

**Urban Governance in Haryana: Challenges, Institutional Capacity and Policy Reforms**

**Dr Rajvir Dhaka, Professor**  
**Haryana Institute of Public Administration**  
**(HIPA), Gurugram-122015**  
Emails [rajvird@hipa.in](mailto:rajvird@hipa.in)

**Abstract**

Rapid urbanization has emerged as a defining feature of India's socio-economic transformation. Urban centres are increasingly becoming engines of economic growth, innovation and employment generation. However, the rapid expansion of cities has also created serious governance challenges related to infrastructure, service delivery, environmental sustainability and institutional capacity. Haryana, one of the fastest-growing states in northern India, has experienced significant urban expansion due to industrialization, migration and the growth of the National Capital Region (NCR).

Urban Local Bodies (ULBs) are expected to play a central role in managing urban development and providing essential civic services. Despite the constitutional recognition provided by the 74th Constitutional Amendment Act, municipal institutions in Haryana continue to face several structural and administrative constraints. These include inadequate financial autonomy, weak revenue mobilization, shortage of skilled personnel, and limited planning capacity.

This paper examines the institutional and financial challenges affecting urban governance in Haryana. It analyses issues such as inefficient property tax administration, unplanned urban expansion, inadequate urban infrastructure and weak coordination among governance institutions. The study also proposes policy reforms aimed at strengthening municipal capacity, improving financial management, enhancing digital governance and promoting citizen participation. Strengthening urban governance institutions is essential for ensuring sustainable and inclusive urban development in Haryana.

Keywords: Urban Governance, Municipal Finance, Urban Local Bodies, Decentralization, Property Tax, Haryana

**1. Introduction**

Urbanization has become one of the most significant demographic and economic processes shaping modern societies. In India, urban areas contribute a major share of national economic output and serve as hubs of industrial development, innovation and services. However, the rapid growth of urban population has placed enormous pressure on civic infrastructure, environmental resources and governance systems.

According to the Census of India, approximately 31.2 percent of India's population lived in urban areas in 2011, and this proportion has continued to increase steadily. Haryana has experienced rapid urban expansion due to its proximity to the National Capital Region and the growth of industrial and service sectors. The urban population in Haryana increased from 17.66 percent in 1971 to 34.90 percent in 2011, and recent estimates suggest that the proportion is now significantly higher.

The governance of cities in India is primarily entrusted to Urban Local Bodies (ULBs), which include Municipal Corporations, Municipal Councils and Municipal Committees. The 74th Constitutional Amendment Act (1993) provided constitutional status to municipalities and aimed to strengthen decentralized urban governance by transferring functions, finances and decision-making powers to local governments. However, the implementation of these reforms has been uneven across states. In Haryana, although municipal institutions have expanded in number, the transfer of powers, resources and administrative authority has remained limited.

As a result, many Urban Local Bodies struggle to deliver essential services such as water supply, sanitation, waste management and urban planning.

This paper examines the key institutional and financial challenges facing urban governance in Haryana and suggests policy measures for strengthening municipal capacity and improving urban service delivery.

## 2. Urbanization Trends in Haryana

Haryana has witnessed rapid urban growth over the past five decades. Industrialization, migration and the expansion of urban centres around Delhi have significantly contributed to this transformation.

**Table 1**  
**Urban Population Growth in Haryana**

Year	Urban Population (%)
1971	17.66
1981	21.88
1991	24.63
2001	29.00
2011	34.90

**Source: Census of India**

The increasing urban population has intensified the demand for infrastructure, housing, transport and public services. Many cities in Haryana are expanding without adequate planning, resulting in unregulated construction, congestion and environmental degradation.

## 3. Structure of Urban Local Bodies in Haryana

Urban governance in Haryana is carried out through a three-tier municipal structure.

**Table 2**  
**Urban Local Bodies in Haryana**

Type of ULB	Number
Municipal Corporations	10
Municipal Councils	19
Municipal Committees	58

### Type of ULB

These institutions are responsible for providing basic services such as:

Water supply

Solid waste management

Urban roads

Public health and sanitation

Urban planning and regulation

Despite these responsibilities, many municipalities face severe limitations in financial and administrative capacity.

#### 4. Major Challenges in Urban Governance

##### 4.1 Financial Constraints

Municipal finances remain weak in most urban local bodies. Local revenue sources such as property tax, user charges and fees are often underutilized. Property tax collection efficiency remains low due to outdated property records, poor assessment systems and weak enforcement mechanisms.

**Table 3**

**Property Tax Coverage in Haryana (Estimated)**

Indicator	Percentage
Taxable properties covered	38%
Property tax collection efficiency	63%

Low revenue generation restricts the ability of municipalities to invest in infrastructure and service delivery.

##### 4.2 Administrative and Institutional Constraints

Urban Local Bodies in Haryana often face shortages of trained staff and technical experts. Town planners, engineers and financial managers are limited in number, which affects planning and project implementation.

Furthermore, coordination between state agencies and municipal institutions is often weak, leading to duplication of responsibilities and delays in urban development projects.

##### 4.3 Unplanned Urban Expansion

Rapid urban expansion has resulted in:

- Unauthorized constructions
- Violation of building regulations
- Environmental degradation
- Pressure on water resources

Peripheral rural areas are also increasingly affected by urban sprawl and land conversion.

#### 4.4 Solid Waste and Environmental Issues

Solid waste management remains a major challenge. Many urban areas rely on open dumping rather than scientific waste disposal methods. Landfills often become sources of environmental pollution and health hazards.

#### 5. Digital Governance and Urban Reforms

Recent initiatives have attempted to improve municipal governance through digital platforms and urban reforms. Programs such as the Smart Cities Mission, AMRUT, and Swachh Bharat Mission have encouraged municipalities to adopt technology-based solutions for service delivery.

##### Digital tools can improve:

- Property tax administration

- Online grievance redressal

- Urban planning systems

- Citizen participation

However, the adoption of digital governance remains uneven across municipalities.

#### 6. Policy Recommendations

To strengthen urban governance in Haryana, the following policy measures are recommended:

##### 1. Strengthening Municipal Finance

- Improve property tax assessment and coverage

- Introduce GIS-based property mapping

- Enhance user charges for urban services

##### 2. Capacity Building

- Recruit trained urban planners, engineers and financial experts

- Establish municipal training programs for officials

##### 3. Institutional Reforms

- Ensure effective implementation of the 74th Constitutional Amendment

- Transfer greater administrative and financial powers to municipalities

##### 4. Planned Urban Development

- Strengthen enforcement of building regulations

- Promote integrated urban planning

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## 5. Adoption of E-Governance

Expand digital service delivery platforms

Improve transparency and accountability through open data systems

## 6. Conclusion

Urbanization in Haryana presents both opportunities and challenges. While cities have become important centres of economic growth and development, the rapid pace of urban expansion has placed significant pressure on governance institutions and urban infrastructure. The effectiveness of Urban Local Bodies is critical for managing these challenges and ensuring sustainable urban development.

Despite constitutional reforms aimed at decentralization, municipal institutions in Haryana continue to face limitations in financial autonomy, administrative capacity and planning capabilities. Weak revenue mobilization, shortage of skilled personnel and unplanned urban growth further complicate the functioning of urban governance systems.

Addressing these challenges requires comprehensive institutional reforms, improved municipal finance systems and greater emphasis on capacity building. Strengthening the fiscal and administrative autonomy of Urban Local Bodies will enable them to deliver better services and respond effectively to the needs of growing urban populations. In addition, the adoption of digital governance tools and participatory planning mechanisms can enhance transparency, efficiency and citizen engagement in urban management.

A coordinated approach involving state governments, municipal institutions and civil society is essential for building resilient and sustainable urban governance systems in Haryana. Strengthening local governance institutions will not only improve service delivery but also contribute significantly to inclusive and sustainable urban development in the state.

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