

# India-UK deal will boost IT hiring

Vallari Sanzgiri  
Mumbai

Overseas workforce of Indian IT firms will get a boost owing to the three-year exemption from social security contributions announced alongside the India-UK Free Trade Agreement (FTA).

Atul Soneja, Chief Operating Officer, Tech Mahindra, said the exemption for Indian workers in the UK, as outlined in the Double Contribution Convention, will have substantial implications for the company. "In the short term, this could reduce operational costs and allow for greater flexibility in talent deployment. In the long term, easing these contributions could motivate Indian IT firms to increase their workforce in the UK, strengthening partnerships and promoting innovation within the sector," he said.

Keshav Murugesh, CEO of WNS Global, said: The deal will enable the UK to fully recognise India as a key destination for its students and talent to achieve their ambitions in AI-skill space. For students and technology professionals, this FTA should serve as a springboard for greater collabora-



tion in DeepTech and the mobility of skills. The long-term potential of this partnership is immense."

Sindhu Gangadharan, MD of SAP Labs India and Chairperson of Nasscom, said the FTA and social security exemption offer immense opportunity and new market access to India's IT and services sector, especially the start-ups and SME ecosystem. Another digital talent solutions provider, who wished to remain anonymous, also told *businessline* that the announcement was likely to boost hiring by IT firms outside of India.

## COST OF LIVING

According to Manish Mishra, Partner & Head - Indirect Tax, JSA Advocates & Solicitors, the Double Contribution Convention relaxes visa norms as well as cost-savings for Indian service providers in UK, thereby strengthening their market position in

UK. "The FTA is going to bring in significant benefits and incremental demand for India. The visa relaxations will encourage people to move from India to the UK. So, increase in hiring in UK by firms is likely," he said.

DD Mishra, VP Analyst at Gartner, said the convention will ease the migration of Indian IT professionals across borders, encouraging collaborations in technologies like artificial intelligence and cybersecurity.

Despite the focus on the IT sector, Russell A Stamets, Partner at Circle of Counsels, warned that the countries have only shared the bare outlines of the agreement so far and haven't categorically given exemptions only to the IT sector. Officials also need to clarify whether the exemptions will apply to all the temporary employees already in the UK or those who will be in the country.