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# India's IT industry fears a hit from Trump's ban

By TNN | Updated: Jan 29, 2017, 11:31 AM IST

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BENGALURU: US president [Donald Trump's immigration](#) order against people from seven Muslim-majority countries could have a minor beneficial impact on [Indian tech](#) talent and business. Global technology [companies](#) may think it prudent to substitute talent from the banned countries with resources from countries that are friendly with the US.

But Saju James, partner and managing director at immigration services firm Fragomen India, does not think the change, if any, will be significant. Global tech companies do not do largescale hiring in those countries.

What looked clear to several analysts that TOI spoke to though was that the move is one more in a series of developments that is leading inexorably towards a retreat from globalization, with potentially adverse consequences for globalized businesses like IT. "We are at the beginning of a phase of reversal of 30 years of globalisation," said a technology analyst, who did not want to be named. "It will affect our own MNCs like TCS and Infosys," he added.



Some believe Trump will introduce other measures that will directly hit Indian IT. One major target is expected to be the H-1B and L-1visa programmes that Indian IT companies use to move employees to the US for long periods to work on customer projects.

Vikram Shroff, leader of HR law practice at law firm Nishith Desai Associates, said given that the US is the world's largest economy, "such immigration restrictions affect the movement of talent and may be viewed as counter-globalization."

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Some believe Trump will introduce other measures that will directly hit Indian IT. One major target is expected to be the H-1B and L-1visa programmes that Indian IT companies use to move employees to the US for long periods to work on customer projects. Mark Davies, chairman of US immigration law firm Davies & Associates, said Trump is no fan of the H-1B visa programme.

"He's making sure it's more the talented worker who comes to the US. He is not trying to exclude people who have unique skillsets. The problem comes with people with lower level skillsets on large scale contracts deployed on the H-1B programme," he said.

But Trump could proceed on this more carefully, given his desire to maintain relations with India. Union minister for chemicals and fertilizers H N Ananth Kumar noted in Bengaluru on Saturday that Prime Minister Narendra Modi had a telephonic conversation with the US president recently.

Kumar expressed confidence that Trump's policies would not adversely impact Indian IT. Nonetheless, within the industry, people are not so optimistic and are preparing for the worst. The focus, some say, should be on building the domestic economy so that it can take up the expected slack in the international markets. "We are a large country. We can grow on the back of developing our own market," an analyst said.

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