



## THE ROLE OF INDUSTRIES IN THE DEVELOPMENT OF THE NATION

**Smt Gayatri Sunkad**

Lecturer, The Department of political science,  
Shri Kalidas Degree College, Badami, Dist-Bagalkot,  
Karnataka, India.  
Cell-7019505732.

E-mail- [gayatri.sunkad@gmail.com](mailto:gayatri.sunkad@gmail.com)

Life time member- Social Science and Humanities Research Association.

Member- Research Gate

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<p><b>Received:</b> March 22<sup>th</sup> 2021 <b>Accepted:</b> April 3<sup>th</sup> 2021 <b>Published:</b> April 22<sup>th</sup> 2021</p>	<p>Industries are very important in the modern economic activities of man. The economic development of any country is decided mainly by the industrial development of that country. Industries are the main features of modern civilization and they provide us the necessary materials and employment opportunities. The forests are considered as one of the natural resources which support the primary sector including agriculture and service sector. Even some industries which depend on agriculture for their raw materials are considered as agro-based industries. The industries comes under secondary manufacturing sector are the main feeder of employment opportunities to the large number of people. In the modernization period, the role of industries is an integral part of our life. We can say that without the industries we cannot assume our life. So much the industries are the inevitable part of our life.</p>

**Keywords:** Industries, production, import, export, goods and services, national income, agriculture, employment etc.

### INTRODUCTION

Generally any human activity which is engaged in the conversions of raw materials into readily usable materials is called an industry.

Ex- Sugarcane into sugar, Cotton to cloth, Bauxite into Aluminum, Conversion of wood pulp into paper etc.

During all the five –year plans after independence, India has given priority to industries. The progress in industry and technology in the last five decades has been very significant. Industries provide 35% of the total national income besides providing employment to 16% of the population. Industries are second only to agriculture in providing national income and employment opportunities.

### METHODOLOGY;- NEW METHODOLOGY FOR SUSTAINABLE INDUSTRIAL DEVELOPMENT IN ASEAN NATIONS.

The United Nations Industrial Development Organizations (UNIDO) is the agency off the United Nations that promotes industrial development for poverty reduction, inclusive globalization and environmental sustainability. As part of UNIDO's work the centre was asked to help build a tool for policy makers in developing countries that would help them to select which specific industrial sectors to locate there, but to analyze this in such a way that industrial development also maximized environmental and social development. The main objective of this project is to provide policy recommendations to the Association of Southeast Asian Nations (ASEAN) governing body as part of their Green Growth plan to facilitate the pursuit of a long-term sustainable development path.

**The challenge;-** Many economies are undertaking the challenge to grow their industrial sectors and there by improve the quality of life of the people, while still taking into account long term societal and environmental needs. Which sectors have the potential to increase the national economy without causing environmental and societal issues? The answer to this question requires a consideration of local strengths and constraints, a countries competitive position globally and the performance characteristics of the sectors under consideration, To, date, approaches have focused on the economic dimensions of industrial development. New methods are needed to access industrial development options more comprehensively.

**Approach and process;**-Building an existing UNIDO approach, methodologies were developed to independently conduct analysis of the economic, environmental, and social aspects of an industrial subsector. A method to combine the two analyses was devised in order to derive appropriate policy recommendations for green growth. The technique aimed to identify not only the negative constraints on economic growth, but also areas of national or sectoral strength where natural capacity or resources could be safely exploited.

**Outcomes;**- The method was applied in the context of ASEAN region countries. The scarcity of data regarding economic, environmental and societal impacts necessitated a largely qualitative approach to the analysis. Reports into chemical and metal industries in the ASEAN region were developed with UNIDO and are publicly available.

**Factors influencing location of industries;**- Industries are concentrated mainly in the areas of availability of raw materials, energy resources, market, transport facility, availability of labor, port facility, land availability at low cost, technology and government policies. In addition, factors influencing the location of industries vary from one industry to another.

**Classification of industries;**-Based on the size, the industries are classified into three types;-

- Large scale industries.
- Medium scale industries.
- Small-scale industries.
- Based on the raw materials, industries are classified into different kinds;
- Agriculture-based industries.
- Mineral based industries.
- Forest based industries.
- Chemical industries.

**Large Scale industries;-**

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**Brief note on large scale industries,  
Article shared by R.K.Tripathy.**

In India, industries with a fixed asset of more than one hundred million rupees are called large scale industries. These could be manufacturing units or others which use both indigenous and imported technologies. They cater to both the local and foreign markets. Examples of large scale industries are as follows;

Fertilizer, cement, natural gas, coal, metal extraction, mining, petrochemical, food processing units, tourism etc.



**The important large scale industries in India;**-The important large scale industries in India are Iron and Steel Industry, Cotton textile industry, Sugar industry, Aluminum Industry, Paper industry, Knowledge-based industry, Information Technology(IT), Bio-technology(BT) etc.

**Iron and Steel Industry;**-This is called as basic industry, because of this industry provides the raw materials to machinery, railways, ship building, power projects, irrigation projects, building construction, house construction etc.

**Distribution;**-There are nine big iron and steel plants in India. The first steel plant of the country was established in the year 1870 at Kulti in West Bengal known as Bengal Iron Company Ltd. Subsequently in the year 1907 Tata Iron and Steel Industry near Jamshedpur and in 1919 the Iron and Steel Company at Burnpur in West Bengal were established. In 1923, Mysuru Iron and Steel Works at Bhadravathi was established in the former while Mysuru state.

The major iron and steel industries in India are;

1. Tata Iron and Steel Plant-TISCO- at Jamshedpur of Jharkhand.
2. Indian Iron and Steel Company---IISCO- Berhampur, West Bengal .
3. Visweswaraya Iron and Steel Company---VISCO—at Bhadravathi, Karnataka.
4. Iron and Steel Company at Rourkela, Orissa.
5. Iron and Steel Company at Durgapur, West Bengal.
6. Iron and Steel Company at Bokaro, Jharkhand.
7. Iron and Steel Company at Salem, Tamil Naidu,
8. Iron and Steel Company at Vishakhapatnam, Andhra Pradesh.

**Cotton Textile Industry;-** Production of cloth from various types of fibres is called 'Textile industry.' It includes cotton textile industry, jute industry, silk industry, woolen industry and production of cloth from synthetic fibers.

In India the first cotton textile mills established in 1854 at Mumbai and Bharauch. By the year, 1951, there were 378 cotton textile mills and their number increased to 1773 in the year 2008. They are distributed in 175 towns and cities across the country.

**Sugar Industry;-** India ranks second after Brazil in the production of sugar. Sugar production was known to Indians since ancient times. Maximum number of sugar mills is located in the Ganga river plain region. Sugar is being exported to the U.S.A, Britain, Iran Canada and Malaysia.

**Aluminum Industry-** Aluminum was discovered recently in the year 1886. It is the most non-ferrous metal produced in India. Aluminum industries are concentrated in a few places in the country. This industry depends mainly on three factors: supply of electricity, availability of bauxite, availability of other metals and supply of capital.

**Paper Industry;-** The first paper industry in India was established in Serampur of West Bengal in 1840 on the banks of the river Hoogly. Later in 1867, another factory was started in Bally near Kolkata. The raw materials for the paper industry are bamboo obtained from the forests, wood pulp and grass.

### Medium scale industries

What is a Medium Scale Industry ?

By David Weedmark, updated December 19, 2018.

A medium scale business is often the awkward middle child of its industry ---- too large to get the discounts and services afforded to small businesses and too small have the weight and prestige granted to large enterprises. When it comes to doing business with the U.S. government, there are several parameters you need to look at before classifying the size of the company. When dealing with the private sector, such as when you are selecting software licensing packages or buying consulting services, [the process is far less exacting.](#)

### Advantages of small scale industries

By Alberto Dominguez 1 Oct 9, 2017,

**They are closer to their customers;-** It is one of the most obvious advantages. Medium scale industries will deal more directly with their customers, which will enable them to meet their needs more accurately and to offer a more individualized service, and even establish some bond with their users. Once, you know the business, the client's link with the SME will often be simpler than with a large company.

**They are more flexible;-** Because of their size, and simpler structure, they will have a greater capacity to adopt to change. In addition, it will help them to be closer to their customers, which will allow them to know the variations in the market before anyone else. For example, they will have greater capability to reduce their supply in times when there is no usual demand.

**They are able to better detect and take advantage of small market niches;-**As long as your eyes are wide open, an SME will have a greater capability to detect and satisfy very specific needs of its customers than a large company may or may not detect or, will not have an interest in covering, by being a bit too small for it.

**They can make decisions faster;-**In SMEs, decision making will normally fall on a person, or a small group. This will make them much more agile by making resolutions than large companies where decisions often require complex decision-making mechanisms involving a lot of people and teams.

**It is easier to link the staff to the company;-**Greater proximity to management and a more global vision of the business will make it easier to emotionally connect the worker with the company's objectives. This will often increase your motivation, and therefore your productivity.

**Everyone knows each other;-** Within a small medium sized company is easier to form bonds and know the qualities of others. This can be used to increase performances and improve teamwork. In addition, in certain situations such as problem solving, it will be much easier to share the tasks among the people who are more knowledgeable or better qualified to solve them.

**Communication will be easier;-** By being closer, it will be easier for the different members of the company to communicate each other. This will be able new ideas to flow and problems to be solved as a team.

**Disadvantages;-They have more difficulties to find funding;-** Normally, the medium scale industries do not have the financial power that large companies have. For this reason, they will usually need external financing, which will also be more limited and in worse conditions, without the ability to access financial instruments available to large corporations, such as listing on stock markets, capital increases etc.

**It may be difficult to reach a large number of customers and earn their trust;** The task of reaching its customers can be very hard for an SME. The financial of large companies allows them to make themselves known through mass media by advertising but for small and medium companies reaching, a significant number of customers can be a task that requires years of effort.

**The costs are higher;-** SMEs will have enormous impediments to benefit from the economy off the scale, which will cause costs to be higher in certain types off business, as well as creating difficulties to adjust the prices offered to users.

**It is not easy to endure prolonged periods of crisis.;**-Despite being more flexible in dealing, with changes, the lack of financial capability can cause maker problems for an SME if it is forced to endure long periods of crisis. For this reason, during, economic depressions , small and medium sized enterprises often face enormous difficulties to survive, which causes the closing of many of them.

**Low bargaining power with suppliers and customers;-** Being a large company, and therefore generating huge amounts of business, provides a position of power when negotiating with suppliers and customers. For an SME, it is much more difficult to achieve beneficial conditions and is often forced to give in more than they would like.

**They will have more difficult in accessing technology;-**Unfortunately, and again for financial reasons, an SME will have more difficulties to adopt technological changes, which could lead to obsolescence. However there are very technological solutions that SMEs can access.

### CONCLUSION

The industries are the backbone of the nation and supports our economic system and development of the nation. They support not only agriculture sector, and also the service sector also.

In the world the nations which adopt the industrialization as the development strategy they are supposed to be as the rich nation also.

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