

# Net FDI fell to \$5 bn in Q1

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Showing the effect of global slowdown, the net foreign direct investments (FDI) to India declined sharply to \$4.99 billion in the April-June quarter (Q1FY4) from \$13.92 billion in the year-ago period.

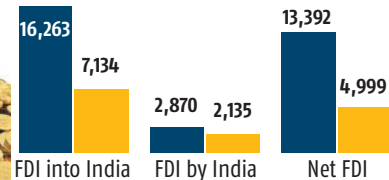
The Reserve Bank of India (RBI) in its monthly bulletin (August 2023) said the moderation in gross inward FDI, coupled with a rise in repatriation of investments from India, resulted in a decline in net FDI.

The repatriation from the country surged to \$10.43 billion in Q1 from \$6.21 billion in the



## MODERATING FDI FLOWS

■ April-June '22 ■ April-June '23 (\$mn)



Source: Foreign direct investment

year-ago period. Manufacturing, financial services, business services, computer services, electricity, and other energy sectors accounted for more than two-thirds of the fresh equity flows during this period, the RBI report said.

Singapore, followed by the

Netherlands, Japan, the US, and Mauritius were major source countries for FDI during the same period. According to fDi Intelligence, major globally announced FDI projects during the first half of 2023 were led by green energy transition and digitalisation.