

INDUSTRIAL DEVELOPMENT IN HARYANA : AN APPRAISAL

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The paper purports to examine the process of industrialisation in Haryana. It is accomplished in two phases: (i- a board review of conditions existing prior to its formation when the Haryana territory formed a peripheral part in the space economy of a more developed region (Punjab), and (ii) the post formation (1966-67 to 1985-86) scenario. The latter is discussed further in two parts: while the first takes care of the registered working factories, the second deals with large and medium scale industry in Haryana. Of special interest is the fact of its recent formation as impinging upon the industrial policy and progress.

An interesting mix of results are obtained. The political economy of the state did work towards promoting industry. The pace of industrialisation was faster in Haryana after its formation than that of its sister state of Punjab. The industrial structure in the state had expanded in size over time and diversified in composition although regional disparities had widened with the focus of industrialisation on the areas peripheral to the national capital of Delhi, and on the national highways and the major rail routes.

Haryana Industrialisation: A Historical Perspective

Till 1966, location, structure, and organisation of Haryana industrialisation was an integral part of industrial development in the former Punjab. The Haryana territory could not boast of a strong industrial base at that time.

Earlier, before Independence in 1947, the industrial scene was defined by the ubiquitous indigenous handcraft and cottage industries in rural areas and a few British owned large and medium scale industries in cities. Industrial development was of low and sporadic nature. This was in tune with the British policies which emphasised export of raw materials and import of finished goods rather than establishment of manufacturing units.

Just before independence, only five per cent of the factories registered in the provinces of India were located in the Indian Punjab (Government of India, 1946. pp. 9-16). The employment share worked out to 1.5 per cent. 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 the highest number, 49 units, while the share of other districts was very small (Statistical Abstract of Punjab, 1947-50, p. 152).

The Haryana territory was comparatively not so unfavourably placed in respect of large and medium scale industry. The Amritsar-Calcutta and Amritsar-Bombay railways traversing through this area were of some help. In

1947, the Haryana territory accounted for 18 units out of 44 in the then Punjab. These were distributed among 8 centres (Table 1).

Some of the important industrial centres in the Haryana territory included Panipat (woolen goods/blankets, brass metalwares, and pottery), Bhiwani (cotton ginning and textiles), Ambala (cotton rugs or *daris*), Karnal (bottles, glasses, mirrors, lamps and chimneys),

Jagadhri (brass utensils), Rewari (utensils), and Jhajjar (unglazed pottery). Many of the manufactured goods were for supply to the army as also for meeting the requirements of the regional market.

In respect of small scale industry, the position of the Haryana territory was indeed poor. It shared only about nine per cent of such units in the then Punjab. Even by the end of 1950, the now

Table 1 : Haryana: Distribution of Large and Medium Industry, 1947

District	Industrial centres	Number of units
Ambala	Ambala Cantonment (2) Jagadhri (1), Surajpur (1), Yamuna Nagar (5)	9
Bhiwani	Bhiwani (2), Dadri (1)	3
Faridabad	Faridabad (5)	5
Gurgaon	—	—
Hisar	—	—
Jind	—	—
Karnal	—	—
Kurukshetra	—	—
Mahendragarh	Rewari (1)	1
Rohtak	—	—
Sirsa	—	—
Sonapat	—	—
Haryana		18

Source: Directory of Large and Medium Industries of Haryana (undated). Directorate of Industries, Haryana, Chandigarh.

i) Figures in parentheses indicate number of units.

ii) Data are adjusted to districts as at the time of the 1981 Census of India.

Punjab territory had 1,624 units and Haryana territory only 484 units. Ambala district, in the Haryana territory alone claimed 366 units (Government of India, 1977).

It shows that the Haryana territory was not only industrially backward but also most of its industry was confined to a few districts and this also at some places within them.

The initial impact of the 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 then 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 industrialisation 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 (National Council of Applied Economic Research, 1962, p. 77). The government encouraged establishment of industries at places like N'lokheri, Faridabad, Bahadurgarh, Sonapat, Panipat, Jagadhri, Ropar and Khanna during 1948-50. Model towns and industrial estates were built at these places.

Most of the new industrial estates fell in the Haryana territory which was reckoned safer for industrial investment. This followed the recommendations of a committee constituted for rehabilita-

tion of the displaced industrialists. It was recommended that the new industrial towns should be developed firstly, around Delhi at Bahadurgarh, Faridabad, Sonipat, Jagadhri, and Ambala besides other places in the present Punjab, and secondly, in the proximity of the proposed capital of Chandigarh. In addition, the industry located in the Punjab districts bordering with Pakistan also showed some tendency to shift to safer places in the Haryana territory.

Thus, a base for rapid industrialisation of now Haryana was laid soon after independence. The two main assets included a relatively distant location from the international border and proximity to the national capital of Delhi. The settlement of enterprising displaced persons in the planned industrial estates provided an additional impetus to the process.

Subsequently, any further advancement in the industrial sphere became the function of the industrial programmes under the different five year plans, starting with the first in 1951. Punjab, with Haryana territory as a part, favoured agro based small scale industries on account of availability of abundant supply of agricultural raw materials and an assured supply of labour. The programme of heavy industrialisation did not merit plan priority due to lack of minerals, necessary transport facility and organised capital market. The state's proximity to a sensitive international border was also a consideration to this effect. This preference for the small scale industry vis-a-vis large and medium scale industry was to the disadvantage of the Haryana territory. Its comparative locational advantage in respect of this kind of industry was in no way superior to that of the Punjab territory.

Financial allocation for industries was greatly enhanced during the Second Plan (1956-61) and Third Plan (1961-66) as evident from Table 2). The new strategy of industrial development included (i) expansion of engineering industries, producing intermediate products and light producer goods, mainly in the

form of agricultural implements; (ii) production of durable consumer goods; and (iii) introduction of large scale industries, wherever feasible. An outcome of this policy was that the small scale industry concentrated more in the present Punjab territory due to higher income levels and large scale industry more in the Haryana territory.

Table 2 : Haryana : Allocation of Plan Outlay to Industry and Minerals.

(Rs. in hundred thousand)

Plan	Large and medium industries	Mines & minerals	Village & small scale industries	Total
First Plan (1951-56)	— —	— —	—	193.00 (1.37)
Second Plan (1956-61)	189.03 (1.27)	1.50 (0.01)	743.63 (5.01)	934.16 (6.29)
Third Plan (1961-66)	322.10 (1.26)	10.00 (0.04)	1108.00 (4.33)	1440.00 (5.63)
Fourth Plan (1969-74)	316.00 (0.88)	21.00 (0.06)	583.00 (1.63)	920.00 (2.57)
Fifth Plan (1974-79)	510.00 (0.75)	21.20 (0.03)	740.26 (1.09)	1271.46 (1.87)
Sixth Plan (1980-85)	1100.00 (0.69)	46.00 (0.03)	1946.00 (1.22)	3092.00 (1.94)
Seventh Plan (1985-90)	1945.00 (0.67)	110.00 (0.04)	3600.00 (1.24)	5655.00 (1.95)

Source : Data has been compiled from successive Five Year Plan documents of Punjab and Haryana.

Note : i) The first three plans relate to erstwhile (pre-1966) Punjab.

ii) Figures in parentheses are proportion to total outlay.

iii) Figures for provision made under the First Plan (1951-56) are not available.

It needs to be added here that most of the public sector large scale industry was allocated to the present Punjab territory where the political decision making power was concentrated. The same was true in respect of the supply of licensed raw materials like iron sheets, pig iron and imported steel. These were made available more to industry in places like Ludhiana, Amritsar, Jalandhar, Batala and Phagwara, now in the present Punjab (Government of Punjab, 1966).

It follows that while Haryana territory had locational advantage in respect of industry, the Punjab territory had political patronage. The latter proved stronger and got manifest in greater concentration of industry in the Punjab territory. Table 3 is testimony to this.

Table 3 : Haryana and Punjab : A Comparative Picture of Some Indicators of Industrial Development, 1966.

indicator	Ratio between Haryana and Punjab
Number of registered factories*	1:3.03
Number of registered factories per lakh of population	1:2.45
Number of small scale units**	1:4.29
Consumption of electric power by industries	1:1.33
Consumption of coke	1:4.00
Investment in central public sector projects	1:4.58

Source: i) Government of Punjab (1966) : **Final Report**, Haryana Development Committee, Chandigarh.

ii) Report of the Industrialists' Committee on Intensive Industrialisation of Haryana, 1969, p. 3.

* All industrial establishments, small scale or large scale, registered with the Inspector of Factories, in each state under the Factories Act 1948, are called 'factories'. All industrial units employing 10 or more workers and using power and 20 or more workers when not using power are required to get themselves registered under the Factories Act.

** These include all industrial units with a capital investment (plant and machinery) of not more than Rs. 0.75 million, irrespective of the number of persons employed; the ceiling prior to October 1966 was Rs. 0.50 million (Government of India, 1970).

Post-formation Scene

Let us now reflect as to how the formation of Haryana as a new state was to influence its industrial development. The following was visualised for the state in this regard:

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

ii) It could locate new industrial estates or identify industrially backward districts/areas for special care in the context of its new spatial disposition.

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

In addition, the new agricultural prosperity in the wake of the Green Revolution ushering in around that time was also to make its own impact on the industrial scene of the state.

The political power of the new state was rural based. Hence a thrust to rural industrialisation is not surprising. By 1990, as many as 37,500 tiny rural units* providing employment to 94,605 persons had been set up under Rural Industries Scheme launched in 1977-78. Most of these were agro-based. These find a high concentration in the districts of Karnal and Kurukshetra, where the Green Revolution had consolidated itself most effectively.

In addition to these, small scale units registered a nineteen-fold increase in the number of units from 4,519 in 1966 to about 90,000 in 1990.

The state's endeavour to develop large and medium scale industry and to promote ancillary industries has been equally impressive. The number of large and medium scale units increased phenomenally from 157 in 1966 to 439 in 1990. The state has 51 ancillary units of Hindustan Machin Tools based at Panchkula which are engaged in the manufacture of tractors. Eighteen such ancillary units are at Murthal and thirteen at Roz-ka-Meo which feed the tractor industry at Faridabad.

Of late, the focus has shifted to high technology industries, such as automobiles, electronics and computers which are coming up specially in the proximity of Delhi. Industrial complexes for electronic industry are also being set up at Hisar, Rohtak, Panchkula, and Ambala. A thrust to expansion of modern industry is evident.

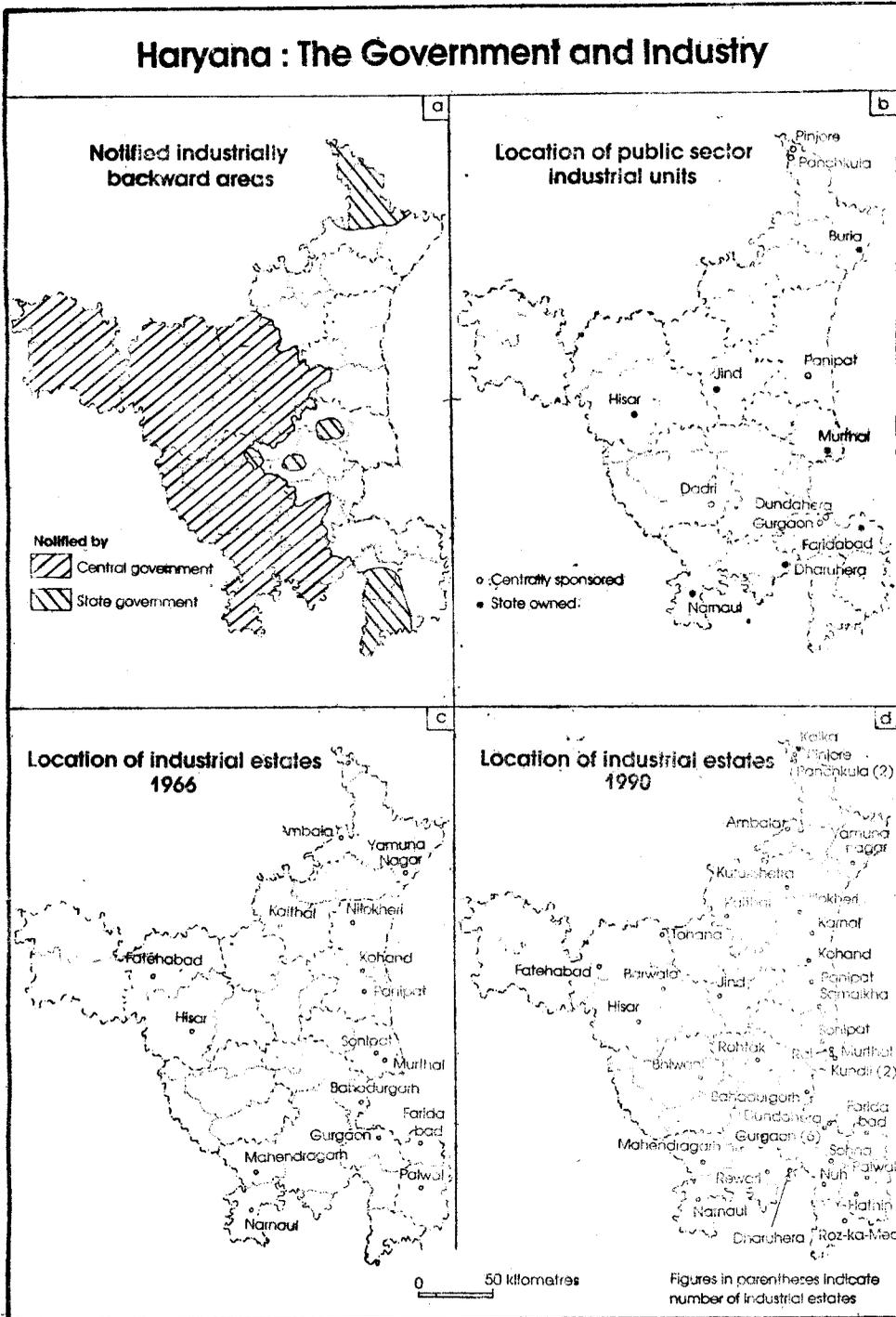
Policies have also been formulated to promote 100 per cent export-oriented units. All kinds of goods, including handloom and handicrafts, ceramics and pottery, leather and footwear, electrical goods and scientific instruments are being manufactured for export. This type of industry is scattered all over the state at places like Hisar, Panipat, Jind, Kapriwas, Dharuhera, Dundahera, and Karnal.

It follows that the industrial structure of Haryana has now two contrasting constituents. On the one hand, rural industries are being encouraged, mostly through heavy subsidies, under political considerations. On the other, the modern high technology industry is also being promoted to reap locational advantage of the proximity to the national capital, Delhi.

Industrial Location Policy

In terms of its industrial location policy, the state followed a three pronged strategy as a part of the wider national design : (i) establishment of new industrial estates, (ii) identification of industrially backward areas for special favour, and (iii) insistence on the Central government to allocate additional public sector industry.

* Tiny rural units have a fixed investment on plant and machinery upto Rs. 100,000.00



Map - 1

At the time of its formation the state had 18 urban/rural industrial estates/areas which have now grown to about 31. Two-thirds of these estates are located in the National Capital Region (Map 1 : c, d).

As a part of the spatial strategy of industrial development the state is now divided into three zones : (i) areas declared industrially backward either by the Central government or the state government (Map 1a), (ii) highly industrialised belt of Faridabad and Ballabgarh Complex, and (iii) rest of the state.

It is observed that while most of the areas declared as industrially backward by the Centre are located outside the National Capital Region, those declared as backward by the state are located within. More advantageous locations, especially with reference to proximity to Delhi (national capital) and Chandigarh (joint capital of Haryana and Punjab), within the designated industrially backward areas, have emerged as the scenes of new industrial activity.

Till its formation in 1966, rather upto 1978, the state had only one central public sector undertaking, Hindustan Machine Tools, at Pinjore. Since then four more units — National Fertilizers Limited (Panipat), Maruti Udyog Limited (Gurgaon), Indian Drugs and Pharmaceuticals Limited (Dundahera), and Bharat Electronics Limited (Panchkula) have been allocated to it. Dalmia Cement Plant (Dadri) was nationalised in 1981, thereby making it a responsibility of the Central government. Besides, an oil refinery is proposed to be set up at Baholi in Karnal district. Notably all these plants have been located in the

more developed eastern part of the state (Map 1b).

The seven industrial units in the state public sector at Murthal, Buria, Jind, Narnaul, Faridabad, Hisar, and Dharuhera show a greater spatial scatter (Map 1b). It is a pity that, barring the Haryana Breweries Limited at Murthal, none is running on a profitable basis. The centrally sponsored industrial units are, by contrast, a success.

Registered Working Factories

On the whole, the manufacturing sector recorded a creditable average annual growth rate of 7.1 per cent during 1966-86. By comparison, the overall economic growth rate was 5.60 per cent per annum. The state domestic product from manufacturing grew 3.6 fold from 703 to 2,566 million over the period.

The number of registered factories increased almost fourfold from 1,168 in 1966 to 4,484 in 1985. There was a corresponding rise in industrial employment from 0.06 million to 0.22 million over the corresponding period.

The process of industrialisation has, in fact, been faster in Haryana than in Punjab. In 1966, Punjab had three times the number of working registered factories and 1.6 times the number of factory workers as in Haryana. By 1985, this ratio had scaled down to 2 and 1.2 times, respectively (Table 4).

Likewise, Haryana's share in the country's working registered factories grew from 1.92 per cent in 1966 to 2.99 per cent in 1985. The state's population makes 1.92 per cent of India's total. It is evident that formation of Haryana as a separate state was highly favourable to its industrial development.

Table 4 : Haryana and Punjab : Number of Registered Working Factories and Number of Workers Employed, 1966-85.

Year	Number of working registered factories		Haryana	Punjab
			Number of workers	
	Haryana	Punjab		
1966*	1,168	3,544	64,564	103,654
1969	1,216	4,141	81,505	105,924
1974	1,707	5,110	107,998	131,100
1979	2,829	6,624	160,196	188,098
1980	3,176	7,053	175,025	201,735
1985	4,484	9,271	226,476	267,064

* : Statistical Abstracts of Haryana and Punjab, 1966 — to 1985.

Source : Data have been provided for the initial or closing years of various plan periods.

Concurrent with the impressive expansion of its physical dimension, the industrial structure of Haryana has experienced a remarkable diversification in its commodity production.

In 1967, about one-fifth of the 1,200 registered factories in the state, were engaged in the manufacture of wood and wood products (saw-milling and timber works), another two-fifths, in almost equal proportions, were engaged in the manufacture of food products (grain milling, oil extracting etc.), metal products (hand tools, utensil making), and machinery and machine tools (agricultural machinery, equipment and parts). The number of cotton textiles (cotton ginning, dyeing of yarn and cloth), handloom products), and basic metal and alloys (castings, sheets, forgings) units was also considerable. Each constituted more than 5.00 per cent of the

total industrial units. The remaining units were engaged mainly in the manufacture of chemicals, transport goods and light engineering goods.

By 1985, the industrial set up had not only grown in size but also got diversified. The manufacture of wood and wood products, food products, metal products and parts, machinery and machine tools, basic metal and alloys, and cotton textile persisted, of course, with a greater variety in each case. Simultaneously a remarkable progress was noted in respect of non-metallic mineral product industry (cement, glass and glass products, stone crushing). The chemical and chemical product industry also proliferated.

The number of registered working factories increased regularly with the years (Table 4). An initial spurt was ex-

perienced during the Fifth Plan (1974-79). This gained a momentum during the Sixth Plan (1980-85). By 1985-86, the number of registered working factories in Haryana had become almost four times of that in 1966.

Whereas the number of registered working factories increased by 1.69 times during the first decade after the formation of the state in 1966, the rise was 2.27 times in the subsequent decade. This is commendable when the industrial sector is not being accorded a higher priority in the allocation of power; its

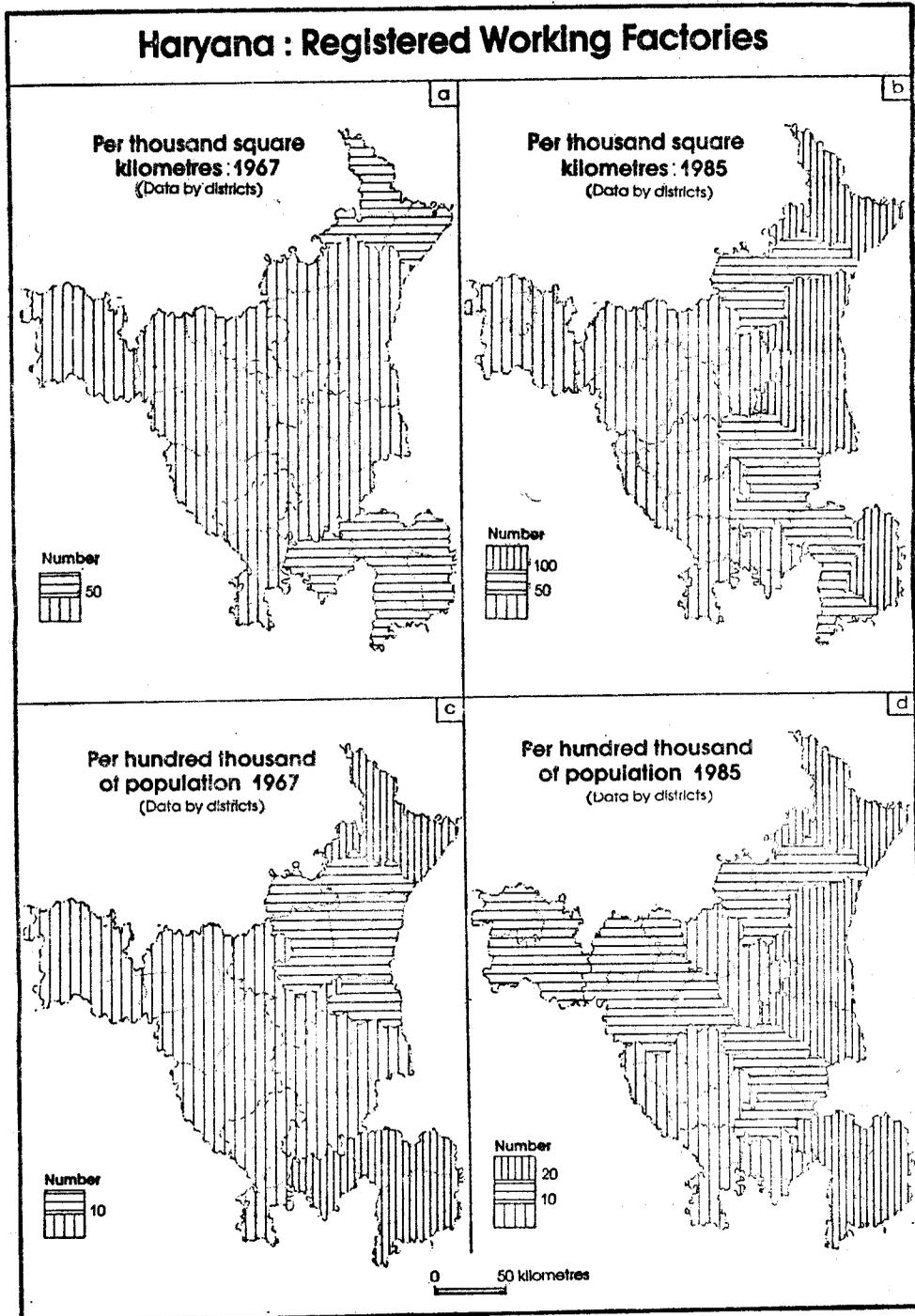
ratio vis-a-vis agricultural sector having declined from 3.30 : 1.00 in 1966 to 0.94 : 1.00 in 1985.

The increase in the number of registered working factories has been impressive both in terms of area and population. The number of registered working factories increased about four-fold from 27.14 per thousand square kilometres to 101.42 during 1967-85. Their number per hundred thousand of population grew from 12.93 to 30.59 (Map 2). All areas did improve their position in absolute terms but the more developed eastern

Table 5 : Haryana : Districtwise Distribution of Registered Working Factories, 1975-76 and 1985-86.

District	Number of registered factories		Percentage in the total	
	1975-76	1985-86	1975-76	1985-86
Ambala	478	1,072	24.19	23.91
Bhiwani	40	74	2.02	1.65
Faridabad, Gurgaon	624	1,449	31.59	32.31
Hisar	164	255	8.30	5.68
Jind	37	85	1.87	1.89
Karnal	219	651	11.08	14.52
Kurukshetra	80	212	4.05	4.73
Mahendgarh	33	107	1.67	2.39
Rohtak	121	298	6.12	4.64
Sirsa	60	82	3.04	1.83
Sonepat	120	289	6.07	6.45
Haryana	1,976	4,484	100.00	100.00

Source : Economic Adviser to Government of Haryana, **Statistical Abstracts of Haryana, 1975-76 and 1985-86**, Chandigarh.



Map 2

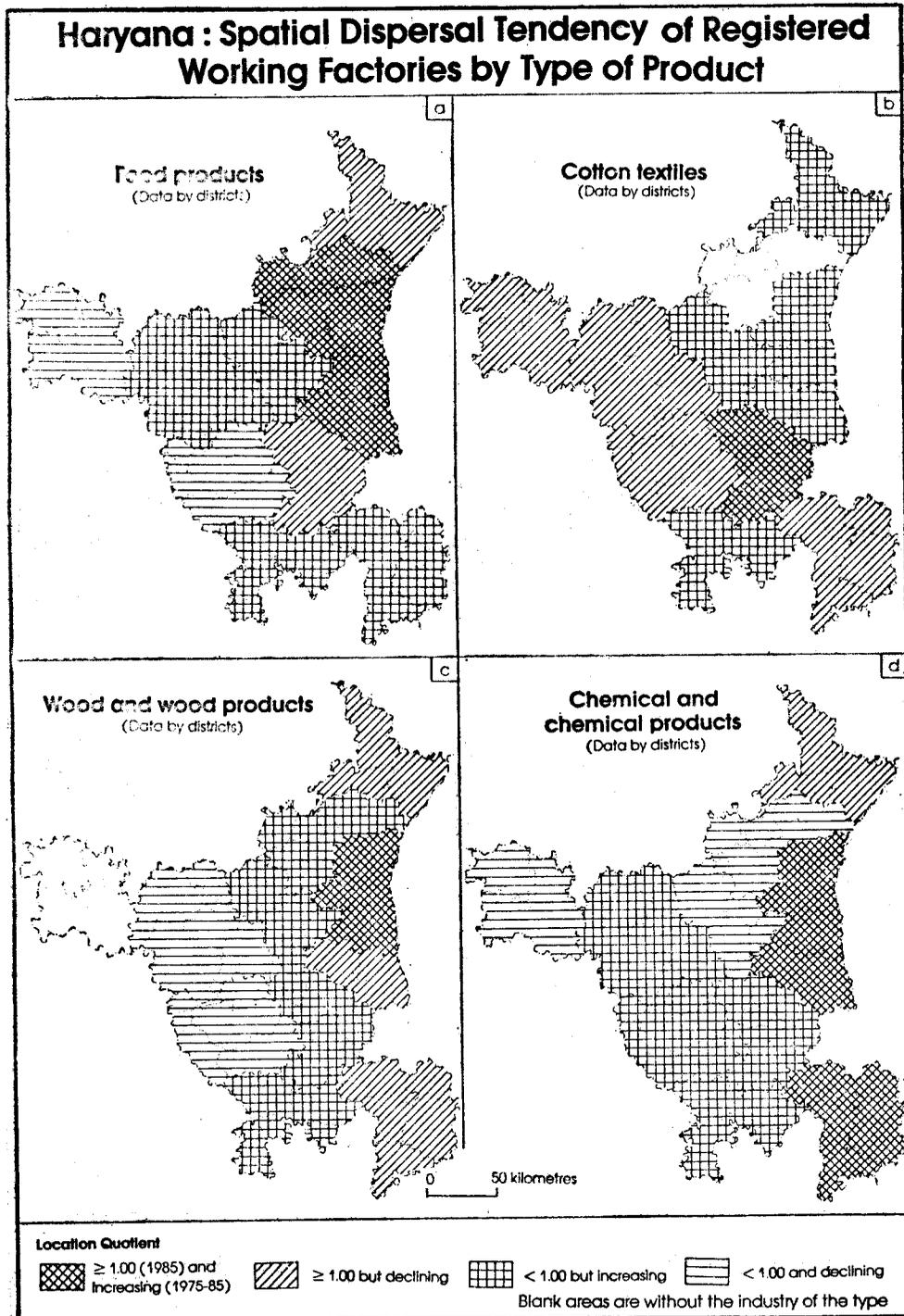
part strengthened its hold further. Regional disparities did not remain contained. The increase in disparity was more in terms of population than area.

Districtwise data shows that the first three ranking districts. Gurgaon (including Faridabad), Ambala, and Karnal accounted for 66.86 per cent of the

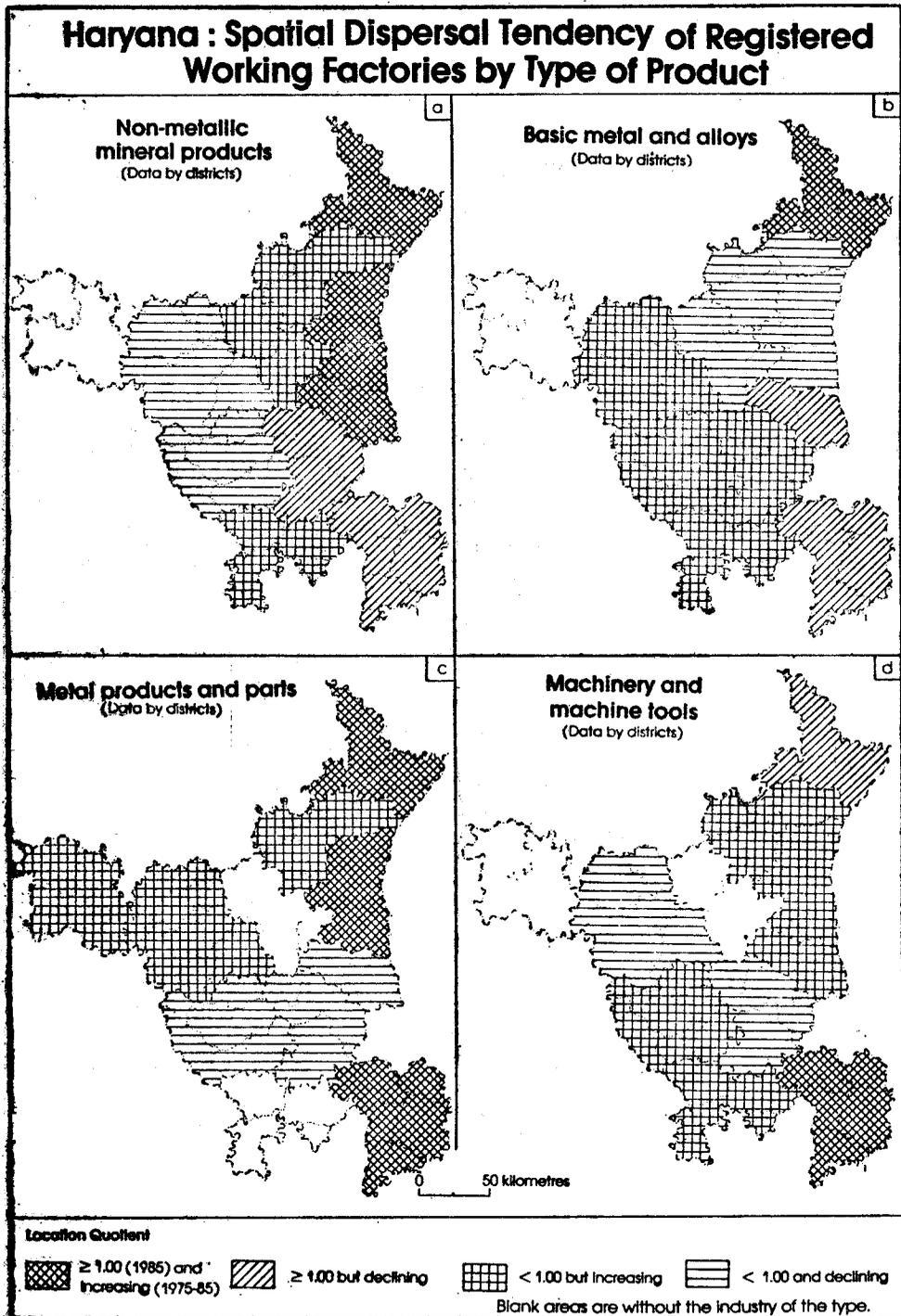
Table 6 : Haryana: Percentage Distribution of Manufacturing Workers by Type of Industry in Three Top Ranking Districts.

Industry	Percentage of workers in three top ranking districts		Trend in spatial disparity
	1975-76	1985-86	
Food products	68.38	58.11	dispersal
Cotton textiles	74.68	62.35	dispersal
Wool, Silk and Synthetic fibre	87.44	89.01	concentration
Textile products	95.99	97.97	concentration
Wood and Wood products	72.24	63.66	dispersal
Paper and Paper products	97.22	85.60	dispersal
Rubber, Plastic and Petroleum products	96.01	99.25	concentration
Chemical and Chemical Products	87.84	85.02	dispersal
Non-metallic mineral products	87.71	66.75	dispersal
Basic metal and alloys	80.62	76.94	dispersal
Metal products and parts	82.72	88.53	concentration
Machinery and machine tools	93.22	94.40	concentration
Electrical machinery apparatus and appliances	99.13	97.59	dispersal
Transport equipment and parts	98.16	99.11	concentration
Other manufacturing industries	94.82	92.10	dispersal
Repair services	96.25	89.56	dispersal
All Industries	75.18	76.08	concentration

Source: Economic Adviser to Government of Haryana, **Statistical Abstract of Haryana, 1975-76 and 1985-86.**, Chandigarh



Map 3 (i)



Map 3 (II)

total units in 1976; the proportion had increased to 70.74 by 1985 (Table 5). This signifies a tendency towards concentration. A similar trend is seen in respect of employment in the registered working factories (Table 6).

Different types of industry, however, display a varying pattern of concentration and dispersal (Table 6). The non-metallic mineral product industry, paper and paper products, food products, cot-

ton textiles and wood and wood products industry were marked by a high degree of spatial dispersal influenced mainly by the factor of market.

Dispersal in respect of textile products, chemical and chemical products, basic metal and alloys and electrical machinery was of a moderate degree. Many of the registered factories manufacturing these goods rather showed a tendency to concentrate near Delhi.

Table 7 : Haryana: Distribution of Large and Medium Industry, 1966.

District	Industrial centres	Number of Units
Ambala	Ambala Cantonment (2) Ambala City (3) Jagadhri (4), Pinjore (1), Surajpur (1), Yamunanagar (10)	21
Bhiwani	Bhiwani (3), Dadri (1)	4
Faridabad	Ballabgarh (10), Faridabad (83)	93
Gurgaon	Gurgaon (5)	5
Hisar	Hisar (5)	5
Jind	—	—
Karnal	Karnal (1), Panipat (3)	4
Kurukshetra	Shahbad (1)	1
Mahendragarh	Mandi Atli (1), Rewari (1)	2
Rohtak	Bahadurgarh (6), Rohtak (3)	9
Sirsa	Sirsa (2)	2
Sonepat	Ganaur (1), Murthal (1), Narela (1), Sonepat (8)	11
Haryana		157

Source: Directory of Large and Medium Industries of Haryana (Undated).

i) Figures in parentheses indicate number of units.

In contrast, wood, silk and synthetic fibre industry got concentrated more in Karnal and Gurgaon districts, transport equipment, machinery and machine tools in Gurgaon district, metal products in Ambala and Gurgaon districts, and rubber and plastic industry in Karnal district.

Using the concept of location quotient, Maps 2(i) to 3(ii) were prepared to identify not only the concentration pattern of various types of industries but also the change over time in this regard. Despite some trend towards dispersal in the west an overall concentration of industries in the state's eastern districts is conspicuous. However, trends differ within. Machinery and machine tools, wood and wood products and cotton textiles have centralised more in the proximity of Delhi, food products display an increased concentration in the Green Revolution belt, and non-metallic mineral products and basic metals and alloys find an enhanced concentration in the north-east.

Although there is a decline in the concentration of cotton textiles industry in the western districts, other types of industry are making a headway. This trend is more visible in the case of food products, wood and wood products, and basic metal and alloys.

The above differences in spatial tendency of various types of industry notwithstanding, the overall picture is that of an increased concentration. The factor of market demand attracted more of industry to the relatively developed eastern part of the state more particularly the zone peripheral to Delhi.

Large and Medium Scale Industry

The large and medium scale industry deserves a detailed discussion because of

its strong regional, in addition, to local impact. It forms a special category amongst the registered factories. A large and medium scale unit is the one which is not only registered but has an investment of at least Rs. 3.5 million.

In 1966, Haryana had 157 large and medium scale industrial units scattered over 24 places (Table 7). Faridabad was the biggest concentration with 83 units. Yamuna Nagar and Ballabgarh ranked next with 10 units each. Jind district did not have even a single large and medium scale industrial unit at that time.

Thereafter, this industry is noted for a rapid growth in number and spatial diffusion (Table 8). The spurt came in 1978 when Delhi, through a policy resolution of 1977, prohibited the location of any large and medium scale industry within its territory. This was to a great advantage to adjoining places like Faridabad, Gurgaon, and Bahadurgarh in Haryana.

In 1985, the state registered 353 large and medium scale units scattered over 56 places. Faridabad with 166 such units continued to dominate. This primate industrial city is virtually a physical extension of Delhi. Its location on Delhi-Bombay and Delhi-Calcutta rail routes gives it an additional advantage. Originally conceived as a rehabilitation project for the displaced persons from Pakistan, it has grown into an impressive industrial complex, including famous industrial houses like Escorts, Goodyear, Kelvinator, Gedore, Metal Box, and Bata.

Large and medium scale industry dispersed to some villages also. This followed the declaration of Mahendragarh, Bhiwani, Hisar and Jind, and parts of

Table 8 : Haryana : Distribution of Large and Medium Industry, 1985.

District	Industrial centres	Number of Units
Ambala	Ambala Cantonment (2), Ambala City (1), Jagadhri (1), Panchkula (1), Pinjore (1), Sadhampur (1), Surajpur (1), Yamuna Nagar (9)	17
Bhiwani	Bamla (1), Bhiwani (8), Dadri (1)	10
Faridabad	Ballabgarh (9), Faridabad (166), Palwal (1)	176
Gurgaon	Dundahera (5), Gurgaon (14), Narsingpur (2), Sohna (1)	22
Hisar	Hansi (2), Hisar (13), Mayer (1) Satrod (2), Tohana (1)	19
Jind	Jind (6), Julana (1), Pandu Pindar (1), Ram Rai (1)	9
Karnal	Assan (1), Chiaro (1), Karnal (2), Panipat (7)	11
Kurukshetra	Kaithal (1), Pehowa (1), Shahbad Markanda (5)	7
Mahendragarh	Dharuhera (11), Joniawas (2) Kapriwas (1), Malpura (5), Rewari (4)	23
Rohtak	Assandh (1), Bahadurgarh (12) Kassar (3), Rohtak (6)	22
Sirsa	Ding (1), Sirsa (4)	5
Sonipat	Badkhalsa (1), Bahalgarh (2), Ganaur (1), Govindpuri (1), Kundli (3), Larsoli (1), Murthal (4), Nathupur (1), Rai (3), Sewli (1), Sonipat (9)	27
Haryana		348

Figures in parentheses indicate number of units.

Source: Directory of Large and Medium Industries of Haryana (1985), Directorate of Industries, Haryana, Chandigarh.

Ambala, Rohtak and Gurgaon districts as industrially backward for enterprises even in a village in these districts if it enjoyed proximity to Delhi. Instances of this kind are quite some in Mahendragarh and Sonapat districts. In point of fact, most of such industry got located along the Delhi-Jaipur National Highway passing through this district.

Regional Disparities

Let us now look at the question of Regional disparities as having evolved over time. This has been done through an analysis of districtwise data on three parameters of industrialisation:

- i) per capital net state domestic product in manufacturing sector;
- ii) number of units and employment in the registered working factories; and
- iii) number of large and medium scale units.

The results of analysis presented in Table 9 show that districtwise disparities in respect of NSDP accruing from manufacturing sub-sector increased over the years. The same is also true in regard to the number of registered working factories and workers therein. On the contrary, large and medium scale industry displays a tendency towards dispersal. Nonetheless, the dispersal of large and medium scale industry was not effective enough to reduce the overall disparity.

The above finding is contrary to the popular notion which believes that large and medium scale industry tends to concentrate and the small scale industry tends to disperse. Haryana negates this impression. This happened primarily because several parts of the state were

declared as industrially backward by the government. Special incentives were provided to attract industry to these areas. Large and medium scale industry could avail of this facility more than the small scale industry because the former had a capacity to raise its own local infrastructure and to transport products to even distant markets.

In brief :

- Industrially, Haryana was a distinctly less developed part of the former Punjab. Even within the Haryana territory, most of the industry was confined to a few districts, nay only to some places within them.
- Industrial development in Haryana is essentially a post-formation phenomenon. Recently the pace of industrialisation in Haryana has been faster than that in its sister state of Punjab. A reversal of the previous spatial pattern is conspicuous.
- Formation of Haryana saw a deliberate effort on the part of the state government to promote industry. This was done through establishment of several new industrial estates and identification of industrially backward areas for special incentives, and opening of industrial units in public sector. A special effort was made to take benefit of the state's proximity to Delhi. All these spatial strategies have borne fruit.
- The industrial structure in the state has expanded in size over time, diversified in composition but had concentrated over space. Overall regional disparities in in-

ustrialisation have widened. Large and medium scale industry, taken separately, did disperse but failed to convert the overall pattern of industrial concentration.

The focus of industrialisation still remains on the areas peripheral to the national capital, and on the national highways and the major rail routes.

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