

Remittances fall 23% sequentially to \$2.1 bn in Feb

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Outward remittances in February under the Reserve Bank of India's (RBI's) liberalised remittance scheme (LRS) fell 23 per cent over January, latest data released by the central bank, in its monthly bulletin, revealed.

In February, Indians remitted \$2.1 billion under the RBI's liberalised scheme. On a year-on-year (YoY) basis — aided by international travel — LRS jumped 15.24 per cent.

Further, in April 2022–February 2023, outward remittances under LRS stood at \$24.18 billion, an all-time high.

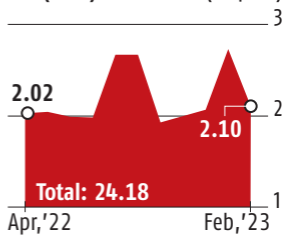
In FY22, remittances were a little over \$19.61 billion overseas under the LRS scheme. This is also an all-time high.

The record high number has been breached in the first 10 months of FY23. Outflows under the scheme touched an all-time high in FY23, mainly aided by international travel.

In FY21, outward remittances were badly hit as pandemic-related restrictions shut down international travel for a long time.

TRACKING THE TREND

Outward remittances under LRS (FY23) (in \$ bn)



Source: RBI Bulletin

In FY21, under the scheme, India's remittances were at \$12.68 billion, down 32.38 per cent from FY20, when remittances were \$18.76 billion.

According to February data, international travel constituted over 50 per cent of the entire outward remittances under the scheme.

Outward remittances for international travel touched \$1.07 billion, up 1.09 times from the same period in 2022.

International travel was marred by Covid restrictions all over the world in 2021 and for some time in 2022. However, it slowly picked up towards the latter part of the year.