“Agro-based cottage industries are those which are manufacturing agricultural “input” or processing agricultural ‘output’ or those industries which are supported by agricultural products. It is an enterprise or series of operations carried on by a workman skilled in the craft on his own responsibility, the finished product of which he markets himself. He works in his own home with his own tools and materials and provides his own labour or at most the labour of such members of his family as are able to assist. These workers work mostly by hand depend on personal skill, with little or no aid from power driven machinery and in accordance with traditional techniques. Such supplementary energy as is provided by animal power may ass to the economy and efficiency of the industry. He works finally for a market in the immediate neighborhood, that is to say, in response to known demand with reference to quality as well as quantity. On one hand, it provides the essential ‘input’ and on the order, functions as an outlet for agricultural ‘output’”\(^1\).

“A cottage industry—Primarily manufacturing—which includes many producers working from their homes, typically part time. The term originally referred to home workers who were engaged in a task such as sewing, lace–making or house hold manufacturing. Some industries which are usually operated from large centralized factories were cottage–industries before the industrial revolution. Business operators would travel around, buying raw materials, delivering them to people who would work on them and then collecting the finished goods to sell, or typically to ship to another market.”\(^2\)
Cottage industries were very common in the time when a large proportion of population was engaged in agriculture, because the farmers (and their families) often had both the time and the desire to earn additional income during the part of the year (winter) when there was little farming work to do.

There are about 2131 agro-based cottage industries in Ghaziabad district. Out of which 164 industries are either self financed or financed by State Government through ‘District Industrial Centres’ and rest 1967 industries are financed by ‘Khadi and Village Industry Board’. While surveying the area the author has found two categories of agro-based Cottage Industries prevalent in district: (i) those where the raw materials are secured by the farmers through cultivation (sugar cane, rice, wheat, oil seeds, cotton etc.); and (ii) those where the raw materials are secured from uncultivated lands, or from pasture land and barren land occurring within or adjacent to farmers’ fields; or some time into patches inside or outside the field of khadar areas. These raw materials are the free gifts of nature ready at hand to the farmer. The first category of agro-based cottage industries includes: sugar industry (Khandasari, Gur and Jaggery), Textile Industry (spinning and weaving), Rice mills, Flour mills, Oil mills, etc. and the latter includes: Black Smith and Carpentry, Basket, Matting, Bans, Ropes, and Strings manufacturing etc. The detailed treatment of these industries is discussed ahead.

6.1- Distribution of minor Agro-based cottage Industry

“Generally speaking, cottage industry is a small scale business conducted in a workmen’s home using his own space & equipment. This information on cottage industry is oriented to a product based business. If he produce a product as a sole proprietor business owner, chances are he has a cottage industry. There are things he need to consider keeping his
effort legal and this information is designed to help him with pre-planning and investigation of cottage industry.”

There are several different federal, state, country, and city laws that regulate a cottage industry and they may each have different requirements or restrictions dependent upon where you live and the product you wish to produce. The numbers of small scale industry, functioning in the district are: 2131 with a capital investment of Rs.178 Lakh and employing about 15452 workers. They undertake the manufacture of variety of commodities and goods etc. The area has two categories of agro-based industry.

Types of Minor Agro-Based Industries

1. Small Scale Agro-Based Industries
2. Cottage Scale Agro-Industries

1. Small Scale Agro-Based Industries

Cottage industries developed mainly out of the need for an additional source of income, because of the need to use one's spare time gainfully and because of the relative ease of acquiring the necessary raw materials to set up such industries.

Textiles

Skillful weaving techniques, vibrant colors and inventive designs combine to bring out the fascinating textile based handicrafts in district. Popular hand weaver fabrics include silk, brocade and figured muslin, and popular hand printed, textile motifs include block and screen painting, kalamkari, butique, and bandhanis. Buxer in Simbhaoli block and Pilakhwa are the main places, where this industry is working in a
large scale. Near about 70 units are working and 250 people are engaged in this industry.

a. Handloom

Handloom weaving is mostly in the cottage scale and there is need for adequate work shed. Mostly handlooms are converted in to power looms in the district Ghaziabad. There is only 15 handloom industry in Ghaziabad district. One of them is M/s Ajay Handloom Industries F 40/1, Bulandshahr road Industrial Area Site No. 1. The year establishment of this industry is 1980 and the unit is India mart member since 2006. Turnover of the industry is 50 Lakh - 1 crore and 10 people are employed. It is a regular business and manufactured bed sheets, casements, curtain, fabric, poplin, shirting material, table covers and towels.

b. Power Loom

Though weaving is one of the important sector for Indian textile industry, it has not been given due attention like spinning sector. The power loom sector produces more than 40% of cloth in the district. The power loom industry has grown up from hand loom sector. The power
loom sector in the district is wide spread. There are 25 power loom units in district Ghaziabad and 200 people are engaged in this industry. Yarn coating being seasonal approximately consumes about 30432 Kg. threads and produces 15540 Thans.

c. Khaddies

There are about 40 Khaddies in the district and about 330 persons are engaged in weaving. The total investment of these is about Rs. 3500000/- and output amounted to Rs. 6500000/-.

Khandsari, Gur and Jaggery Industry

The indigenous production from sugarcane is Khandsari, Gur and Jaggery. At present there are about 130 Khandsari industries in the district. The total investment in this industry has been Rs. 10,54535/-. The total production was valued Rs. 17417535 and 8535 persons are employed. This industry is an old and indigenous. By products such as molasses and bagasse are exported to distilleries. Even than there is abundance of raw sugarcane left behind to be crushed by village Kolhus to prepare Gur.

Oil Industry

There are 119 oil expellers in the district extracting oil from oil seeds. Oil expeller is a small scale cottage industry which also manned by the people of villages, at their home. Mustard oil expellers are the main oil industry of the district because only mustard seeds are grow in the study area. Generally their machines are driven by bullocks, but nowadays it is observed that oil extraction from bullocks driven Kolhus is replaced by power driven expellers. The total investment in these units is
estimated to about Rs. 75000/- and production is evaluated at about Rs. 710000/-

**Handcraft**

More precisely expressed as artisanic handicraft, sometimes also called artisanry, and is a type of work where useful and decorative devices are made completely by hand or by using only simple tools. It is a traditional main sector of craft. Usually the term is applied to traditional means of making goods. The individual artisanship of the items is a paramount criterion, such items often have cultural and/or religious significance. Items made by mass production or machines are not handicraft goods. There are 21 handicraft manned by 271 persons. The total investment in this industry is Rs. 26732 & it has local, state and national level market.

“Usually, what distinguishes the term handicraft from the frequently used category arts and crafts is a matter of intent: handicraft items are intended to be used, worn, etc., having a purpose beyond simple decoration. Handicraft goods are generally considered more traditional work, in traditional non-industrial and transitional societies created as a somewhat more necessary part of daily life (in comparison to industrial societies), while arts and crafts implies more of a hobby pursuit and a demonstration/perfection of a creative technique. In Britain in the late nineteenth century, however, the Arts and Crafts Movement was not a matter of hobbies, but of creating useful as well as creative work for people, using natural materials and traditional techniques”.
2. Cottage Agro-Industries

A cottage is a farmhouse usually in rural areas. A cottage industry is a small self-help industry that is carried out in the home, community centre, parish hall or some other convenient place. Such industries are evident in handicrafts, oil expeller, Atta Chakkis, Gur & Jaggery etc. on a small scale.

Cane & Moonj

Drawing on the spirit of rural India, Indian artisans create an inimitable line of cane furniture and Moonj baskets that are traditional in outlook but come with contemporaneity functional utility. Basket making is principally done in villages. About 800 people are engaged in this industry in their spare time, though their main occupation in agriculture.

Woodcraft

Craftsmen use different types of wood like Rosewood, Sandalwood, Teakwood and Shisham to produce items likes furniture, toys walls plaques, idols etc. Woodcraft industry concentrated in both rural and urban areas. About 50 unites of woodcraft in district and 300 persons are engaged in this cottage industry.

Fruit Preservation

There are 11 fruit preservation units in district Ghaziabad. Nowadays Dept. of Horticulture is paying much attention towards this industry. New fruit preservation centres are being opened almost in every town and people are trained in the art of fruit preservation. It is a developing industry.
**Ban Making**

Ban making is an old cottage and village industry situated along the banks of the rivers. The basic raw material is available in appreciable quantity. At present there are about 800 ban making units in the entire district and more than 1300 persons are engaged in this industry. The investment is about Rs. 55000/- and output amounted to Rs. 65000/-. 

**Mat Making**

This industry is mainly concentrated in rural areas. About 20 units, manned by 75 persons are engaged in this work. Leaves of data and palm are used as raw material, which the workers collect from trees in the villages themselves. Persons engaged in this industry have agriculture as their main occupation. The total investment in this industry is about Rs. 800/- and it has local market only.

**6.1.1 Sample Villages**

The following villages (Didwari, Himat Nagar, Buxer and Ravali) have selected at random sampling basis for the sample study of minor agro-based cottage industry.

**Didwari Village**

Didwari village is situated in the remote area about 10 KM from Muradnagar block. The total area is 391 hect. And total population is 1350 persons, 735 male and 623 female. The main agro industries are established in the village sugar (Khandsari) and Jaggery. There is only 1 primary school, 1 medical facility, 1 community health worker, 1 drinking water facility, 1 tubewell, 1 hand pump, 1 post, telegraph and telephone facility, 1 paved road, 1 footpath, 2 bank facilities. The total irrigated area in the village is 94 hectares and area not available for
cultivation is 97.34 hectares. Village being pre-dominant agricultural has an abundant supply of agricultural raw materials to established agro-based industries. The people of the villages are conscious.

**Sugar (Khandsari) Industry**

There is only one sugar industry. Production of sugarcane 1st ranks amongst the crop grown. It is the cash crop of the village and mostly supplied to nearest sugar mills about 12 KM in Modi Sugar Mills. Even then there is abundance of raw sugar cane left behind to be crushed by village Kolhus to prepare Gur. The surplus raw materials attracted sugar (Khandsari) industry to establish a Khandsari unit in the village with capital investment of more than Rs. 250000/-. This sugar unit has privilege to crush 450 quintal cane daily. Seasonal cane crushing by this unit comes to about 85000 quintiles. The annual production of Khandsari is accorded 4600 bags. The number of persons employed are 80 and their wages are 200000 per session.

**Jaggery**

There is only one unit of Jaggery in the village having each an average crushing capacity 60 Q. cane per day. The capital investment was estimated at about Rs. 90000/-. This unit works for 120 days in a season. 12 persons are employed in this unit.

**Himat Nagar village**

The village is situated only 4 Km away from NH 24, near the town Pilakhwa. Being predominantly agricultural, has very quick means of transport and abundant supply of agricultural raw materials and besides, agriculture, attracts the people to enter into minor agro industries and to provide commercial crops. Total area of the village is 163 Hect. and total
population is 2214 persons, (1180 male, 1034 female). There is only 1 primary school, 2 medical facilities, 1 drink water facilities, 2 post, telegraph and telephone facility and 2 bank facility. The village is linked 1 paved road, 1 mud road and 1 footpath. The total irrigated area of the village is 160 hectares. There are 3 minor industries as below.

Bricks

There is 1 brick field in the village, having the capacity of 25 Lakh brick per turnover. The unit consumes about 7000 M.Ton soli and produce 25 Lakh bricks per turnover. The turnover was evaluated at 13000 Lakhs per annum (2009-10) and about 60 persons are employed.

Fertilizer Industry

“Fertilizer is any organic or inorganic materials or natural or synthetic origin (other than liming materials) that is added to a soil to supply one and more plant nutrients essential to the growth of plants.”

“Conservation estimates report 30 to 50 % of crop yields are attributed to natural or synthetic commercial fertilizer.” There is 1 fertilizers industry in the village. The capital investment of this unit Rs. 400070/- and 52 persons are employed.

Leather Industry

Leather is a durable and flexible material created by the tanning of animal raw hide and skin, often cattle hide. It can be produced through manufacturing processes ranging from cottage industry to heavy industry. There is 1 leather factory and 26 persons are employed.
**Buxer Village**

The village Buxer situated at N.H 24, being pre-dominantly agricultural, has very quick means of transport, good market and abundant supply of agricultural raw materials and besides, agriculture attracts the people of enter into minor agro-industries and to provide commercial crops. The total area of the village is 213 hectares and the total population is 9021 persons (4752 male and 4269 female). There are 3 primary schools, 1 middle school, 1 college, 1 child welfare centre, 1 health centre, 1 family welfare centre, 1 hand pump, 2 calanl, 1 post office, 1 Agriculture Credit society. The village is linked with 1 paved road, 2 mud road and 2 footpaths. The distance of the village from tehsil Garhmukteshwar is 11 Km. The village is inhabited by Muslims and Scheduled Cast. The main occupation of the village is weaving because there are a great numbers of wavers in Muslim families.

**Khaddis**

There are nearly 25 to 30 Khaddis in the village. Khes and Durries are mainly making in these Khaddis. The capital investment was estimated at about Rs. 24 Lakhs. About 25-30 weavers families are engaged in weaving and are paid Rs. 345412 as their weaving remuneration. The weavers consumed about 280 quintal yarn to manufacture khes and durries and yarn are purchased from locally and outside both.

**Gur and Jaggery**

The economy of the village is based on agriculture and sugar cane is mainly growing in the village so there are 3 Gur Jaggery units in the village. The capital investment of there units was estimated at about 15 Lakhs. Total number of persons employed is 20.
**Embroidery**

Now a day’s embroidery is the main occupation of Muslim ladies. This work has spread in the village at a large scale. This work is mostly doing by hand. The ladies acquire different types of clothes like suits, dupptas and saries from outside i.e. Gujarat, Rajasthan, M.P. and Punjab etc. and also from Pakistan. The remuneration paid to them annually is Rs. 300000/-.

**Expeller**

There are 3 expellers and extracting oil from the local oil seeds produced to local consumption.

**Atta Chakkis**

There are 8 Atta Chakkis each having a grinding capacity of 1.5 – 2 quintal per hour.

**Ravali Village**

The village is situated about 22 KM away from Ghaziabad city in Dhaulana block. The total area of the village is 259 hectares. Being very small village, the population of the village is 206 persons. There is 2 medical facilities, 2 hand pumps, 2 canals. The village is linked with paved roads, 2 mud roads and 2 footpaths. The cultivation of land of the village is mostly multi crop area. Wheat and rice are the staple foods are grown in the village. There is no potential supply of any agricultural raw material; hence no agro-based industry has been established. People have surplus time after agricultural operation being seasonal. During their leisure hours the weaker section people work for the manufacturing of baskets, mats and bans etc.
Basket Making

Basket making work is generally done in the village by the scheduled caste people during their leisure hours, though their occupation is agriculture. Raw material used for the making of baskets are bamboos, mulberry and jhau found free natural gift to the people of the village. About 12 families are engaged in this trade. They sold their basket to the local people and in local markets and weekly path at the rate of Rs. 25-30 per basket.

Mat Making

Leaves of dates and palms, collected by mat makers themselves, from the trees, are used as raw materials for the manufacturing of mats. About 9 families are engaged in this trade but their basic occupation is agriculture. Women folks also help in this work. Mats are also sold to the local people and in weekly paths at the rate about 50 to 80 per piece depending upon their stiffness.

Ban Making

Manufacturing of bans and strings from kans, moonj and very few from sanai is the old practice of the people for domestic use. Bans are required for weaving the Charpais whereas strings are used for chaining the cattle heads. Basic raw material except sanai being cultivated is uncultivated and free natural gift. About 16 families are engaged in this trade. The cost of the bans depends upon their quality and thickness. The ban of the kans remains cheaper and weaker than that of the moonj.

6.2- Role of Agro-based cottage Industries in Economy of the Area

Small-scale and cottage industries play a very vital role in the economy of district Ghaziabad despite the phenomenal growth in the large-scale
sector. “In fact, the small-scale sector is playing a vital role in the growth of national economies the world over and is considered to be the engine of growth in most countries. The small-scale industries are labour-intensive and provide employment to nearly 1.86 crores persons in the country.”

The emphasis on Village and Small-Scale Industries has always been an integral part of the district Industrial strategy, more so after the Second Five Year Plan. It was envisaged that Village and Small-Scale Industries would play an important role as producer of consumer goods and absorber of surplus labour thereby addressing to the problems of poverty and unemployment. Other advantages of agro-based small industries are that they ensure a more equitable distribution of national income, enhance balanced regional industrial development, act as a nursery for entrepreneurship and facilitate mobilization of local resources and skills which might otherwise remain unutilized.

The agro industry is regarded as an extended arm of agriculture. The development of the agro industry can help established and make agriculture more lucrative and create employment opportunities both at the production and marketing stages. The broad-based development of the agro-products industry will improve both the social and physical infrastructure of District Ghaziabad. Since it would cause diversification and commercialization of agriculture, it will thus enhance the incomes of farmers and create food surpluses.

“The development of agro-based industries commenced during pre-independence days. Cotton mills, sugar mills, jute mills were fostered in the corporate sector. During the post-Independence days, with a view to rendering more employment and using local resources, small scale and village industries were favored.”
The increasing environmental concerns will give further stimulus to agro-based industries. Jute and cotton bags, which have begun to be replaced by plastic bags, have made a comeback. It is the right time to engage in mass production of low cost jute/cotton bags to replace plastic bags. The Small – Scale Industry sector has emerged as a dynamic and vibrant sector of the District economy in recent years, displaying phenomenal growth in the field of production. There are nearly 2131 agro-based cottage industries in the Ghaziabad District accounting for about 16 % of the gross value of output in the manufacturing sector and about 13 % of the total exports of the district. It provides employment to nearly 15452 persons. The Small-Scale sector contributes amply to other socio-economic aspects such as reduction in income inequalities, product diversification, dispersed development of small industries and linkage with other sectors of the economy.

Industrialization is the only answer to this present state of disrupted economy. The problem is of the approach which should be direct, utilitarian and pragmatic. Such industries do not require huge capital and hence suitable for a country like India. The small scale industries have a talent of dispersal. They can be accessible to the remote rural areas of the country and do not lead to regional imbalances and concentration of industries at one place, which is responsible for many economic resources such as entrepreneurship and capital. The planners and the economists in India took recourse to small scale industry because most of these industries existed in the traditional form, which symbolize our heritage and past glory. These still serve as the back bone of our economy, which is mostly rural. It is with this view that an assessment of growth, development and working of small scale industries in the specific region is attempted in this research study.
“Cottage Industry is a specialized form of small scale industry where the production of the commodity takes place in the homes and the labor is supplied by the family members only. The machineries or means utilized for the production of the commodities generally are the common ones used at homes. The basic characteristic feature of Cottage Industry is that it is basically unorganized in nature and come under the group of small scale industry type.”

Prof. K.T. Sash was the first Indian economist, who realizing the importance of Small scale industries in India, tried to give a workable definition of these industries. He defined “A small scale or cottage industry may be defined as an enterprise or series of operations carried on by a workman skilled in the craft on his responsibility, the finished product of which, he markets himself.”

We use various items to satisfy our needs. Agricultural products like Wheat, Rice, etc. are to be processed into flour, husked rice before we consume these. But besides bread and rice, we also require daily use things which are very useful and important in human life like as hand bag, mat, cotton, duries etc. and these are manufactured in various small – scale cottage industries. In the modern times industries have become very important part of economy. They provide employment to large labour force and contribute significantly in the total district income. The cottage and small scale industries found a prominent place in a economic progress in the villages of district Ghaziabad.

“This view, however, no longer appears to be appropriate. On the one hand, the role of agriculture in the process of development has been reappraised and revalued from the point of view of its contribution to industrialization and its importance for harmonious development and political and economic stability.” On the other hand, agriculture itself
has become a form of industry, as technology, vertical integration, marketing and consumer preferences have evolved along lines that closely follow the profile of comparable industrial sectors, often of notable complexity and richness of variety and scope. This has meant that the deployment of resources in agriculture has become increasingly responsive to market forces and increasingly integrated in the network of industrial interdependencies. Agricultural products are shaped by technologies of growing complexity, and they incorporate the results of major research and development efforts as well as increasingly sophisticated individual and collective preferences regarding nutrition, health and the environment. While one can still distinguish the phase of production of raw materials from the processing and transformation phase, often this distinction is blurred by the complexity of technology and the extent of vertical integration: the industrialization of agriculture and development of agro processing industries is thus a joint process which is generating an entirely new type of industrial sector. “It has also been observed that the industries located in villages are entirely fed by agricultural surpluses. Farmers are producing more than their needs. They sell them and buy other goods. Increase in agricultural production has furnished purchasing power amongst cultivators. If the marketable agricultural surplus is low in any village, industrialisation will not acquire the necessary momentum. Increase in productivity of land is thus an important pre-requisite for diversification agriculture have been adopted which increased the productivity of lands.”

It has been found that in rural areas, where agro-based industries have come up in a big way, development is faster. It means development of agro-based industries implies development of agriculture, on the one hand and on the other, of entire groups of industries to cater to mass
consumption needs. The agriculturists and the processing units inside the district have mutual interest in more and better production of agricultural produce. Tying up the functions relating to agricultural extension services with agro-based cottage industries is thus, an important arrangement that needs to be encouraged for modernising agriculture through industry in the Ghaziabad district.

6.3- Impact of minor Agro-based Industries on economic Development of Area

Agriculture and industry have traditionally been viewed as two separate sectors both in terms of their characteristics and their role in economic growth. Agriculture has been considered the hallmark of the first stage of development, while the degree of industrialization has been taken to be the most relevant indicator of a country’s progress along the development path. Moreover, the proper strategy for growth has often been conceived as one of a more or less gradual shift from agriculture to industry, with the onus on agriculture to finance the shift in the first stage.

The minor agro-based industries occupy a special place in the economy of the district Ghaziabad. “On account of primitive techniques of production, the productivity per worker is low but at the same time from the point of the employment, it is only next to agriculture. It is labour intensive, employment generated per unit of investment is greater. This has a greater advantage where artistic goods having different intricate designs have to be produced. This work is done even on part time basis and the labour of the whole family is utilised. It offers a special advantage to the agricultural population. The persons need not migrate to urban centers and the work is carried on during the slack agricultural season.”15
Agro-based cottage industries provide the occupation and a good source of income to the people of the district Ghaziabad. Near about 1200 workers are engaged in Khandasari and their monthly income is about 7000-8000 Rs/-. Handloom is also an important small scale industry of the district in which 700 workers are engaged and their annual income is 200000 Rs/-. Some other cottage industries such as Khaddis which making khes, durries, chadders etc., Basket making units, Mat making units, Gur making units, Ban making and Hand fan making units are providing the employment on a large scale. 2456 workers are engaged in these cottage industries.

“Agro-based industries generate the possibilities of co-operative societies. Development of agro-based industries in the co-operative societies. Development of agro-based industries in the co-operative sector is important. They help to strengthen other co-operative services such as supply of agricultural credit, marketing etc”\(^{16}\). In a subsistence economy of Ghaziabad district, integration of co-operative services with agro-based industries is vitally important, if the farmers have to grow vigorously and steadily. The agriculturists and the processing units have mutual interests in more and better production of agricultural produce. The agro-based industries have created not only the economic opportunity of farmers. It has provided a good integration and combination of rural and urban economies. Agriculture and agro-based industrial development are mutually interdependent and the development of the one can hardly be conceived without the development of the other. But in the scheme the agricultural development should precede agro-industrial development so that the surplus income secured in agriculture could find investment channels in agro-based industries.
“Today, however, it is becoming even more difficult to provide a precise demarcation of what should be considered an agro-industrial activity: the impact of innovation processes and new technologies suggests a widening of the range of agro-industry.”\textsuperscript{17} Inputs that could be considered, including biotechnological and synthetic products, for example. This implies that agro-industry today continues to process simple agricultural goods while also transforming highly sophisticated industrial inputs that are often the result of considerable investments in research, technology and innovation. Corresponding to this growing complexity of inputs is an increasing range of transformation processes, characterized by physical and chemical alteration and aimed at improving the marketability of raw materials according to the final end use.

“All these factors – the growing complexity of inputs, the impact of innovation processes and new technologies, the sophistication and the growing range of the transformation processes – makes it increasingly difficult to draw a clear distinction between what should be considered strictly industry and what can be classified as agro-industry.”\textsuperscript{18}

The author, while surveying the sample villages, has found that the agro-based cottage industries have much to contribute in the district for the development of economic life of the people. The people who were entirely dependent on agriculture in the past, today are adopting latest techniques and entering into agro-based cottage industries in their slack agricultural hours because these agro industries provide them a base for a pattern of socio-economic development that can contribute to an all round growth of economy. They operate more as catalytic agents for the development of agriculture and agro-based cottage industries, consume agricultural output as raw material and help in bridging the gap between poverty and prosperity and also check migration of rural folk to urban
centres. Therefore, the strategy of economic growth has to be such that it integrates rural and urban economics by eliminating district imbalances. The district imbalances may be abolished only by inducting agro industries in rural areas.

It has also been observed that the industries located in villages are entirely fed by agricultural surpluses. Farmers are producing more than their needs. They sell them and buy other goods. Increase in agricultural production has furnished purchasing power amongst cultivators. If the marketable agricultural surplus is low in any village, industrialisation will not acquire the necessary momentum. Increase in productively of land is thus an important pre-requisite for diversification of rural and household economy. Technological changes in agriculture have been adopted which increased the productivity of lands.

It has been found that in rural areas, where agro-based industries have come up in a big way, development is faster. It means development of agro-based industries implies development of agriculture, on the one hand and on the other, of entire groups of industries to cater to mass consumption needs. The agriculturists and the processing units inside the district have mutual interest in more and better production of agricultural produce. Tying up the functions relating to agricultural extension services with agro-based cottage industries is thus, an important arrangement that needs to be encouraged for modernizing agriculture through industry in the Ghaziabad district.
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8. Interim report of the study group on Development of small Enterprises small industries Development organization, New Delhi.


15. ibid. p.297

16. ibid. p. 268

17. The term "agro-industry", sometimes used in this chapter as a convenient abbreviation of "agro processing industry", should not be understood to comprise industries supplying agriculture with industrial machinery, inputs and tools.