

India was projected to receive USD 125 billion in remittances in 2023.

The bedrock for these remittance is safe and legal migration from India and the overseas recruitment industry existing since the 1970's.

FIMCA is an industry body representing the overseas recruitment and migration sector in India.

India is now the world's largest recipient of Remittances in 2023

The central theme of this report revolves around India's remarkable journey as one of the world's leading remittance recipients over the past decade. This transformation is underscored by a pivotal shift from a predominantly low-skilled migrant workforce in Gulf countries to a dominant share of highly skilled professionals in high-income nations like the USA, UK, and East Asia.

The report highlights that strengthening India's overseas recruitment industry could be an integral part of India's remittance story moving forward.

Remittances and the recruitment industry share a symbiotic relationship, with remittances contributing to the national economy and representing the financial milestones achievable through migration. FIMCA is deeply committed to promoting and strengthening this connection by advocating for responsible recruitment practices, legal labour migration and policies that support remittance flows.

Scope

- 01** Analyse India's remittance profile, quantify remittances, and identify their sources.
- 02** Underline the transformative impact of remittances on India's economic development.
- 03** Explore the migration origins, key sectors, and destinations of Indian workers.
- 04** Emphasise the recruitment industry's role in safeguarding the welfare of Indian workers abroad.

Objectives

This report emphasizes the critical role of remittances in India and underscores the invaluable contribution of the recruitment industry in promoting sustainable emigration. It draws insights from secondary data, literature reviews, and inputs gathered from FIMCA members across various agencies.

Top remittance- sending countries to India

YEAR	INWARD REMITTANCES (US \$ MILLION)
2017-18	69,129
2018-19	76,396
2019-20	83,125
2020-21	80,185
2021-22	89,127
2022-23	1,11,220
2023-24	1,25,000

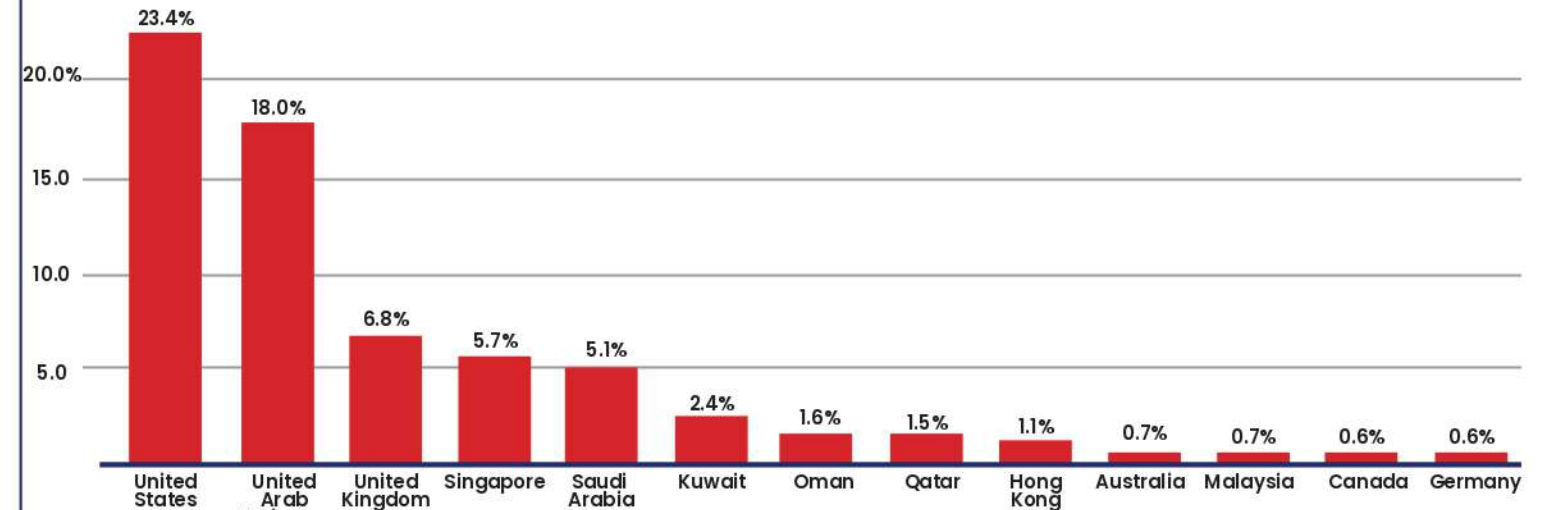


Figure: Top Remittance-sending Countries to India, RBI Remittances Survey 2021

The share of remittances from the GCC region, which has historically accounted for more than 50 percent of India's inward remittances, declined to around 30 percent in 2020-21. Conversely, advanced economies, particularly the United States, the United Kingdom and Singapore, emerged as major sources of remittances, contributing to 36% of the total remittances in 2020-21. The United States surpassed the UAE as the top source country, accounting for 23% of total remittances. The share of remittances from the US, however, is expected to drop in 2024 due to large scale tech layoffs earlier in the year.

Remittances are the second major source of external financing for low and middle-income countries after foreign direct investment. In 2022, India was the largest global recipient with inflows of \$111 billion. Remittances to India accounted for 60% of the inflows to South Asia and 12% of the global remittances.

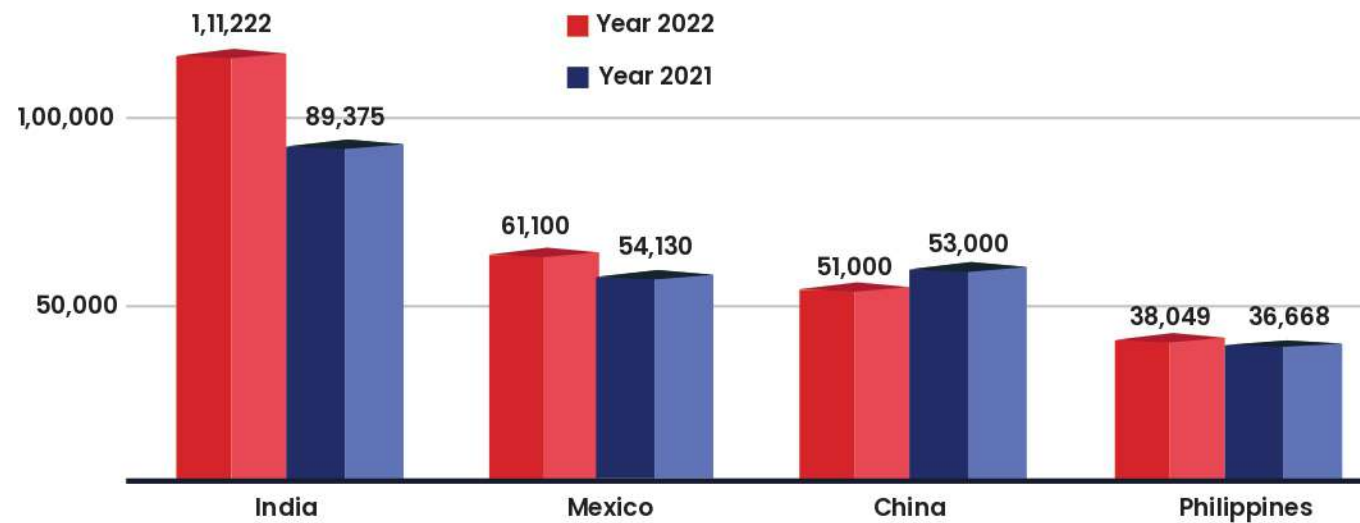


Figure: Top Remittance Recipients Globally, World Bank 2022

Over the last five-year period ending 2021-22, the foreign inward remittances in India have been consistently registering an upward trajectory. Pertinently, despite the challenges posed by the global pandemic in 2020-21, remittances still amounted to a substantial \$80,185 million (marginal decline of 0.2 percent from previous year). This was followed by a leap in remittances to touch \$89,127 million and \$111 billion in the post-pandemic period i.e. 2021-22 and 2022-23.

