



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution
STUDY MATERIAL
CLASS -XI



SUBJECT -BSTD CHAPTER 1-Nature and purpose of Business- Industry

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Business activity can be classified into 2 types :

1. Industry

2 . Commerce

Industry –

Industry refers to the production of wealth and includes all activities which are undertaken to convert the raw materials into finished or semi finished products.

Features of Industry :

1. Creation of utility
2. Large scale production
3. Provides employment opportunities
4. Better utilisation of natural resources
5. Capital formation
6. Encourages the innovations

Industry can be of three types :

1. Primary Industry - refers to those industries which are concerned with extraction of natural resources and reproduction and development of living organisms plants etc.

It can be of two types again :

- a) **genetic industries** - example dairy farms , poultry farms etc.
- b) **extractive industries** - example fishing, mining, fruit plucking etc.

2. Secondary industries it is concerned with activities which involve processing materials that have been produced by the primary industry. These industries process such materials to produce goods for final consumption or for further processing by other industrial units.

It can be of two types again -

i) Manufacturing industries which includes-

a) analytical industry example petrol refining

b) synthetic industry examples soap

c) processing industry example sugar, paper and textile

d) assembling industry example computer

ii) Construction industry which involved in the construction of building dams, bridges, roads etc.

3. Tertiary industry they provide various services to primary and secondary industries and facilitate smooth flow of good. Example Chartered Accountants, lawyers, doctors etc.

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