FDI Equity Inflows see a jump of 47.8% in Apr-June'24 quarter

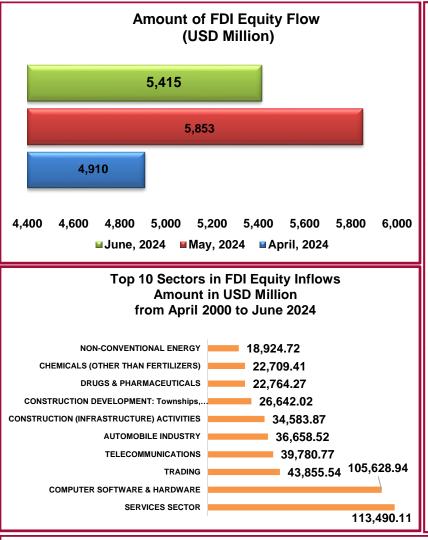
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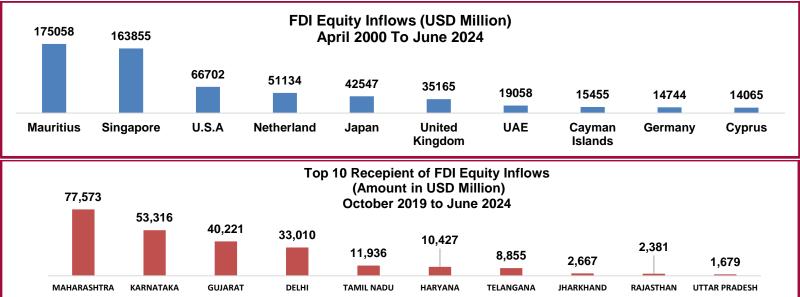
STRATEGIC MANAGEMENT AND ECONOMIC ADVISORY DIVISION

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The Inflows were majorly driven by Services Sector (16.33% of Total FDI), followed by Computer and hardware (15.2% of Total FDI) in USD term. Mahaarashtra received the highest FDI inflows i.e. 31.16% of Total FDI Inflows



- According to Department of Promotion of Industry & Internal trade, growth of 47.8% wa observed in amount of Foreign Direct Investment Equity Inflow during Q1FY'25 as compared to Q1FY'24.
- Services Sector continued to be the highest receipient of FDI equity inflows while amongst states, Maharashtra attracted the highest FDI. Mauritius remained the highest source of FDI inflows in India.
- The concetration of FDI Equity inflows in fewer states calls for better policy upgaradation in states at lower end so that benefits may be reaped by all equally.
- With measures like Make In India, Production Linked Incentive, FDI Policy Amendments, digital India, India aims to expand its bucket of sectors.
- Indian Economy has been experiencing good growth though Q1FY'25 experienced slowdown due to election but India continues to be the highest performing economy.
- FDI Inflows may see further growth in view of stable government formation at the centre, however, geo political tensions remain a big threat and actions of the other government need to be watched.
- India is also looking forward free trade deals and recently concluded such deals with Australia, UAE and EFTA trade block and expected to conclude with the UK and European Union which entails improvement in India's attractiveness as a preferred investment destination, going forward.



Source: Department for Promotion of Industry and Internal Trade; FEDAI conversion rate from rupees to US dollar applied, on the basis of monthly average rate provided by RBI (DEAP), Mumbai.