

IT firms up in arms against Western hurdles

RAJEEV JAYASWAL
NEW DELHI, JULY 20

HARASSED Indian information technology (IT) companies have closed ranks to fight Western hurdles. With reports of harassment by immigration authorities in the US, Europe Union (EU) and Asia on the rise, Indian IT firms have decided to invoke World Trade Organisation (WTO).

Complaining against imposition of various non-tariff barriers by developed countries, IT companies including Wipro,

NIT, HCL, Moser Baer, Xansa, Aptech, Patri Computers, and SSI have approached the ministry of external affairs (MEA) under the umbrella of Federation of Indian Chambers of Commerce and Industry (Ficci) to take up their case at WTO.

Ficci has taken the lead in this after it received complaints of harassment of IT professionals in various countries from its member-companies.

"The Indian IT industry is facing a range of non-tariff barriers from the Western world.

We need to address issues of visa restrictions, work permit, double taxation and social security payments urgently as these non-tariff measures are adding to the cost of our companies," a Ficci official said.

He cited examples of problems faced in countries such as Indonesia, Malaysia and the arrest of I-flex CEO Senthil Kumar in London under extradition charges by Dutch authorities as a growing trend to discourage Indian IT sector.

"The trend of harassment follows the downturn in the

global IT industry over the past two years. In contrast, India's IT industry has grown by about 26 per cent due to the advantage of lower labour cost," he said adding that Indian IT companies were prepared to challenge non-tariff barriers to maintain their competitive edge.

Highlighting visa restrictions, Ficci has maintained that "it is increasingly becoming difficult for Indian IT professionals to obtain visa for the US. The number of H1 visas has fallen from 1,95,000 couple of years

back to 65,000 in 2002."

The US government has also imposed restrictions on the "L1" visa, which enables organisations to move workers temporarily from another country to the US, as long as the transfer remains within the company.

Ficci has also raised the issue of inconsistent visa policy in Europe. "While some countries like Germany give a 90 days multiple entry visa, other European nations give a single entry for a very limited period only," it maintains.