

WOMEN IN INDIA: AN OVER VIEW

1.1 BACKGROUND OF THE STUDY

India's Eleventh Five Year Plan (2007-12) has recognized for the first time that women are not just as equal citizens but as agents of economic and social growth. The approach to gender equity in the plan is based on the recognition that interventions in favour of women must be multi pronged and they must provide women with basic entitlements to address the reality of globalization and ensure an environment free from all forms of discriminations, disparities deprivations and of violence against women. India has committed to facilitate the Millennium Development Goals (MDG) and is a signatory to many International Conventions, including Convention for Elimination of all forms of Discrimination against Women because any development strategy will be lop sided without involving women who constitute half of the world population.

All developing countries today, focusing on the need for development of women and their active participation in the mainstream of development process. It is also widely recognized that apart from managing household, bearing children, women are going out for earning income from traditional work in the fields to working factories or running small and petty enterprises. They have also proven that they can be better entrepreneurs and development managers in any kind of human development activities. Therefore, it is important and utmost necessary to make women empowered in all spheres of development process. The empowerment of women also considered as an active process enabling women to realize their identity and powerful in socio-economic development.

The Financial Institutions by virtue of their long experience and expertise are in a better position to play the promotional role in the economy. Financial Institutions can also undertake what William Diamond, the World Bank Economist calls “Direct Efforts” in the sense that the efforts are directed toward achieving the specific objectives of the Government from time to time.

Women need special attention to realize their potentialities and effective participation in decision making process at home, community governance and work place.

This conducive environment should include basic amenities such as better health and nutrition, education sensitization on their rights and protective laws, employment opportunities and expansion of income generating activities, etc.

Globally the gender equalities are playing a major role impeding progress towards the poverty reduction. Women are generally involved in productive work but lack of resources or assets they are not performing their roles effectively. The patriarchal systems of society and power conflict in the family structure made them to struggle with powerlessness.

The Government Policy to encourage Small and Cottage industries emerged as an important strategy for development bankers geared themselves to this task and give priority to development of economically backward people and provide concessional finance as well as special efforts are made to encourage entrepreneurship.

The creation of enterprise is, no doubt, costly and expensive and the return will be delayed and meager especially in the early stages. But these are the risks which are to be undertaken by any entrepreneurs along with the financial and moral implications of it. Against this backdrop, the researcher tries to study, “Role of Financial Institutions for Economic Empowerment of Women in Visakhapatnam District of Andhra Pradesh”. As the future belong to real entrepreneurs, those competent and capable enough to face the challenges of increased competition, decline of protected markets, new technologies and foreign collaboration will survive. Education is a strong interventional or influencing media that sets values, develops attitudes and creates drive in people towards professional and vocational directions, perceptions, motivation and awareness combined together propel mass to acquire skills and competencies to achieve goals with determination.

Entrepreneurship development among women is an empowerment strategy to promote income generating enterprises which generate sufficient livelihood and economic sustenance to family income.

As a result the women are often more vulnerable to poverty than men. To overcome these challenges, barriers and existing disparities the women must acquire capabilities, skills, capacities on the one hand and self-confidence, self identity and self esteem on the other hand. The process of motivation, risk bearing, leadership qualities with economic sustenance is the crucial root for empowerment.

1.2 INTRODUCTION

The Indian woman is often an object of admiration by people both in and outside the country for the role she plays in the country's public life and as well as for certain qualities that she seems to possess in greater measure than women of other parts of the world. There are a number of socio-religious customs and rituals, which affect very much the social, economic and cultural status of women in India. The change in the socio-economic position of women in India is a welcoming feature, even though it causes some disturbances in the traditional society.

In Indian society, woman's place has been primarily confined to the home and her role is limited to procreation, rearing of children and catering for the needs of men folk by way of creature comforts. Women perform multiple duties by combining all types of household work including child care and such other jobs as farming, animal husbandry, participation in household or cottage industry, etc. depending upon the opportunities offered by the traditionally determined economic and institutional structure (Sawant. D.D. 1981).

Women's role has been ignored, though they contribute substantially to the progress of a country. Women-folk is the driving force not only in reshaping the socio – economic fabric of a community but also built up strong economic structure. Women can make equal contribution with that of men, in various spheres of activity. But, the society deliberately kept away this segment of human resource from the process of development. A retrospective

view of women in Indian society gives a precise idea of the status they were assigned in the past.

Though men and women are regarded as equals, in practice, there is a tendency of giving preference to males in various socio-economic spheres. Nowhere do women enjoy equal status with men (Shobhana Randade - 1992). In both the industrially advanced and less developed countries, women are burdened with cumulative inequalities due to socio-cultural and economic discriminatory practices (Alfred Desouza – 1975). The male dominated society considers them just as an object of veneration as a mother and enjoys affection as a daughter too. The women as equal partners of men sometimes yield tremendous power but women as women hardly exist in the household management. Some generous souls, here and there, speak of the miserable plight of women and raise their voice of protest against the many disabilities under which the women are suffering (Malviya O.P – 1961). In India, it is still worse because of the existence of sex-segregated character of the society, the conditions of absolute poverty and the traditional value system (Devaki Jain – 1990). Although several interventions made by Government and Non-Governmental organizations towards the upliftment and emancipation still their condition was not changed.

1.3 UPLIFTMENT OF WOMEN

The movement for the liberation of women received a great stimulus from the rise of the militant national movement in the twentieth century. In the first quarter of the present century Mahatma Gandhi and many other enlightened men and women had worked for the upliftment of women. It was left to Gandhiji to give

direction, strength and inspiration to all embracing national movement, which was to draw into its vortex women in large numbers. Gandhiji's message offered to the women of India an opportunity to break away from the past with all its frustrations. What is more, Gandhiji by linking women's participation with economic rehabilitation and social reform gave the much-desired content to their participation (Menon, 1976).

Women played an active and important role in the India's freedom struggle. They participated in large numbers in the agitation against the partition of Bengal and in the Home Rule Movement. Numerous women marched in political processions, picketed shops selling foreign cloth and liquor, spun and propagated 'Khadi', went to jails in the non-cooperation movement and participated actively in the revolutionary movement. More than any other factor, participation in the national movement contributed to the awakening of Indian women and their emancipation. Women's struggle for equality took a big step forward with the coming of Independence.

Article 14 and 15 of the Indian Constitution guaranteed the complete equality of men and women. Although the social reform movement, the freedom struggle, women's movement's and the Constitution of India have made a big contribution for the upliftment of Indian women, a number of visible and invisible obstacles and evils still remain in putting principle of the equality of sexes into practice. In this direction, a series of progressive legislation have removed many disabilities under which Indian women had to suffer terribly.

Women in India have not only reached the highest position of power, have not only got equal political and civil rights as men without having to fight for them, they have been increasingly joining the higher ranks of administration and the various other public services and acquitting themselves with credit.

When we start making a comparison between the role and status of women in modern India and in the other countries of the world, particularly in the matter of emancipation of women, we cannot but be struck with certain unexpected contrasts. The part that has been played by women in the freedom struggle and in the politics and administration of post independent India has been more important than that played by them in most countries of the world.

A number of social and religious customs, taboos, inhibitions, rituals, etc., prevail in Indian society which comes in the way of women's freedom, education and work participation and also other spheres of life. In Hindu religion, women have only one 'dharma' that is 'pativrata'. For women there is only one God, the husband, in whose selection mostly she has no voice. She has only one duty, unquestioning obedience to her husband, and unlimited services to him, however low he may be morally or however, unfair his demands may be.

Fundamentally man and woman are one, their problem must be one in essence. The soul in both is the same. The two live in the same life, have the same feelings and each is a compliment of other. The one cannot live without the other's active help. But some how or other, man has dominated woman from ages past and so woman has

developed an inferiority complex. She has believed in the truth of man's interested teaching that she is inferior to him. But some among men have recognized her equal status. Gandhiji said that woman is the companion of man, gifted with equal mental capacities. She has the right to participate in every minutest detail in the activities of man and she has an equal right of freedom and liberty with him. The woman who knows and fulfils her duty realizes her dignified status. She is the queen not the slave of the household over which she presides. The ideas of Gandhiji to whom man and woman are of equal rank, but they are not identical. They are a peerless pair, being supplementary to another, each helps the other so that without the one the existence of other cannot be conceived and therefore, it follows as a necessary corollary from these facts that anything that will impair the status of either of them will involve the equal ruin of them both.

1.4 WOMEN'S ROLE IN CHANGING SOCIETY

The status of women in our country is culture, region and age specific. The status of women in Hindu society has changed from time to time. Their position has been variously estimated and diametrically opposite views are held regarding her place in different stages of civilization. On the one hand she is considered little better than a slave or beast of burden, condemned to drudgery, bought as a cattle and treated as such. On the other hand, those who have had anything to do with tribes reckoning decent from the mother are likely to view a woman as the undisputed mistress of the family if not of community life as well. Both concepts are, "as far as the vast majority of the people are concerned, bound to be far away from the actual state of affairs."

In discussion of women's status in any society, the general convention has been to assess their roles in relation to men. Two other dimensions have in recent times been introduced to facilitate such assessment particularly in a period of change:

- A. The extent of actual control enjoyed by women over their own lives.
- B. The extent to which they have access to decision-making processes and are effective in positions of power and authority.

There is so much variability in the relation of women to society that any general statement must be taken with caution. Categorically, her utility, resourcefulness in domestic life, refreshing company and affectionate care of children have always proved a great asset to her partner in life and have, to a considerable extent, determined her status at different stages of civilization.

In the ancient period of Indian history, the birth of a daughter was not welcomed, but it certainly did not frighten the parents. Early marriage was not a norm, and girls belonging to the ruling families received administrative and military training and were entitled to the same education as boys and no limitations were put on their ambitions in this direction. In the choice of his or her spouse, both enjoyed equal freedom and equal opportunities.

Generally speaking, before the advent of the Muslims, the status of Hindu women was certainly better. There were many factors directly and indirectly responsible for the continuous deterioration in the status of Indian woman in medieval times. Early marriage

became a rule to safeguard the honour and chastity of girls. The Hindu law gave unequal and indifferent treatment to women. They were discriminated against in marriage, marital status, divorce, widowhood and inheritance.

In a joint Hindu family, the father was the head of the family. Sons acquired rights in the family property as soon as they were born. Daughters had none. A widow without a son had a share in the property until her remarriage or death.

Very few women in the 1850s received education. Literacy reached such low ebb after 1857 that there was probably one woman in a hundred who could read and write. This was so because of the evil socio-religious practices, sinister customs, irrational religious rites, and superstitions and ceremonies, unknown in the ancient period, which had crept into Hindu society. Some of these were early marriage, enforced widowhood, sati, temple prostitution, purdah, dowry system, female infanticide and the evil practices of polygamy and polyandry. These made Hindu society a huge, static and immobile social structure in which women practically had no say and were neglected. In this period Hindu women were in a perpetual state of depression. It is not difficult to assess the social structure allowed men greater freedom and liberty. These practices were the product of medieval India for, in ancient times, once a daughter was born, every care was taken to bring her up and educate her like a boy, but female infanticide and social evils crept into Hindu society much later.

Hindu society, which had been in a state of perpetual decline for several preceding centuries, had reached its lowest ebb in the nineteenth century (except in early Vedic times), when woman was assigned a position subordinate to man. The law did not recognize equality of sexes and equal rights of man and woman. Society permitted men to enjoy rights and freedom from which women were excluded. Different standards were adopted to judge the individual and social conduct of man and woman. Hindu women suffered because of their ignorance, early marriage, their infant motherhood, enforced widowhood and abject dependence on men. Perhaps the worst aspect of this social degeneration was the terrible sufferings and social failings of women and that is why the issue of emancipation of women and her education engaged the attention of almost all social reformers.

1.5 EMPOWERMENT

Women constitute half of population in every society. They have been playing significant roles in the social and economic fronts. Women as mothers and caretakers contribute to human resource development. Therefore, women's welfare, accessibility to development and participation in the decision-making process are imperative in the context of their multiple roles in the society. National Policy on Empowerment of Women in India, 2001 empowerment of women emerged as one of the significant strategies in the development process and brought changes in thinking in our socio-economic environment.

The empowerment is a process aimed at changing the nature and direction of forces, which marginalize women in a given socio-economic environment. The empowerment can be understood as a process of enabling women to acquire and possess “power resource” in order to make decisions or resist the decisions that are made by others which affect women. Hence the process of gaining greater control over the source of power is considered as empowerment. Thus, the key elements in the process of empowerment are “enabling” and “providing power”, and they reinforce each other. The process of empowering also refers to that act of challenging the existing inequality, power relation and more control over resources by women.

Many strategies and programmes have been designed and implemented for empowerment of women, which include efforts by the Government and NGO agencies particularly for improving the accessibility to credit. Empowerment through Self-Help Group (SHG) strategy is a multifaceted process, which encompasses many aspects such as enhancing awareness, increasing access to power resource-economic social and political-but of which an equally important component is the mobilization and organization of women into groups. Group formation is the basis for the women’s solidarity, strength and collective action. Empowerment is also very much linked to the issues of social justice and equality in the society.

Empowering women has become the stated goal of many development interventions. But what is meant by empowerment and how do we determine the extent to which it has or has not been achieved a diverse body of literature has emerged regarding the

conceptualization and measurement of women's empowerment and its relationships with other variables of interest in international development.

1.5.1 Empowerment of Women

Empowerment is a multi-dimensional process, which should enable the individuals or group of individuals to realize their full identity and powers in all spheres of life. It consists of greater access to knowledge and resources, greater autonomy in decision making to enable them to have greater ability to plan their lives, or have greater control over circumstances that influence their lives and free them from shackles imposed on them by custom, belief and practice.

Empowerment of women means equal status to women. It does not necessarily follow with raising money incomes or longer life spans. It is only the yardstick of "Welfare" to 'Development' of women. Socio economic empowerment of women through increased awareness of their rights and duties as well as access to resources is a decisive step towards greater security for them. It includes higher literacy level and education for women, better health care for women and children, equal ownership of productive resources, increased participation in economic and commercial sectors, awareness of their rights and responsibilities, improved standards of living and acquiring self-reliance, self-esteem and self-confidence. Gender equality and empowerment of women is recognized globally as a key element of progress in all areas.

Women become empowered through collective reflection and decision-making. The parameters of empowerment are:

- Building a positive self-image and self-confidence;
- Developing ability to think critically;
- Building up group-cohesion and fostering decision-making and action;
- Ensuring equal participation in the process of bringing about social change;
- Encouraging group action in order to bring about change in society; and
- Providing measures for economic independence.

The Policy of Empowerment can be translated into action provided women also help themselves. Until and unless they are not well-equipped with their rights and duties, social awareness, etc., there empowerment is remote hypothesis. Equal opportunities are there but they should be able and well prepared for availing them. Prof. Gore has rightly said: “If women have to be prepared for an equal status they must have more information on the factual position regarding the number of women in the work-force, the types of occupations in which they are distributed, the types of careers are likely to make upon their abilities and on their family life. It might even be useful to discuss in co-educational classes of young person’s-cases of successful adjustments and or failures in the marriages where the woman is working.”

Though the Indian Constitution gives equal rights to men and women, Indian woman has not achieved absolute equality in actual practice. They find it difficult to achieve access to high-level jobs

where men reach easily than them. This is one way of discriminating against women. Women in decision-making positions can be seen in various fields supported by the government.

1.6 WOMEN EMPOWERMENT AND PLANNING PROCESS

The initial approach of the Government was to focus women as targets of welfare policies in the social sector. All round development of women has been one of the focal points of planning process in India. The First Five-year Plan (1951-56) envisaged a number of welfare measures for women. Establishment of the Central Social Welfare Board (CSWB), Organization of Mahila Mandals or Women's Clubs and the Community Development Programmes were a few steps in this direction. In the Second Five-Year Plan (1956-61), the empowerment of women was closely linked with the overall approach of intensive agriculture development programmes. The Third Five-Year Plan (1961-66), supported female education as a major welfare measures. Similarly the Fourth Five-Year Plan (1969-74) continued the emphasis on women's education. In the Fifth-Five-Year Plan (1974-79) there was a shift in the Government approach "From Welfare to Development", it emphasized training of women, who were in need of income and protection. Functional Literacy Programmes got priority. This plan coincided with International Women's Decade (1975-1985) and the submission of Report of the Committee on the Status of Women in India. In 1976, Women's Welfare and Development Bureau was set up under the Ministry of Social Welfare. In Sixth Five-Year plan there was a separate chapter on 'Women's Development' with a definite thrust on health, education and employment. The Seventh Five-Year Plan (1985-90) emphasized

the need for gender equality and empowerment. For the first time, emphasis was placed upon qualitative aspects such as inculcation of confidence, generation of awareness with regard to rights and training in skills for better employment. The plan also aimed at raising their economic and social status and bringing them into the main stream of national development. The Eighth Five-Year Plan (1992-97) focused on empowering women, especially at the grass roots level, through Panchayati Raj Institutions. The plan realizes the need to develop special programmes so that the gains from development in various sectors do not bypass women which resulted in a shift from 'Development' to 'Empowerment' of women. As such, the Government has reflected articulated and seriously addressed the women's issues from a new perspective. It has adopted many women-specific policies. The Ninth Five-Year Plan (1995-2000) adopted a strategy of women's component plan, under which not less than 30 per cent of funds/benefits were earmarked for women specific programmes. The Tenth Five-Year Plan (2000-07) approach aims at empowering women through translating the recently adopted National Policy for Empowerment of Women (2001) into action and ensuring survival, protection and development of women and children through Rights Based Approach. The Eleventh Five-Year Plan focussed on inclusive growth where much attention was given to gender equality. Exclusiveness of women in all spheres of life gained importance to reduce gaps between women and men.

The Indian Government has passed various legislations to safeguard Constitutional rights of women. These legislative measures include of Hindu Marriage Act (1955), The Hindu Succession Act

(1956), Dowry Prohibition Act (1961), Medical Termination of Pregnancy Act (1971), Equal Remuneration Act (1976), Child Marriage Restraint Act (1976), Immoral Trafficking Prevention Act (1986), and Pre-Natal Diagnostic Technique (Regulation and Prevention of Measure) Act (1994), Protection of Women from Domestic Violence Act (2006) etc. The Self-Employed Women's Association (SEWA) is also promoting entrepreneurship among women. National Institute for Entrepreneurship and Small Business Development (NIESBUD) has taken up for a number of awareness and motivational programmes for women empowerment.

The Government of India and Non Government Agencies implemented the following programmes for promotion of entrepreneurship in general and particularly among women;

- Prime Minister Rojgar Yazana (PMRY)
- Swarna Jayanti Gram Swarojgar Yozana (SGSY)
- District Rural Industrial Project
- Rural Employment Generation Programme
- Support to Training and Employment Programme for Women (STEP)
- Construction of Technology Parks for Women
- Women's Corporation Finance Corporation (WCFC)
- Federation of Societies of Women Entrepreneurs (FSWE)
- Small Entrepreneurship Development Institutions of India (SEDII)

- District Industrial Center (DIC)
- Development of Women and Children in Rural Areas (DWCRA)
- Integrated Rural Development Programme (IRDP)
- Commercial Banks, Financial Corporations, National Bank for Agriculture and Rural Development
- Sri Shakti Groups.

At present Government and Non-Government initiated several programmes for the empowerment of women in all angles, inspite of it women are not coming out from socio-cultural framework. The following were the causing factors:

- Changing role of women
- Family Discouragement
- Lack of Self-Confidence and risk bearing capacity
- Social Barriers
- Lack of Education
- Low need for achievement
- Low mobility
- Problems of finance, marketing and middle persons.

A review of Government's various programmes for women empowerment such as Swashakti, Swayamsidha, Streeshakti, Balika Samrudhi Yojana and another two thousand projects reveal that little has been done or achieved through these programmes. The

discrepancy in the ideology and practice of the empowerment policy of women in India constitutes its continued social, economic and social backwardness. Women make up 52 per cent of our country's population. Hence there can be no progress unless their needs and interests are fully met. Empowerment would not hold any meaning unless they are made strong, alert and aware of their equal status in the society. Policies should be framed to bring them into the mainstream of society. It is important to educate the women. The need of the hour is to improve female literacy as education holds the key to development.

1.7 WOMEN'S EMPOWERMENT AND SECTORAL DEVELOPMENT

Empowerment would become more relevant if women are educated, better informed and can take rational decisions. It is also necessary to sensitize the other sex towards women. It is important to usher changes in societal attitudes and perceptions with regard to the role of women in different spheres of life. Adjustments have to be made in traditional gender specific performance of tasks. A woman needs to be physically healthy so that she is able to take challenges of equality. But it is sadly lacking in a majority of women especially in the rural areas. They have unequal access to basic health resources and lack adequate counseling. The result is an increasing risk of unwanted and early pregnancies, HIV infection and other sexually transmitted diseases. The greatest challenge is to recognize the obstacles that stand in the way of their right to good health. To be useful to the family, community and the society, women must be provided with health care facilities.

Most of the women work in agricultural sector either as workers, in household farms or as wagedworkers. Yet it is precisely livelihood in agriculture that has tended to become more volatile and insecure in recent years and women cultivators have therefore been negatively affected. The government's policies for alleviating poverty have failed to produce any desirable results, as women do not receive appropriate wages for their labour. There is also significant amount of unpaid or non-marketed labor within the household. The increase in gender disparity in wages in the urban areas is also quite marked as it results from the employment of women in different and lower paying activities. They are exploited at various levels in various sectors. Equal treatment, equal opportunities and equal and minimum wages should be given to women on par with men.

In recent years there have been explicit moves to increase women's political participation. The Women's Reservation Bill is however a very sad story as it is repeatedly being scuttled in Parliament. In the Panchayati Raj system, however, women have been given representation as a sign of political empowerment. There are many elected women representatives at the village council level. However, their power is restricted, as it is the men who wield all the authority. Their decisions are often over-ruled by the government machinery. It is crucial to train and give real power to these women leaders so that they can catalyst change in their villages regarding women. All this shows that the process of gender equality and women's empowerment still has a long way to go and may even have become more difficult in the recent years.

The main reason for the contradiction is that, targeted schemes tend to have only limited impact when the basic thrust of development is not reaching an average woman, making her life more fragile and vulnerable. To make a positive change basic infrastructure and amenities should be provided in rural and urban areas. To begin with, providing safe drinking water supply and better sanitation not only directly improved the lives and health of women but also reduces their workload in terms of provisioning and ensuring such facilities. An access to affordable cooking fuel reduces the need to travel long distances in search of fuel wood. Improved transport connecting villages with each other and with towns can also directly improve living conditions as well as unpaid labour time spent in transporting household items. It can also lead to access to a wider range of goods and services plus a better access to health facilities. Expenditure on food subsidy and better provisions for public distribution services directly affects the lives of women and girl children in terms of adequate nutrition. The patterns of resource mobilization by government also have significant effects on women that are usually not recognized. When taxes are regressive and fall disproportionately on items of mass consumption, once again these tend to affect women more. This is not only because the consumption of such items may be curtailed but also because the provisioning of such items is frequently considered to be the responsibility of the women of the household. Also credit policies reduce the flow of credit to small-scale enterprises thus reducing the employment opportunities for women. There is a need to have women-friendly economic policies that can enhance their social and economic position and make them self-reliant.

There is no doubt about the fact that development of women has always been the central focus of planning since Independence. Empowerment is a major step in this direction but it has to be seen in a relational contrive. A clear vision is needed to remove the obstacles to the path of women's emancipation both from the government and women themselves. Efforts should be directed towards all round development of each and every section of Indian women by giving them their due share. Out of all, economic empowerment of women should be achieved with the development of women's entrepreneurship for the remarkable success several organizations, institutions and agencies were working towards expansion of economic activities among the women. The following were encouraging for women entrepreneurs in India: The Small Industries Development Organization (SIDO), the various State Small Industries Development Corporations (SSIDCs), the Nationalized Banks and even NGOs are conducting various programmes including Entrepreneurship Development Programmes (EDPs). To cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills, SIDO has introduced process/product oriented EDPs in areas like TV repairing, printed circuit boards, leather goods, screen printing etc. A special prize to "Outstanding Women Entrepreneur" of the year is being given to recognize achievements made by and to provide incentives to women entrepreneurs. The Office of DC (SSI) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs facing specific problems.

There are also several other schemes of the Government like the Income Generating Scheme implemented by the Department of Women and Child Development, which provides assistance for setting up training-cum-income generating activities for needy women to make them economically independent. The Small Industries Development Bank of India (SIDBI) has been implementing two special schemes for women namely Mahila Udyam Nidhi which is an exclusive scheme for providing equity to women entrepreneurs and the Mahila Vikas Nidhi which offers developmental assistance for pursuit of income generating activities to women. The SIDBI has also taken initiative to set up an informal channel for credit needs on soft terms giving special emphasis to women. Over and above this, SIDBI also provides training for credit utilization as also credit delivery skills for the executives of voluntary organizations working for women. Grant for setting up a production unit is also available under Socio-Economic Programme of Central Social Welfare Board.

1.8 NATURE OF FINANCIAL INSTITUTIONS

A part from this there are several financial institutions promoting entrepreneurship among women by providing long term and short term financial assistance in India. Further they also extending their expertise and improving skills for the needy by providing project preparation, training and consultancy, project implementations, marketing, knowledge on supply and demand factors etc, the development bankers also initiative the government to intervene to the empowerment of economic enterprises.

Financial Institutions are business organizations serving as a link between savers and investors and so help in the credit allocation process. Good financial institutions are vital to the functioning of an economy. If finances were to be described as the circulatory system of the economy, financial institutions are its brain. They make decisions that tell scarce capital where to go and ensure that it is used most efficiently. It has been confirmed by research that several countries with development financial institutions grow faster than countries with weak ones more likely to undergo financial crises.

Lenders and borrowers differ in regard to terms of risk, return and terms of maturity. Financial Institutions assist in resolving this conflict between lenders and borrowers by offering claims against themselves and, in term, acquiring claims on the borrower. The former claims are referred to as indirect securities and the latter as direct securities.

At an early stage of development, the future entrepreneurs normally find their own financial resources inadequate and therefore resort to external sources. Such finances are made available by the financial system in general and banks and financial institutions in particular in the economy. Most of the developing countries started ambitious development programs to modernize their economies during 1950s and 1960s. At that time their financial system basically consisted of commercial banks mostly foreign owned and informal sector which mainly provided short-term commercial and trade credits. The Indian financial system of pre-reform period was essentially designed and created to meet the needs of planned

development in a mixed economy frame work where the public sector had a predominant role in economic activities. The macro-economic policy of fiscal activism adopted since 1950-51 meant large development expenditures to finance long-gestation projects requiring long-term finances. The financial system in the pre-reform period was characterized by segmented and underdeveloped financial markets coupled with scarcity of financial instruments.

1.9 FUNCTIONS OF FINANCIAL INSTITUTIONS

The major function of the financial institutions, whether short-term or long-term, is to provide the maximum financial convenience to the public. This can be done in three ways:

- i. Promoting the overall savings of the economy by deepening and widening the financial structure;
- ii. Purveying the existing savings in a more efficient manner so that those in great need, from the social and economic point of view, get priority in allotment; and
- iii. Creating credit deposit money for facilitating the transactions of trade, production and distribution in the economy.

Gurley and Shaw have argued that during the past century and half, there is a secularly rising ratio of financial assets to real asset, and this is directly correlated with the development process. This is corollary to the extension of the principle of division of labour to investment and financial intermediation.

There is also a felt need for diversification of financial instruments based on the principle of product differentiation to cater to varying tastes and habits of saving and investment groups. Diversification is one of the ways of promoting saving and investment in the economy. The funds available for development should be increased to cater to the growing needs of industry, trade and agriculture it also increase the savings to satisfy the varying asset preferences of different classes of savers. The former relates to the supply aspect and the latter to the demand aspect.

The argument that it is not economical for the developing countries to set up a number of institutions to specialize in various functions is valid up to a point, particularly in the initial stages of growth. After this point, the advantage gained outweighs the diseconomies of scale.

This is not to argue, however, that institutions should be set up without the felt need for them. There are two schools of thought in this connection. One school believes that such institutions would grow on account of felt needs, called demand following institutions. The other school believes that such financial services are to be made available in the hope of generating or anticipating a demand for such services. Patrick believes that in actual practice, there is likely to be an interaction of supply-leading and as the process of real growth gets under way, supply-leading forces are replaced by demand-following financial responses.

1.9.1 Role of Financial Institutions

In the developing countries, there is a need for a sound financial infrastructure comprising diverse financial institutions and assets for promoting development. The financial institutions raise the level of savings, by activating the idle funds and allocating the scarce capita more efficiently among the various alternative investments. They do ensure that no worthwhile project suffers for lack of funds, if found feasible on all other grounds. This is known as finance function. Secondly, they have a developmental function in that they tend to promote the spirit of enterprise and risk taking, by encouraging the managerial and entrepreneurial talents in the economy. They have a third function in furnishing the technical consultancy services to the entrepreneurs. This is called technological function.

In addition to the above three main functions, they help the special needs of particular geographical areas or certain segments of the economy. Actually it is only for the purpose of catering to the special needs of geographical areas or particular segments of the economy or of industry that specialize financing institutions are more desirable. These institutions help the process of shifting resources away from certain sectors to others and encouraging some activities and discouraging others on the basis of national priorities.

The financial system has to perform the basic function of matching the needs and preferences of the lenders and borrowers in the market. These will affect the saving and investment activity of all sectors in the economy. The households are the net savers, either voluntarily or involuntarily.

Business borrows more than it lends, not only for fixed capital investment, expansion, diversification, etc. but also due to lags between expenditure and receipts. Intermediation should ensure that business and the Government who are net borrowers would get their requirements in right amounts and at the right time. Business has some times an excess of idle balance which financial institutions attract and utilize profitably. Governments borrow not only for their developmental work but also to meet the time lags between payments and receipts as their inflows and outflows do not synchronize in quantity and time.

1.9.2 Promotional Role of Financial Institutions

The mutual interactions between the financial and real system may take promotional or developmental forms. It is in this context that the development role of the financial system is to be emphasized.

This role assumes two forms: innovation and promotion, which are inter-related. The innovatory role relates to the creative activity of these institutions. Thus, dynamism as well as creative imagination can be in both the assets and liabilities side of the activities of financial institutions. This takes the form of improving the quality of assets as well as showing new and more profitable activities or keeping pace with the developmental priorities of the Government.

This creative element in the case of commercial banks can be seen in the Lead Bank Scheme, financing of neglected sectors, opening of branches in the rural areas etc. The creative role in the

case of development banker takes the form of a critical examination of the appraisal and follow-up actions including the application of social cost and benefit analysis.

The development banker follows sound appraisal techniques including the economic and financial tools both from the point of view of the company as well as the economy. The industrialist finds a contractive partner in the banker who will help him in improving his project plan and prospects of investment.

The financial institution by virtue of long experience, expertise and information, which they acquire during the course of their project appraisal are in a better position to play the promotional role in the economy. Firstly, they can share their expertise with their clients and improve the project preparation, plug up the loopholes in their schemes and advise them to improve project prospects as well as on the new areas they can explore. Secondly, these institutions have established their own training institutions or schools as in the case of Management Development Institute and Institute of Financial Management etc. Thirdly, they are instrumental in setting up consultancy companies, accounting firms, leasing companies and industrial estates etc. The Industrial Development Bank of India (IDBI) with the help of other institutions have set up State level consultancy service centers. Iran and Greece have also set up similar institutions. Fourthly, development bankers can share their experience with projects and project implementation would help the Government. Their day-to-day market knowledge about the demand pattern, export market etc. would also enable the development bankers to advise the Government.

Financial institutions can also undertake what William Diamond calls “direct efforts” in the sense that the efforts are directed toward achieving the specific objectives of the Government which of course change from time to time. Thus when the Government’s intention was to encourage small and cottage industries, development bankers geared themselves to this task. When development bankers are directed to give priority to development of backward areas, concessional finance as well as special efforts are made to encourage entrepreneurship in the backward areas.

The creation of enterprise is, no doubt, costly and expansive and the return will be delayed and meager. But these are the risks which are to be undertaken along with the financial and moral implications of it. The banks will have to carry in its capital structure such burdens of risks sometimes unrewarding until they reach a stage when they can be passed on to the public. This is the cost promotion which the development banks have to undertake.

1.10 SCOPE OF THE STUDY

The predominant and pervading patriarchal system created disadvantages for women in every sphere and at all the stages of life. The viciousness of the strong-hold of patriarchy was such that women themselves began to believe in their own inferiority.

Women make a crucial contribution not only to the health and learning of children but also in business environment, which improves future economic performance. Many studies show that families depend heavily on women for nutrition and health care and

also economic growth and development, particularly in low-income areas. A study in India shows a link between women's earnings and family development, and several studies demonstrate the effect of maternal education on the family in social, political and economic development. Evidence also suggests that the most effective way to reduce the growth rate of population is to improve educational and learning opportunities for women while extending family planning services.

It is considered that the woman has wide interest to help the development of the society in contact with her. To explore newer ideas of wider and varied interests, a limitless world with unlimited range of knowledge is ahead of her. Of all professional people, the woman is expected to lay the foundations of a new culture. She has to free herself from the action of merely depending on the worn out concepts and she has to show the way to the usher in fruitful social change. Pedagogical abilities in her are the potentiality to achieve mastery they are not yet skills already acquired, but in the process of being acquired. Such abilities can be noted as pedagogical power of observation, imagination tactfulness, a high sense of duty to oneself and to other, organizing ability and distributive attention.

When the woman is made an important element of the organizational system and in the society, "what she thinks, what she wants" should be known to the organization and also to the supervisors and administrators.

The study of their perceptions on academic supervision can be a powerful feedback and source of everything to formulate the new

designs, strategies and policies. It has a wide range; it expands for a long duration. This study will help the one and all of the society. The investigator has covered different types of enterprises in Visakhapatnam city, which are run by women. These enterprises are beauty parlors, fancy and gift articles, bangle shops, hardware, electrical and electronic goods, readymade garments, tailoring, cloth stores, food processing units, manufactures of paper products, medical shops, Kirana Stores, Departmental Stores, Books and Stationary Shops etc., which are finally divided into six categories. These six categories are 1) Beauty Parlors, 2) Fancy / Bangle Stores, 3) Hardware /Electrical and Electronic Shops, 4) Readymade garments / Cloth Stores, 5) Food Processing /Paper Products and 6)Others which covered medical shops, kirana stores, departmental stores, books and stationeries etc.,.

1.11 ENTREPRENEURSHIP DEVELOPMENT IN INDIA

It is a well intended movement to invigorate, rejuvenate and resuscitate the healthy and diversified socio-economic growth of the country. The development banks have expanded a network of promotional agencies at regional and state level to nourish and protect the movement with strong follow up support. The national socio economic policies and strategies are also being modified in consonance with entrepreneurship development programme. The various promotional agencies evolved and directed are acting as a friend, guide, philosopher, motivator and prime mover for new and young entrepreneurs.

Realising this, the Government of India devised several self employment schemes over the years to create work opportunities for these persons and groom them as risk bearing entrepreneurs. The package of assistance made available to them includes the provision of subsidy, loan on easy terms and conditions, training from specialised institutions for improvement of technical and managerial skills and entrepreneurial abilities, supply of machinery and equipment, providing raw materials etc. besides the provision of necessary information and guidance for setting up self-employed ventures.