

Net FDI plummeted 96% to \$0.4 bn in FY25

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Net foreign direct investment (FDI) in India crashed by more than 96 per cent to \$0.4 billion in FY25 from \$10.1 billion a year ago due to higher repatriation and outward flow. Net FDI was \$28.0 billion in FY23.

The decline in FY25 is “a sign of a mature market where foreign investors can enter and exit smoothly, which reflects positively on the Indian economy,” said the State of the Economy report by the Reserve Bank of India (RBI) in its monthly bulletin (May 2025). Gross FDI remained elevated in FY25, with 13.7 per cent year-on-year (Y-o-Y) growth to clock \$81 billion worth of flows. It was \$71.3 billion in (FY24) and 71.4 in FY23, according to RBI data.