

Ques:

The U.S. Hike in H-1B visa fees exposes India's dependence on foreign job markets. Analyse its implications and suggest measures for India to reduce this reliance.

→ The recent announcement by Trump administration on imposition of \$1,00,000 fees on companies hiring employees under H-1B visa. This fee is applicable on each employee basis, India and Indian firms in US are

Good – You mentioned the US administration's decision, the fee amount and India's large share (70%), setting context with facts.

Improve – Could link this directly to India's dependence on foreign job markets in one clear line for sharper focus.

Good – Covered implications like cost of production, fall in remittances, rupee depreciation, increased domestic competition, and fewer opportunities for migration. Measures like promoting Make in India, compensating MNCs, export push, and SEBI's F&O market reforms show awareness.

Improve – Misses out on workforce mobility challenges and geopolitical/diplomatic implications. Structuring the points under clear categories (Economic, Workforce, Geopolitical) would strengthen the body.

Implications of this:

Good – Ending stresses that India must take multiple steps to mitigate the challenge.

Improve – Conclusion is generic; a stronger punchline about long-term reforms in skilling and migration policy would directly address the demand.

1) Increase in cost of production for the firms hiring Indians (where earlier India employees were seen as cheaper ones).

2) Fall in remittances from US to India.

3) Fall in value of ₹ (Rupee) against \$ (Dollar) as these remittances were a big source for inflow of dollar.

4) This will increase competition in India as the people moving out or migrating outside will now seek jobs in India only.

5.) The Indian firms in US and also many US firms will not be hiring Indian employees.

6.) Migration to US for work will now look as far fetched dream.

### Measures to reduce reliance:

1.) Promote Make in India goods and services so that more jobs can be created in India.

2.) Provide compensation to MNC's and Indian firms who want to make their headquarter or base of operations in India, be it they be shifting their operations from US or opening just a unit.

3.) To mitigate fall of rupee or reliance on remittances instead of this export push can be given to bring forex in India.

4.) The recent plan of SEBI to open F&O market of non-cash and non-agricultural commodity for FPI is a step to bring inflow of \$ and stabilise ₹.

Many such steps are need to be taken so that India mitigate this challenge and we will be able to do so with our large consumption economy which will absorb all such shocks just by a policy push.