

HARYANA: Spatial–Temporal Change in Industrialization

(A Study from Pre to Post Formation of Haryana)

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ABSTRACT

This paper examined the process of industrialization in Haryana State. The study presented in two phases: one is before formation of Haryana and second is after formation of Haryana as an independent state on 1st November, 1966. The paper is based on data of registered large and medium scale industries. In starting phase the paper tried to illustrate increasing number of industries as well as how these industries providing employment opportunities to a large number of people with help of registered number of employment. The second phase of study described the reasons with their impact of shifting of industries which shows change in spatial pattern of industries with time. In last phase paper illustrated the sub-regional disparities in industrialization in Haryana.

INTRODUCTION

Industrialization plays a vital and crucial role in the economic development of a country. Earlier Industrialization was very slow in India but now with the passage of time it speeds up. India has 29 states in present time. The Haryana is the 20th state of India, came into existence on 1st November 1966 and presently has 22 districts. Previous it was part of Punjab. But there is significant development in Haryana after its formation.

Industrialization in Haryana: A Historical Perspective

The Punjab province in general and East Punjab, which mostly contains the states of Punjab and Haryana in present time, in particular was industrially backward at the dawn of Independence. Apart from, most of whatever little industry had developed on that time by then had been damaged during the communal riots accompanying the partition of the Punjab between India and Pakistan. After partition of India and Pakistan Haryana was integral part of Punjab. Till that time the focus of industrial development was mainly concentrated in present area of Punjab as compare to present Haryana. There was no significant development in industrial base of Haryana till partition of Punjab and Haryana.

Post- Formation Scene of Haryana

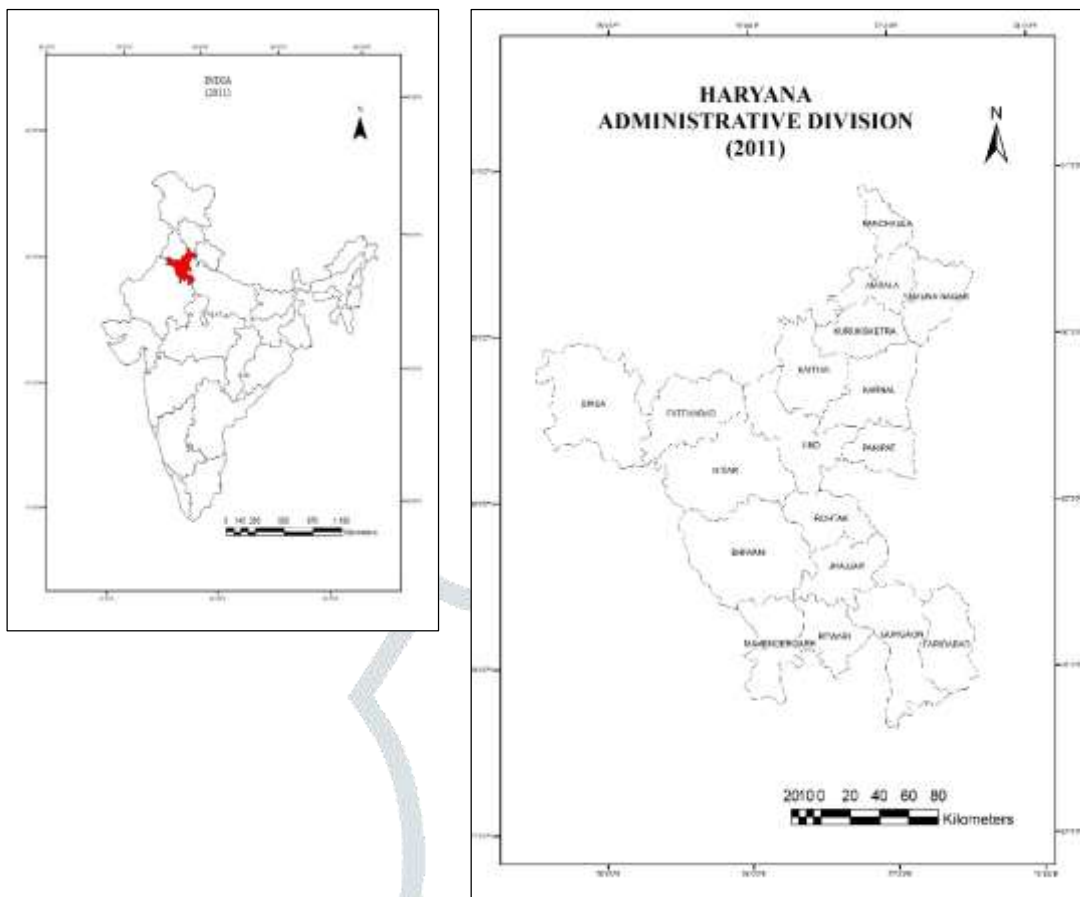
Being a separate state in present time the industrial development in Haryana is excellent in all spheres. In very short span its industrial growth is remarkable. Mainly after Green Revolution the index of industrial development reveals that Haryana is moving on the road of astonishing industrialization.

Now Haryana has an autonomous industrial policy which included matters relating to structure, organization and location. The state attempt to develop small, medium and large scale industries has been remarkable work which helped to develop the ancillary industries. The National Capital Region and proximity of National Capital Delhi played a significant role to increase intensity of industrial development.

The Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) have emerged as major source of industrial finance in the State. This Corporation has extraordinary Contribution especially towards the industrial development of the State. HSIIDC provides venture capital to industrial units in the state under its various schemes and programs. An attempt has been made for industrial development as well as to eradicate poverty and unemployment problems of state.

The State Government identified the prospective of Special Economic Zones (SEZ) in driving industrial/economic growth and facilitating exports. The State has come out with Haryana Special Economic Zones Act, 2006 for facilitating development of SEZs in the State and framed rules under that. “About 100 proposals have been received for setting up of various Special Economic Zones in the State, out of which about 31 have been notified by the Government of India and another 35 have been accorded formal approval. The State will continue to support and encourage healthy proliferation of SEZs in the State” (Haryana Government Gazette, 2010). From economic perspective SEZs in Haryana will be count in one of the most developed state of nation in future.

Political Map of Haryana:



Objectives

- 1) To analyses the change in industrialization from pre to post formation of state
- 2) To examine the role of proximity of national capital in industrialization

Methodology

The present study entitled “**HARYANA: Spatial–Temporal Change in Industrialization**” will be based on secondary data sources. The data collected from industrial department of Haryana, Chandigarh and MSME (Micro, Small & Medium Industries). The time period has been selected for spatial pattern of industrialization from pre to post formation of Haryana.

For the visual representation of data the cartographic techniques, simple and multiple bar diagram, line graphs etc. will be used. Mapping and graphical presentation work shall be made with the help of MS-Excel, MS-Word, and GIS techniques.

Industrialization in Haryana: A Pre- formation Scene

Before independence the industrial scene was different because on that time mainly cottage and handicraft industries were there which were located in rural areas. Few large and medium scale industries were also developed in cities. Mainly agro processing industries were located because Britishers required raw material

in large quantities. Mainly British policies were focused on export of raw material and import of final products instead of establishment of industrial units. Before independence a few industries were established in Haryana. These industries were located in Yamunanagar (6 unit), Rewari (1 unit) and Bhiwani (1 unit). The major industries before independence in Yamunanagar (Vegetables, Sugar, Paper and Chemicals, Steel utensils, Sugar machinery etc. in Rewari (Brass, Copper sheets and Coil- products) and in Bhiwani (Cloth and yarn). In short on that time the position of Haryana in industrial sector was very poor.

“The initial impact of partition of the Indian subcontinent was negative for the former Punjab, including Haryana territory, for two reasons. First, whatever industry had developed by then was damaged during the communal riots. Secondly, migration of a large number of Muslim artisans, who constituted the skilled labour, to Pakistan led to a virtual closure of several factories and workshops, thereby creating a vacuum in the region’s industrial activities (Government of Punjab, 1947-50, p. 138).

A fresh start had to be made in industrialization after partition. Industrial development of Punjab is, in a sense, recent history. It started mostly with courageous efforts of people who tried to build on what was left of the wrecks of partition (Nation Council of Applied Economic Research, 1962, p.77).”(Singh, 1991)

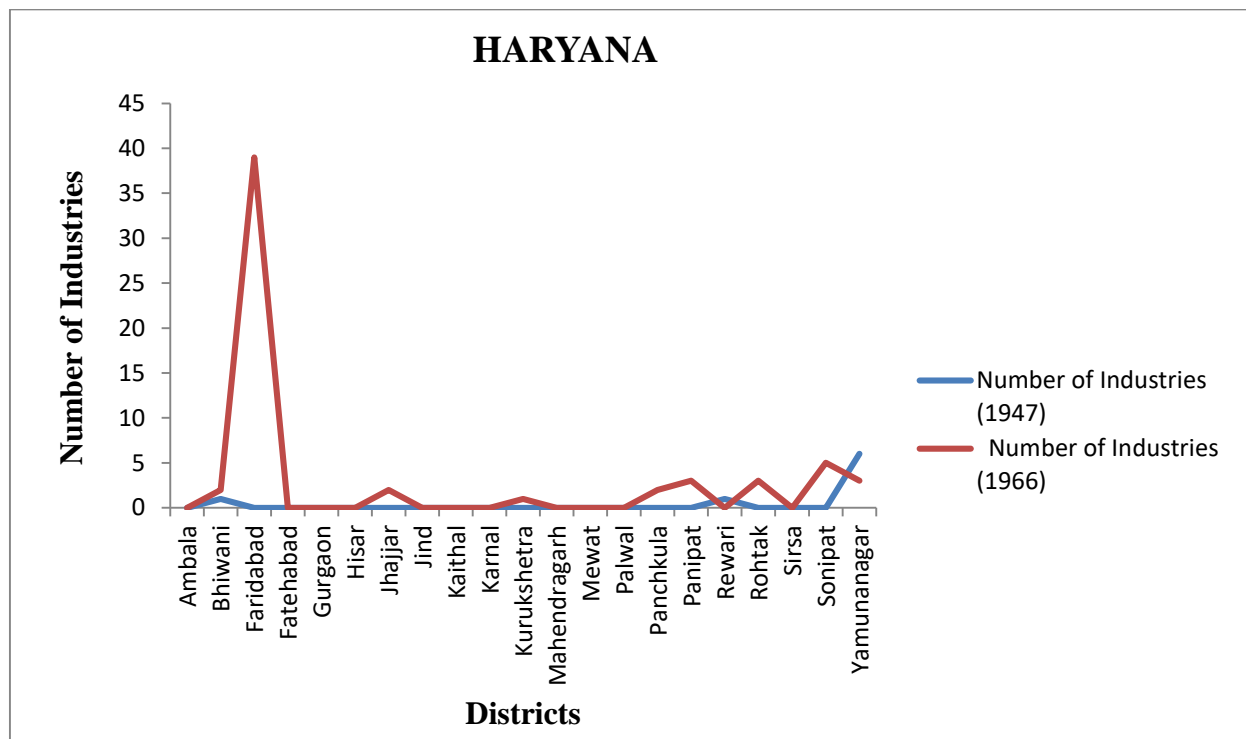
The major development occurred around Delhi (National Capital) at Faridabad, Jhajjar, Sonipat and Rohtak adjoined areas of north- eastern Punjab in Kurukshetra and Panchkula. After independence the share of registered large and medium scale industries increased which changed the scene of development in industrialization in Haryana and its important aspect is proximity of National Capital, Delhi. There is a rapid development in industrial units in Faridabad (32 units) and level of industrial development also appreciable in other districts like Bhiwani (2 units), Jhajjar (2 units), Kurukshetra (1unit), Panchkula (2 unit), Panipat (3 unit), Rohtak (3 unit), Sonipat (5 unit) and in Yamunanagar (3 unit). (Table-1)

Now, in Haryana different kind of industries emerged in different districts like Faridabad (Vacuum refills, Footwear manufacturing, Steel wires, Electronic motors, A.C., Gernators, Embroidery and fabrics knitting, Agricultural tractors, Auto parts, Rubber tyre and tubes, Construction Equipment, Refrigeration and air conditioner equipment etc.), Bhiwani (Polyester viscose blended fabric and yarn, Guar gum), Jhajjar (Sanitary wares, Glass ware and tumblers), Kurukshetra (Sulphuric acid, copper sulphate etc.), Panchkula (Cement), Panipat (Steel pipes and tubes, Crystal sugar etc.), Rohtak (Sugar cotton yarn and Old tyres nut and bolts, shoulder bolts), Sonipat (Bicycle and its parts, Gudgeon and crank pin, bicycle components like chains, wheels, hand tools etc.) and Yamunanagar (Periodical overhauling of railway coaches, automobile springs etc.). Till 1966 the total number of large and medium scale industries in Haryana was 60. (Table-1)

Another important aspect behind this development is employment opportunities which contribute another important domain in process of development. Till independence industries provided employment opportunities only in few districts like Yamunanagar (10155), Bhiwani (1224), and Rewari (389). (Table-2)

After independence the contribution of employment increased mainly in National Capital Region and areas of its proximity like Faridabad (27439), Jhajjar (1237), Rohtak (1117), Sonipat (714), Panipat (2194) and some others areas which are located in north- eastern part of Punjab like Kurukshetra (393), Pnchkula (164) and Yamunanagar (4848). Bhiwani (797) is exceptional in this case. (Table-2)

Diagram: 1



In industrial development new strategies were involved like: A) Registration of large and medium scale industries. B) Development of agro based, mineral based, chemical and fertilizer, leather and cement industries. C) Development of consumer goods industries like dairy processing units etc.

Table-1

Haryana: Distribution of Large and Medium Scale Industries		
District	Number of Industries 1947	Number of Industries 1966
Ambala	0	0
Bhiwani	1	2
Faridabad	0	39
Fatehabad	0	0
Gurgaon	0	0
Hisar	0	0
Jhajjar	0	2

Jind	0	0
Kaithal	0	0
Karnal	0	0
Kurukshetra	0	1
Mahendragarh	0	0
Mewat	0	0
Palwal	0	0
Panchkula	0	2
Panipat	0	3
Rewari	1	0
Rohtak	0	3
Sirsa	0	0
Sonipat	0	5
Yamunanagar	6	3
Haryana	8	60

Source: Industrial Department of Haryana, Chandigarh, 2018

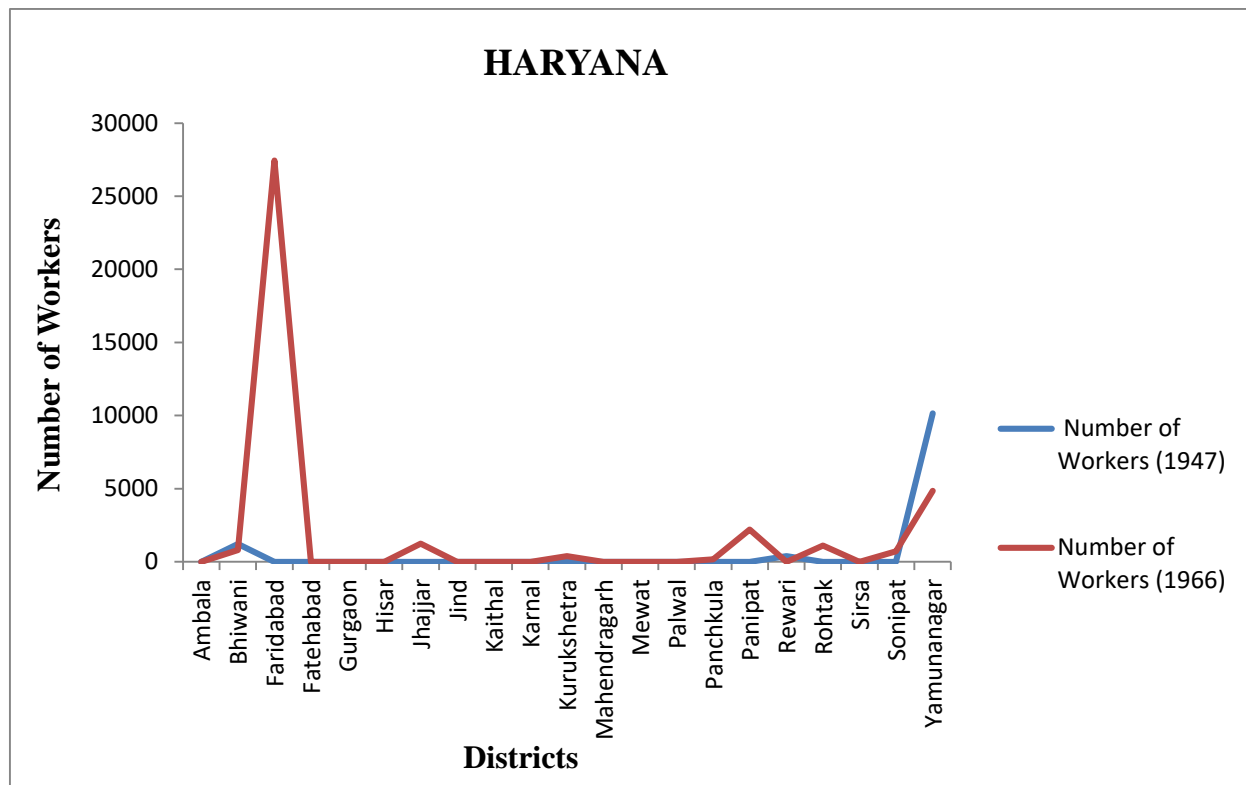
Table-2

Haryana: Registered Workers in Large and Medium Scale Industries

District	Number of Workers 1947	Number of Workers 1966
Ambala	0	0
Bhiwani	1224	797
Faridabad	0	27439
Fatehabad	0	0
Gurgaon	0	0
Hisar	0	0
Jhajjar	0	1237
Jind	0	0
Kaithal	0	0
Karnal	0	0
Kurukshetra	0	393
Mahendragarh	0	0
Mewat	0	0
Palwal	0	0
Panchkula	0	164
Panipat	0	2194
Rewari	389	0
Rohtak	0	1117
Sirsa	0	0
Sonipat	0	714
Yamunanagar	10155	4848
Haryana	11768	38903

Source: Industrial Department of Haryana, Chandigarh, 2018

Diagram-2



Industrialization in Haryana: A Post- formation Scene

Haryana as an independent state required a lot of efforts for its further development. One of the most important steps was to enhance the level of industrial development. Now state can formulate autonomous industrial policy related small, medium and large scale industries, can establish new industrial plants in backward regions of state being reason of their economic development and can provide grants.

Table-3 is showing that major industrial development occurred in Faridabad, Gurgaon, Rewari, Sonipat, Jhajjaar which are close to National Capital Delhi. This is good example of locational advantage (Weber’s theory of Industrial Location) because Delhi providing latest technology, market, good connectivity and accessibility of transportation and no doubt political power also played a significant role for industrial development in districts which are near Delhi.

New revolution of industrialization started in Haryana because of Green Revolution (1960s and 1970s). Central Government of India selected eastern part of Haryana or adjoined districts of Yamuna River because of its high ground water level for use of HYV seeds, high grade of fertilizers and pesticides. This experiment becomes successful and gave a new direction to agriculture. This also provided a golden opportunity to industrialists of Haryana to establish Agro- processing units. As well as according to industrial policies grant was also provided to farmers to start cottage industries.

“Industrial Policy (IP) 1992, announced in tandem with the economic reforms brought out by the Central Government, was an incentive centric approach to attract investment. IP 1997 adopted infrastructure led approach to industrial development. IP 1999 aimed at promoting industrial growth in the context of overall economic value addition with emphasis on infrastructure development through private initiative. IP 2005 sought to capture these opportunities, leveraging the strengths of the State in agriculture and its established comparative advantage in manufacturing, for promotion of investment and taking industry to front ranks of global competition.

The State has always strived to create and maintain a conducive environment for attracting investment through investor friendly rules & procedures and timely & smooth delivery of services. It has made sustained efforts in removal of any bottlenecks in smooth operation of industries. State Government has enacted Industrial Promotion Act 2005, introduced self-certification schemes and made provision for outsourcing of the authority to provide enabling environment for investors. As a result of its investor friendly policies, the State has been successful in attracting huge investments. The State has been acknowledged as a leader in per capita investment for the year 2007 as per the CMIE report.

The slowdown in global economy has had its own adverse effect on several industries especially those from the Micro, Small & Medium Enterprises (MSME) Sector. The State responded to the call in its own limited manner by taking timely measures which have led to maturity of 70% of the investment proposals during 2008-09 as reported by the ASSOCHAM in their study. This level of investment maturity is the highest in the country during this period.

The new industrial policy, taking into account the current economic scenario and prospective developments, lays particular emphasis on further strengthening the base of the manufacturing sector besides knowledge based & high tech industries, efficient use of energy, conservation of resources and pragmatic environmental policies for sustainable development. The scope and potential for investment and value addition in the primary products has been brought out clearly through these policy measures. Development of well-planned infrastructure holds the key to overall future economic growth and this continues to be focus of the Government. The State recognizes the increased role of Public-Private Partnerships and, accordingly, the policy lays down a well-defined roadmap in this direction. Adoption of Information and Communication Technology brings efficiency and transparency in delivery of services, eliminates procedural delays and minimize the transaction costs. The policy lays down a time-frame for a complete switch-over to IT enabled regime of approvals and clearances. Self-certification and outsourcing of certain services places greater reliance on self-regulation by the key stakeholders. This policy would come into effect from 01.01.2011.” (Haryana Government Gazette, Industries and Commerce Department, 2010)

District wise Registered Industries and workers (1966 to 2018):

After formation of new state there is appreciable development in large and medium scale industries with help of different industrial policies. There is a great impact of National capital in establishment of industries in its adjoined districts. First district in this row is Gurgaon, in 1991 there were 47 industries and in 2018 there are 635 industries which are more than 13 times than 1991. The reason behind this industrial development is only because of emerging of automobile industries and its parts and tool, readymade garments, software development and computer based industries like call centers etc. Second district in 1991 there is appreciable development in Faridabad. In 1991 there were 112 industries (importance of Delhi-Calcutta rail route) and in 2018 total number of industries are 259 which are more than 2 times than 1991. Third is Sonapat in 1991 there were only 24 industries but in 2018 there are 246 industries which are more than 10 times. After this, Rewari, there were 36 industries in 1991 and 187 in 2018 which is more than 5 times. After this Panipat had only 5 industries in 1991 and in 2018 there are 126 which are more than 25 times with appreciable development and major industries in this area are cotton yarn, blankets etc. Than in Jhajjar also good development record in 1991 there were only 16 industries but in 2018 are 103 industries. The common thing in industrial development is proximity of National Capital and good industrial policies. (Table-3)

Data related to these industries are showing there is so much variation on basis of time as well as space. Some districts are industrial developed industries but in other districts results are not appreciable because of lack of latest technology, lack of grants and industrial policies. One of the reasons of decline of this pace in western districts is decline in concentration of cotton textile industries. But if we see overall picture the total number of industries are increase. In 1991 there were only 319 and in 2018 there are 1897. This shows temporal change in industrial development of Haryana. (Table-3)

Diagram-3

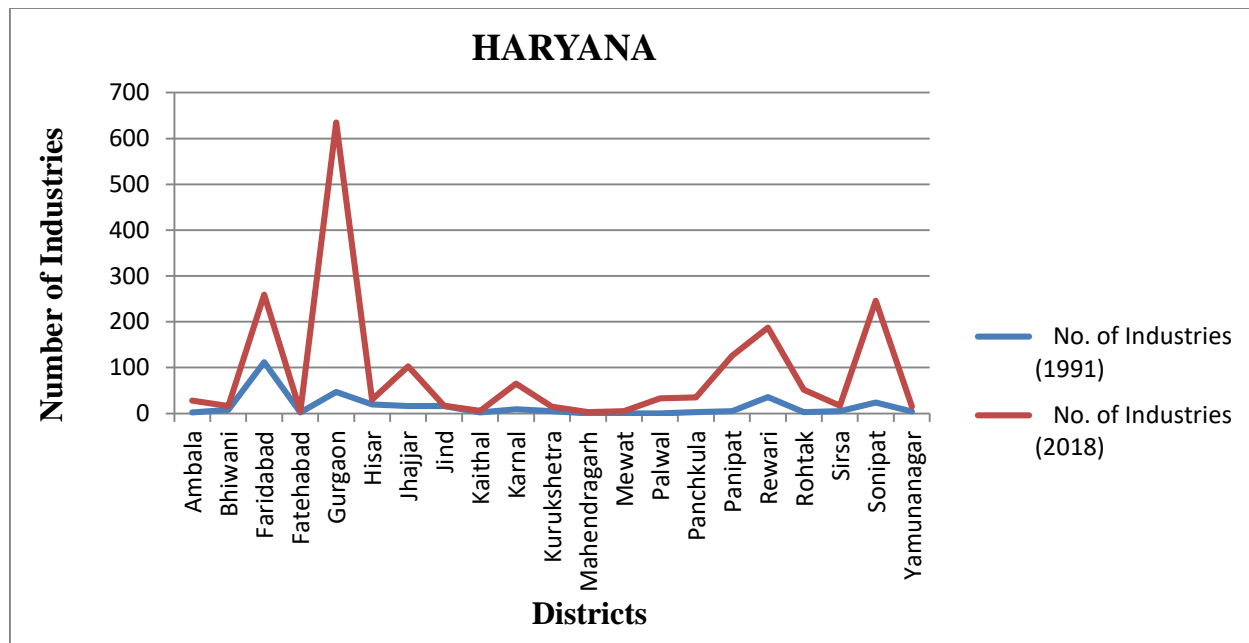


Table: 3

Haryana: Distribution of Large and Medium Scale Industries		
District	No. of Industries 1991	No. of Industries 2018
Ambala	2	28
Bhiwani	8	16
Faridabad	112	259
Fatehabad	2	4
Gurgaon	47	635
Hisar	20	30
Jhajjar	16	103
Jind	16	17
Kaithal	2	6
Karnal	9	65
Kurukshetra	5	15
Mahendragarh	0	3
Mewat	0	5
Palwal	0	33
Panchkula	3	35
Panipat	5	126
Rewari	36	187
Rohtak	3	52
Sirsa	5	17
Sonipat	24	246
Yamunanagar	4	15
Haryana	319	1897

Source: Industrial Department of Haryana, Chandigarh, 2018

These industries helped out a large number of populations. The most appreciable district in this case is Gurgaon which provided employment to 13513 persons and it increased 9 times more in 2018 which is 122109 registered labours. Second in row is Faridabad there were 22310 registered workers in 1991 and in 2018 there are 66484 workers which are 3 fold than 1991. After this in Rewari 3090 workers were registered in 1991 and increased more than 15 times (47468) in 2018. Jhajjar and Panipat also enhanced their level to increase employment opportunities. (Table-4)

Diagram-4 is showing that the changing pattern of workers is sharp in Bhiwani, Faridabad, Gurgaon, Jhajjar and Sonipat in 1991 but there is sharp change in registered number of workers in 2018. This indicates that the proximity of National Capital and industrial policies played a great role in these areas.

Table: 4

Haryana: Registered workers in Large and Medium Scale Industries		
District	Number of Workers 1991	Number of Workers 2018
Ambala	62	2753
Bhiwani	1643	1471
Faridabad	22310	66484
Fatehabad	1900	135
Gurgaon	13513	122109
Hisar	3997	1916
Jhajjar	6618	14434
Jind	3219	7281
Kaithal	119	574
Karnal	1042	7252
Kurukshetra	3977	1970
Mahendragarh	0	10
Mewat	0	1145
Palwal	0	5740
Panchkula	172	2414
Panipat	617	13270
Rewari	3090	47468
Rohtak	1230	6312
Sirsa	599	1814
Sonipat	7245	31550
Yamunanagar	1909	2585
Haryana	73262	338687

Source: Industrial Department of Haryana, Chandigarh, 2018

Diagram-4

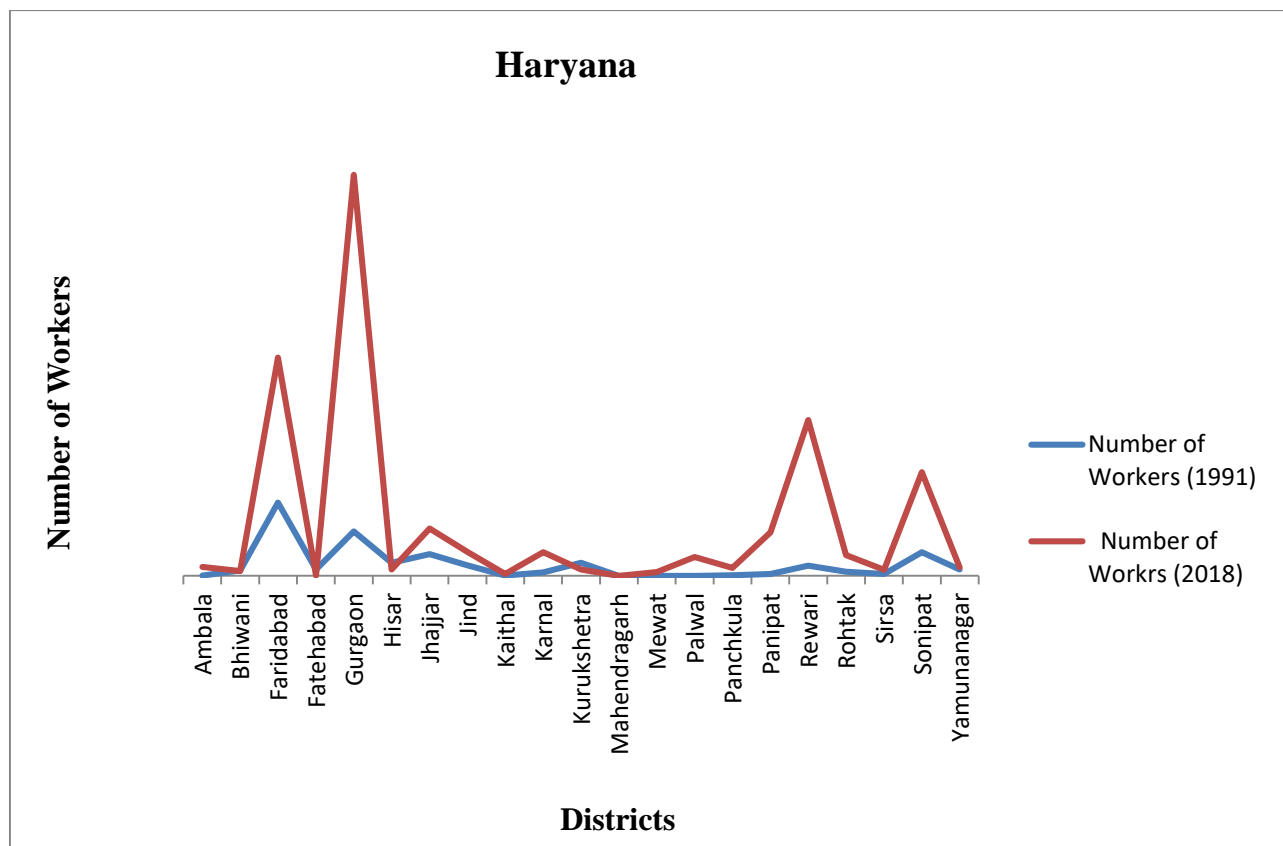


Diagram-5

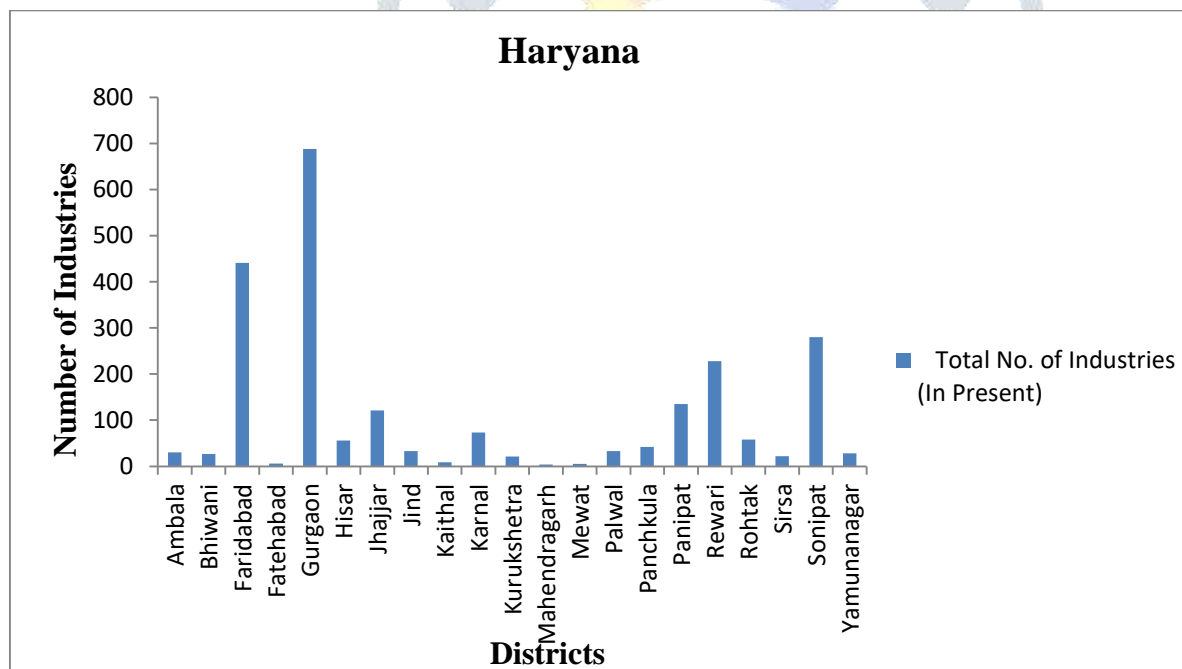


Table: 5

Haryana: Distribution of Total Number of Large and Medium Scale Industries	
District	Total No. of Industries In Present
Ambala	30

Bhiwani	27
Faridabad	441
Fatehabad	6
Gurgaon	688
Hisar	56
Jhajjar	121
Jind	33
Kaithal	9
Karnal	73
Kurukshetra	21
Mahendragarh	4
Mewat	5
Palwal	33
Panchkula	42
Panipat	135
Rewari	228
Rohtak	58
Sirsa	22
Sonipat	280
Yamunanagar	28
Haryana	2340

Source: Industrial Department of Haryana, Chandigarh, 2018

We saw journey of industrial development in Haryana from its pre to post formation time. There is remarkable development in establishment of industries in different time periods. After a long journey in present time in Haryana total registered large and medium scale industries are 2340 in different districts. But the development pattern is varying from each other. In all districts Gurgaon and Faridabad got great achievement. Only these two districts are contributing 48.24 percent in all over industrial growth in Haryana. (Table-5)

Diagram- 5 is illustrating that only Gurgaon, Faridabad, Rewari and Sonipat contributing 70 percent industries in Haryana.

Table- 6

Haryana: Registered Employment in Large and Medium Scale Industries	
District	Total Employment In Present
Ambala	2815
Bhiwani	5135
Faridabad	116233
Fatehabad	2035
Gurgaon	135622
Hisar	5913
Jhajjar	22289

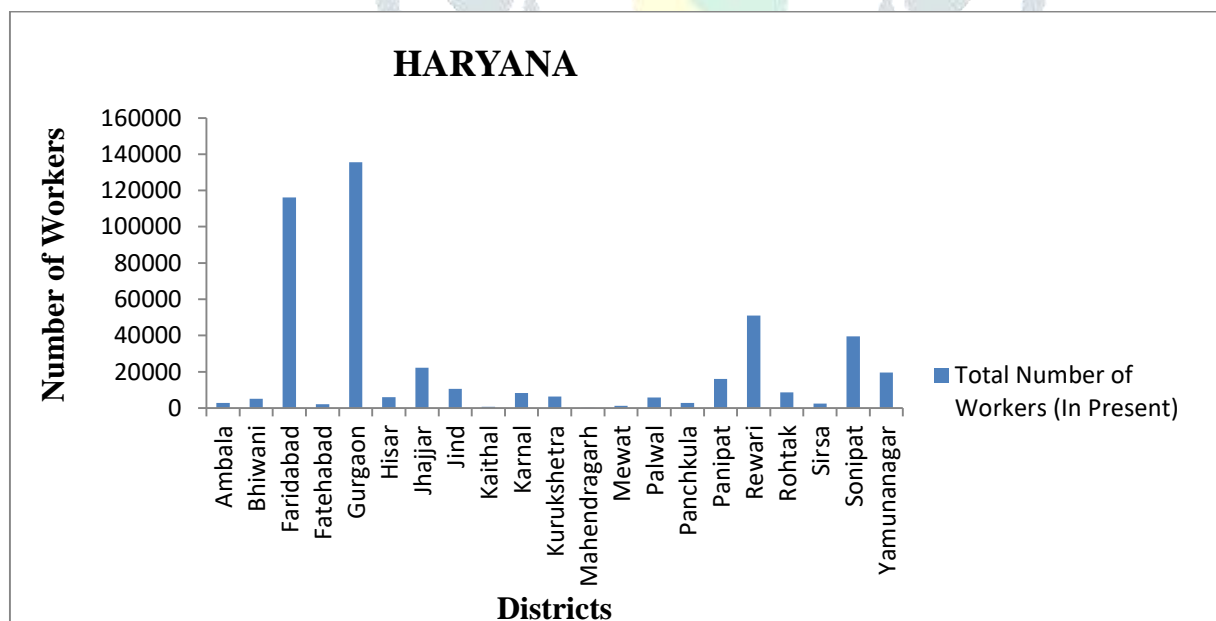
Jind	10500
Kaithal	693
Karnal	8294
Kurukshetra	6340
Mahendragarh	10
Mewat	1145
Palwal	5740
Panchkula	2750
Panipat	16081
Rewari	50947
Rohtak	8659
Sirsa	2413
Sonipat	39509
Yamunanagar	19497
Haryana	462620

Source: Industrial Department of Haryana, Chandigarh, 2018

Table- 6 is presenting that Gurgaon and Faridabad providing maximum employment opportunities. Only two states contributing more than 50 Percent employment.

Diagram-6 also illustrating that only Faridabad, Gurgaon, Rewari and Sonipat covered almost workers in Haryana state in present time.in present time there are 462620 workers are registered in large and medium scale industries.

Diagram-6



Concussion

The above findings of Haryana are based on data provided by industrial department of Haryana: presenting that the growth of large and medium scale industries is located near National Highway-1 (NH-1) and National Capital or National Capital Region (NCR). The main reason shifting of industries in these areas are large markets, good means of transportation like of Grand Trunk Road provided rapid development in industrial process. Foreign entrepreneurs and Indians starting investing their money in industries located in Haryana on large scale. Major industrial clusters are locater like Gurgaon, Faridabad etc. the missing thing which is important also is linear and nucleated pattern of industries.

Suggestion

According to above mentioned study it seems that there are so much regional disparities in distribution of industries especially district wise. Mainly western and middle parts of Haryana have very less industrial development. Government should formulate some policies for industrial development in these areas of state. For all over development of state it is required to develop backward areas of state. In few words a comprehensive planning is necessary to overcome from these problems. Another important point is that industries should be established away from residential areas.it is duty of Central Pollution Control Board to check pollution after standard span of time and efforts should be continue to control the pollution.

References

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