Industrial Development Corporation. This Corporation has already started a programme of planned industrial development and has established industrial estates both in the Bombay Region and in the rest of Maharashtra State.

Valuable views of Eminent Personalities towards Small Scale Industrial Units:

Zakir Hussain: Former President of India stated that small scale industries are ideally suited to our economic resources and needs and constitute a valuable adjunct to our plans for rapid industrialization. Since we embarked upon planned economic development, they have played a vital role in the industrial sector and made significant and varied contributions to our total industrial output.

Morarji Desai: Former Prime Minister of India stated that, medium and small industries have great opportunities ahead and I trust that these will be seized and goods and services of competitive quality and prices produced for sale to the consumers”.

Fakhruddin Ali Ahmed: Former Minister of Industrial Development and company Affairs Government of India elaborate the capability of modern small scale units to function as ancillaries to large scale industries by supplying sophisticated parts, components and sub-assemblies at reasonable cost at the required time and to exacting standards of precision. These ancillaries offer tremendous scope for decentralization both economic and geographic.

Reddy Raghunatha K. V.: Former Minister of State, Minister of Industrial Development and Company Affairs, stated that the Indian experiment in organizing small scale industries has not only been successful in evolving a new strategy in industrialization of the country but it has been an object lesson for many other developing nations of the world.

In small firms the desire for independence is invariably strong and the technical expertise is usually adequate but the management know-how is sometimes lacking. There is a tendency to dismiss management theory and technique as so much of it is. Whereas the truth is that training in the principles of modern management practice is badly needed among some again by no means all small firms67.

Small industries in India form a heterogeneous group with their large variety and their considerable differences in amount of capital employed and techniques used. It is important to determine the appropriate role for small industry and to find the best

methods for encouraging it to perform that role efficiently, so as to provide more
goods and services for the people and better opportunities for employment.\textsuperscript{68}

The Small Scale Industries programme was designed and systematically
developed at the commencement of the Second Five Year Plan. The Karve Committee
appointed by the Planning Commission suggested a provision of Rs. 65 crores for this
purpose for the Second Plan period. The Committee has envisaged creation of
approximately 1,60,000 new jobs and felt that small scale industries should be able to
meet an appreciable part of the increased demand for consumer goods.\textsuperscript{69}

The small scale enterprises characterized by lease of entry, reliance on
indigenous resources, family ownership, small scale operation, labour intensive and
adapted technology, skills acquired mainly outside the formal system of education and
training, and competitive markets should also be considered part of the small scale
enterprise sector, although requiring specialized treatment.\textsuperscript{70}

In Rural Small Industries where the wage rate is slightly higher and the nature
of work is relatively more organized involving a bit of specialization and often
demanding some commuting the preference among hired workers is for the males.
Paper stationery, agricultural implements manufacturing, cement works, lock making
and poly leaf are some industries that have shown a clear preference for male

\textsuperscript{68} Nanjundan S. and Robison H. E., "Economic Research for Small Industry Development", Asia

\textsuperscript{69} Working Group on Small Scale Industries, "Evaluation Report Government of India", Ministry of
Commerce and Industry publication, New Delhi, 1959, p. 5.

\textsuperscript{70} Philip A. Neck, "Small Enterprise Development Policies and Programmes", International Labour
Workers. Industries like beedi rolling and coir involve skilled but at the same time monotonous work. Yet, these jobs are often low paying. They are taken up by rural women whose opportunity costs are lower.

A small industry which puts a new product on the market and seeks a large demand for it cannot do so without having an effective marketing arrangement. In all these cases there have been definite good ideas, methods, policies and practices which have been the contributors to efficiency. It is therefore; true to state that efficiency is the essence of all the correct techniques which we have learned in our trade and industry.

The Census of small scale industrial units was conducted in 1973-74 with reference year 1972 for collection of data. According to the Census of small scale industrial units the small scale industry provide employment up to 16.53 lakhs in 1972, investing Rs. 1055 crores in fixed assets and having an output of Rs. 2603 crores. The coverage of the census was restricted to small scale industry units registered with the Directorates of Industries.

Small scale industries have a place in our development not only from the point of view of creation of employment opportunities. They also can contribute to a wide range of mass consumption goods which have a market in the country. As the purchasing power in the hands of the rural masses increases with the fruits of

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development spreading among them, there is likely to be a demand explosion for essential consumer goods a part of which can be met by the output with small capital\textsuperscript{74}.

The development movement of small scale sector has already reached the take off stage. Now the tempo has to be accelerated in four main directions. Firstly, the small industries sector has to be modernized to enable it to contribute a greater share in the manufacture of sophisticated items, involving intricate processed and a high degree of skill. Secondly, to achieve dispersal of industries and fuller employment, this sector has to be linked up with agricultural development. Thirdly, entrepreneurial talents have to be identified, nurtured and built up for further growth. Fourthly, collective action has to be developed for the common good by setting up consortia for the procurement and distribution of raw materials and the marketing of finished goods\textsuperscript{75}.

The contribution made by small and medium enterprises to the equitable distribution of income and the regional dispersal of economic activities is their ability to accelerate rural industrialization by forging linkages between more organized sector in urban areas and the rural sector. In this way they ensure that employment for an important segment of rural people, especially during the off peak season and smooth out variability in rural income and consumption\textsuperscript{76}.

\textsuperscript{74}Gunaji P. B., “Role of Organized Industry in the Effective Development of Small Scale Industry”, Chamber of Commerce and Industry publication, Bombay, 1979, p. 73.


The growth of Japan’s industry in the last 15 years and particularly of the small of the small enterprise sector is indeed an inspiring one to India and other Asian countries, who are struggling to develop industrially. Small industries in Japan are developing in a complementary manner to the large industry and not in opposition to it with the government regulating their relationship and activity assisting the small enterprise to become stronger so as to compete on equal terms with the large industry77.

In the developing countries, small factories are one of the most effective means of stimulating indigenous entrepreneurship. Individuals may develop a potential for entrepreneurship in large enterprises. However, owing to a shortage of capital, they may be able to realize this only through the establishment of a small company. Similarly, individuals from all walks of life can realize their drive toward entrepreneurship through the establishment of small companies78.

The method of modernizing small industrial units and of fostering the most productive combination of large and small units deserves the careful attention of development planners, administrators, investors, and students of the development process. In most newly industrializing countries too little attention has thus far been given to the benefits to be gained by helping existing small industry to modernize and by stimulating the growth of new types of modern small industry79.

The village and small scale industries have remained an integral and continuing element of our economic structure and development planning. Their development has been guided primarily by considerations of creating employment opportunities among the rural population with a view to raising their living standards. These industries have a crucial role to play in our economy where capital is relatively scarce and labour abundant.\textsuperscript{80}

A recent study by the Industrial Credit and Investment Corporation of India shows that creation of a job in the small scale sector requires much less financial assistance than in the large scale sector.

Small Scale Enterprises make a valuable contribution as subcontractors to large enterprises, which tend to be TNCs. They produce parts and components for the large enterprises on a contractual basis, using local resources and skills. In times of economic fluctuation, they act as "shock-absorbers" for the large enterprises, adjusting their own employment and production levels to reflect changes in demand and supply thereby adding to the flexibility and viability of not only the large enterprise sector, but also the entire economy.\textsuperscript{81}

The small scale industry policy of India is worked out with much scrupulousness in various phases. We dare say few counterparts can be found in the world in the number of items and in the elaborateness of their contents. In some

\textsuperscript{80} Gunaji P. B., "Role of Organized Industry in The Effective Development of Small Scale Industry", Bombay Chamber of Commerce and Industry publication, Mumbai, 1979, pp. 70-72.

aspects, we were first surprised to find that the policy was made up of a large variety of measures than its Japanese counterpart which we boast, goes ahead in the world. Needless to say, this is to respond to the importance of the small scale industry in India and the peculiar processes in which it has been developing. For this, we tender deep appreciation to the elaborate consideration of the Indian Government authorities\(^3\).

Small scale industries have a place in our development not only from the point of view of creation of employment opportunities. They also can contribute to a wide range of mass consumption goods which have a market in the country. As the purchasing power in the hands of the rural masses increases with the fruits of development spreading among them, there is likely to be a demand explosion for essential consumer goods a part of which can be met by the output of the village and small scale industries sector\(^4\).

Small businessmen cannot afford to employ highly qualified management experts. There is the need we in the world of academic respond to their special needs. Irrespective of the minimum qualifications which small businessmen possess, we should offer special management development programmes and offer them with management education in the language they understand. Mobile training is the crying need of today. Moreover, the teaching of small business should be undertaken though proper identification of the problems which they are facing. However, there is a need


to tackle the problems in an organized manner with a strong institutionalized approach\textsuperscript{84}.

Small Scale Enterprises in India is heterogeneous, dispersed and mostly unorganized. It includes diverse types of production units ranging from traditional crafts to high-technology industries. Due to the unorganized nature of the sector, entrepreneurs and workers face difficulties in accessing Government schemes consequently. Workers engaged in the small scale sector and these are often the most vulnerable and poor have very little bargaining power and are exploited by middlemen, unit owners and big business houses unable to take up aggressive marketing like big player, they cannot find customers despite good quality and competent prize\textsuperscript{85}.

Small scale industries have a very important role in the Indian economy characterized by its vast spatial spread. Unemployment and underemployment, rapidly rising labour force. Capital scarcity, numerous market segments and diverse demand pattern, broad and diverse resource base and supply, prominence of widely scattered numerous growing modern large industrial sector giving scope for ancillarisation and so on. Small industries to the Indian economy is clear from the fact that they account for about half of the gross value of the output of manufacturing


sector, over one third of our export earning accounting for about so per cent of the employment in the manufacturing sector\textsuperscript{86}.

Experience worldwide shows that the development of small scale industries is one of the most cost effective ways of creating employment spreading industry, catalyzing research and development and allowing entrepreneurial talent to grow. As a corollary, many developing countries have encouraged small enterprises in the belief that they use more labour per unit of capital than large firms, use capital more efficiently. But however, there is no one definition of small scale industry. It varies from country to country. Even in India, the definition has moved from labour to capital. Yet, there exist four types of small scale industries, namely, modern small scale industry, cottage industry (tiny sector), village industry and ancillaries. Again, there are handlooms, power looms, khadi, handicraft, etc. Another distinction is made of agro-industries and technology-oriented units\textsuperscript{87}.

Small labour intensive industries have been favoured basically to create employment in an economy with abundant unskilled labour. In addition, a low capital requirement given an appropriate market environment is believed to stimulate growth of numerous indigenous enterprises with wide regional dispersal. This helps promote balanced growth, more equitable distribution, and promotion of national heritage, development or artistic tastes, as well as diversification of the industrial structure which often leads to increased utilization of national resources. The process also helps

\textsuperscript{85}Fravcis S., “Industrial Economic-Indian Perspective”, Himalaya publication, Cochin, 1989, pp. 367-368.

\textsuperscript{86}Op.cit
in developing the entrepreneurial and managerial skills and boost capital formation. It also harmonizes artistic talent with modern and efficient technology. On the other hand, the modern small scale industries, because of their cost-effective substitutability with and complementarily characteristic to large industries, are emerging as a dominant player in the industrial development of the country. Advances in information technology have made it possible for small firms to gain access to global information and computer links across the globe. Technology transfer across the countries is sure to influence the small scale sector in India, making them more cost and quality conscious to withstand competition.

2.5 Conclusion

This chapter deals with the conceptual framework of the research study. In this chapter, the researcher has made an attempt to clear the basic concepts about the study, the concepts related to the women employees, concepts related to the problems of women employees and concepts related to small scale industrial units in India. This chapter enables better understanding of the subsequent chapters and brings deeper insight of the concepts.