

## Indian Diaspora – Distribution, Contribution, Challenges – Explained Pointwise

In a multipolar, interconnected world, India's diplomatic strength rests not only on its economic and strategic clout but also on its vast global diaspora—a key pillar of soft power.

### Definition of Diaspora:

- A diaspora is a population that is scattered across regions which are separate from its geographic place of origin. The word is used in reference to people who identify with a specific geographic location, but currently reside elsewhere.
- The term Indian diaspora encompasses people of Indian origin residing outside India's territorial borders, whether temporarily or permanently, who continue to retain cultural, social, or emotional links with their ancestral land.
- It is a diverse community, varying in migration history, citizenship, and connection to India.

### Categories of Overseas Indians:

1. **Non-Resident Indians (NRIs):** Indian citizens residing abroad for more than 182 days in a financial year but retaining their Indian citizenship.
2. **Persons of Indian Origin (PIOs):** Foreign citizens with Indian ancestry or heritage.
3. **Overseas Citizens of India (OCIs):** Individuals granted a form of lifelong residency and visa-free access to India, though not full citizenship rights. In 2015, the PIO and OCI categories were merged for administrative efficiency and to streamline benefits.

### Distribution of Indian Diaspora:

- According to the Ministry of External Affairs (May 2024), there are approximately **35.42 million overseas Indians**, spread across **200+ countries**.
- Of these, about **15.85 million are NRIs** and **19.57 million are PIOs/OCIs**. The diaspora's geographical spread covers the Gulf region, North America, Europe, Southeast Asia, Africa, and the Caribbean.

### Top 10 countries with the highest Indian population worldwide (as of May 2024):

Rank	Country	Non-Resident Indians (NRIs)	Persons of Indian Origin (PIOs)	Overseas Indian
1	USA	2,077,158	3,331,904	5,409,062 (5.4M)
2	UAE	3,554,274	14,574	3,568,848 (3.6M)
3	Malaysia	163,127	2,751,000	2,914,127 (2.9M)
4	Canada	1,016,274	1,859,680	2,875,954 (2.8M)
5	Saudi Arabia	2,460,603	2,906	2,463,509 (2.5M)
6	Myanmar	2,660	2,000,000	2,002,660 (2.0M)
7	UK	369,000	1,495,318	1,864,318 (1.9M)
8	South Africa	60,000	1,640,000	1,700,000 (1.7M)
9	Sri Lanka	7,500	1,600,000	1,607,500 (1.6M)
10	Kuwait	993,284	2,244	995,528 (996K)

**Source:** Ministry of External Affairs, Government of India: Population of Overseas Indians

**Historical Evolution:**

<b>Ancient Movements</b>	Indian traders, scholars, and monks were among the earliest cultural ambassadors to Southeast Asia, Central Asia, and Africa, disseminating Indian art, religion, and philosophy.
<b>Colonial Period</b>	Under British rule, millions were sent as indentured labourers to sugar plantations in Mauritius, Fiji, Trinidad, and South Africa, forming early diaspora communities.
<b>Post-Independence Era</b>	The post-1960s saw migration of skilled professionals to developed countries (USA, UK, Canada, Australia), while semi-skilled and unskilled workers moved to the Gulf region under contract labour schemes.

**Role and Contributions of the Indian Diaspora:**

1. **Economic Contributions-** India received a record **USD 135.46 billion** in remittances in FY 2024-25 – the highest globally for over a decade. These inflows covered nearly **47 % of India's trade deficit** and form a major share of state economies like Kerala, Goa, and Punjab.
2. **Investment and Entrepreneurship-** NRIs and OCIs actively invest in India's equities, real estate, and startups, supported by policies such as NRE/NRO accounts and liberal FDI norms. In early 2024, NRI deposits doubled to USD 7.8 billion, with growing interest in renewable energy, fintech, and health-tech ventures.
3. **Knowledge and Innovation Linkages-** The diaspora connects India with global innovation networks. Over 20 Fortune 500 CEOs are of Indian origin. Programmes like VAJRA, PRABHASS, and VAIBHAV promote scientific collaboration and skill transfer in IT, pharma, and higher education.
4. **Political and Strategic Advocacy-** Diaspora lobbying has advanced India's interests abroad—such as the **US-India Civil Nuclear Deal (2008)** and **ICJ re-election of Justice Bhandari (2017)**.
5. **Cultural and Soft-Power Promotion-** Indian festivals, yoga, cuisine, and cinema enhance India's cultural image worldwide. The UN's International Yoga Day (2014) reflects this outreach, reinforced by initiatives like Pravasi Bharatiya Divas and the Know India Programme.

**Challenges Facing the Indian Diaspora:**

1. **Economic Vulnerabilities of Low-Skilled Migrants-** Indian workers in GCC nations remain exposed to **oil market fluctuations** and **restrictive labour systems** like *Kafala*, which limit job mobility and rights. The 2024 oil slump caused major layoffs in Saudi Arabia and the UAE, highlighting their economic insecurity.
2. **Brain Drain and Talent Outflow-** India continues to lose skilled professionals to advanced economies. As of January 2024, over **11.6 lakh students** were studying abroad. Migration of doctors and engineers weakens domestic innovation, though return migration is gradually increasing.
3. **Racism and Xenophobia-** Incidents of **hate crimes** against Indians in Australia, the US, and Europe persist, particularly targeting students. These challenges test India's consular capacity and impact the diaspora's sense of safety and belonging.
4. **Restrictive Immigration Policies-** Tighter visa norms in major destinations have reduced mobility. The **US raised H-1B fees to USD 100,000 in 2025**, affecting Indian IT professionals, while similar restrictions in the **UK and Canada** slowed student and family migration.

5. **Limited Political and Institutional Inclusion-** NRIs still need to be physically present in India to vote, despite the **Representation of the People (Amendment) Act 2010**. The lack of postal or online voting limits democratic participation.
6. **Weak Policy Coordination and Data Gaps-** India lacks a **centralised diaspora database**, hampering welfare and crisis response. Though platforms like **e-Migrate** and **Madad** exist, fragmented institutional coordination reduces efficiency.

**Government Initiatives for the Diaspora:**

1. **Overseas Citizenship of India (OCI), 2005:** Provides lifelong visa-free travel, property ownership, and investment rights for people of Indian origin, without conferring political rights.
2. **Pravasi Bharatiya Divas (PBD):** Celebrated annually on **January 9**, commemorating Mahatma Gandhi's return from South Africa in 1915. The **18th PBD (2025)** in Odisha, themed "Diaspora's Contribution to a Viksit Bharat", emphasised partnership in India's development journey.
3. **Pravasi Bharatiya Samman Award:** The highest recognition for NRIs/PIOs for achievements in fields like business, science, and public service.
4. **Pravasi Bharatiya Bima Yojana (PBBY), 2006:** Provides insurance coverage up to ₹10 lakh for Indian workers under the Emigration Check Required (ECR) category, guarding against workplace accidents or death abroad.
5. **Know India Programme (KIP):** Targets diaspora youth (18–30 years), exposing them to India's socio-economic realities through a three-week immersion visit.
6. **Visiting Advanced Joint Research (VAJRA) Faculty Scheme:** Engages overseas scientists in collaborative research with Indian institutions.
7. **Promotion of Cultural Ties with Diaspora (PCTD):** Funds Indian missions to organise cultural events celebrating India's heritage abroad.
8. **Indian Community Welfare Fund (ICWF):** Established in 2009, the fund provides emergency support—legal aid, repatriation, and shelter—to distressed Indians abroad.
9. **Madad Portal:** A digital grievance redressal platform linking embassies, MEA, and diaspora citizens for assistance in real time.
10. **Recent Evacuation Missions:**
  - a. **Operation Sindhu (2025):** Evacuated 4,400 Indians from Iran and Israel.
  - b. **Operation Kaveri (2023, Sudan):** Airlifted over 3,000 during the Sudan conflict.
  - c. **Operation Ajay (2023, Israel)** and **Operation Ganga (2022, Ukraine)** highlighted India's capability for large-scale crisis response.

**Way Forward:**

1. **Build a Unified Diaspora Database-** Create a real-time, integrated database linking the **MEA, immigration, and taxation systems** to improve welfare delivery and crisis response, as recommended by the 2025 Parliamentary Committee.
2. **Enact a Diaspora Protection Law-** Introduce a **comprehensive legal framework** defining the rights and responsibilities of NRIs and OCIs. Take inspiration from global models like **Israel's Law of Return**—to ensure protection, welfare, and accountability.

## 7 PM Daily Initiative

3. **Enable Political Participation-** Implement **postal and online voting** for NRIs to strengthen their engagement with Indian democracy and policy-making.
4. **Enhance Skill and Pre-Departure Training-** Expand **Pravasi Kaushal Vikas Yojana** and **PDOT** to include country-specific training in language, law, and culture, reducing workplace exploitation.
5. **Strengthen Consular Support Systems-** Upgrade Indian missions with **multi-lingual legal aid desks, labour attachés, and digital grievance portals** for faster assistance to migrants.
6. **Deepen Diaspora Investment Channels-** Simplify compliance, launch **diaspora green bonds** and **venture funds**, and use **Pravasi Bharatiya Divas** as a regular platform for investment and entrepreneurship.
7. **Institutionalise Policy Review-** Conduct **annual audits** of diaspora welfare schemes and migration MoUs to ensure transparency, efficiency, and policy improvements.
8. **Convert Brain Drain into Brain Circulation-** Shift from exporting talent to **attracting and circulating talent** by improving domestic research ecosystems and expanding initiatives like **VAJRA** and **VAIBHAV** for global collaboration.

**Conclusion:** The Indian diaspora has significantly enhanced India's global image, yet the real challenge lies in India's weak communication and coordination. To harness its full potential, India must engage the diaspora as strategic partners through professional, narrative-driven diplomacy.

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