

MARCH -2023 – ANSWER KEY

XI STANDARD – ECONOMICS – ENGLISH MEDIUM

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PRINCIPAL

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Time Allowed : 3 Hours

Maximum Marks : 90

I. Choose the most suitable from the given four alternatives and write the option code and the corresponding answer

20 x 1 = 20

A			B		
1	D	Inductive Method	1	D	Giovanni Cava
2	B	Chennai	2	A	Dualism
3	B	Statutory Body	3	A	Marginal
4	D	Wages	4	A	Thoothukudi
5	D	Positive	5	D	Wages
6	B	Year of Small Divide	6	B	Statutory Body
7	C	50	7	B	M.S. Swaminathan
8	D	F.B. Hawley	8	B	Year of Small Divide
9	B	M.S. Swaminathan	9	D	F.B. Hawley
10	B	MC = MR	10	C	Rs.400
11	A	Marginal	11	C	Sir Malcolm Darling
12	D	Giovanni Cava	12	B	Chennai
13	D	All the Above	13	D	Positive
14	C	Rs.400	14	D	Co-existence of Public and Private Sectors
15	D	Adam Smith	15	C	50
16	C	Sir Malcolm Darling	16	D	Adam Smith
17	D	Co-existence of Public and Private Sectors	17	B	Constant Returns to scale
18	B	Constant Returns to scale	18	D	All the Above
19	A	Dualism	19	D	Inductive Method
20	A	Thoothukudi	20	B	MC = MR

II. Answer any seven questions. Question No.30 is compulsory.

7 x 2 = 14

21. Giffen Goods - Meaning:

- The Giffen good or inferior good is an exception to the law of demand.
- When the price of an inferior good falls, the poor will buy less and vice versa.

22. The following are the reasons for upward sloping of supply curve,

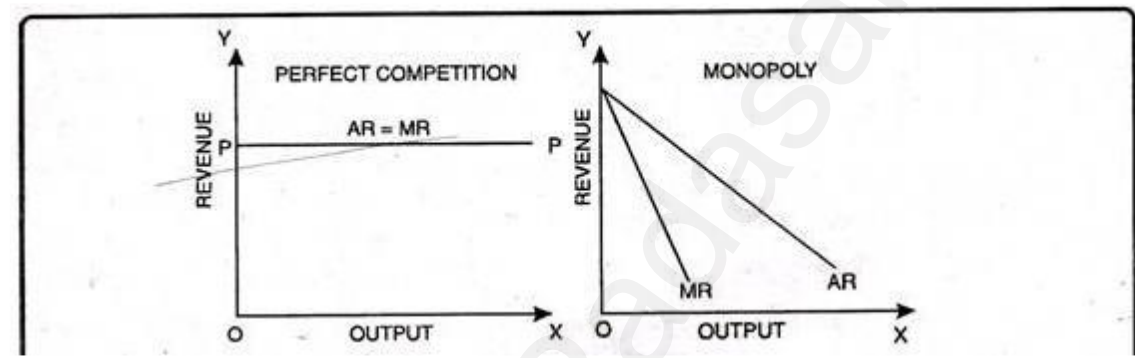
- ♣ As the price of the commodity increases, the quantum supplied of the commodity also increases.
- ♣ Thus the supply curve has a **positive slope (upward slop)** from left to right.

23. Sunk Cost - Meaning:

- A cost incurred in the past and cannot be recovered in future is called as. **Sunk Cost**

24. a) Perfect Competition

b) Monopoly



25. Features of a Developed Economy:

- 1) High National Income
- 2) High Per Capita Income

26. Different types of land tenure existed in India before Independence:

- Zamindari system,
- Mahalwari system
- Ryotwari system.

27. Components of central government schemes under post harvest Measures:

- Mega Food Parks
- Scheme for Quality Assurance

28. The nuclear power plants in Tamil Nadu:

- The Kalpakkam Nuclear Power Plant
- The Koodankulam Nuclear Power Plant

29. Main Features of MS Word:

- ▲ Document can be created, copied, edited and formatted.
- ▲ Words and sentences can be inserted, changed or deleted.
- ▲ Formatting can be applied.
- ▲ Margins and page size can be adjusted.

30. National Rural Health Mission

- ▲ The National Rural Health Mission (NRHM) was launched on 12th April 2005, to provide accessible, affordable and quality health care to the rural population, especially the vulnerable groups.
- ▲ NRHM seeks to provide equitable, affordable and quality health care to the rural population, especially the vulnerable groups.

PART - III

III. Answer any seven questions. Question No.40 is compulsory.

7 x 3 = 21

31. Scarcity Definition of Economics and Assess:

Definition:

“Economics is a science which studies human behaviour as a relationship between ends and scarce means which have alternative uses”.

Major Features.

- a. Ends refer to human wants.
- b. Resources or means that got to satisfy the unlimited human wants.

Criticism:

- 1) Robbins does not make any distinction between goods conducive to human welfare and goods that are not.
- 2) Robbins reduces Economics merely to theory of resource allocation.

32. Differences between Extension and Contraction of Demand:

- 1) The changes in the quantity demanded for a commodity due to the change in its price alone are called “Extension and Contraction of Demand”.
- 2) In other words, buying more at a lower price and less at a higher price is known as “Extension and Contraction of Demand”.

33. Factors governing Elasticity of Supply:

- ★ Nature of the commodity
- ★ Cost of production
- ★ Technical condition
- ★ Time factor

34. Opportunity cost and an example.

- 1) It refers to the **cost of next best alternative use.**
- 2) In other words, it is the **value of the next best alternative foregone.**
- 3) For example, **a farmer can cultivate both paddy and sugarcane in a farm land.**
- 4) If he cultivates paddy, the opportunity cost of paddy output is the amount of sugarcane output given up.
- 5) Opportunity Cost is also called as ‘**Alternative Cost**’ or ‘**Transfer Cost**’.

35. Difference Between Firm and Industry:

<i>FIRM</i>	<i>INDUSTRY</i>
<ol style="list-style-type: none"> 1) A firm refers to a single production unit in an industry, producing a large or a small quantum of a commodity or service, and selling it at a price in the market. 2) Its main objective is to earn a profit. 3) There may be other objectives as described by managerial and behavioral theories of the firm. 	<ol style="list-style-type: none"> 1) An industry refers to a group of firms producing the same product or service in an economy. 2) For example, a group of firms producing cement is called a cement industry.

36. Motives of Demand for Money:

1. The Transaction Motive

- 1) The transaction motive relates to the desire of the people to hold cash for the current transactions (or day-to-day expenses).
- 2) The amount saved for this motive depends on the rate of interest $M_t = f(y)$

2. The Precautionary Motive

- 1) The precautionary motive relates to the desire of the people to hold cash to meet unexpected or unforeseen expenditures such as sickness, accidents, fire and theft.
- 2) The amount saved for this motive depends on the rate of interest $M_p = f(y)$

3. The Speculative Motive

- 1) The speculative motive relates to the desire of the people to hold cash in order to take advantage of market movements regarding the future changes in the price of bonds and securities in the capital market.
- 2) The amount saved for this motive depends on the rate of interest. $M_s = f(i)$.

37. Short note on Village Sarvodaya:

- ♣ According to Gandhi, —Real India was to be found in villages and not in towns or cities.
- ♣ So, he suggested the development of self-sufficient, self-dependent villages.

38. GST Meaning:

- ♣ Goods and Services Tax (GST) is defined as the tax levied when a consumer buys a good or service.
- ♣ It is proposed to be a comprehensive indirect tax levied on manufacture, sale and consumption of goods as well as services.

Advantages of GST

- ♣ Removing cascading tax effect
- ♣ Single point tax
- ♣ Higher threshold for registration
- ♣ Composition scheme for small business
- ♣ Online simpler procedure under GST
- ♣ Defined treatment for e-commerce
- ♣ Increased efficiency in logistics
- ♣ Regulating the unorganized sector

39. List out the objectives of MUDRA Bank. (Any 3)

- 1) Regulate the lender and the borrower of microfinance and bring stability to the microfinance system .
- 2) Extend finance and credit support to Microfinance Institutions (MFI) and agencies that lend money to small businesses, retailers, self-help groups and individuals.
- 3) Register all MFIs and introduce a system of performance rating and accreditation for the first time.
- 4) Offer a Credit Guarantee scheme for providing guarantees to loans being offered to micro businesses.
- 5) Introduce appropriate technologies to assist in the process of efficient lending, borrowing and monitoring of distributed capital.

40. DMP Model – Meaning:

- ★ Peter Diamond, Dale Mortensen and Christopher Pissarides shared 2010 Economics Nobel prize for jobs study.
- ★ Their model, called DMP model, helps us understand how regulation and economic policies affect unemployment, job vacancies and wages.

PART - IV

IV. Answer all the questions.

7 x 5 = 35

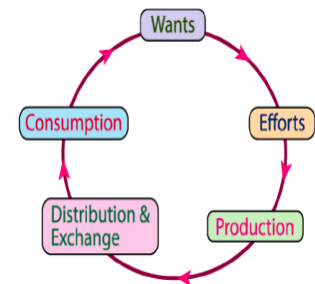
41.a. Nature and Scope of Economics:

I. Nature of Economics:

1. A Law expresses a causal relation between two or more than two phenomena.
2. Economic laws are not as precise and certain
3. Economic laws are not inviolable
4. The use of the assumption ‘other things remaining the same’
5. Economics makes the Economic laws hypothetical.

II. Scope of Economics:

1. All human activities related to wealth constitute the subject-matter of Economics.
2. Production, consumption and capital formation are called the basic economic activities of an economy.
3. The flow chart give the scope of economics.
4. Economics focuses on the behaviour and interactions among economic agents, individuals and groups belonging to an economic system.
5. Human activities not related to wealth (non-economic activities) are not treated in Economics. For example, playing cricket for pleasure, mother’s child care.



[OR]

41.b) Public Transport System in Tamil Nadu:

- Tamil Nadu has a well established transportation system that connects all parts of the State.
- This is partly responsible for the investment in the State.
- Tamil Nadu is served by an extensive road network in terms of its spread and quality, providing links between urban centres, agricultural market-places and rural habitations in the country side.

a. Road

- ✓ There are 28 national highways in the State, covering a total distance of 5,036 km.
- ✓ The State has a total road length of 167,000 km, of which 60,628 km are maintained by Highways Department.

b. Rail

- ✓ Tamil Nadu has a well-developed rail network as part of Southern Railway, Headquartered at Chennai.
- ✓ The present Southern Railway network extends over a large area of India's Southern.
- ✓ Tamil Nadu has a total railway track length of 6,693 km and there are 690 railway stations in the State.
- ✓ The system connects it with most major cities in India.

c. Air

- ✓ Tamil Nadu has four major international airports.
- ✓ Chennai International Airport is currently the third largest airport in India after Mumbai and Delhi. Other international airports in Tamil Nadu include
- ✓ Coimbatore International Airport, Madurai International Airport and Tiruchirapalli International Airport.

d. Ports

- ✓ Tamil Nadu has three major ports; one each at Chennai, Ennore, and Tuticorin, as well as one intermediate port in Nagapattinam, and 23 minor ports.
- ✓ The ports are currently capable of handling over 73 million metric tonnes of cargo annually (24 per cent share of India).

42.a) 'The features of Rural Economy are peculiar'- Discussion:

1. Village is an Institution:

- ★ The Village is a primary institution and it satisfies almost all the needs of the rural community.

2. Dependence on Agriculture:

- ★ The rural economy depends much on nature and agricultural activities.

3. Life of Rural People:

- ★ Lifestyles in villages are very simple.

4. Population Density:

- ★ Population density, measured by number of persons living per sq. km is very low and houses are scattered in the entire villages.

5. Employment:

- ★ There exists unemployment, seasonal unemployment and underemployment in rural areas.

6. Poverty:

- ★ Poverty is a condition where the basic needs of the people like food, clothing and shelter are not being met.

7. Indebtedness:

- ★ People in rural areas are highly indebted owing to poverty and under employment, lack of farm and non-farm employment opportunities.

8. Rural Income:

- ★ The income of the rural people is constrained as the rural economy is not sufficiently vibrant to provide them with jobs.

9. Dependency:

- ★ Rural households are largely dependent on social grants and remittances from family members working in urban areas and cities.

10. Dualism:

- ★ ➤ Dualism means the co existence of two extremely different features.

[OR]

42.b). Law of demand and its exceptions.

- The Law of Demand says as —the quantity demanded increases with a fall in price and diminishes with a rise in price. **-Marshall**

Assumptions of Law of Demand

- The income of the consumer remains constant.
- The taste, habit and preference of the consumer remain the same.
- The prices of other related goods should not change.
- There should be no substitutes for the commodity in study.
- The demand for the commodity must be continuous.
- There should not be any change in the quality of the commodity.

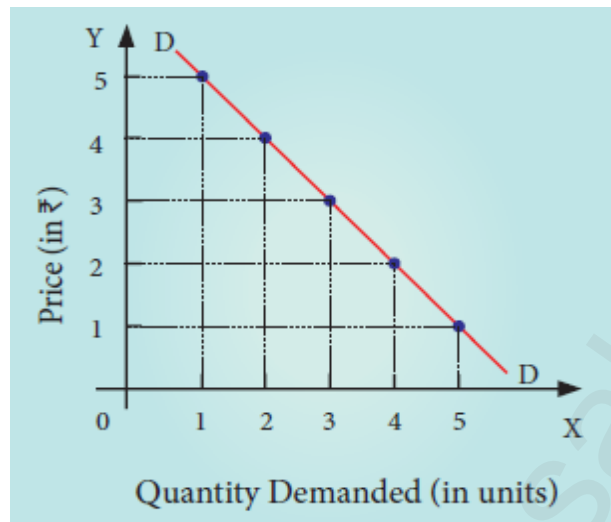
Demand Schedule

Price	Quantity Demanded
5	1
4	2
3	3
2	4
1	5

Explanation

- The law of demand explains the relationship between the price of a commodity and the quantity demanded of it.
- This law states that quantity demanded of a commodity expands with a fall in price and contracts with a rise in price.

Demand Curve



Explanation

- In the diagram, X axis represents the quantity demanded and Y axis represents the price of the commodity.
- DD is the demand curve, which has a negative slope i.e., slope downward from left to right which indicates that when price falls, the demand expands and when price rises, the demand contracts.

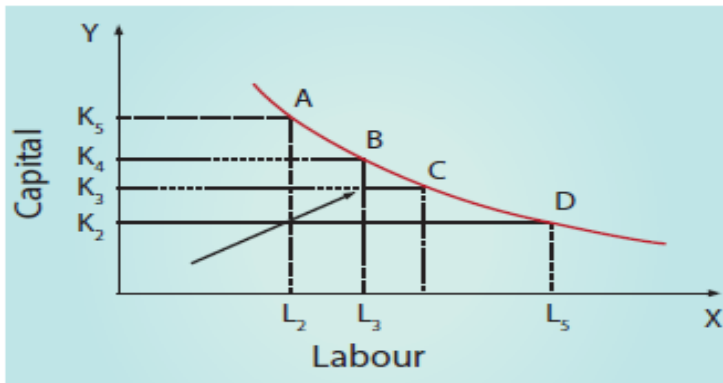
Exceptions to the law of demand

- Normally, the demand curve slopes downwards from left to right.
- But there are some unusual demand curves which do not obey the law and the reverse occurs.
- A fall in price brings about a contraction of demand and a rise in price results in an extension of demand. Therefore the demand curve slopes upwards from left to right.
- It is known as exceptional demand curve.

43.a) The properties of iso-quants with the help of diagrams:

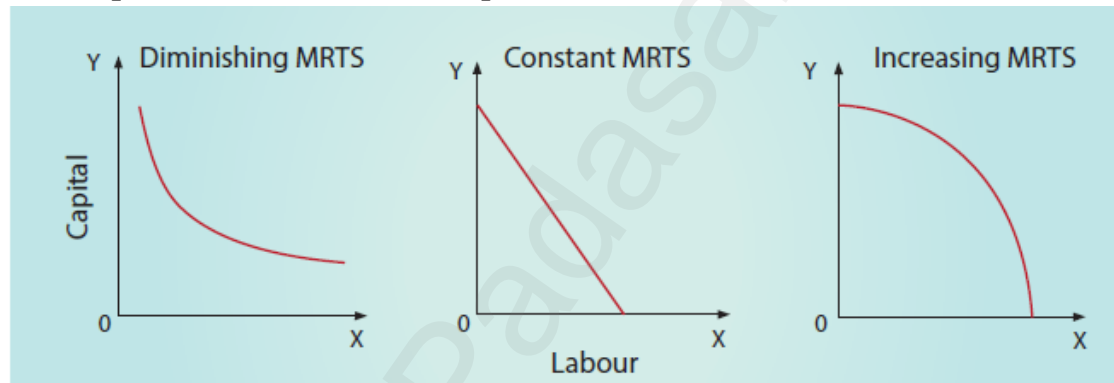
1. The iso-quant curve has negative slope.

- It slopes downwards from left to right indicating that the factors are substitutable.
- If more of one factor is used, less of the other factor is needed for producing the same level of output.
- In the diagram combination A refers to more of capital K5 and less of labour L2.
- As the producer moves to B, C, and D, more labour and less capital are used.



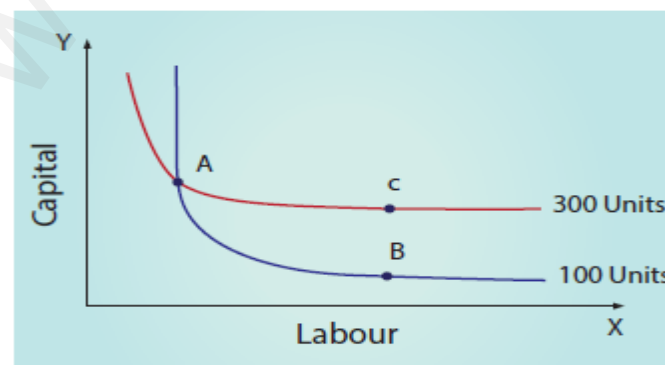
2. Convex to the origin.

- This explains the concept of diminishing Marginal Rate of Technical Substitution (MRTSLK).
- For example, the capital substituted by 1 unit of labour goes on decreasing when moved from top to bottom.
- If so, it is called diminishing MRTS. Constant MRTS (straight line) and increasing MRTS (concave) are also possible.
- It depends on the nature of iso-quant curve.



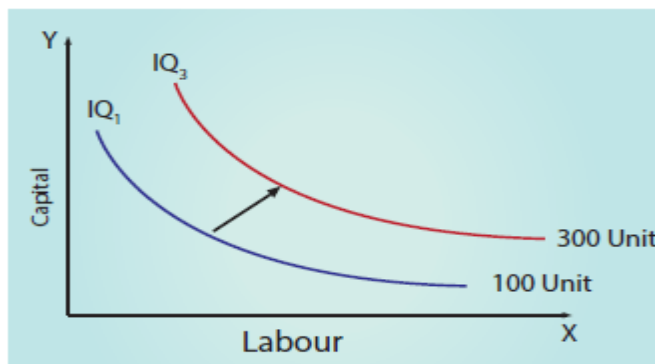
3. Non inter-section of Iso-quant curves.

- For instance, point A lie on the iso-quant IQ1 and IQ2. But the point C shows a higher output and the point B shows a lower level of output IQ1. If $C=A$, $B=A$, then $C=B$.
- But $C > B$ which is illogical.



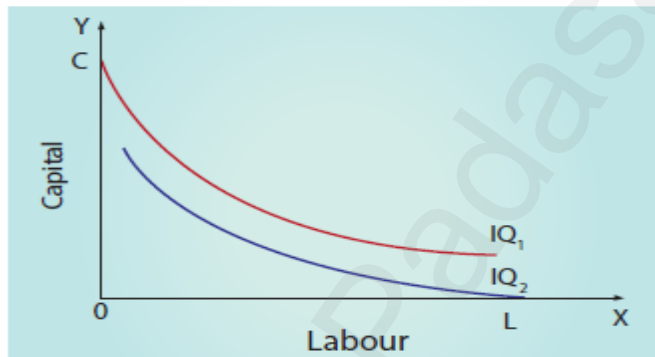
4. An upper iso-quant curve represents a higher level of output.

- Higher IQs show higher outputs and lower IQs show lower outputs, for upper iso-quant curve implies the use of more factors than the lower iso-quant curve.



5. Iso-quant curve does not touch either X axis or Y axis.

- No iso-quant curve touches the X axis or Y axis because in IQ₁, only capital is used, and in IQ₂ only labour is used.



[OR]

43.b) Objectives and characteristics of SEZs.

Objectives of SEZ:

- To enhance foreign investment, especially to attract foreign direct investment (FDI) and thereby increasing GDP.
- To increase shares in Global Export (International Business).
- To generate additional economic activity.
- To create employment opportunities.
- To develop infrastructure facilities.
- To exchange technology in the global market.

Main Characteristics of SEZ:

- Geographically demarked area with physical security
- Administrated by single body/ authority
- Streamlined procedures
- Having separate custom area
- Governed by more liberal economic laws.
- Greater freedom to the firms located in SEZs.

44.a) The performance of five year plan in India.

First Five Year Plan (1951-1956)

- ✓ It was based on the Harrod-Domar Model.
- ✓ Its main focus was on the agricultural development of the country.

Second Five Year Plan (1956-1961)

- ✓ It was based on the P.C. Mahalanobis Model.
- ✓ Its main focus was on the industrial development of the country.

Third Five Year Plan (1961-1966)

- ✓ This plan was called 'Gadgil Yojana' also.
- ✓ The main target of this plan was to make the economy independent and to reach self propelled position or take off.

Plan Holiday (1966-1969)

- ✓ The main reason behind the plan holiday was the Indo-Pakistan war & failure of third plan.
- ✓ During this plan, annual plans were made and equal priority was given to agriculture, its allied sectors and the industry sector.

Fourth Five Year Plan (1969-1974)

- ✓ There are two main objectives of this plan i.e. growth with stability and progressive achievement of self reliance.

Fifth Five Year Plan (1974-1979)

- ✓ In this plan top priority was given to agriculture, next came industry and mines.
- ✓ The draft of this plan was prepared and launched by D.P. Dhar.
- ✓ This plan was terminated in 1978.

Rolling Plan

- ✓ This plan was started with an annual plan for 1978-79 and as a continuation of the terminated fifth year plan.

Sixth Five Year Plan (1980-1985)

- ✓ The basic objective of this plan was poverty eradication and technological self reliance.
- ✓ Garibi-Hatao was the motto.
- ✓ It was based on investment yojana.

Seventh Five Year Plan (1985-1990)

- ✓ Objectives of this plan included the establishment of the self sufficient economy and opportunities for productive employment.
- ✓ For the first time, due to the pressure from private sector the private sector got the priority over public sector.
- ✓ Its growth target was 5.0% but it achieved 6.0%.

Annual Plans

- ✓ Eighth five year Plan could not take place due to volatile political situation at the centre. So two annual programmes are formed in 1990-91 & 1991-92.

Eighth Five Year Plan (1992-1997)

- ✓ In this plan the top priority was given to development of the human resources i.e. employment, education and public health.
- ✓ During this plan, New Economic Policy of India was introduced.
- ✓ This plan was successful and got annual growth rate of 6.8% against the target of 5.6%.

Ninth Five Year Plan (1997-2002)

- ✓ The main focus of this plan was growth with justice and equity.
- ✓ This plan failed to achieve the growth target of 7% and Indian economy grew only at the rate of 5.6%.

Tenth Five Year Plan (2002-2007)

- ✓ This plan aimed to double the per capita income of India in the next 10 years.
- ✓ It aimed to reduce the poverty ratio to 15% by 2012.

Eleventh Five Year Plan (2007-2012)

- ✓ Its main theme was faster and more inclusive growth.
- ✓ Its growth rate target was 8.1% but it achieved only 7.9%

Twelfth Five Year Plan (2012-2017)

- ♣ Its main theme is Faster, More Inclusive and Sustainable Growth

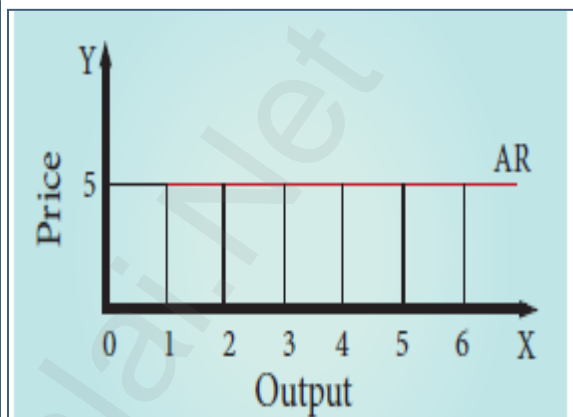
[OR]

44.b) The relationship between AR and MR curves under various price conditions.

Constant AR and MR (at Fixed Price)

- ❖ When price remains constant or fixed, the MR will be also constant and will coincide with AR.
- ❖ Under perfect competition as the price is uniform and fixed, AR is equal to MR and their shape will be a straight line horizontal to X axis.

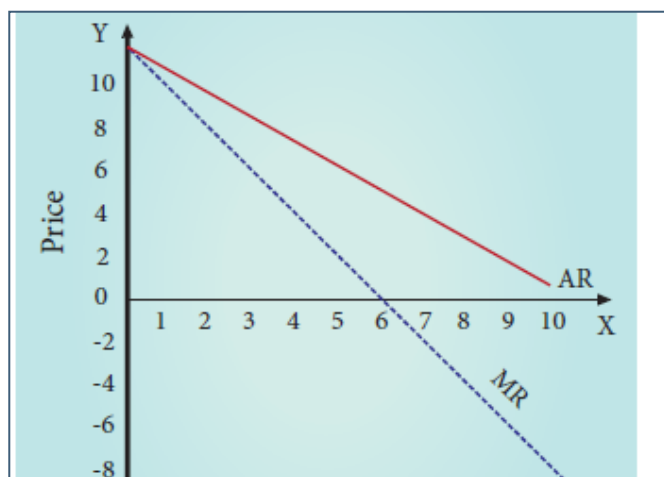
Quantity Sold (Q)	Price (P) ₹	Total Revenue (TR) ₹	Average Revenue (AR) ₹	Marginal Revenue (MR) ₹
1	5	5	5	5
2	5	10	5	5
3	5	15	5	5
4	5	20	5	5
5	5	25	5	5
6	5	30	5	5



Declining AR and MR (at Declining Price):

- ❖ When a firm sells large quantities at lower prices both AR and MR will fall but the fall in MR will be more steeper than the fall in the AR.
- ❖ It is to be noted that MR will be lower than AR.
- ❖ Both AR and MR will be sloping downwards straight from left to right.
- ❖ The MR curve divides the distance between AR Curve and Y axis into two equal parts.
- ❖ The decline in AR need not be a straight line or linear.
- ❖ If the prices are declining with the increase in quantity sold, the AR can be nonlinear, taking a shape of concave or convex to the origin.

Quantity Sold (Q)	Price (P)/ Average Revenue (AR) ₹	Total Revenue (TR) ₹	Marginal Revenue (MR) ₹
1	10	10	-
2	9	18	8
3	8	24	6
4	7	28	4
5	6	30	2
6	5	30	0
7	4	28	-2
8	3	24	-4
9	2	18	-6
10	1	10	-8



45.a) Features of perfect competition.

1. Large Number of Buyers and Sellers

- ▲ A large number of buyers' implies that each individual buyer buys a very, very small quantum of a product as compared to that found in the market.
- ▲ This means that he (he includes she also) has no power to fix the price of the product.
- ▲ He is only a price-taker and not a price-maker.

2. Absence Of Transport Cost

- ▲ The prevalence of the uniform price is also due to the absence of the transport cost.

3. Perfect Mobility of Factors of Production

- ▲ The prevalence of the uniform price is also due to the perfect mobility of the factors of production.

4. Perfect Knowledge of the Market

- ▲ All buyers and sellers have a thorough knowledge of the quality of the product, prevailing price etc.

5. No Government Intervention

- ▲ There is no government regulation on supply of raw materials, and in the determination of price etc.

[OR]

45.b) Detailed note on the Gandhian economic ideas.

1.Village Republics:

- To Gandhi, India lives in villages.
- He was interested in developing the villages as self-sufficient units.

2.Industrialism:

- Gandhi considered industrialism as a curse on mankind.
- He thought industrialism depended entirely on a country's capacity to exploit.

3.Decentralization:

- He advocated a decentralized economy, i.e., production at a large number of places on a small scale or production in the people's homes.

4. Village Sarvodaya:

- According to Gandhi, Real India was to be found in villages and not in towns or cities.

5.Bread Labour:

- Gandhi realized the dignity of human labour.
- He believed that God created man to eat his bread by the sweat of his brow.

46.a) Keynesian Theory of Interest:

- Keynes propounded the Liquidity Preference Theory of Interest in his famous book, —The General Theory of Employment, Interest and Money in 1936.

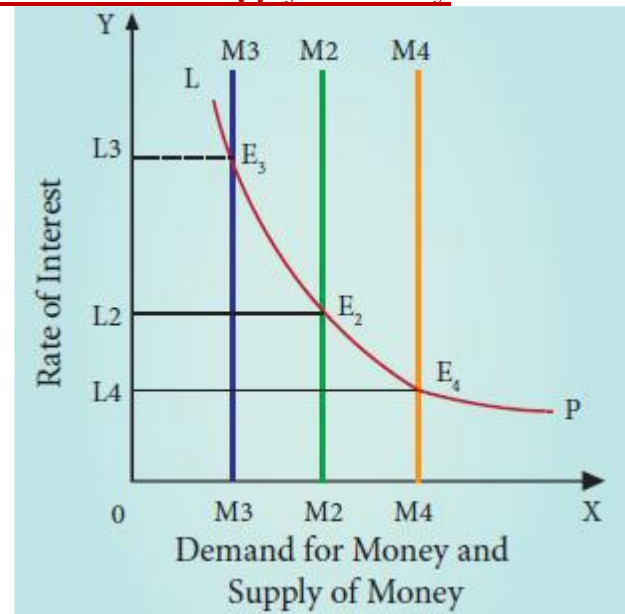
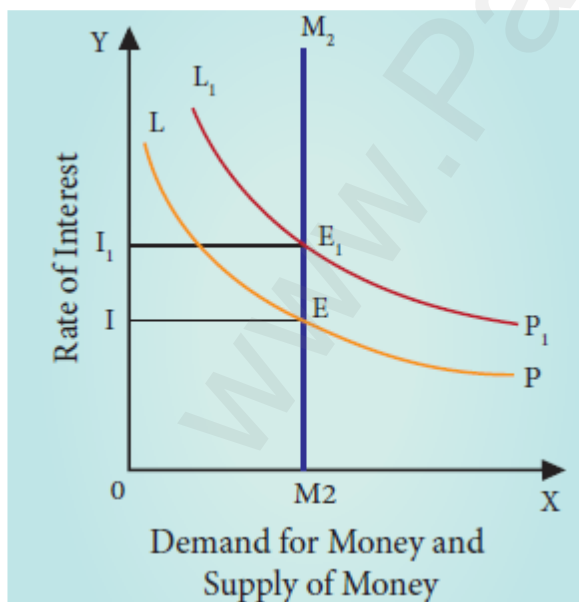
Meaning of Liquidity Preference

- Liquidity preference means the preference of the people to hold wealth in the form of liquid cash rather than in other non- liquid assets like bonds, securities, bills of exchange, land, building, gold etc.
 - 1) The Transaction Motive The transaction motive relates to the desire of the people to hold cash for the current transactions.
 - 2) The Precautionary Motive The precautionary motive relates to the desire of the people to hold cash to meet unexpected or unforeseen expenditures such as sickness, accidents, fire and theft.
 - 3) The Speculative Motive The speculative motive relates to the desire of the people to hold cash in order to take advantage of market movements regarding the future changes in the price of bonds and securities in the capital market.

Interest

- According to Keynes, the rate of interest is determined by the demand for money and the supply of money.
- The demand for money is liquidity preference.

Equilibrium between Demand and Supply of Money



Explanation:

- ★ LP is the liquidity preference Curve (demand curve).
- ★ M_2 shows the supply curve of money to satisfy speculative motive.
- ★ Both curves intersect at the point E, which is the equilibrium point.
- ★ Hence, the rate of interest is 2.5.
- ★ If liquidity preference increases from LP to L_1P_1 the supply of money remains constant, the rate of interest would increase from OI to OI_1 .
- ★ Numerical examples given above can also be used for better understanding.
- ★ Total demand for money = $M_1 + M_p + M_s$
- ★ In reality, interest rate is also influenced by national income and commodity sector equilibrium.
- ★ However, they are not included here for making the understanding easier.

Criticisms

- ★ This theory does not explain the existence of different interest rates prevailing in the market at the same time.
- ★ It explains interest rate only in the short-run.

[OR]

46.b) Information and Communication Technology (ICT) used in Economics:

- ✓ Information and Communication Technology (ICT) is the infrastructure that enables computing faster and accurate.
- ✓ The following table gives an idea of range of technologies that fall under the category of ICT.

S. No	Information	Technologies
1	Creation	Personal Computers, Digital Camera, Scanner, Smart Phone
2	Processing	Calculator, PC, Smart Phone
3	Storage	CD, DVD, Pen Drive, Microchip, Cloud
4	Display	PC, TV, Projector, Smart Phone
5	Transmission	Internet, Teleconference, Video conferencing, Mobile Technology, Radio
6	Exchange	E mail, Cell phone

The evaluation of ICT has five phases. They are evolution in

- (a) Computer
 - (b) PC
 - (c) Microprocessor
 - (d) Internet and
 - (e) Wireless links
- ★ In Economics, the uses of mathematical and statistical tools need the support of ICT for data compiling, editing, manipulating and presenting the results.
 - ★ In general, SPSS and Excel packages are often used by researchers in economics.
 - ★ Such Software is designed to do certain user tasks.
 - ★ Word processor, spread sheet and web browser are some of the examples which are frequently used while undertaking analysis in the study of economics.

47.a) Find the value of x and y in the equations by using Cramer's rule. $x + 3y = 1$ and $3x - 2y = 14$

Solution:

Given equations are

$$x + 3y = 1$$

$$3x - 2y = 14$$

Then the equations in the matrix form :

$$\begin{pmatrix} 1 & 3 \\ 3 & -2 \end{pmatrix} \begin{pmatrix} x \\ y \end{pmatrix} = \begin{pmatrix} 1 \\ 14 \end{pmatrix}$$

Calculating Δ ,

$$\Delta = \begin{vmatrix} 1 & 3 \\ 3 & -2 \end{vmatrix}$$

$$= -2 - 9$$

$$= -11$$

$\Delta \neq 0$, Hence solution exists.

$$\Delta_x = \begin{vmatrix} 1 & 3 \\ 14 & -2 \end{vmatrix} = -2 - 42 = -44$$

$$\Delta_y = \begin{vmatrix} 1 & 1 \\ 3 & 14 \end{vmatrix} = 14 - 3 = 11$$

$$\text{Hence } x = \frac{\Delta_x}{\Delta} = \frac{-44}{-11} = 4, \quad y = \frac{\Delta_y}{\Delta} = \frac{11}{-11} = -1$$

$$\therefore x = 4 \text{ and } y = -1$$

Answer checking:

Substituting in equation the values of x and y,

$$4 + 3(-1) = 1,$$

$$3(4) - 2(-1) = 14$$

[OR]

47.b) Large Scale Industries

- ♣ The term “Large scale industries” refers to those industries which require huge infrastructure, man-power and have influx of capital assets.
- ♣ The term ‘large scale industries’ is a generic one including various types of industries in its purview.
- ♣ All the heavy industries of India like the iron and steel industry, textile industry, automobile manufacturing industry fall under the large scale industrial arena.
- ♣ However in recent years due to the IT boom and the huge amount of revenue generated by it, the IT industry can also be included within the jurisdiction of the large scale industrial sector.
- ♣ Indian economy is heavily dependent on these large industries for its economic growth, generation of foreign currency and for providing job opportunities to millions of Indians.

The following are the major large scale industries in India.

1. Iron and steel industry

- ♣ First steel industry at Kulti, Near Jharia, West Bengal - Bengal iron works company in 1870.

2. Jute industry

- ♣ Its first modernised industrial unit was established at Reshra in West Bengal in 1855.

3. Cotton and textile industry

- ♣ Oldest industry of India, and employs largest number of workers.

4. Sugar industry

- ♣ Sugar industry is the second largest industry among agriculture-based industries in India.

5. Fertiliser industry

- ♣ India is the third largest producer of nitrogenous fertilisers in the world.

6. Paper industry

- ♣ The first mechanised paper mill was set up in 1812 at Serampur in West Bengal.

7. Silk industry

- ♣ India is the second-largest(first being China) country in the world in producing natural silk.
- ♣ At present, India produces about 16% silk of the world.

8. Petroleum and natural gas

- ♣ First successful Oilwell was dug in India in 1889 at Digboi, Assam.
- ♣ At present a number of regions with oil reserves have been identified and oil is being extracted in these regions.

***** All The Best *****