



# Industries

Industry refers to an economic activity that is concerned with production of goods and processing of minerals.

- Industries are classified on the basis of the raw materials used, their size and ownership.

1. **Raw Materials** They are the basic material used in any industry. They include agro-based (agriculture products), mineral-based (outputs of mines), marine-based (products from the oceans) and forest-based (produce of forests).

2. **Size** It refers to the amount of capital invested, number of people employed and the volume of production. They are further sub-divided into small scale and large scale industries.

(i) **Small Scale Industries** They manufacture products by hand and include cottage, village or household industries. These industries use lesser amount of capital and technology. e.g. basket-weaving, pottery and other handicraft industries. In India, small scale industry gives employment to around 35% population.

(ii) **Large Scale Industries** They produce a large volume of products. The investment of capital is higher and

technology is superior. e.g. production of automobiles and heavy machinery.

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

(i) **Private Sector Industries** are owned and operated by individuals or a group of individuals.

(ii) **Public Sector** are owned and operated by the government. e.g. Hindustan Aeronautics Limited and Steel Authority of India Limited.

(iii) **Joint Sector Industries** are owned and operated by the state and individuals or a group of individuals. An example is Maruti Suzuki India Ltd., earlier known as 'Maruti Udyog Limited'.

(iv) **Cooperative Sector Industries** These industries are owned and operated by the producers or suppliers of raw materials, workers or both. e.g. Anand Milk Union Limited (AMUL) and Sudha Dairy.

## Factors Affecting Location of Industries

There are some factors which affect location of industries and they are availability of raw material, land, water, labour, power, capital, transport, market and government subsidies.

## Industrial Regions

- Industrial regions emerge when a number of industries are located 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 and Eastern Asia.
- In India, the industrial regions are Mumbai-Pune cluster, Bangalore-Tamil Nadu region, Hooghly region, Ahmedabad-Baroda region, etc.

## Major Industries

The iron and steel industry, the textile industry and the information technology industry are world's major industries

### 1. Iron and Steel Industry

- It is mineral-based industry and comprises various inputs, processes and outputs.
- Inputs in this industry include raw materials such as iron ore, coal and limestone, labour, capital and other infrastructure.
- In processing iron ore is converted into steel by undergoing different stages like smelting, refining, rolling etc. Output obtained is steel of various grades and in various forms like sheets, rolls, bars etc.
- Iron and Steel is called 'the backbone of modern industries,' as it is a feeder industry whose products are used as raw materials for a wide variety of industries.
- In India, iron and steel industry has developed taking advantages of abundant availability of raw materials, cheap labour, transport and market.
- Major steel producing centres in India are Bhilai, Durgapur, Burnpur, Jamshedpur, Rourkela, Bokaro spread over the states West Bengal, Jharkhand, Odisha and Chhattisgarh.
- TISCO was the first major steel producing company established in India established in 1907 at Jamshedpur.

### 2. Cotton Textile 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.
- Ahmedabad 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'.

### 3. Information Technology (IT)

- Information technology industry deals in the storage, processing and distribution of information. In IT terms information is termed as 'data'.
- The main factors guiding the location of these industries are resource availability, low cost and adequate infrastructure.
- The major hubs of the IT Industry are the Silicon Valley, California in the USA and Bengaluru, Hyderabad and Delhi/NCR in India. Bengaluru is also known as the 'Silicon Plateau'.

Mineral	Leading Producer
Gold	China
Bauxite	Australia
Copper	Chile
Platinum	South Africa
Chromium	South Africa
Vanadium	China
Antimony	China
Tungsten	China
Phosphate	Morocco
Manganese	China
Diamond	Russia
Iron ore	China
Petroleum	USA

