Rural Industrialisation: Challenges and Proposition

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KEYWORDS Rural Industries. Infrastructure. Village Industries. Small Industries

ABSTRACT Village and cottage industries and agriculture sector which were accommodating rural population have been losing ground to service and industrial sector. The share of agriculture in the GDP has steadily declined from 36.4% in 1982-83 to 18.5% in 2006-07, although this sector supports more than half a billion people, providing employment to 52% of work force. The Indian economic survey 2007-08 lamented the sliding growth of food production to the extend of 1.2% during 1990-2007, lower than annual population growth averaging 1.9%. The labour force engaged in various sectors of economy in rural segment are fast migrating to urban areas which trigger poor civic amenities, high pollution, hiking urban land value, population density and so on. In this context, the paper deliberates the strategies to intensify the rural industrialisation and make suggestions for remedying the worsening conditions in urban areas.