

**GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 90
TO BE ANSWERED ON: 15.12.2017**

DECLINE IN EMPLOYEE STRENGTH OF COMPANIES IN IT INDUSTRY

90. SHRI D. RAJA:

Will the Minister of Electronics & Information Technology be pleased to state: -

- (a) whether it is a fact that the headcount of the six major companies in IT industry has dropped by 4157 in the first six months of the current fiscal year against an increase of almost 60,000 in the same period last year; and
- (b) if so, the details thereof and the reasons for such a major drop in the recruitment by the IT industry this year?

ANSWER

**MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI ALPHONS KANNANTHANAM)**

(a): Yes, Sir.

(b): The half yearly financial reports of 6 major IT companies indicate a decline in employment. The drop in the recruitment by the IT industry this fiscal year is due to several factors which inter-alia include :

- Some of the less complex, standard and repetitive jobs are being automated;
- Companies are improving their employee-utilisation levels and reducing bench strength; and
- Companies are employing people with specialised skillsets in newer areas such as data science, machine learning, artificial intelligence and internet-of-things. The growth rate in these technologies and the nature of the business do not necessitate large-scale hiring.
