



## GOVERNMENT POLICIES FOR WOMEN EMPOWERMENT THROUGH BANK FINANCE

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### ABSTRACT :

*Empowerment of women is critical to the process of the development of the community. Involving women into the mainstream of development has been major concern of the government since Independence. Yet, despite significant steps taken by the government the participation of women in all spheres of life varies in the context of differences in the social economic, cultural and regional factors. It is being increasingly realized that the goal of poverty alleviation cannot be achieved without the full and active participation of women who constitute a large section of the work force in India. With a view to empower women and bring them into the mainstream an enabling environment with requisite policies and programmes, institutional mechanisms at various levels and adequate financial resources has been created by the government. The Government of India has special components for women in all its programmes and a certain amount of funds is earmarked resources for women empowerment.*

**KEYWORDS :** Empowerment of women , major concern , social economic, cultural.

### 1)INTRODUCTION:

It is proven that women can be better entrepreneurs and development managers in any kind of human development activities. In this backdrop the idea and praxis of women development is fast gaining ground in rural and urban sectors. It is imperative to realize the importance and necessity of making women empowered in taking decision to enable them to be in the central part of any human development process. This process of empowerment is therefore also considered as an active process which enabling women to realize their full identity and power in all spheres of life.

Through the present chapter researcher has discussed on the policies programmes schemes implemented by the central and state governments for the empowerment of women. Through the present chapter researcher has also focused on the role of banks, particularly nationalized banks in the women empowerment through entrepreneurship development among them.

### 2) GOVERNMENT'S INTERVENTION IN WOMEN EMPOWERMENT:

To encourage women empowerment at all levels and for dilation of gender birds in providing knowledge and education and overall socio-economic development of women, the government of India has taken many initiatives through the policies, programmes and schemes. There is several indicators women's empowerment which are mentioned below:



- I. Mobility.
- II. Decision making power.
- III. Autonomy.
- IV. Ownership of household assets.
- V. Freedom from domination.
- VI. Awareness.
- VII. Participation in Public protest and political campaign.
- VIII. Contribution to family income, through entrepreneurship.
- IX. Exposure to information.
- X. Participation in Development programmes.

Apart from this, there are different dimensions of women empowerment which have been discussed in the first chapter of the present study report. These dimensions are economic empowerment, socio-cultural empowerment, political empowerment, psychological empowerment etc. several programmes/schemes and policies have been implemented for women empowerment by the central and state governments. The constitution of India not only grants equality to women, but also empowers the state to adopt measures to positive discrimination in favour of women. Within the frame work of a democratic policy, laws development policies, plans schemes and programmes have aimed at women's development in different spheres.

In recent years, the empowerment of women has been recognized as the central issue in determining the status of women. The national commission for women was set up by an Act of Parliament in 1990 to safeguard the rights and legal entitlements of women. The 73rd and 74th Amendment (1993) to the constitution of India have provided reservation of seats in the local bodies of panchayats and municipalities for women laying a strong foundation for their pilot scheme for women, laying a strong foundation for their participation in decision making at local levels. Priyadarshani 2011 is a pilot scheme for women empowerment. This scheme offers women in 7 districts, access to self-help groups and promotion of livelihood opportunities.

Since Independence the government of India has taken a number of measures to improve the conditions of women in general which if successful would have helped the creation of women small Industry Extension Training (NIDIET) in 1965 and Gujrat Industrial Investment Corporation (GIIC) in 1971. Subsequently ON declared the 1975-1985 as decade for women. In 1978 state Bank of India (SBI) undertook Entrepreneurship Development Programmes (EDPs). Training for Rural youth for self-Employment (TRYSEM) was launched in 1979. In 1981 National Alliance of Youth Entrepreneurs (NAYS) organized the second International Conference of women entrepreneurs. The government of India established the National Science and Technology Entrepreneurship among young men and women. The years 1983 become a turning point in the entrepreneurship development science after this year it received a national movement. In 1989-920 two new schemes were started that is Mahila UdyamNidhi (MUN) and Mahils Vikas Nidhi (MVN) under which NGOs dealing with women entrepreneurs were given assistance In 1990 the Naruegian Agency for International Development (NORAD) announced its support for entrepreneurship programme for rural poor women. The year 1991 marks an important landmark in Indian history with the launching of comprehensive economic reforms. As a result of new Economic Policy (NEP) the definition of women entrepreneurs has changed. Earlier women enterprises were defined as enterprises where more than half of the workers were women and also where more than half of ownership controls are in the hands of women. The entrepreneurship training was made more institutionalized by making it a part of curriculum in the universities and in other higher education institutions.

### **The draft national policy on empowerment of women envisages**

1. To set up councils at the national and state levels to review the implementation of recommendations of the national and state commissions for women.

2. The Centre and State to draw up time bound action plans to translate this policy into concrete action in consultation with the central and state commissions for women.

3. Every ministry at the Centre and in the state is obliged to ensure equal flow of benefits in physical and financial terms to women including the disadvantaged among them through different programmes, schemes and plans for entrepreneurship development.

The government of India also reiterated its commitment of women empowerment of International women's day march, 6 1997 for setting up of Commissioner for women Rights and national Resources Centre for women in order to create a conducive environment for advancement of women. The socio-economic status of women move particularly rural women is abysmally low as compared to that of urban women. A few important areas which calls for empowerment of women in rural India women and their work force participation, women and their education women and their health and women and their political participation at the grassroots to deal with atrocities on women and other development issues of rural women.

In the circumstances the government of India in the early nineties decided to bring a policy about the advancement, development and empowerment of women. It was aimed to create an environment through positive economic and social policies for full development of women to enable them to realize their full potential. As a positive development the National Commission for women was set up by an Act of Parliament in 1990 to safeguard the rights and legal entitlements of women. Recognizing the role and contribution of women in development the Eight plan (1990-95) adopted the strategy to ensure that benefits of development from different sectors do not bypass women and special programmes are implemented to complement the general development plans. Two new schemes for women-that is Mahila Samiridhi Yojna and Indira Mahila Yojana were introduced during this plan period and a National Commission for women and national Credit and fund for women known as Rashtriya Mahila Kosh was set up. From the early 1970's women's movements in a number of countries identifies credit as a major constraint on women's ability to earn an income and became increasingly interested in the degree to which poverty focuses credit programmes and credit cooperatives were actually being used by women. SEWA in India, setup credit programmes as a part of a multi- pronged strategy for an organization of informal sector women workers. Since the 1970's many women's organizations worldwide have included credit and saving as a way of increasing women's income and to bring women together to address wider gender issues. The 1980s saw the emergence of poverty targeted micro-finance institutions like Gramin Bank and ACCION and others. Many of these programmes see themselves as empowerment oriented. In the 1990s a combination of evidence of high female repayment rates and the rising influence of gender lobbies within donor agencies and NGO's led to increasing emphasis on targeting women in micro-finance programmes.

Government of India recognizes the empowerment of women as the most critical precondition for participation of girls and women. Central and State Government have to implement policies on empowerment of women to effectively address gender disparities. Department of Women and Child Development Ministry of Human Resource Development, Government of India, have taken some steps with a view to empowerment of women. Important steps taken by the government listed below:

1) Year 2001 declared as women's Empowerment year and various activities and programmes launched nationwide.

2) A national policy for empowerment of women with the objective of bringing about advancement, development and empowerment of women in all works of life has been formulated.

3) The vision of women's empowerment focused on reducing gender inequalities which existed hitherto. Gender disparities in access to economic resources which include credit land and economic power sharing directly affect women's potential for obtaining the kind of economic autonomy; they require giving a good quality of life for themselves and their dependents. The Indian women facing various obstacles in getting financial support specially the large credit, because they are unable to put up the collateral that lending institutions require or because of the prevailing social system. Therefore, the need for empowerment of women was felt by the government of India.

4) Training cum employment programmes for women received an important place during the past years. A record number of new projects and programmes schemes under women's economic programme were sanctioned, and majority of women were trained in various traditional and non-traditional traders

5) Several programmes, project under support and training for employment (STEP) were sanctioned. In the past few years poor and assets less women were trained in agro based enterprises, dairy farming handicraft, food items manufacturing etc. and subsequently organized in cooperative societies for carrying profit economic ventures.

6) SWAYANSIDHA, and integrated scheme for women's empowerment based on the formation of women into self-help group (SHGs) aims at holistic empowerment of women through awareness generation, economic empowerment and convergence of various schemes.

7) National Commission for Women (NCW) is statutory body Constituted under the national Commission for women Act 1990 on 31st January, 1992 with a view to project, promote and safeguard the interest and rights of women. NCW has launched an ambitious programme to include gender values amongst college student.

8) Rashtriya Mahila Kosh facilitates provision of micro credit to poor women for income generating activities through a network of social organizations.

Maharashtra State Commission for Women- For the purpose of women empowerment, a separate department of women and child development has been set up by the government of Maharashtra in June 1993. This department is the nodal agency for formulating the state women's policy. A comprehensive policy for women was formulated by the government of Maharashtra in 1992, and is being implemented. In the year 2001 a new policy for women was approved by the cabinet. The major objective of the policy is to ensure developments in the physical, mental and emotional quality of women's lives in the state. The goal is also to make women financially independent and self-reliant. With a view to the development of women certain areas have been identified which are basic and relevant to the women empowerment purpose. It is proposed initially to focus on some important areas which are listed below:

- 1) Women to be empowered by means of self – Help Groups (SHGs).
- 2) 30% of municipal shop places to be reserved for marketing by women's groups.
- 3) 50% of government funded to the women for agricultural related training.
- 4) The National Commission for women is not a policy but it is the statutory body that works for the rights women and even generating credit for women entrepreneurs through schemes such as Self – Help Group and others.

### 3) VARIOUS GOVERNMENT'S PROGRAMMES FOR WOMEN EMPOWERMENT:

In the year 1986 a national Level standing Committee on women entrepreneurs was constituted comprising women entrepreneurs and representatives from FICCI, FASSI and NAYE. The main object of the committee is to provide fiscal and financial incentives which include marketing, training and publicity. The catalyst for women entrepreneurs was the 7th five year plan which highlighted equality and empowerment for women. In the subsequent five year plan (8th five years plan) it was recognized that women are to be a target group in the promoting of opportunities for self-employment and creation of ways for employment. It was stated that a better deal for women labours in the unorganized sector and cooperatives and the organization of condensed job oriented courses for women. Therefore, several attempts have been made to provide support to women in the areas of technology up gradation training, finance, raw materials marketing etc. the national perspective plan (NPP) for women was adopted in the year 2000. Through the five years plan, socio-economic programmes for women moved further away from a "welfare" approach to a more positive "developmental" approach to women.

- 1) Supports to training-cum-employment programmes for women (STEP) aims to upgrade the skills of poor and asset less women, mobilize, provide training and subsequently employment on a sustainable basis in the

traditional sector of agriculture, animal husbandry, fisheries, handicrafts, and other small enterprises, in addition to the training and employment support, the programme advocates gender sensitization, women in Development inputs and provision of support services.

2) The Central Social Welfare Board had started the socio-economic programme (SEP) in 1958. Through this programme financial support is extended to the voluntary organizations with a view to conduct various income generating activities providing opportunities for work and wages to needy women those belonging to economically backward and under developed areas. This programme supports the women in the setting up of industrial units, handicraft units, dairy units, etc. A recent thrust of this programme is on identifying new sectors for income generating programmes or projects.

3) Apart from this, Rashtriya MahilaKosh (RMK) was established in 1993. It intended to meet the credit requirements of needy women in the informal sector. RMK is being managed by a governing board which has approved the policies and procedures for lending to women borrowers with the help of NGOs and other women's organizations, for which suitable eligibility criteria like lending and credit management experience and sound financial management have been prescribed.

4) According to the government's policy of women empowerment through improving their socio-economic status, Mahila Samridhi Yojna was started in October 1993. This scheme aims to promote self-reliance and a measure of economic independence among women by encouraging thrift.

5) Government of India started one programme known as Indira Mahila Yojana (IMY) in 1995. This programme is strategy to coordinate and integrate components of all sectoral programmes and facilitate their convergence to empower women. The main objective of this programme is to bring out a mechanism by which there could be a systematic coordination amongst various programmes in an integration of different streams of finance available under various schemes to fulfill the women's financial needs and at the same time ensuring that women's interest are taken care of under such schemes.

6) Vocational Training programmes for women (VTPW) aimed to provide a wide range of training opportunities for women at the training institutes set up under this scheme. There is a three tier system training that is basic skills development advanced skills development and instructors training in specific trades which are having high employment potentials. According to the requirements of the local industrial sector part time and short term courses are conducted by the training institutes.

7) Ministry of MSEM government of India was launched one more programme under the title prime minister Employment Generation Programme (PMEGP) with a view to empower the first generation women entrepreneur. This scheme has some provision for women entrepreneurs such as – subsidy for women entrepreneurs from urban and rural areas as the beneficiaries own 5% contribution, rate of subsidies of cost of project, 25% for urban beneficiaries and 35% for rural beneficiaries. 27 public sector banks, all local banks, cooperative banks, banks from private sector, CIDBI are the bankers for the scheme. This scheme or programme has replaced by PMRY and REGP in 1993.

8) Employment and Income Generating Training-cum-production units for women, scheme was started in 1982 by the department of women and child development in collaboration with the Norwegian Agency for International Development. To extend training and employment opportunities for women in traditional and non-traditional and upcoming trades is the major objective of this scheme. It is aimed at rural women, women staying in urban slums, school dropouts, war widows and widows of public employee etc. this scheme is implemented with the help of public sector undertakings, corporations and NGOs. Trades in which women are trained include electronics, watch manufacturing/assembly, computers and computer programming, printing and binding etc.

9) In 1995 Government of India, has launched another programme under the title Trade Related Entrepreneurship Assistance and Development For Women (TREAD). This is an inter-agency programme formulation mission led by the Indian Government. This programme is intended to develop institutional capacities provide information about trade counselling and guidance etc. special attention is also given on the market development functions and extension activities to transfer marketable designs and knowledge of production together with marketing skills, packaging inputs and tie-ups with marketing organizations. The



planned client group comprises women at various levels of entrepreneurial development in rural and urban areas, educated established entrepreneurs and new entrants.

10) Women's Development Corporation (WDCS) was established by government of India, in 1986-87 with a view to setting the pace for self-employment among women and bring them in the mainstream of development process. The major objective of these corporations is to give technological, managerial, administrative, marketing and financial know-how to the women of weaker section, so that they can generate a sustained income for themselves. The main aim of the scheme for support to women entrepreneurs operated through small industries Development Bank of India (SIDBI) are-to provide training and extension services support to women entrepreneurs according to their socio-economic status and skills. Industrial Development bank of India is also providing training and extension services to the women entrepreneurs, through a comprehensive package suited to their skills and socio-economic conditions. IDBI Bank is also extending financial support to the women entrepreneurs on Concessional terms with a view to enable them to set up small scale industrial units. Apart from this industrial Finance Corporation of India (IFCI) is also active in providing interest subsidy for women entrepreneurs. All these banks are providing financial support to women having business acumen and entrepreneurial traits, so that, new avenues of self-development and self-employment are created for them and women can contribute to the industrial development in India.

#### **4) THE ROLE OF BANKS IN WOMEN EMPOWERMENT:**

Development of women entrepreneurship is an integrated element of economic development it is recognized in India long ago in 1950. It is a fact that, entrepreneurs are born but they can also made through innovative and creative interventions by government banks and other financial institutions. The Indian government has designed and implemented many programmes and schemes with a view to provide financial support and self-employment opportunity to the urban and rural women. For this purpose Indian government has involved the nationalized as well as cooperative banks and other institutions which are operating in India to make women self-sustainable and soci-economically empowered.

Today several banks and financial institutions are providing financial support to women entrepreneurs for their innovative and imaginative activities aimed at skill development for income and generation of employment in various fields. Apart from this micro finance programmes implemented by government of India, targeting women became a major plank of donor poverty alleviation and gender strategies in the 1990s. Increasing evidence of the centrality of gender equality to poverty reduction and women's higher credit repayment rates led to a general consensus on the desirability of targeting women. Not only reaching but also empowering women became the second official goal of the micro-credit summit campaign. Nationalized banks in India have special products for the women empowerment. For micro and small enterprises majority of Indian banks offered various facilities and services along with other general banking services. Therefore, to provide short term/long term finance to the women entrepreneurs for purchasing raw material machinery and for other required inputs like electricity, water, work place etc. is one of the major objectives of the nationalized banks of India. These banks are ensure that financial support is made available to women entrepreneurs for establishing their business units on easy term and conditions and with hassle free procedures, it has been a matter of policy in all the nationalized banks, to identify the areas of gaps in finance delivery process and remove the gaps through devising appropriate new schemes or programmes and implementing them.

The government of India is implementing many schemes programmes to provide financial support and self-employment opportunity to the women. For this purpose government is involving the nationalized banks and other financial institutions which are functioning in India to make women self-sustainable and economically empowered. Majority of nationalized banks are conducting an awareness programmes on a mass scale with a view to create awareness among women pertaining to different areas to conduct business. Apart from this, efforts have been made to enhance the standards of education of women in general and making effective provisions for their training, practical experience and personality development programmes

to improve their overall personality. These banks are also organizing training programmes to improve professional competencies in managerial, leadership, marketing, and finance, process of production planning of profit bookkeeping and other required skills. All the training programmes are encouraging women to conduct business or to start their own business. Some nationalized banks like State Bank of India, Industrial Development Bank of India, Panjab and Sindh Bank etc. are also conducting vocational training programmes for women who enable them to understand the production process and management of production.

Majority of nationalized banks have taken various steps for sustainable development of women entrepreneurs.

**These steps are –**

- i) Provide low rate of interest on loan
- ii) Collateral free
- iii) Provide easy processing system
- iv) Make available repayment system, based on the nature of business
- v) Offer or design the type of credit or loan based on their requirements,

**5) IN CONCLUSION:**

For the future prospect for women entrepreneurship development, there should be empowerment of women is quite visible and their overall contribution to the economy is also very important. Now a days, the role of women entrepreneurs in economic activities and development of economy is inevitable because women are now entering not only in selected traditional occupations or professions but they are also engaged in the trade, industry and engineering, manufacturing, service sector etc. The central and state governments have taken several steps for providing equal status to women against men. Efforts have been taken by the government to strengthen women from various dimensions, empowerment of women includes-social, economic, educational, psychological empowerment and gender justice. The government has been implementing different programmes and schemes for the socio-economic improvement, for this purpose Indian government launches some articles, laws and policy programmes for improving the status of Indian women.

With the advancement of technology, liberalization and globalization, the scope for women entrepreneurship is more. In today's era, the hidden entrepreneurial potentials of women have been changing along with growing sensitivity to the role and economic Status in Society. Now, Indian women are increasingly being conscious of their existence, their right and their work situation, due to government's intervention in the women empowerment by implementing various programmes and schemes.

Various dimensions like-prevalent norms, traditions religion, identities, languages and cultural practices are crucial in determining content and intent of schemes programmes and policies for empowerment of women. The success of schemes and programmes and policies is mainly depending upon a number of factors, and actors. It involves commitment on part of actors at all levels from the leaders, bureaucrats, community, and family to the individuals concerned. The effectiveness of programmes is also dependent upon the process of implementation which involves accountability and monitoring by the government.