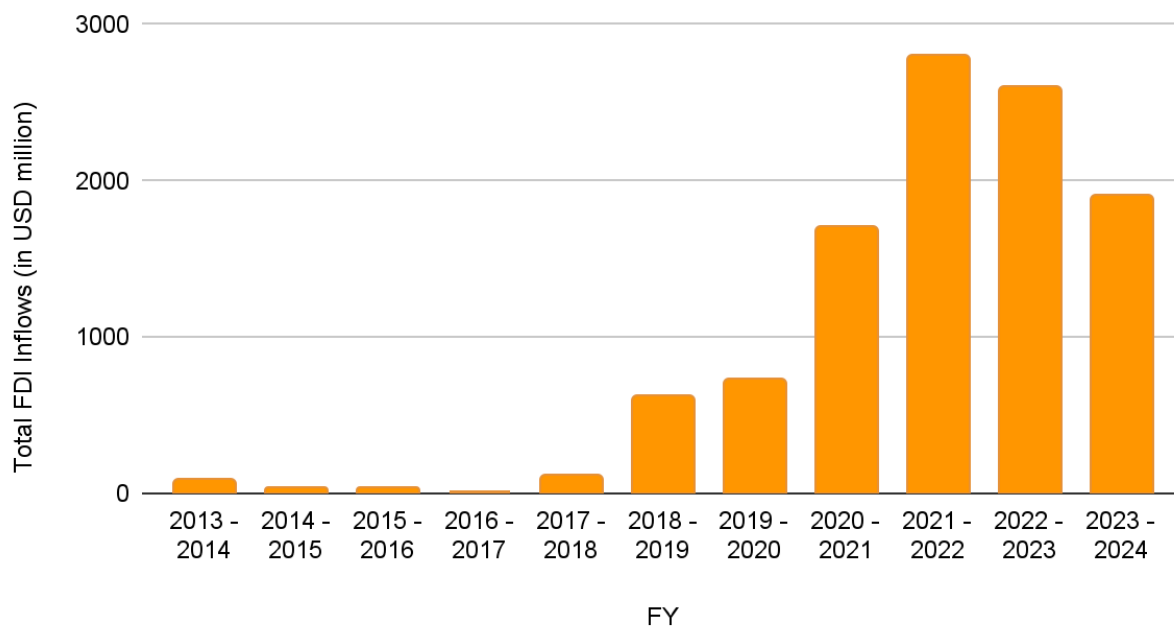


Analysing The FDI Opportunities in Haryana

In 2024, Foreign direct investment (FDI) inflows into India crossed the USD 1 trillion mark. This major milestone indicates India's position as a reliable and safe investment destination. Over the last decade (2014-2024) cumulative FDI inflows into the country have grown at a rate of 119%, and this growth shows signs of continuing under present macroeconomic conditions.¹ According to Amardeep Singh Bhatia, Secretary of DPIIT (Department for Promotion of Industry and Internal Trade) India will continue to attract healthy FDI in 2025, with the country taking steps to open up its economy to foreign investors by raising investment limits, removing regulatory barriers, developing infrastructure and improving the business environment.²

Among Indian states, data from the Department for Promotion of Industry and Internal Trade (DPIIT) signifies that Haryana is the 6th most attractive state for foreign direct investment, receiving 4% of India's total inflows with a value of 9.7 billion USD from October 2019 to September 2024.³

Total FDI Inflows into Haryana (FY 2014-24)



Source: [Department for Promotion of Industry and Internal Trade](#)

The state's Gross State Domestic Product (GSDP) grew at a CAGR of 9.39% between 2015-16 and 2024-25, and its GSDP for 2024-25 is estimated at Rs. 12,16,044 crore (US\$ 145.11 billion). Merchandise exports from Haryana reached US\$ 12.06 billion in FY20, US\$ 11.60 billion in FY21 and US\$ 15.55 billion in FY22. It eventually reached US\$ 1.81 billion from April to August 2024.

¹ [The Hindu](#)

² [The Economic Times](#)

³ [Invest India](#)

Gross State Domestic Product (GSDP) from 2015 - 25	9.39% CAGR
Estimated GSDP for FY 24-25	US\$ 145.11 billion
Merchandise exports (FY20)	US\$ 12.06 billion
Merchandise exports (FY21)	US\$ 11.60 billion
Merchandise exports (FY22)	US\$ 15.55 billion
Merchandise exports (April - August 2024)	US\$ 1.81 billion

A variety of factors are responsible for Haryana's success in attracting FDI inflows, which also represent potential avenues for further investment. Many of Haryana's key industries are industries which attract a significant portion of foreign investment inflows, such as services, computer services, IT, and automobiles, presenting a host of potential investment opportunities.

Economy and Major Industries of Haryana

1. Agriculture and allied industries: According to the Economic Survey 24-25, Agriculture and its allied sectors constitute 16.2% of the state's total output. The state primarily produces wheat, sugarcane, rice, cotton, oilseeds, and mustard, Haryana exports over 60% of basmati rice, which was valued at USD 327.02 million in FY22. In rural areas, agriculture is one of the biggest avenues for employment. Initiatives from the government to strengthen this major sector include financial assistance for farmers to encourage the usage of organic farming methods. The state's "Horticulture Vision" aims to expand horticultural production by three times by 2030.
2. Automobiles: A large percentage of automobile manufacturing occurs in regions such as Gurgaon and Faridabad. Automobiles and components such as cars, tractors, and motorbikes are produced and exported. Haryana produces 50% of passenger vehicles, 60% of motorcycles, and 11% of India's tractors. Auto parts were valued at US\$129.77 million and cars and motor vehicles were valued at US\$114.72 million. The largest automobile manufacturers of India, such as Maruti Suzuki have invested over US\$2.42 billion in the state for scaling up of production facilities.⁴
3. Information technology and electronics system design and manufacturing (IT & ESDM): With 49 approved IT parks and nine IT/ITeS Special Economic Zones (SEZs), Gurugram has been growing in popularity as one of North India's preferred destinations for IT workers. Its exports of electric machinery and equipment worth US\$390.7 million in FY22, Haryana holds a crucial position in the IT and ESDM industry.⁵

⁴ [Invest India](#)

⁵ [India Briefing](#)

4. Textiles: Haryana contributes significantly (about 6%) to the country's cotton production, and this access to quality raw material has made it a crucial hub for textile production. The districts of Panipat, Gurugram, Faridabad, Hisar, and Sonapat have well developed textile industries specialising in ready-made cotton clothing. Exports reached US\$625.84 million in FY22. The Textile Policy 2018 was introduced by the government in order to enhance the development of this industry.⁶

Infrastructure of Haryana

Haryana lies in close proximity to the capital city Delhi, with 57% of its area lying in the NCR area, providing easy access to trade and business opportunities. Haryana boasts a strong road network of 31,422 km, with almost 100% connectivity to rural areas with metalled roads. The state has 15 national highways and five airstrips.

Haryana has 9 Operational Special Economic Zones, 23 formally approved SEZs, 3 SEZs with principal approval, and 20 notified SEZs. With 13% of India's BPM workforce and 5% of the worldwide BPM workforce, Gurugram is often referred to as the BPM capital of the world. The IT & ESDM industry accounts for over 10% of the state's GDP, and the state is one of the top locations for IT/ITeS facilities and the third-largest exporter of software in the nation. Areas such as Ambala, Faridabad, Gurugram, Karnal, Panchkula, Panipat and Sirsa are home to well-developed industrial estates and townships, offering a profitable scope for foreign investment. The Global City project, which is over approximately 1,080 acres in Gurugram, is currently under construction, aiming to attract investments worth nearly ₹1 lakh crore.

Government policies and initiatives such as the single-window clearance mechanism established under the Haryana Industrial Promotion Act, 2005 has made Haryana one of the top rankers of the Ease of Doing Business ranking as per the Business Reforms Action Plan (BRAP) 2020 and has also been ranked No. 1 in Export Preparedness Index 2020 under Landlocked states category.

The government has implemented various initiatives for encouraging startups and entrepreneurship in the state. NASSCOM 10K Start-up Warehouse, IAMAI-GoH Mobile 10X Hub, and Center of Excellence for Internet of Things, are 3 major government-owned incubators encouraging more than 40 startups with 30% women entrepreneurs. The United Nations Technology Innovation Lab (UNTIL) is also scheduled to begin operations shortly to facilitate women-led startups. An incubator with Software Technology Parks of India (STPI) for blockchain technology has been set up for operation. Innovation, research, and entrepreneurial endeavours in biotechnology-related fields are promoted by the BSC BioNEST Bio-Incubator in Faridabad. The Innovation and Start-up Hub in Gurugram has been fully operational with a total area of 1,20,000 square feet.

Conclusion

FDI to India shows scope for further growth under present economic conditions projecting strong macroeconomic indicators, greater industrial output and PLI schemes encouraging investments from foreign

⁶ [India Briefing](#)

routes, despite geopolitical tensions and uncertainties. Haryana has potential to play a crucial role in attracting substantial overseas investment with its dominance in key industries such as automobiles, IT & ESDM, and services. Government policies and initiatives also contribute greatly to fostering an environment conducive to startups and business ventures, which also open up opportunities to attract foreign investment. Additionally, Haryana is home to 250 of the Fortune 500 companies. It has been a popular destination for many foreign direct investments, including Accenture, Microsoft, Genpact, Samsung, E&Y, Nokia, American Express, Dell, Google, Wipro, Siemens, Maruti Suzuki, Honda, Cargill, Asahi Glass India Ltd., Kubota, and Johnson Matthey. A multitude of interrelated factors thus cement Haryana's standing as a dynamic and lucrative destination for foreign investment, playing a vital role in taking India's FDI growth to and beyond the trillion dollar mark.