Emerging Pattern of Industrial Development in Haryana

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ABSTRACT

The industrial growth in Haryana has been excellent in all spheres of industrial activities. Its progress within a short span after its formation in 1966 has been remarkable. The initial impact of the partition of Indian subcontinent was negative for the former Punjab, including Haryana. A fresh start had to be made in industrialization after partition and Haryana has shown unprecedented growth ever since. The index of industrial production clearly reveals that Haryana is moving on the road to industrialization.

KEYWORDS

Industrialization, large and medium scale industries, information technology, cyber cities, Pharmaceutical industry.

Industrialization plays a vital and crucial role in the economic development of an economy. It accelerates economic growth of a state and thereby increase the contribution of industry sector, the State Domestic Product by way of increase in the production and employment. Development literature frequently emphasizes the importance of a strong agriculture base for developing countries. A top priority to agriculture is always recommended in these cases and manifold gains emanating from agricultural development are highlighted: employment to multitude of people, self reliance in food production, provision of industrial raw materials and generation of surplus resources for other sector of economy.

There is, however a limit to which agriculture can develop itself. It has to be supported by a vibrant industrial sector for a sustained economic growth.

For us, it is imperative here to examine the industrialization process in Haryana after thorough analysis.

Objectives of the present study may be as follows:-

The present study examines the growth trend of industries in Haryana State.

• To examine Structure of Industries in Haryana.
• To examine difference in pre and post formation scene in state.

Data base and Methodology:

Secondary data mainly used in present study. The data has been collected from Govt. of Haryana, Statistical abstract of Haryana, Statistical abstract of Punjab(1947-50) etc.

Area of Study:

Haryana is a northern State of India. Sprawling over an area of 44212 Sq. Km and is one of the Smallest State of Indian Union. It is surrounded by Uttar Pradesh, Rajasthan, Himachal Pradesh and Punjab.

HARYANA INDUSTRIALISATION: PRE FORMATION SCENE

Till 1966, location, structure and organization of Haryana’s Industrialization were an integral part of industrial development in the former Punjab. Haryana Territory could not boast of a strong industrial base at that time.

Just before independence in 1947, only five percent of the factories registered in the provinces of India were located in the Indian Punjab. The employment share worked out to 1.5% of the 572 factories registered in the region, 187 were located in Amritsar District, 78 in Ludhiana district and 63 in Jalandhar District. Among the districts now in Haryana, Ambala had highest number of 49 units while the share of the other districts was very small.

The distribution of large and medium scale industry in Haryana in 1947 is shown in Table 1.1

<table>
<thead>
<tr>
<th>District</th>
<th>Industrial Centers</th>
<th>Number of Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ambala</td>
<td>Ambala (2), Jagadhri (1) Y. Nagar (5) Suraj Pur (1)</td>
<td>9</td>
</tr>
<tr>
<td>Bhiwani</td>
<td>Bhiwani (2) Dadri (1)</td>
<td>3</td>
</tr>
<tr>
<td>Faridabad</td>
<td>Faridabad (5)</td>
<td>5</td>
</tr>
<tr>
<td>Gurgaon</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hisar</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jind</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Karnal</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Kurukshetra</td>
<td>Rewari (1)</td>
<td>1</td>
</tr>
<tr>
<td>M. Garh</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sirsa</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sonepat</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

Source: Directory of large and Medium Industries of Haryana, Directorate of Industries Haryana, Chandigarh.

The table shows that 9 out of total 18 units were located in district Ambala while Faridabad, Bhiwani and Mahindragarh had 5, 3 and 1 unit respectively. All other district had no medium or large scale industry. This signifies the backwardness of Haryana territory with regard to large and medium scale industry.

POST- FORMATION SCENE OF INDUSTRIAL DEVELOPMENT IN HARYANA

Let us now reflect as to how the formation of Haryana as a new state was to influence its industrial development.

The following was visualized for the state in this regard.

(i) It could pursue an autonomous industrial policy including...
matters relating to its structure (small or large-scale industries), organization and location.

(ii) It could locate new industrial estates or identity industrially backward districts/areas for special care.

(iii) It could reap the advantage of its proximity to Delhi with greater intensity.

The State has always strived to create and maintain a conducive environment for attracting investment through investor friendly rules and procedures and timely and smooth delivery of services.

**Industrial Centers in Haryana**

**Faridabad:** Faridabad is another prominent business and industrial centre, covering an area of 2151 Sq. Km. The main industries in Faridabad are light engineering goods, metal goods and automotive components.

**Gurgaon:** Gurgaon is the most developed commercial and business center in Haryana, Spread over 2766 Sq. Km. Most of the automobile, auto component manufacturers and garments export units are around Gurgaon. During last 3-4 years, Gurgaon has emerged as an important location for the information technology (IT) and the information technology Enabled Service (Its) industry in the state.

**Panchkula:** The State Government encourages the IT sector and BPO Sector by providing several incentives. Panchkula districts houses IT Park and Nano city, various other cyber cities and technology parks have been created between 2006 and 2008 providing employment for more than 30,000 people.

Haryana is the first state in India, to achieve 100% rural electrification in 1970.

**Potential Industries**

Haryana is a vibrant, fast growing state - A perfect place for stable and profitable investment.

Keeping in view their long term sustainability and growth potential the state would continue to encourage investments in the following sectors.

- Agro based food processing and allied Industry
- Automobile and automotive components
- Electronic information and communication technology.
- Footwear and accessories
- Handle, hosiery, Textile & garments Manufacturing
- Health & Healthcare
- Pharmaceutical industry
- Research and development and frontier technologies
- Transport Network and services
- Waste processing and re-cycling industry.

**Public Sector Enterprises in Haryana**

Public sector enterprises in Haryana are very limited in number. Existing public sector units in Haryana are as follows:-

(i) Hindustan Machine Limited, Pinjore.
(ii) National Fertilizers Limited, Panipat
(iii) Indian Pharmaceutical Limited, Dugaheda
(iv) Bharat Electronics Limited, Panchkula
(v) Cement Corporation of India, Charki Dadri
(vi) Refinery of Indian Oil Corporation, Panipat
(vii) Haryana Brewaries Limited, Murthal
(viii) Haryana Concost Limited, Hisar
(ix) Haryana Minerals Limited, Narnaul
(x) Haryana Tanneries Limited Jind
(xi) Haryana Agro Industries Corporation, Chandigarh
(xii) Haryana Dairy Development Corporation, Chandigarh

<table>
<thead>
<tr>
<th>Industry Group</th>
<th>Index of Industrial Production in Haryana (Base Year 2004-05=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td></td>
</tr>
<tr>
<td>Basic Goods Industries</td>
<td></td>
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<tr>
<td>Intermediate Goods Industries</td>
<td></td>
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<tr>
<td>Capital Goods Industries</td>
<td></td>
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<tr>
<td>Consumer Goods Industries</td>
<td></td>
</tr>
<tr>
<td>a) Consumer Durable Goods</td>
<td></td>
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<tr>
<td>b) Consumer Non-Durable Goods</td>
<td></td>
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<tr>
<td>General Index of IIP</td>
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</tbody>
</table>

P: Provisional IIP = Index of Industrial Production

Source : Economic Survey of Haryana 2014-15
Index of Industrial Production (IIP) is one of the prime indicators for measured of trends in the industrial production over a period of time with reference to a chosen base year.

It is clear from the table 1.2 that the general IIP with 2004-05 as base year increased from 179.3 in 2012-13 to 184.0 in 2013-14 registering an increase of 2.6%. The IIP of Manufacturing sector increased from 173.6 in 2012-13 to 177.8 in 2013-14 exhibiting a growth of 2.4% over the previous years. The IIP of Electricity Sector indicated a growth of 3.8% as it rose from 243.5 in 2012-13 to 252.7 in 2013-14.

The IIP of basic goods industries like sheet strips, rods, brass, urea others, casting & forging iron/sters, stone crushed, dust and powder, tubes & pipes and high carbon steel stainless steel etc increased from 212.2 in 2012-13 to 214.14 recording an increase of 1.1%. The IIP of capital goods industries like air compressor, cable all type, compressing transformer cranes, etc. increased from 189.9 in 2012-13 to 204.8 in 2013-14 showing a increased of 7.8%. Showing a decrease of 9.8 percent in Intermediate goods Industries from 2012-13 to 2013-14. The IIP of consumer goods Industries increased from 156.0 in 2012-13 to 170.4 in 2013-14 showing an increase of 9.2 percent.

Haryana has recorded high industrial development owing to the efforts in all the sphere of development after its inception and also because of number of favourable factors such as excellent law and order situation climate conducive to industrial development, extensive road and communication network and its geographical location. The New industrial policy 2015 stimulates further industrial growth in the state on a fast track.

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