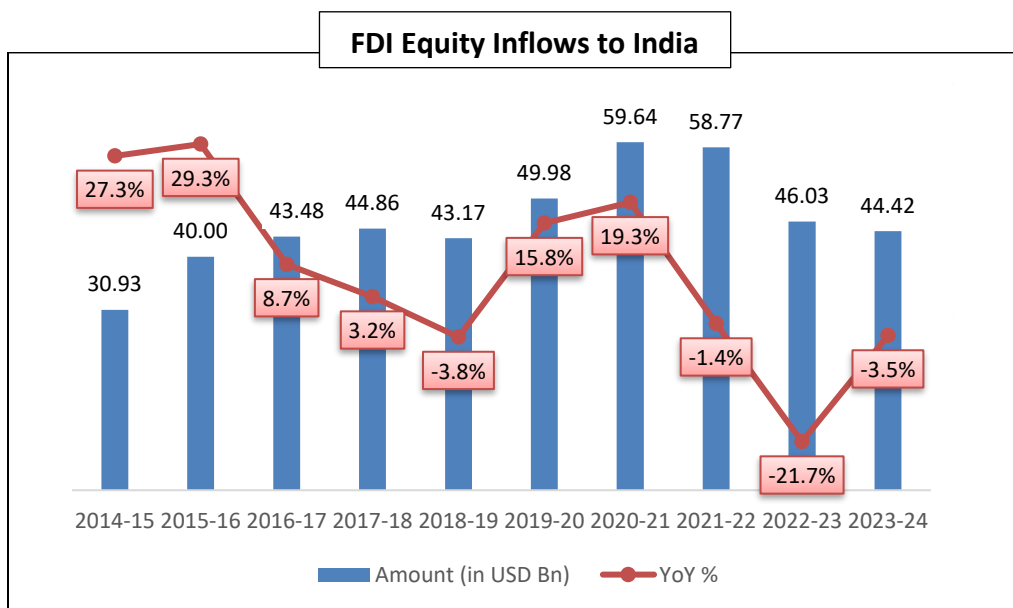


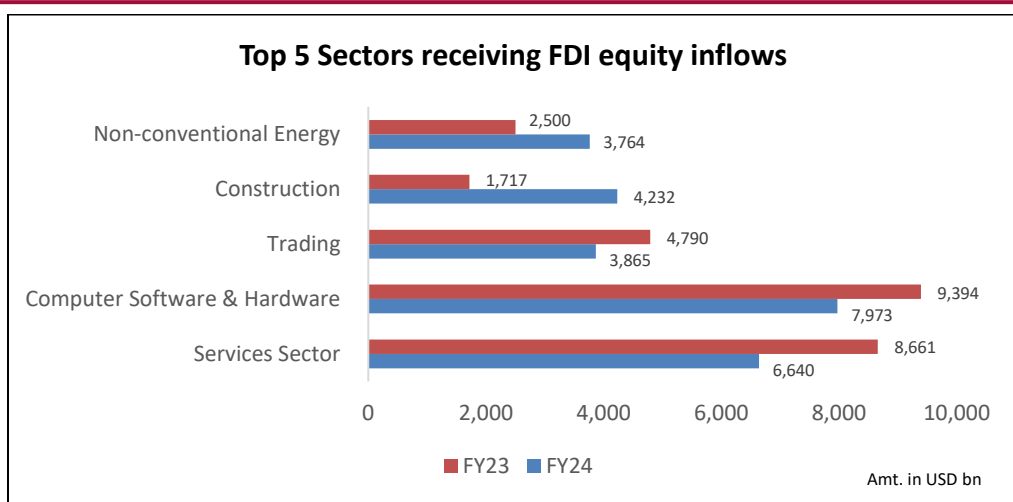
# Trends in India's FDI equity dynamics

STRATEGIC MANAGEMENT AND ECONOMIC ADVISORY DIVISION

## FDI equity inflows to India reach a five year low of \$44.42bn in FY24



- Foreign Direct Equity Investments fell to a five-year low of 44.42 bn USD in FY 2023-24. The inflows to India have now contracted for 3 consecutive years, recording a YoY change of 3.5 per cent in FY24. The decline in FDI inflows can be attributed to uncertain global economic environment on account of disturbance in Middle East.
- The month of October 2023 recorded the highest amount of inflows at 6.3bn USD, followed by January 2024 at 5.9bn USD.
- Total FDI inflows, which includes equity capital, reinvested earnings, and other capital remained steady at USD 70.74 bn in FY24, contracting by 1 per cent on a YoY basis. It stood at USD 71.35 bn in FY23.
- Computer software and hardware, services sector, construction activities, trading and non-conventional energy sectors, together constituted approx.. 60 per cent of the total inflows.
- Among the sectors which recorded a significant increase in FDI inflows in FY24 vis-à-vis FY23 were – construction and electricity energy (FDI inflows more than doubled in these sectors).
- Singapore was the top investing country with equity inflows worth \$11.77 bn, followed by Mauritius (\$7.97 bn) and USA (\$5 bn).
- Maharashtra continued to be the recipient of the largest amount of inflows at \$15 bn. Inflows in the state further increased by 2 per cent compared to FY23.



S no.	Name of the Country	Amount (in USD bn)	Share in total inflows	YoY Change over FY 23
1.	Singapore	11.77	26.5%	-31.56%
2.	Mauritius	7.97	17.94%	-34.69%
3.	USA	5.00	11.25%	-42.70%
4.	Netherlands	4.92	11.08%	-45.92%
5.	Japan	3.18	7.15%	20.36%

Source: FDI Factsheet, DPIIT, CMIE, EIC PNB