# For XAT, CMAT, SNAP, MAT, IIFT Exam

## MANUFACTURING INDUSTRIES

- Production of goods in large quantities after processing from raw materials to more valuable products is called manufacturing.
- People employed in the secondary activities manufacture the primary materials into finished goods. The workers employed in steel factories, car, breweries, textile industries, bakeries etc. fall into this category

## **TYPES OF INDUSTRIES**

Industries are classified in a number of ways.

- On the basis of size, capital investment and labour force employed, industries are classified as large, medium, small scale, and cottage industries.
- On the basis of ownership, industries are categorised as : (i) public sector, (ii) private sector, and (iii) joint and cooperative sector, Public sector enterprises are government/state controlled companies or corporations funded by governments. Industries of strategic and national importance are usually in the public sector.
- Industries are also classified on the basis of the use of their products such as : (i) basic goods industries, (ii) capital goods industries (iii) intermediate goods industries, and (iv) consumer goods industries.
- Another method of classifying industries is on the basis of raw materials used by them. Accordingly, these can be: (i) agriculture based industries, (ii) forest-based industries, (iii) mineral-based industries, and (iv) industrially processed raw material based industries.
- Another common classification of industries is based on the nature of the manufactured products. Eight classes of industries, thus identified are: (1) Metallurgical Industries, (2) Mechanical Engineering Industries, (3) Chemical and Allied Industries, (4) Textile Industries, (5) Food Processing Industries, (6) Electricity Generation, (7) Electronics and (8) Communication Industries.

# AGRO BASED INDUSTRIES

• These industries draw their raw materials from agricultural sector.

# COTTON TEXTILE INDUSTRY

- Cotton textile industry is the largest organized modern industry of India. About 16% of the industrial capital, 14% of industrial production and over 20% of the industrial labour of the country are engaged in this industry.
- The textile industry is the only industry in India which is self-reliant and complete in value chain i.e. from the raw material to the highest value-added products.
- It is one of the largest sources of employment generation in the country.
- The first successful textile mill was established in Mumbai in 1854.
- After the first mills were set up in Mumbai and Ahmedabad in the second half of the nineteenth century, the cotton textile industry expanded very rapidly. The number of units increased dramatically. The Swadeshi movement gave a major impetus to the industry as there was a call for boycotting all British made goods in favour of Indian goods. After 1921, with the development of the railway network other cotton textile centres expanded rapidly.
- Tamil Nadu has the largest number of mills and most of them produce yarn rather than cloth. Coimbatore has emerged as the most important centre with nearly half the mills located there.
- Production of cotton cloth increased almost five times since independence. Cotton textile has been facing tough competition from synthetic cloth.
- India has the second largest installed capacity of spindles in the world, with 43.13 million spindles (2011-12) after China. Since the mid-eighties, the spinning sector has received a lot of attention.

## JUTE TEXTILES

- India is the largest producer of jute goods contributing 35% of the world's total output
- India is the largest producer of raw jute and jute goods and stands at second place as an exporter after Bangladesh. Most of the mills are located in West Bengal, mainly along the banks of the Hugli River, in a narrow belt.
- The first jute mill was set up near Kolkata in 1855 at Rishra. After Partition in 1947, the jute mills remained in India but three-fourth of the jute producing area went to Bangladesh.

## SILK INDUSTRY

- CSTRI was established in the year 1983 by the Central Silk Board, Ministry of Textiles, Govt. of India having head quarter at Bangalore
- India is the second largest producer of raw silk next only to China
- Karnataka is the largest producer of silk in India. Other major producers of silk are West Bengal, Jammu Kashmir, Bihar, Jharkhand, Chhattisgarh, Uttar Pradesh, Punjab, Assam and Tamil Nadu

#### SUGAR INDUSTRY

- The sugar industry is the second most important agro-based industry in the country. India is the largest producer of both sugarcane and cane sugar and contributes about 8 per cent of the total sugar production in the world.
- India is the world's second largest producer of sugar cane after Brazil
- Uttar Pradesh is the largest producer of sugar in India
- The raw material used in this industry is bulky, and in haulage its sucrose content reduces. The mills are located in Uttar Pradesh, Bihar, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Gujarat, Punjab, Haryana and Madhya Pradesh. Sixty per cent mills are in Uttar Pradesh and Bihar. This industry is seasonal in nature so, it is ideally suited to the cooperative sector.

## FOREST BASED INDUSTRIES

• Forest provides us with different types of material which are used as raw material for certain industries like paper, lac, sports goods, plywood etc.

## PAPER INDUSTRY

- The first paper mill of India was started in 1812 at Serampore in West Bengal.
- West Bengal is the largest producer of paper in the country followed by Madhya Pradesh, Odisha and Tamil Nadu states.

## **IRON AND STEEL INDUSTRIES**

- The iron and steel industry is the basic industry since all the other industries heavy, medium and light, depend on it for their machinery. Steel is needed to manufacture a variety of engineering goods, construction material, defence, medical, telephonic, scientific equipment and a variety of consumer goods.
- Chhotanagpur plateau region has the maximum concentration of iron and steel industries
- Iron ore, coking coal and lime stone are required in the ratio of approximately 4 : 2 : 1. Some quantities of manganese, are also required to harden the steel.
- After independence, during the Second Five Year Plan (1956-61), three new integrated steel plants were set up with foreign collaboration: Rourkela in Odisha, Bhilai in Chhattisgarh and Durgapur in West Bengal.
- In 1973, the Steel Authority of India Limited (SAIL) was created to manage these plants.

#### **Rourkela Steel Plant**

• The Rourkela Steel plant was set up in 1959 in the Sundargarh district of Odisha in collaboration with Germany.

#### **Bhilai Steel Plant**

• The Bhilai Steel Plant was established with Russian collaboration in Durg district of Chhattisgarh and started production in 1959.

#### **Durgapur Steel Plant**

• Durgapur Steel Plant in West Bengal was set up in collaboration with the government of the United Kingdom and started production in 1962.

#### **Bokaro Steel Plant**

- This steel plant was set up in 1964 at Bokaro with Russian collaboration. This plant was set up on the principle of transportation cost minimisation by creating Bokaro-Rourkela combine.
- Water and hydel power is supplied by the Damodar Valley Corporation.

#### PETROCHEMICAL INDUSTRIES

- This group of industries is divided into four sub-groups: (i) polymers, (ii) synthetic fibres, (iii) elastomers, and (iv) surfactant intermediate
- Mumbai is the hub of the petrochemical industries
- The National Organic Chemicals Industries Limited (NOCIL), established in private sector in 1961, started the first naphtha based chemical industry in Mumbai. Later, several other companies were formed. The plants located at Mumbai, Barauni, Mettur, Pimpri and Rishra are the major producers of plastic materials.
- About 75 per cent of these units are in small scale sector. The industry also uses recycled plastics, which constitutes about 30 per cent of the total production.