

Class 12

Geography

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- 1) Manufacturing:
 - Manufacturing is a secondary process of transforming raw materials into finished products.
 - The raw materials of Agriculture, forests, minerals are changed into new products.
 - For example clay is changed into pottery. Timber is changed into furniture.
 - These manufactured goods are more useful and valuable than the raw materials.
 - The location of manufacturing industries depends on a number of physical and socio-economic factors.
 - These factors are called the basis of industries.

- 2) Large scale Industries: Large scale industries are referred to as those industries that are having huge infrastructure, raw material, high manpower requirements and large capital requirements. Those organisations having a fixed asset of more than 10 crore rupees are considered to be large scale industries. The growth of the economy is very much dependent on these industries.

- 3) large scale Industries in India :
 - Iron and Steel Industry
 - Automobile Industry.
 - Textile Industry
 - Telecommunication Industry
 - Information Technology Industry
 - Petroleum and Natural Gas Industry
 - Silk Industry
 - Fertiliser Industry
 - Jute Industry
 - Paper Industry
 - Cement Industry

- 4) Advantages of Large Scale Industries :- The following are the main advantages of a large-scale industry.
 - Economical Production using Machinery- The large-scale industry usually installs the latest machinery, which helps in economical bulk production. The machinery works continuously, and enterprises reap the benefits.

- The Economy of Labour- Skilled labour put their best to perform. The large-scale industry utilizes the best out of its employees.
- Bulk Buying and Selling- The large-scale industry not just involves massive production but also includes the bulk purchase of its raw materials. Thus small profit results in high net profit in large-scale businesses.
- Low Overhead Charges- Expenses on administration and distribution on a single unit of production is comparatively less. It is possible because a small amount is invested and distributed over large scale production.
- Economical Rent- The whole rent is divided by bulk products. It means when any product is generated in bulk quantity, the cost per unit for rent is too small.
- Research and Analysis- Large scale industries can only incur the liberal expenses spent on research and analysis. It is known that successful research and analysis will fetch greater profits in the future.
- Reuse of the Bye-products- The bye-products or the wastes of the large-scale industry is often utilized and is not thrown. It helps to lower the cost of production. A small sugar industry will get rid of the molasses produced as a by-product.
- Beneficial for Employees- All workers are highly benefited by the large scale industries as they get high salaries, accommodation and various other remunerations.

5) Disadvantages of Large scale Industries:

- Less Supervision: A large-scale producer cannot pay full attention to every detail. Costs often rise on account of the dishonesty of employees or waste of material by them. This is due to the lack of supervision. Owing to laxity of control, costs of production will go up.
- Individual Tastes Ignored:
Large-scale production is a mass production or standardised production. Goods of uniform quality are turned out irrespective of the requirements of individual customers. Individual tastes are not, therefore, satisfied. This results in a loss of customers.
- Absence of Personal Element: A large scale business is generally managed by paid employees. The owner is usually absent. The sympathy and personal touch, which ought to exist between the master and the men, are missing, Frequent misunderstandings lead to strikes and lockouts. This is positively harmful to the business.
- Possibility of Depression: Large-scale production may result in over-production. Production may exceed demand and cause depression and unemployment. It is not always easy or profitable to dispose of a large output.
- Dependence on Foreign Markets:
A large-scale producer has generally to depend on foreign markets. The foreign markets may be cut off by war or some other upheaval. This makes the business risky.
- Cut-throat Competition:
Large-scale producers must fight for markets. There is wasteful competition which does no good to society or to businessmen. Many promising businesses are ruined.

- International Complications and War: When the large-scale producers operate on an international scale, their interests clash either on the score of markets or of materials. These complications sometimes lead to armed conflicts. Many modern wars arose on account of scramble for materials and markets.
- Less Adaptability: A large-scale producing unit finds it very difficult to switch on from one type of production to another. In a depression, small-scale firms move away from declining trades to flourishing ones easily. In this way they are able to avoid losses. This adaptability is lacking in a big business.