



Role of Small Scale Industry – A Study with Special Reference to Backward Region in Tamil Nadu

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ABSTRACT

Industrialization generally refers to the growth of large, medium and small scale industries. It is true that backward areas cannot sustain large scale industries in big number because essential backward and forward linkages for their growth are not found. It is held that the small scale industries can help significantly in achieving a wider and more equitable distribution of income and wealth, as they could be easily decentralized and dispersed. Small scale industries require a relatively low amount of capital than the large scale industries. As such these fit well in country like India, where capital is scarce and unemployment is chronic. The revised definition put forward by the ministry of commerce and industries maintained. Small scale industries will include all industrial units with a capital investment of not more than Rs.5 Lakhs, irrespective of the number of person employed.

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