

BOTTOM LINE

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TOP 5 ADD 2,505 TO COMBINED HEADCOUNT

India's Big IT Ends Recruitment Freeze, But Only for Niche Skills

Focus shifts from headcount to skills but hiring is selective

Shristi Achar

Bengaluru: India's top five IT companies added 2,505 employees to their combined headcount in calendar year 2025, after shedding nearly the same number the year before, reflecting selective and skill-based hiring.

These companies —Tata Consultancy Services, Infosys, HCLTech, Wipro and Tech Mahindra — posted a net reduction of 2,500 employees in calendar year 2024, when the IT sector was cutting excessive workforce it had built up during the Covid-19 pandemic. They employed more than 1.5 million people as of December 31.

The \$283-billion sector has not seen a rebound in hiring to its earlier levels amid artificial intelligence-led technology disruption

Crawling Back			
Net headcount of top five companies			
Company	CY 2025	CY 2024	CY2023
TCS	5,82,163	6,07,354	6,03,305
Infosys	3,37,034	3,23,379	3,22,663
HCL Tech	2,26,379	2,20,755	2,24,756
Wipro	2,42,021	2,32,732	2,40,234
Tech Mahindra	1,49,616	1,50,488	1,46,250
Total:	15,37,213	15,34,708	15,37,208
YoY change	2,505	-2,500	

Source: Company filings



and growth of global capability centres, where multinationals do inhouse the work they previously outsourced to Indian IT firms.

"The external environment continues to be volatile, and projects are on a shorter cycle now. So, companies needn't hire a large number of people for extended periods, as they try to be agile and return value to shareholders, and ensure that the financial results are in alignment with the street estimates," said Aditya Narayan

Mishra, managing director and chief executive of staffing services company CIEL HR.

"The hiring, which is currently happening is based on the niche skills of the people, which the market is looking for. It's not about the headcount, it's about the quality of the manpower," he added.

According to a report by workforce management company Qness Corp, hiring in IT services is expected to grow by a modest 6-8% in 2026, with no broad pyramid ex-

pansion. More than half of hiring is now centred on emerging skills in AI/ML, cloud, cybersecurity, data engineering, DevOps and platform engineering, while legacy skills have fallen below 10% of demand, the report added.

The five service providers also posted a fall in their aggregate attrition rate in the third quarter by 1.7 percentage points compared with a year earlier. While TCS and Tech Mahindra recorded a 0.5 and 1.1-percentage-point rise, respectively, the rate fell between 0.8 percentage points and 1.4 percentage points for Infosys, HCLTech and Wipro.

As companies increase efficiency in their operations with AI, they don't need to hire that many more people who are leaving, said Praveen Bhadada, chief executive of consulting firm Neovay Global, while also noting that fewer people are now leaving voluntarily.

But as client spending and demand for IT services are expected to improve in the next couple of quarters, the need for talent with better utilisation will continue, he added.