

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS  
**LOK SABHA**

**UNSTARRED QUESTION No. 103**

ANSWERED ON MONDAY, DECEMBER 1, 2025 /AGRAHAYANA 10, 1947 SAKA

**FOREIGN PORTFOLIO INVESTORS (FPIs) OUTFLOW**

**103. SHRI SURESH KUMAR SHETKAR:**

Will the Minister of FINANCE be pleased to state:

- a) Whether it is a fact that Foreign Portfolio Investors (FPIs) withdrawn over 12,569 crore in November and more than 1.5 lakhs crore in 2025 till date;
- b) if so, the details thereof along with the reasons for this persistent capital flight despite claims of strong economic fundamentals;
- c) whether it is true that foreign investors are losing confidence in India's markets while peer Asian economies continue to attract inflows and if so, the details thereof along with the reasons as to why corrective measures have not yet restored investor confidence;
- d) whether it is true that experts have describe India as an 'AI-underperformer and whether the Government accept that its policies or communication may have created this perception steps being taken by the Government in this regard;
- e) if so, the details thereof along with the corrective measures;
- f) whether it is a fact that despite mid-cap companies showing/reporting better earnings, FPIs are still withdrawing funds from Indian equalities; and
- g) if so, the details thereof and if not, the reasons as to why Government policies are failing to inspire investor's confidence?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI PANKAJ CHAUDHARY)**

(a) to (c): The FPI net investments in Calendar Year 2025 in debt category has seen strong positive momentum with net inflows of around ₹74,515 crore. In addition, hybrid instruments, mutual funds and AIFs have also registered net inflows amounting to ₹ 3,009 crore. Equity segment has recorded a net outflow of ₹147,383 crore. Foreign Portfolio Investment (FPI) flows are dynamic and fluctuate depending upon various factors such as geopolitical tensions, uncertainties surrounding trade tariffs, currency

movements and portfolio rebalancing by global funds across emerging markets. The recent FPI outflows from Indian equities are part of broader pattern noticed in emerging markets in Asia and not specific to India alone. Several Asian markets viz., Vietnam, Malaysia, South Korea, Taiwan and Thailand have also seen selling by foreign portfolio investors.

(d) and (e): Recent rankings place India among top countries in AI skills, capabilities, and policies to use AI. India is also the second-largest contributor to GitHub AI projects, showcasing its vibrant developer community. IndiaAI mission is a strategic initiative to establish a robust and inclusive AI ecosystem aligned with India's development goals through the seven pillars - IndiaAI Compute, AIKosh, IndiaAI Foundation Models, IndiaAI FutureSkills, Startup Financing, Application Development and Safe & Trusted AI.

(f) and (g): FPI investment decisions are influenced by a wider set of factors and recent flows are part of portfolio rebalancing by global funds across emerging markets. Despite FPI outflows, overall investor sentiment remains intact, as evidenced by stock market benchmark indices holding close to their record highs.

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