

Chapter - 05 Industries

- Industrial activities are divided in three sectors - Primary sector, Secondary sector and tertiary sector.
- Secondary activities are those activities which change raw materials into products of more value.
- Industry refers to an economic activity that is concerned with production of goods, extraction of minerals or the provision of services.
- Industries are divided on the basis of raw material, size and ownership.

1. Raw Material:

- Raw materials are basic material used in any industry and they can be classified on the basis of raw materials.
- Industries under this are of agro-based(depends of agriculture products), mineral-based (based on mines),marine-based(water based) and forest-based.

2. Size of Industries: Size refers to the amount of capital invested, number of people employed and the volume of production.

- Industries based on size are classified into small scale and large scale industries.
- **Small Scale Industries:**
 - Small scale industries manufacture products by hand and include cottage and household industry. These industries use lesser amount of capital and technology. For example, Basket-weaving, pottery and other handicraft industries.
 - In India small scale industry gives employment to around 35% population.
- **Large Scale Industries:**
 - Large scale industries produce large volumes of products. The investment of capital is higher and technology is superior.For example, production of automobiles and heavy machinery.
 - After independence India gave emphasis to this sector for development.
- Most developed nations shows existence of large scale industries on the other hand more small scale industries are exist in developing and under developed

world.

3. **Ownership:** On the basis of ownership, industries can be classified into the following sectors:

- **Private Sector Industries** are owned and operated by individuals or a group of individuals. For example, Bharat Heavy Electrical Ltd., Indian Oil Cooperation.
- **Public sector industries** are owned and operated by the government. For example, Hindustan Aeronautics Limited and Steel Authority of India Limited.
- **Joint Sector Industries** are owned and operated by the state and individuals or a group of individuals. For example: Maruti Udyog Limited.
- **Cooperative Sector Industries:** These industries are owned and operated by the producers or suppliers of raw materials, workers or both. For example: Anand Milk Union Limited and Sudha Dairy.

Initially in India most of the industries were under public sector but with passage of time privatisation was done at extensive level.

Factors Affecting Location of Industries:

- The availability of raw material, land, water, labour, power, capital, transport and market are the factors and market are the factor affecting the location of industries.
- Industrialisation leads to development and growth of towns and cities.
- Before setting up of any industry proper assesment is done by authorities and then it is permitted.
- In this era when global warming is occuring at faster pace much attention is to be given to environment aspect.

Industrial System:

- An industrial system consists of inputs, processes and outputs.
- Raw materials, labour and costs of land, transport, power and other infrastructure are the inputs.
- The processes include a wide range of activities that convert the raw materials into finished products.
- The result or the outputs are the end of product and income earned from it.
- Industrial set ups also depends on the political will.

Industrial Regions:

- Industrial regions emerge when a number of industries locate close to each other and share the benefits of their closeness.
- Major industrial regions tend to be located in the temperate areas, near sea ports and especially near coal-fields.
- Major industrial regions of the world are eastern North America, western and Central Europe, eastern Europe and eastern Asia.
- In India the industrial regions are Mumbai-Pune cluster, Bangalore-Tamil Nadu region, Hugli region, Ahmadabad-Baroda region, etc.
- Industrial regions depends on technological advancement of a country too.
- Now industrial corridors are being set up by countries to utilise maximum potential. China-India economic corridor is one of the such examples.

Distribution of Major Industries:

- The iron and steel industry, the textile industry and the information technology industry are world's major industries.
- Iron and steel industries are located in Germany, USA, China, Japan and Russia.
- Textile industries are locate in India, Hong Kong, South Korea, Japan and Taiwan.
- The Silicon valley of Central California and Bangaluru region of India are the major hubs of information technology industry.
- In India Iron and Steel industry base is found at Chota Nagpur Plateau which is rich in mineral resources.

Iron and Steel Industry:

- Iron and steel industry comprises various inputs, processes and outputs and it is a mineral-based industry.
- Inputs in this industry include raw materials such as iron ore, core and limestone, labour, capital and other infrastructure. In processing iron ore is converted into steel by undergoing different stages like smelting, refining. Output results obtained is the steel.
- Steel is called the backbone of modern industry as almost everything is made of iron and steel.

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- In India, iron and steel industry has developed taking advantages of raw materials, cheap labour, transport and market.
 - Major steel producing centres in India are-Bhilai, Durgapur, Bumpur, Jamshedpur, Rourkela, Bokaro and is spread over four states-West Bengal, Jharkhand, Odisha and Chattisgarh.
 - TISCO was the first major steel producing company in India in 1907 at Jamshedpur. The availability of water from Subarnrekha and Kharkai rivers, railways connectivity, markets presence and cheap labour provide the basis for its establishment.
 - Technological know how make the industries to flourish.

Cotton Industry:

- This was based on cotton, Jute, flax and silk. India was the leading country in 18th century but could not face the competition from the mechanised weaving of western world.
- The famous Muslin, Chintz, Calico were famous all across the world.
- The textile mill in Mumbai was the first successful mill established in 1854.
- Ahmadabad comes second in terms of textile production after Mumbai and it is also known as 'Manchester of India'.
- Osaka is known as 'Manchester of Japan'.

Information Technology (IT):

- Information technology industry deals in the storage, processing and distribution of information.
- The main factors guiding the location of these industries are resource availability, cost and infrastructure.
- The major hubs of the IT industry are the Silicon Valley, California and Bengaluru in India.
- Bengaluru is known as 'Silicon Plateau'.
- IT hubs in metropolitan centres of India are Mumbai, New Delhi, Hyderabad and Chennai.
- IT sector provides jobs to maximum population in service sector.
- Indian IT engineers and technology is considered to be best among the world.