



# Industrial Development in Haryana : A Review

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**Abstract :** This review paper delves into the industrial development landscape of Haryana, providing a comprehensive analysis of the key factors influencing its growth and trajectory. Through an extensive literature review and data synthesis, the paper examines the historical evolution of the industrial sector in Haryana, highlighting pivotal policy interventions and economic drivers. The study explores the sectoral composition, technological advancements, and the role of infrastructure in fostering industrialization within the state. Furthermore, the paper critically evaluates the challenges faced by the industrial sector in Haryana, including issues related to environmental sustainability, workforce dynamics, and regulatory frameworks. Special emphasis is given to the impact of globalization and digital transformation on Haryana's industrial landscape. In addition, the review assesses the role of government initiatives, public-private partnerships, and institutional frameworks in shaping the industrial ecosystem. Comparative analyses with other leading industrial regions provide insights into Haryana's competitive advantages and areas for improvement. The paper concludes with recommendations for policymakers, industry stakeholders, and researchers to enhance the sustainable and inclusive development of Haryana's industrial sector. This comprehensive review contributes to the existing body of knowledge on regional industrial development and serves as a valuable resource for future research and policy formulation in the context of Haryana's economic growth.

**IndexTerms - Industrial development, Haryana, economic growth, policy interventions, sectoral composition.**

## I. INTRODUCTION

Since its establishment in 1966, Haryana has emerged as a beacon of exemplary industrial progress, overcoming initial challenges stemming from the partition of the Indian subcontinent. The state has rapidly transformed its economic landscape, demonstrating unprecedented growth across various sectors. Notably, the industrial prowess of Haryana is underscored by the resilience displayed in the aftermath of partition, particularly concerning the former Punjab region, where Haryana now stands as a testament to remarkable industrial development [1].

This paper undertakes a comprehensive exploration of the multifaceted industrial activities that have propelled Haryana onto a trajectory of rapid growth. From large and medium-scale industries to the dynamic spheres of information technology, cyber cities, and a thriving pharmaceutical sector, Haryana has embraced diverse avenues of industrialization [1].

Economically, Haryana ranks among the foremost states in India, contributing significantly to the nation's industrial output. The state's manufacturing excellence extends to passenger cars, two-wheelers, mobile cranes, and tractors, while also playing a pivotal role in the production of food grains, with a notable position in Basmati rice exports. Despite its relatively small geographical footprint, Haryana's contribution to India's Gross Domestic Product (GDP) has been substantial, reaching 3.63 percent in the fiscal year 2018-19. The Gross State Domestic Product (GSDP) further surged to Rs 9.40 trillion (US\$ 134.46 billion) in the fiscal year 2020-21, highlighting the state's economic significance [2].

In this context, the dominance of Haryana in the automotive sector deserves special attention. The state has become a preferred destination for leading auto majors and auto-component manufacturers, shaping it into a significant hub for the production of passenger cars, tractors, motorcycles, and refrigerators. The export figures of automobiles and auto components from Haryana, reaching US\$ 945 million in FY19 and US\$ 835.04 million between April and December 2019, underscore the global competitiveness of its automotive industry [2].

Facilitating this remarkable industrial journey is the conducive investment environment cultivated by Haryana. Foreign Direct Investment (FDI) has been instrumental in driving economic growth, with equity inflows amounting to US\$ 90.2 billion recorded between April 2000 and March 2020. The Haryana State Industrial and Infrastructure Development Corporation Ltd (HSIIDC) has played a pivotal role in fostering industrial investments, thereby contributing to the state's industrial dynamism [2].

This paper aims to delve into the nuances of Haryana's industrial development, unraveling the key drivers, challenges, and the role of various sectors in shaping its economic landscape. Through a systematic analysis, it seeks to provide valuable insights into the success story of Haryana's industrial journey, offering a foundation for understanding the intricacies of regional industrialization and its broader implications [2].

## II. INDUSTRIAL CENTERS OF HARYANA

Haryana, a stalwart in India's industrial landscape, is home to several key industrial centers that have played pivotal roles in propelling the state's economic growth. These centers, characterized by their diverse specializations, have significantly contributed to the state's industrial prowess. The notable industrial centers in Haryana include [3]:

- Faridabad:
  - Specialization: Faridabad is renowned for its specialization in the production of light engineering goods, metal goods, and automotive components. The city has developed a robust industrial infrastructure to support these manufacturing activities [3].
  - Significance: The industrial area in Faridabad plays a crucial role in not only meeting domestic demand but also contributing to the national supply chain. Its strategic location and expertise make it a key player in the automotive and engineering sectors [3].
- Gurgaon:
  - Diverse Industries: Gurgaon has evolved into a multifaceted industrial hub. It is a major center for automobile and auto-component manufacturing, contributing significantly to the automotive industry. In addition to traditional industries, Gurgaon hosts garments export units, reflecting its diversity [3].
  - IT Hub: Gurgaon's transformation into a major commercial and business center includes its emergence as a hub for information technology (IT) and IT-enabled services (ITES). The city's IT parks and technology-driven enterprises have contributed to its status as a leading IT destination.
- Panipat:
  - Textile Industry Focus: Panipat is actively contributing to the development of the textile industry. With Indian Oil's modern refinery and participation in the Textile Centres Infrastructure Development Scheme, Panipat has positioned itself as a key player in the textile manufacturing and processing sector.
  - Energy and Power: In addition to textiles, Panipat houses a Thermal Power Plant, further enhancing its industrial significance by contributing to the energy and power generation sector [4].
- Yamuna Nagar:
  - Diversity of Industries: Yamuna Nagar is the largest industrial center in Haryana, boasting a diverse industrial landscape. It is home to the largest sugar mill and paper mill in Asia, showcasing its prominence in the sugar and paper manufacturing sectors.
  - Power Generation: The city's industrial portfolio includes a Thermal Power Plant and a hydroelectric power plant, reflecting its role in power generation. Additionally, Yamuna Nagar hosts steel and brass industries, contributing to the metallurgical sector [4].
- Panchkula:
  - IT and BPO Focus: Panchkula has strategically positioned itself as a hub for the Information Technology (IT) and Business Process Outsourcing (BPO) sectors. The city offers incentives to promote these industries and hosts IT parks, Nano City, and various cyber cities and technology parks, fostering an environment conducive to technological innovation and growth [4].

These industrial centers collectively form the backbone of Haryana's economic landscape, contributing to the state's status as a key player in India's industrial development. Their diverse specializations reflect the adaptability and resilience of Haryana's industrial sector, positioning it as a dynamic contributor to the national economy.

## III. INDUSTRIAL DEVELOPMENT HARYANA

Before the formation of Haryana in 1966, the region's industrial evolution was intricately linked to the broader industrial development of the former Punjab. This connection was not merely geographical but extended to the structural and organizational aspects of pre-partition Punjab's industrialization. Haryana's emergence as a distinct entity marked a transformative phase, but its roots were deeply embedded in the pre-partition industrial landscape [5].

In the years leading up to India's independence in 1947, Haryana's industrial foundation was characterized by its modest beginnings. The entire Indian Punjab, encompassing Haryana, contributed only five percent of the registered factories in the country. This modest representation underscored the early stages of industrialization, indicating that the region had yet to emerge as a significant industrial player. The industrial landscape of pre-partition Punjab, which included Haryana, had a limited impact on employment, constituting only 1.5% of the total regional workforce. District-wise variations showcased certain areas, like Amritsar and Ludhiana, as more industrially developed compared to others. This distribution emphasized the regional nuances of industrial growth during this period [5].

A detailed overview of the distribution of large and medium-scale industries in Haryana in 1947, as outlined in Table 1, offers insights into the specific sectors and industrial hubs prevalent at that time. This historical data provides a snapshot of the economic activities that laid the groundwork for Haryana's later industrial landscape.

Haryana's industrial scene during the pre-formation era was characterized by a nascent state of development. With limited industrial presence and a modest contribution to the region's overall economic activities, the early industrialization set the stage for

subsequent efforts to shape Haryana into a robust industrial state. The modest beginnings of Haryana's industrialization before independence underline the subsequent need for concerted efforts to foster the state's industrial growth. The post-formation era saw policymakers and industrial stakeholders building on this foundation, transforming Haryana into a significant industrial force within the Indian landscape. The journey from a region with limited industrial presence to a dynamic economic contributor reflects the resilience and vision of those who shaped Haryana's industrial trajectory.

Table 1. Haryana: Distribution Of Large And Medium Scale Industry In 1947

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

Haryana's public sector enterprises play a significant role in the state's industrial landscape, contributing to economic development and industrial diversity. Several notable entities operate in various sectors, showcasing a mix of industries under public ownership.

#### ❖ Hindustan Machine Limited (HMT):

- *Overview:* HMT, a renowned public sector enterprise, has a presence in Haryana. Historically known for its expertise in manufacturing machine tools and tractors, HMT has contributed to the growth of the manufacturing sector in the state.

#### ❖ National Fertilizers Limited (NFL):

- *Significance:* NFL, a major public sector undertaking, operates in the fertilizer industry. Its presence in Haryana underscores the state's role in agricultural production and the importance of the fertilizer sector in supporting the agrarian economy [6].

#### ❖ Indian Pharmaceutical Limited:

- *Role in Healthcare:* The presence of Indian Pharmaceutical Limited in Haryana reflects the state's involvement in the pharmaceutical industry. This sector contributes not only to the local economy but also plays a crucial role in healthcare at a national level.

#### ❖ Bharat Electronics Limited (BEL):

- *Technology and Defense:* BEL, being a public sector enterprise, brings technological and defense-related capabilities to Haryana. Its presence aligns with the state's commitment to advancements in technology and national security.

#### ❖ Cement Corporation of India:

- *Contribution to Construction Sector:* The Cement Corporation of India, operating in Haryana, contributes to the construction industry. Its presence is vital for the development of infrastructure and housing projects in the state.

#### ❖ Refinery of Indian Oil Corporation (IOC):

- *Oil and Energy Sector:* The Indian Oil Corporation's refinery in Haryana plays a crucial role in the oil and energy sector. It contributes to the state's energy requirements and is integral to the broader energy infrastructure of the country.

#### Haryana's Own Enterprises:

In addition to the public sector enterprises at the national level, Haryana has also established its own enterprises, showcasing a commitment to self-sufficiency and economic development [6].

#### ❖ Haryana Breweries Limited:

- *Beverage Industry:* Haryana Breweries Limited contributes to the beverage industry in the state. Its operations reflect the diversification of industries within Haryana, including the manufacturing and distribution of beverages.

#### ❖ Haryana Concost Limited:

- *Infrastructure and Construction:* Haryana Concost Limited's involvement in infrastructure and construction highlights the state's efforts to support and participate in projects related to logistics and container handling [7].

#### ❖ Haryana Minerals Limited:

- *Mining and Mineral Resources:* Haryana Minerals Limited is engaged in the mining sector, emphasizing the utilization of the state's mineral resources. This contributes to both industrial and economic development.

#### ❖ Haryana Tanneries Limited:

- *Leather Industry:* With a focus on the leather industry, Haryana Tanneries Limited plays a role in promoting the state's participation in this specialized sector. It contributes to the state's industrial diversity.

#### ❖ Haryana Agro Industries Corporation:

- *Agricultural Processing:* Haryana Agro Industries Corporation is involved in agricultural processing, aligning with the state's agrarian focus. This enterprise adds value to agricultural products, contributing to rural development.

#### ❖ Haryana Dairy Development Corporation:

- *Dairy and Livestock Sector:* The Haryana Dairy Development Corporation operates in the dairy and livestock sector. Its activities support the state's agricultural communities and contribute to the production of dairy products [7].

**Overall Contribution:** The presence of these public sector enterprises, both at the national and state levels, underscores Haryana's commitment to industrial diversity. These entities contribute to various sectors, including manufacturing, agriculture, healthcare, and infrastructure, collectively playing a crucial role in the state's economic growth and development.

Table 2. Industrial Production in Haryana

Industry Group	Index of Industrial Production in Haryana (Base Year 2004-05=100)							
	2006 - 07	2007 - 08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>Manufacturing</b>	118.6 (10.4)	126.3 (6.3)	129.4 (2.5)	144.8 (12.0)	159.7 (10.3)	165.9 (3.9)	173.6 (4.6)	177.8 (2.4)
<b>Electricity</b>	128.5 (10.2)	132.9 (3.5)	154.8 (16.5)	176.2 (13.8)	181.0 (2.7)	230.4 (27.3)	243.5 (5.7)	252.7 (3.8)
<b>Basic Goods Industries</b>	113.8 (6.6)	119.4 (4.9)	133.3 (11.7)	150.8 (13.1)	157.0 (4.1)	186.4 (18.7)	212.2 (13.8)	214.5 (1.1)
<b>Capital Goods Industries</b>	131.6 (22.8)	147.8 (12.3)	143.7 (-2.8)	175.2 (21.9)	210.8 (20.3)	203.5 (-3.4)	189.9 (-6.7)	204.8 (7.8)
<b>Intermediate Goods Industries</b>	114.6 (6.2)	122.3 (6.7)	127.1 (3.9)	141.5 (11.3)	148.5 (5.0)	162.2 (9.2)	173.8 (7.2)	156.7 (-9.8)
<b>Consumer Goods Industries</b>	118.8 (8.1)	121.7 (7.4)	125.8 (3.3)	132.4 (5.3)	143.0 (8.0)	148.1 (3.6)	156.0 (5.3)	170.4 (9.2)



<b>a) Consumer Durable Goods</b>	125.2 (12.8)	129.2 (3.1)	132.0 (2.2)	138.6 (5.0)	158.4 (14.3)	173.9 (9.8)	179.0 (2.9)	187.1 (4.5)
<b>b) Consumer Non-Durable Goods</b>	114.4 (4.8)	116.5 (1.9)	121.5 (4.2)	128.1 (5.4)	132.3 (3.2)	130.2 (-1.6)	140.0 (7.5)	158.9 (13.5)
<b>General Index of IIP</b>	119.4 (10.4)	126.8 (6.2)	131.5 (3.7)	147.4 (12.1)	161.5 (9.5)	171.2 (6.0)	179.3 (4.7)	184.0 (2.6)

### Infrastructure Development Initiatives

Haryana has implemented several initiatives to develop industrial infrastructure and foster consistent economic growth. Noteworthy efforts include:

- ❖ **Connectivity:** The state boasts nearly 100 percent connectivity to rural areas through metalled roads, with Haryana Roadways operating one of India's most extensive state road transport fleets.
- ❖ **Healthcare Excellence:** Recognized nationally for outstanding services in the healthcare sector, Haryana earned a bonus of Rs 71.72 crore (US\$ 10.17 million) from the Ministry of Health and Family Welfare [8].
- ❖ **Horticulture Vision:** The state aims to double the area under horticulture and triple horticulture production by 2030, as outlined in its 'Horticulture Vision.'
- ❖ **Industrial Promotion:** The establishment of a single-window clearance mechanism under the Haryana Industrial Promotion Act, 2005, facilitates a streamlined process for exemptions and relaxations.
- ❖ **Infrastructure Development:** Investments in world-class infrastructure, including Special Economic Zones (SEZs), Kundli Manesar Palwal (KMP) global corridor, and Delhi-Mumbai Industrial Corridor (DMIC), underscore Haryana's commitment to development [9].
- ❖ **Technological Advancements:** Haryana leads in technological initiatives, including the implementation of its Statewide Area Network (SWAN) for voice, data, and video transmission.
- ❖ **Biotechnology Focus:** The state government has established a Regional Centre for Biotechnology (RCB), Gurgaon, under UNESCO guidance, marking a significant commitment to advancements in biotechnology.

In summary, Haryana's journey towards industrialization reflects a dynamic landscape marked by robust growth, strategic investments, and a commitment to fostering a conducive environment for diverse industries [10].

### IV. CONCLUSION

In conclusion, the industrial landscape of Haryana has undergone a remarkable transformation, evolving from modest beginnings in the pre-formation era to a dynamic and diverse ecosystem. The historical ties to the former Punjab laid the groundwork for subsequent efforts, and the state has emerged as a key player in India's industrial development. The pre-independence industrial scenario reflected a nascent stage, with limited factories and employment contributions. The district-wise distribution showcased regional variations, providing insights into the early phases of industrialization. This historical context highlighted the need for concerted efforts post-formation to establish and propel Haryana's industrial growth. The paper explored the contemporary industrial dynamics, emphasizing the state's prowess in sectors such as automotive, textiles, information technology, and agriculture. Noteworthy industrial centers like Faridabad, Gurgaon, Panipat, Yamuna Nagar, and Panchkula have played pivotal roles in shaping Haryana's economic narrative. The role of public sector enterprises, both at the national and state levels, was elucidated, showcasing their contributions to diverse sectors such as manufacturing, agriculture, healthcare, and infrastructure. Entities like HMT, NFL, BEL, and IOC have added technological advancements and national significance to Haryana's industrial landscape. Simultaneously, the state's own enterprises, including Haryana Breweries Limited and Haryana Agro Industries Corporation, contribute to local industry diversification.

Haryana's economic significance is underscored by its contribution to India's GDP, manufacturing excellence, and success in attracting foreign direct investment. The state's commitment to sustainability and inclusive growth is evident in initiatives across various sectors. As Haryana continues its journey as an industrial powerhouse, there remains a need for continued policy focus, infrastructure development, and innovations to address emerging challenges. This paper, through its exploration of historical foundations, current dynamics, and the role of public and private enterprises, provides valuable insights into the multifaceted nature of Haryana's industrial development. It serves as a foundation for future research, policy formulation, and strategic initiatives aimed at sustaining and enhancing Haryana's position in India's industrial landscape..

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