

US tightens L1 visa norms

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BANGALORE: Indian IT troubles are multiplying. The relatively liberal visa regime in the US that enabled IT services companies to send employees on client work is no longer as tolerant, partly because of the job losses in the US. The visa processing outfit, United States Citizenship and Immigration Services (USCIS), has become extremely stringent in screening and issuing L1 visas and L1 extensions.

L1s are three-year visas meant for intra-company transfers and some 50,000 Indians are estimated to be currently in the US on these visas. About a third of them are coming up for renewal this year. Extensions are given for two years.

Almost every domestic IT firm is facing huge delays in the issue of L1s and many denials. It's harassment. It has already started impacting business continuity and it's a matter of time before it hits profitability and margins in the industry, said an industry expert based in California. Navneet S Chugh, an attorney in The Chugh Firm, a US-based law firm, said that the California service centre of USCIS became strict about L1 visas a year ago. Now the other centres in Vermont, Nebraska and Dallas too have become strict. The issue has been boiling for a while, but now its touched the zenith. They make these RFEs (request for evidence) that event include things like copies of client contract, a photo of the office in India, an organizational chart indicating who the applicant reports to, details of his tax returns. Some RFEs go up to seven pages, and if there are 10 requests on one page, you can imagine the work required.

In many cases, Chugh says, the information they seek under RFEs is already part of the original filing. But they don't look at that. And even after furnishing the same information again, visas are denied. The denial rate is as high as 50% for some companies, says Chugh.

Stella Nagesh, head of immigration (Asia Pacific) in Perot Systems, admits the issuance process of L1 visas has become stringent. Many Indian companies are finding it tough. We are taking extreme care in cross-checking application particulars so that we are able to eliminate rejections or RFEs.

Indian IT companies have been relying increasingly on L1 because in the past two years, the H1B visa has been getting exhausted within the first two days of the start of filing. H1Bs, which allow US employers to employ foreign guest workers in specialty occupations, are capped at 65,000 visas per year. This year the USCIS received 150,000 applications for H1Bs. L1s don't have a limit, and L1 filing cost at \$300 is a fraction of that of H1 at \$2,200. According to Ravi Prasad, resident partner and immigration expert at Jay Sagar Associates, IT companies have been exploring alternative visa options like L (intra-company transfer), J (visas meant for specialists/domain experts).