

# Industrial Policy and Its Spatial Implications in Haryana

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## Abstract:

This Paper discussed about the importance of different industrial policies like Haryana State Industrial & Infrastructure Development Corporation Ltd. (HSIIDC), Haryana State Industrial Development Corporation Ltd. (HSIDC), Haryana Financial Corporation (HFC), Haryana State Pollution Control Board, The Micro, Small & Medium Enterprises Development Institute (MSME), Delhi Mumbai Industrial Corridor (DMIC), National Small Industries Corporation Ltd. (NSIC), The Khadi and Village Industries Commission (KVIC), District Industries Centers (DIC), Special Economic Zones (SEZs) etc. and how they are helping in industrial development in the state with their possible contribution. As well as how much they are effective in different regions because geography is study of space so impact of these policies on different regions is foremost for this paper.

**Keywords:** Industrialisation, Policies, Development, Government

## Introduction:

The notion of 'Industrial Policy' is widespread and it covers all those principles, policies, rules which control the industrial venture of a country and shape the pattern of industrialization. The state government broadly follows the objectives assign by the central government with some modifications. The role of state in the undertaking of industrialization has been forecast in the different form. Mainly includes:

Recommending different industrial policies from time to time in matters relating to its structure (type of industries) organization (large and medium scale industry or small or cottage industry).

Industrial location policy by way of direct investment in government – owned enterprises, both central and state, modeling of industrial – estates, declaring industrially backward areas for providing special incentives and subsidies to industries located there.

The policies before 1966 were not fruitful when Haryana was part of Punjab province. There are no suitable results on basis of industrial development. After 1966 major concerning issue was Green Revolution, ultimately results were not so much positive in context of establishment of industries except one or two districts. Later Green Revolution also helped to enhance the development of industrial process especially agro- based industries.

After this so many industrial policies were formulated and implemented. Each policy has different objectives and aims on basis of requirement of different areas time to time.

- ❖ One of the most important was Industrial Policy (IP) 1992. This Industrial Policy (1992) announced in tandem with the economic reforms brought out by the Central Government. This Policy was an incentive centric approach to attract investment.
- ❖ Industrial Policy (IP) 1997 with its basic objective 'infrastructure' which led approach to industrial development.
- ❖ After this Industrial Policy (IP) 1999 was formulated. Aim of this policy was promoting industrial growth in the context of overall economic value addition. The main emphasis was on infrastructure development through private initiative.
- ❖ Industrial Policy (IP) 2005 was focused to capture these opportunities, enhanced the strengths of the State in agriculture. As well as its established comparative advantage in manufacturing and this will helpful in promotion of investment and taking industry to front ranks of global competition.
- ❖ Haryana State Government has enacted an Industrial Promotion Act 2005. This act introduced self-certification schemes. These schemes made provision for outsourcing of the authority to provide enabling environment for investors on large scale. As a result of its investor friendly policies, the State has been successful in attracting huge investments. The State has been created an example in per capita investment for the year 2007 as per the CMIE report.
- ❖ On basis of increasing number of industries Haryana State recognizes the increased role of Public-Private Partnerships. The new industrial policy came into effect from 01.01.2011. Accordingly, the policy laid down a well-defined roadmap in this direction. Most importantly adoption of Information and Communication Technology (ICT) brought 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.

#### **Objectives:**

- To analyze the role of different industrial policies
- To examine the contribution of industrial policies in development of state

#### **Methodology:**

The present study entitled "Industrial Policy and Its Spatial Implications in Haryana" will be based on secondary data sources. The secondary data for the present study will be collected from different sources of Government and Semi-Government publication. The time period has been selected for spatial pattern of industrialization from pre to post formation of Haryana. The relevant and supportive data on various aspects of Industries such as types of industries, number of Industries, distribution and availability and its accessibility will be collected from Industrial Department of Haryana, Chandigarh, Annual Reports of Ministry of MSME, Government of India, Various Census

publications of Haryana, [www.censusindia.gov.in/2011census](http://www.censusindia.gov.in/2011census) and different issues of Statistical Abstract of Haryana, Economic Survey of Haryana 2017-18.

### Focused Points Of Industrial Policies:

The following points are focused to be achieved through the different industrial policy:

“• Higher, sustainable and inclusive economic growth by attracting investments in a focused and structured manner in potential areas;

- Promote private sector investment through Public Private Partnerships;
- Employment generation and enhanced employability through skill development;
- Continued thrust on manufacturing sector as a key driver of economic growth;
- Generation of entrepreneurial opportunities across all sectors of the economy;
- Facilitation of spatial dispersal of economic activities particularly in industrially lesser developed regions of the State;
- Sustainable development by adopting environment friendly technologies.”(Haryana Government Gazette, 2010)

Contribution of Major industrial policies which changed the picture of industrial developments in Haryana are:

#### 1) Haryana State Industrial & Infrastructure Development Corporation Ltd. (HSIIDC)

**Industrial Infrastructure Development:** HSIIDC is the nodal organization for development of Industrial Infrastructure in the Haryana State. After acquisition of land through the Department of Industries, Government of Haryana, the Corporation formulate a detailed plan for its better development and thereafter the important step is executes various development works and it mainly includes construction of roads, better water supply, sewage, drainage and electrical infrastructure. After this the other important secondary level of facilities are also followed like development of plantation, green belts, commercial and institutional sites, common parking facilities, etc. In this whole process, the Corporation has developed Industrial Model Townships, Industrial Estates and Industrial Clusters or Theme Parks at strategic locations and drafted its own set of guidelines for their better governance.

The Industrial Policy announced by the State Government provides that the State Development Agency or HSIIDC shall draft its own internal set of guidelines for the management of industrial estates. It includes the terms and conditions for allotment, transfer, leasing, etc. of plots and all other related procedures to be followed by the State Developing Agency as well as the allottees of plots. These guidelines collectively called the Estate Management Procedures (EMP).

The decision of HSIIDC has been following a determined set of guidelines in the past. The last set of such guidelines including the terms and conditions of allotment and procedure of subsequent requests were given in the EMP-2005. After the passage of time, these internal guidelines have

been reviewed and revised which approved by the Board of Directors of HSIIDC meeting held on 20th December 2010 and have come into operation 01.01.2011 and are hereafter it is known as "EMP-2011".

### **Financial Assistance**

This Corporation provides financial help by term loan up to Rs. 2500 Lakh for each proposal for framework of a project in MSME Sector or Large scale sector except micro units or for expansion or diversification and modernization of existing industrial unit in the State of Haryana. HSIIDC also offers a wide range of products to its target customer segments to meet their specific financial needs.

### **Skill Development Initiatives**

HSIIDC has entered into a Memorandum of Understanding to enhance the skills of the landowners as well as improve their employment ability. The socio-economic impact assessment and the aspiration study have already been committed for about 4,000 persons by in Rohtak and Faridabad Districts, for enhance the skill requirements of the trainees under this programme. Except this a number of institutes have been started in various Industrial Model Township and Industrial Estates by HSIIDC for development of specific skill such as Footwear Design and Development Center, IMT Rohtak; Indian Institute of Corporate Affairs, IMT Manesar, National Automotive Testing Research R&D Infrastructure Project at IMT Manesar and National Institute of Design. (Government of India, Ministry of MSME, Haryana,2015-16)

### **Industrial Model Townships:**

The HSIIDC has developed an Industrial Model Township (IMT) at Manesar. After this other IMTs are being developed at Rohtak (3800 acres), Faridabad (1800 acres), Roz-ka-Meo (1500 acres) and Kharkhoda (3000 acres). While the development works for IMTs at Rohtak and Faridabad are underway, plans are being finalized for the Roz-ka-Meo and acquisition of land for the IMT at Kharkhoda has been initiated.

These townships will have area for large industries, ICT parks, industrial plots, factories, residential facilities, commercial and institutional areas, skill development & health care facilities etc. The development will be of international standards with power, water supply, roads, sewerage, effluent disposal, solid waste management to enable enterprises to function in amusing environment.

### **Industry-cum-Service Centers:**

To facilitate development of micro, small & medium industry and facilitate economic development in industrially backward areas, HSIIDC plans to set up Industry-cum- Service Centers at various locations in the State. These Industry-cum-Service Centers are to be developed in Kaithal, Hisar, Bhiwani, Sampla, Narnaul, Mahendergarh, Jhajjar and Gohana, on areas ranging between 250 acres to 1000 acres.

In this way HSIIDC helped and enhanced the level of development as well as provided plethora of employment. (Haryana Government Gazette, 2010)

## 2) Haryana State Industrial Development Corporation Ltd.

HSIDC (Haryana State Industrial Development Corporation) established in 1967, is a Public Limited Company which is owned by the Government of Haryana. HSIDC set up for promoting and accelerating the speed of industrialization in the state. The Corporation provides a wide scope of financial services. This included concept "Total Financial Support" for its clients. HSIDC is a customer-oriented organization, has often gone beyond the call of duty in helping to give tangible shape to the destiny and vision of thousands of entrepreneurs. Generally it plays the role of a trusted friend as well as guide which is providing crucial support and most important of all, creating an environment where emerging projects is able to attain their fulfillment and become spirited industries.

In present time, HSIDC is a strongly framed team of highly experienced financial experts, engineers, professionals, administrators and technicians. HSIDC is comprises of very dedicated personnel, all of whom thrive on team work and a consistency work spirit.

### HSIDC Objectives

- ❖ The identification and promotion of large and medium sector projects.
- ❖ To help in providing financial assistance by way of term loans/direct participation in equity.
- ❖ To facilitating infrastructural development.
- ❖ To performing agency functions on behalf of the State Government/IDBI/SIDBI.
- ❖ To providing financial services to the entrepreneurs and established industries for enhancement of the capacity or modernization.
- ❖ To providing Merchant Banking Services. (Government of India, Ministry of MSME, Haryana,2015-16)

## 3) Haryana Financial Corporation Ltd.

- ❖ Haryana Financial Corporation (HFC) has been set up under an Act of Parliament which is known as State Financial Corporation's Act 1951 and the working is governed by this act. The Head Office of the Corporation is at Chandigarh and Branch Offices at various District Headquarter of the State. It is providing financial services to the entrepreneurs which are helpful to established industries for development of the modernization. (Government of India, Ministry of MSME, Haryana,2015-16)

#### 4) Haryana State Pollution Control Board

The functions and responsibilities of the Board are as under:-

- ❖ To plan a comprehensive program for the prevention and control of pollution of streams and wells as well as of air in the State and to secure the implementation thereof :
- ❖ To advise the State Government on any matter concerning the prevention, control or decline of Pollution.
- ❖ To collect and disseminate information relating to pollution and the prevention, control or decline thereof:
- ❖ To encourage, conduct and participate in investigations and research relating problems of pollution and prevention, control or decline of pollution.
- ❖ To associate with the Central Board in organizing the training of persons engaged or to be engaged in programs relating to prevention, control or decline of pollution and to organize mass education programs relating thereto :
- ❖ To examine sewage or trade emission, works and plants for the treatment of sewage and trade emission and to review plans, specifications or other data relating to treatment plants and the system for the disposal of sewage or in connection with the grant of any agreement as required by this act ;
- ❖ To lay down, refine or annul effluent standards for the sewage and trade effluents and for the quality of receiving waters resulting from the discharge of effluents and to classify waters of the State
- ❖ To develop economical and reliable methods of treatment of sewage and trade effluents, having regard to the unusual conditions of soils, climate and water resources of different regions and more especially the prevailing flow characteristics of water in streams and wells which contribute it impossible to attain even the minimum degree of dilution ;
- ❖ To develop methods of utilization of sewage and suitable trade effluents in agriculture
- ❖ To develop efficient methods of disposal of sewage and trade effluents on land, as are requisite on account of the predominant conditions of limited stream flows that do not provide for major part of the year the minimum degree of dilution;
- ❖ To lay down levels of treatment of sewage and trade effluents to be discharged into any particular stream taking into account the minimum fair weather dilution available in that stream and the sufferance limits of pollution permissible in the water of the stream, after the discharge of such effluents ;
- ❖ To make, differ or cancel any order :- (i) for the prevention, control or decline or discharges of waste into streams or wells; (ii) requiring any person anxious to construct new systems for the disposal of sewage and trade effluents or to change, improve or extend any such existing system or to adopt such remedial measures as are necessary to prevent, control or decline water pollution ;

- ❖ To lay down effluent quality to be organized with by persons while causing discharge of sewage or sludge or both and to lay down, change or annual effluent standards for the sewage and trade effluents;
- ❖ To Grant authorization under Hazardous Waste Rules, 1989
- ❖ To Grant licensed under Bio-Medical Waste Rules, 1998.
- ❖ To execute the provisions of Noise pollution (Regulations & Rules)
- ❖ To execute the provisions of the Manufacture, Use, Import, Export and Storage of Hazardous Micro-Organism Genetically Engineered Organism or Cells Rules, 1989.
- ❖ To execute the provisions of the Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989, as amended to date.
- ❖ To execute the provisions of the Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996.
- ❖ To execute the provisions of the Recycled Plastics Manufacture and Usage Rules, 1999
- ❖ To execute the provisions of the Ozone Depleting Substances (Regulation) Rules, 2000.
- ❖ To execute the provisions of the Batteries (Management and Handling) Rules, 2001
- ❖ To execute the provisions of Control of Solid Waste Management under Notification of Solid Waste Management issued by the Ministry of Environment, Govt. of India vide No. SO 908 (E) dated 25.9.2000.
- ❖ To guide the State Government with respect to the location of any industry the carrying on of which is likely to pollute a stream or well or suitability of any premises or location for carrying on any industry which is likely to cause air pollution. (Government of India, Ministry of MSME, Haryana, 2015-16)

##### **5) Micro, Small & Medium Enterprises (MSME)**

The Government undertakes to adopt a comprehensive approach to help the MSME Sector in becoming globally competitive. Identifying the need for optimizing the factors of production along with technology up-gradation needs, a series of measures are envisaged to be initiated by the Government in partnership with the Industry representatives.

The Ministry of MSME, Government of India has come out with National Manufacturing Competitiveness Campaign and has identified the related issues. The State would energetic support an interface between entrepreneurs and the Ministry so as to implement the campaign in right earnest. The related issues identified by the Ministry are: Cluster development, Technology up gradation, Market facilitation, Clean Development mechanisms, Intellectual Property Rights and Patents, Incubators and entrepreneurship development, Quality management standards etc.

### Strategy to assist the MSME Sector

- ❖ The Directorate of Industries would prepare a compilation of all the application forms and formalities or procedures for setting up of an industry and filing of subsequent returns. The GM or DICs and concerned Estate Managers, HSIIDC would provide the required hand-holding services to the new entrepreneurs in order to improve the confidence level of a new investor;
- ❖ The Directorate would take steps for execution of an e-Governance system for efficient delivery of services and development of content-rich portal for dissemination of all the required information;
- ❖ The Directorate of Industries would set-up a dedicated cell for MSMEs for an effective interface with the Ministry of MSME and the MSMEs.
- ❖ All universities, technical and research institutions would be motivated to provide incubation facility for new and promising entrepreneurs.
- ❖ The SME Renewal Fund would be rechristened as the MSME Renewal Fund and adequately strengthened to finance the complete support system for the MSMEs e.g. initial financing of preparation of DPRs for development of clusters, engagement of experts or consultants and transaction advisers and the MSMEs would be encouraged to interact with these resources for the purpose.

#### **MSME – Development Institute (MSME-DI), Karnal**

The Micro, Small & Medium Enterprises Development Institute was set up at Karnal in 1956 (formerly known as SISI) to serve the former combined Punjab. At present, the Institute serve to the needs of micro, small & medium industries sector in the State of Haryana. It is one of the 30 Institutes functioning all over the country under Ministry of MSME, Govt. of India. Its Headquarters is situated at Nirman Bhawan, New Delhi under the Additional Secretary & Development Commissioner, MSME.

(Haryana Government Gazette, 2010)

### **6) Delhi Mumbai Industrial Corridor (DMIC)**

The Government of India (GoI) is establishing a Dedicated Freight Corridor (DFC) between Delhi and Mumbai, with terminals at Dadri in the National Capital Region of Delhi and Jawaharlal Nehru Port near Mumbai. This Corridor, covering a length of around 1500 kilometers. This corridor will pass through six states of India; Uttar Pradesh, National Capital Territory of Delhi, Haryana, Rajasthan, Gujarat and Maharashtra. The Dedicated Freight Corridor is expected to offer high-speed connectivity for high axle load wagons through high power locomotives.

In order to tap the enormous potential and opportunities likely to be thrown open by the Corridor, an area of 150 kilometers is being developed as the Delhi-Mumbai Industrial Corridor (DMIC). The DMIC effected area covers more than 66% of the total geographical area across 13 districts of the State. Investment Regions, with minimum area of 200 square kilometers and

Industrial Areas, with minimum area of 100 square kilometers have been identified within this sector. These regions or areas would include self-sustained industrial townships with world-class infrastructure served by multi-modal connectivity for freight movement or logistic hubs, domestic or international air connectivity, authentic power, quality social infrastructure and globally competitive environment. The project would open up opportunities along the various national highways like NH-1, NH-2, NH-8 & NH-10) for developing industrial, urban and supporting infrastructure.

The other major projects have been also planned in Haryana are Manesar–Bawal (within 50 Kilometers, phase-1), Kundli- Sonipat (100 Kilometers, Phase-1), Faridabad-Paiwal (within 50 to 100 Kilometers), Rewari-Hisar (50 to 100 Kilometers, Phase-2).

The State Government has identified a few feasible stand-alone projects, named as “**Early Bird Projects**” for development as model initiatives and to capitalize on the existing potential, as under:

- i) Regional MRTS between Gurgaon-Manesar-Bawal with feeder service to develop connectivity between Delhi and the up-coming manufacturing areas.
- ii) Logistics Hub in Rewari District
- iii) Exhibition-cum-Convention Centre at Pachgaon Chowk, Gurgaon (Haryana Government Gazette, 2010)

#### **7) National Small Industries Corporation Ltd. (NSIC)**

National Small Industries Corporation Ltd. (NSIC) is an ISO 9001-2008 certified Government of India Enterprise; it comes under Ministry of Micro, Small and Medium Enterprises (MSME). NSIC has been working to accomplish its mission of promoting, aiding and fostering the growth of small industries and the industries related to micro, small and medium enterprises in the country. Within a period of five decades of transition, growth and development, NSIC has proved its strength within the country and abroad by promoting modernization, up gradation of technology, quality consciousness, strengthening linkages with large medium enterprises and developing exports - projects and products from small enterprises. NSIC drive through countrywide network of offices and Technical Centers in the Country. (Government of India, Ministry of MSME, Haryana,2015-16)

#### **8) The Khadi and Village Industries Commission (KVIC)**

The Khadi and Village Industries Commission (KVIC) is a statutory body established under an Act of Parliament (No. 61 of 1956, as amended by act no. 12 of 1987 and Act No.10 of 2006). In April 1957, it took over the work of former All India Khadi and Village Industries Board.

**Some of the major functions of KVIC are:**

- ❖ The KVIC is stimulating with the planning, promotion, organization and implementation of programs for the enhancement of Khadi and other village industries in the rural areas in coordination with other agencies engaged in rural development wherever necessary.
- ❖ Its functions also comprise building up of a reserve of raw materials and implements for supply to producers, creation of common service facilities for processing of raw materials as semi-finished goods as well as provisions of facilities for marketing of KVI products apart from organization of training of artisans engaged in these industries and encouragement of co-operative efforts amongst them. To promote the sale and marketing of Khadi and/or products of village industries or handicrafts, the KVIC may forge linkages with established marketing agencies wherever attainable and necessary.
- ❖ The KVIC is also charged with the responsibility of encouraging and promoting research in the production techniques and equipment employed in the Khadi and Village Industries sector and providing facilities for the study of the problems relating to it, including the use of non-conventional energy and electric power with a view to increasing productivity with eliminating drudgery, enhancing their competitive capacity and arranging for dissemination of salient results obtained from such research.

Further, the KVIC is consigning with the task of providing financial assistance to institutions and individuals for development. Another important tasks are; operation of Khadi and village industries and guiding them through supply of designs, prototypes and other technical information. (Government of India, Ministry of MSME, Haryana,2015-16)

**9) District Industries Centre**

The District Industries Centre (DIC) in the State plays similar role like in others States or UTs. The functions of DIC in general are as follows:

1. Technical support for preparation of Project Report.
2. Information about sources of machinery & Equipment.
3. Priority in Power supply or Telephone connection.
4. Promotion of new Industrial Estates and Growth Centers.
5. Land in Industrial Estate.
6. Approval of Project Reports of special types.
7. Training through Entrepreneurship Development Programme (EDP)s.
8. Assistance under State Incentives Scheme.
9. Allotment of Raw Materials.
10. Financial Assistance under Self Employment Schemes.
11. Assistance under Equipment Leasing Scheme through NSIC.
12. Marketing linkage with Central Govt./ State Govt. organizations/ undertakings.

13. Ancillary Industry tie-up with Govt. undertakings.
  14. Marketing assistance through participation in Exhibitions or Trade Fairs and Buyers-Sellers Meet etc.
  15. Marketing assistance to Handicrafts Artisans through participation in Handicrafts Expo and Exhibition inside and outside of the state.
  16. Attending problems related to SSI Registration, Bank loan, marketing of production etc.
- (Government of India, Ministry of MSME, Haryana,2015-16)

## 10) Special Economic Zones

The State Government recognizes the potential of Special Economic Zones (SEZ) in driving industrial 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 drafted rules and regulations thereunder. Approximately 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 motivated healthy proliferation of SEZs in the State.

SEZ is an economic concept having goal of economic growth of a country or a region by enhancing exports, creating appreciative environment for foreign direct investment, and by generating employment at large scale.

The Government of Haryana passed SEZ act 2006 first of all in the country. The state government signed a deal with RIL to develop a Multi-Service SEZ in Gurgaon-Jhajjar districts. It will spread over 10000 hectares area of state. This deal has acted as a catalyst and given boost to SEZs approval in the state. Being a small state, there is found inequalities in development. Thus, in context of regional development, it is vital to analyze the spatial extension of SEZs with the land allotted to them. To ensure utmost reimbursement from SEZ, The implementation should be based on cluster approach. It is necessary to successful orientation of SEZ to identify the optimum location for 'Growth Foci'. These growth foci should have intrinsically quality as it can emerge as 'Growth pole' of region.

The achievement of SEZ's extraordinary performance and capability to maintain the economic growth consistently high aimed of global economic crises strongly recommends the requirement of SEZs for development of a region. The trend of approvals of SEZ proposals foresees that Haryana will be count in industrially developed state of country.

(Government of India, Ministry of MSME, Haryana,2015-16)

### **Global Economic Corridor along the KMP Expressway:**

The development of Kundli-Manesar-Palwal (KMP) Expressway has been undertaken by Haryana State Industrial & Infrastructure Development Corporation (HSIIDC). This project holds unprecedented potential for development of economic hubs at strategic locations along the expressway. This Global economic Corridor is planned along the KMP Expressway with provision for establishment of various theme cities like Knowledge City, Cyber City, Bio-sciences and Pharma City, Medi-City, Fashion City, Entertainment City, World Trade City, Leisure City, Dry Port City, Eco City, Sports City etc. These cities or hubs will provide service to institutional, commercial, industrial, research, residential, logistics or freight activities and will be spread over area of more than 150 square kilometres. These cities are expected to generate huge employment opportunities. This project will be developed in public-private partnership mode. (Haryana Government Gazette, 2010)

### **Enterprises Promotion Policy-2015**

The State has come out with a new extraordinary policy “Enterprises Promotion Policy-2015” (EPP) to prompt the State to the next level of growth trajectory. This policy visualizes GDP growing at a rate higher than 8 percent, an investment of 1 lakh crore rupees, employment generation for 4 lakh persons and also to position Haryana as a pre-eminent investment leading place. The policy is aligned with the ‘**Make in India**’, ‘**Digital India**’ and ‘**Skill India**’ campaigns of the Government of India. Some key incentives offered to Micro, Small & Medium Enterprises (MSMEs) include investment and interest subsidy, freight assistance, employment generation subsidy, market development assistance etc.

The State government has also sanctioned the “**Haryana Enterprises Promotion Act, 2016**”. Among others, it provides for setting up of Haryana Enterprises Promotion Centre (HEPC) to bestow clearances in a time-bound manner to the entrepreneurs for setting up their ventures in the State.

A **Composite Application Form** (CAF) can be created on ‘Invest-Haryana’ portal. This Composite Application Forms have been filled up to mid- December, 2017, for 2713 projects. The projects implemented involve investment of 32,516 crore rupees and employment given to 1,50,389 persons.

The Government of Haryana is determined to produce an ecosystem in which the ‘**Ease of Doing Business**’ (EoDB) guided by **Minimum Government and Maximum Governance**; in the State matches and even exceeds the best global standards.

Haryana got ranked 6th best in the country and 1st in North India in the recent assessment of States in the implementation of Business Reforms. For further improves the EoDB ranking of the State from 6th position, the State Government has undertaken many key reforms. Also, the State has mandated a period of 45 days for all the services to be provided by Haryana Enterprises Promotion Centre (HEPC), beyond which the deemed approval shall be granted. Government of Haryana has integrated the industrial related services with HEPC Single Roof Mechanism and has ensured that clearances are granted in a time bound manner. The State has developed the Rapid Assessment System (RAS) for taking proper feedback from the

user on various services provided by all the departments. These reforms will help Haryana to further improve its position among Indian States on EoDB Business Index in future.

New Enterprises Promotion Policy has created compatible atmosphere for development of industries in the State. Out of 485 Memoranda of Understanding (MoUs) signed during the period of present Government, 163 MoUs have been implemented. For their implementation 8,040 crore rupees of investment has been grounded with employment have been given to 8,932 persons. Online grievance redressal mechanism was introduced to address the grievances of industrial units.

Performance of the State on the export front has been marked despite lack of natural resources and distance of the State from the sea ports. Starting with exports of 4.5 crore rupees during 1967-68, the State today accounts for exports of nearly 81,220 crore rupees during the year 2015-16. It has been possible due to State policies and initiatives. The State Government has launched a scheme of Freight Assistance to the extent of 1 percent of Free on Board (FoB) value or actual freight excluding fee and taxes on transportation of goods from place of manufacture to Sea Port, whichever is less and maximum upto 20 lakh rupees per annum provided for MSME exporter in the State. The State Government also launched a scheme of State Export Awards with a view to acknowledge and identified the contribution of export units. A total of 18 'Outstanding Exporter Awards' across 9 different Industrial Groups and one 'Outstanding Woman Entrepreneur Exporter Award' of 3 lakh rupees were given by the State.

The State Export Award for the year 2015-16 was awarded to 35 outstanding exporting units involving 62.65 lakh rupees by the Honorable State Minister, MSME, and Government of India during the MSME conference held in May, 2017 at Panchkula. Out of these 35 Awards, 18 State Export Awards of 3 lakh rupees each and 17 Consolation prizes of 51,000 rupees each were distributed.

A provision has been made in the Enterprises Promotion Policy, 2015 to provide Market Development Assistance to Micro and Small Enterprises under 'Market Development Assistance Scheme'.

In order to ensure 'Zero Defect' in the quality of products, State Government has made provision for assistance under its 'Testing Equipment Assistance Scheme' for the Micro and Small Enterprises located anywhere in the State.

The State government has come up with its own mini cluster development programme which is 90 percent grant-in-aid (upto 2 crore rupees per project) for setting up of Common Facility Centre providing which shall provide a positive flip to the MSME sector in the State. Other 25 Mini Cluster has been also identified.

To enhance the MSME Sector manufacturing and skill development, two projects of Tool Rooms or Technology Centre's are being set-up at IMT Rohtak (19.8 acre) and at Industrial Growth Centre, Saha (10 acre) with investment of 150 crore rupees.

Central Tool Room Ludhiana has started its Extension Centre in Government Heat Treatment Centre, Faridabad. National Small Industries Corporation (NSIC), New Delhi had set up a Technology-cum-Incubation Centre in Government Polytechnic Neemka (Faridabad) as well as started training in the field of electrical, computers and fashion technology.

The District Industries Centres (DICs) would be strengthened and repositioned as Enterprise Assistance Groups to provide all necessary support to the industry, by positioning or appointing young professionals and consultants. At present, 10 support Consultants have been deputed across various DICs in the state. This will be extended to all the DICs.

The Haryana Government established the **Haryana Khadi and Village Industries Board** by issuing a Notification dated 1.2.1969 under Section 3(1) of the Punjab Khadi and Village Industries Board Act, 1955. The Board play a vital role to carry the KVICs programme and in promoting and enhancing Khadi and Village Industries in rural area of state. The objectives of the Board include skill improvement, employment generation in rural area and transfer of technology, rural industrialization, promoting self-reliance among the people and to build up a strong rural community base. It includes:-

1. To provide financing of eligible borrowers through different Banks.
2. To provide the training of persons employed or desirous if seeking employment in KVI Sector.
3. Development in Khadi and Village Industries Sector.
4. Promotion of sale and marketing of Khadi and Village Industries products.

### **Prime Minister's Employment Generation Programme**

The Government of India is implementing a credit linked subsidy programme called Prime Minister's Employment Generation Programme (PMEGP) for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. Board carrying the KVICs Prime Minister's Employment Generation Programme through Banks with one time Margin Money Assistance (Subsidy) programme but a compendium of different schemes under KVI Sector. The rate of Subsidy for projects of maximum cost of 25 lakh rupees is 25 percent for General Category and as far as weaker section beneficiaries like SC/ ST/ OBC/ Women/ Physically Handicapped/ Ex. Servicemen and Minority Community etc. are concerned importantly, 35 percent Subsidy is being provided on maximum project cost upto 25 lakh rupees.

During the year 2016-17, a target has been fixed of 506 projects including margin money of 1,011.39 lakh rupees. Out of this, 449 projects involving Subsidy of 1,154.34 lakh rupees have been accomplished. During the year 2017-18, target has been fixed of 1,237 projects involving Subsidy of 2,454.63 lakh rupees. Out of this, 297 project involving Subsidy of 816.41 lakh rupees have been accomplished upto 31.12.2017.

Khadi Rebate: A Khadi Rebate Scheme of 10 percent on the sale of Khadi product like Silk, Cotton, Woollen and Poly Clothes starting from 2nd October, Gandhi Jayanti was continued upto the year 2013-14. During the year 2013-14, Board has disbursed Khadi Rebate 317.53 lakh rupees pertaining to the pending claim of year 2011-12. During the year 2014-15 and 2015-16 (upto 30.06.2017), Board has disbursed Khadi Rebate 922.74 lakh rupees pertaining to the pending claim of period 2012-13 and 2013-14. (Economic Survey of Haryana, 2017-18)

**Conclusion:**

The study revealed the impact of different policies which are implemented time to time for enhancement of economy of state and also discussed the regional variation in establishment of industries as well as impact of NCR and national highways. Study discussed on basis of data from different government sources (Economic Survey of Haryana of different years, Haryana Government Gazette, 2010, Government of India, Ministry of MSME, Haryana, 2015-16 etc.) like about the importance of national capital to enhance the economic status of Haryana and how different industrial policies like Haryana State Industrial & Infrastructure Development Corporation Ltd. (HSIIDC), Haryana State Industrial Development Corporation Ltd. (HSIDC), Haryana Financial Corporation (HFC), Haryana State Pollution Control Board, The Micro, Small & Medium Enterprises Development Institute (MSME), Special Economic Zones (SEZs) helped in industrial development in the state with their possible contribution. At last the picture which came after this research that there is significant development in pre formation period of Haryana. After formation of Haryana as an individual state the process of industrialization become fast and faced many typical problems. The outstanding results came after implications of many industrial policies time to time by Industrial Department of Haryana with help of Government of Haryana. There are different reasons in different areas for industrial development like proximity of National Capital Region, National Highways etc. the development is not equal on spatial scale there are so much regional variation which are discussed on administrative divisions in Haryana state.

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