Net FDI inflows rise to $3.9 bn in April

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The net foreign direct investment (FDI) in India — the difference between gross inflows and outflows — improved to $3.9 billion in April 2025 from $1.9 billion last year, primarily due to moderation in the repatriation of capital.

The gross inward FDI stood at $8.8 billion in April 2025, higher than $5.9 billion in March 2025 and $7.2 billion in April 2024, according to Reserve Bank of India (RBI) data.

According to the State of the Economy article in the bulletin, manufacturing and business services accounted for nearly half the gross FDI inflows. The central bank has maintained high gross FDI, which indicates that India continues to remain an attractive investment destination.

The scale of capital repatriation/divestment moderated to $1.7 billion in April 2025 from $4.1 billion last year. The repatriation/divestment had risen to $51.4 billion in FY25 from $44.4 billion in FY24. The RBI said rise in repatriation is a sign of a mature market where foreign investors can enter and exit smoothly.

However, the outward FDI from India moved up sharply to $3.2 billion in April 2025 from $1.2 billion in April 2024. Top sectors for outward FDI included electricity, gas and water, and financial, insurance and business services, while major destinations included Singapore, Mauritius, and Germany.

Data in focus

- Gross inward FDI at $8.8 bn in April, $5.9 bn higher than in March
- Outward FDI from India moved up sharply to $3.2 bn in April
- Scale of capital repatriation/divestment moderated to $1.7 bn in April
- The repatriation/divestment had risen to $51.4 bn in FY25