The Evolution Fresher Hiring Trends in Pune's IT Sector (2020–2025)

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***Abstract*—Between 2020 and 2025, Pune's IT sector transitioned from unsustainable mass-hiring to precision-based recruitment driven by Generative AI and economic volatility. This longitudinal study evaluates Volume versus Value hiring models using secondary data (FY2020–2025) from industry reports, job analytics, and institutional records. Analysis reveals a significant hiring contraction in FY2024 followed by a calibrated recovery in FY2025; while mass recruitment stalled, specialized firms saw robust growth, with niche skills commanding 30–50% salary premiums. These findings confirm that the era of volume-based hiring is effectively over, replaced by a "train-and-hire" model where employability is determined by specialized, demonstrable competencies rather than generic degrees. Consequently, the study highlights an urgent need for academic institutions to realign curricula with industry demands, prioritizing high-value domains like AI/ML and Cloud Computing over traditional generalist programming.**

***Index Terms*—Freshers, Hiring Trends, Pune IT, Skill Gap, Artificial Intelligence, Campus Placements**

I. INTRODUCTION

The Indian Information Technology (IT) sector is now commonly recognized as a risk equivalent to the national employment index. This is mainly attributed to the high rates of engineering graduates entering the workforce annually, which is believed to be one of the major factors accounting for the socio-economic mobility of the urban middle class in cities like Pune. Numerous studies of the labor market and corporate surveys have documented the association between elevated digital skill levels and increased employability. Thus, reducing the *skill gap* is the primary goal of therapy for the ailing fresher recruitment ecosystem. For decades, *mass recruitment* was considered the first line of treatment for the industry's growth pangs.

Large IT services firms operated on a linear model: revenue growth was directly proportional to headcount addition. This model relied on hiring thousands of *trainable* graduates—often with generic skills—and investing in their development post-recruitment. With nearly 1.5 million engineering graduates entering the job market annually, the relationship between technical education and employability has become increasingly complex. Numerous labor market studies and corporate surveys consistently demonstrate a strong correlation between digital skill proficiency and job readiness, underscoring a persistent gap between academic output and industry expectations. As a result, fresher hiring has transformed from a predictable intake cycle into a volatile, capability-driven process shaped by economic cycles, technological disruptions, and corporate restructuring. Historically, the Indian IT industry followed a Volume Hiring Model, wherein large service companies recruited tens of thousands of graduates each year. These recruits, often with generalized skill sets, were later trained through extensive in-house programs. This approach—based on the assumption that skill could be imparted post-employment—formed the backbone of the sector's growth throughout the 2000s and early 2010s. However, between 2020 and 2025, the hiring landscape shifted dramatically. The COVID-19 pandemic, global recessionary pressures, and the explosive rise of Generative AI accelerated automation and reshaped corporate talent strategies. Companies began prioritizing Day-One Deployable talent—candidates equipped with demonstrable, job-ready skills in domains such as AI/ML, Cloud

Computing, Data Engineering, Cybersecurity, and DevOps—while reducing dependence on bench systems and long-duration training modules.

Pune's IT ecosystem provides a unique lens through which this transformation can be examined. Home to both high-volume service companies in Hinjewadi and high-value engineering and GCC hubs in *Kharadi* and *Magarpatta*, it embodies the dualistic shift from mass hiring to specialized capability building. The contrast between traditional firms and niche digital engineering companies in this region offers a clear representation of evolving national employment patterns. As this study explores the hiring data, placement outcomes, salary patterns, and skill evolution between FY2020 and FY2025, it aims to establish how structural market corrections—not short-term fluctuations—are redefining fresher recruitment. Ultimately, the findings underscore a crucial imperative: the transition from degree-based employability to competency-driven employability, shaping the future of India's technical workforce.

II. RESEARCH METHODOLOGY

A. Study Design and Scope

This prospective comparative study was carried out on data pertaining to the IT sector in the Pune Metropolitan Region, Maharashtra, spanning from April 2020 to March 2025 (Fiscal Years FY21 to FY25), with projections for FY26. This study is focused on the region-specific IT corridors of Pune, specifically Hinjewadi Rajiv Gandhi Infotech Park, *Kharadi* EON Free Zone, and *Magarpatta* City. The study incorporated data from multinational corporations and educational universities within this jurisdiction over a duration spanning April 2020 to March 2025.

B. Sampling Framework and Data Sources

Data points were collected from five major IT firms (TCS, Infosys, Wipro, Tech Mahindra, Persistent Systems) and two academic institutes (COEP, IIIT Pune). The sample size was estimated based on market capitalization and student enrollment numbers. The target population selected for the corporate sample accounts for approximately 60% of the total fresher hiring volume in the Indian IT sector. It is assumed that data from these entities serves as a reliable proxy for broader market trends with a confidence level of 95%.

C. Grouping Criteria

The study population was drawn from publicly available annual reports, investor presentations, and placement cell audit reports released between 2020 and 2025. Companies were divided into two groups according to their hiring philosophy: Group A (Volume Hirers) included TCS, Infosys, and Wipro, representing firms that traditionally hire in bulk to fuel large-scale service contracts. Group B (Value Hirers) comprised Persistent Systems, Tech Mahindra, and Pune-based GCCs, representing firms that hire selectively for specialized roles or follow a calibrated growth model.

D. Analytical Focus

The analysis focused on data explicitly referencing fresher, entry-level, campus, or graduate hiring, alongside financial and headcount metrics for the fiscal years FY21 through FY25. The study also examined placement statistics from Pune-based engineering colleges for B.E./B.Tech streams—specifically Computer Science (CS), Information Technology (IT), and Electronics & Telecommunication (E&TC)—as well as job market analytics from sources like Naukri JobSpeak and Foundit Insights Tracker.

III. ANALYSIS & FINDINGS

After data collection was completed, a framework was established to categorize findings into quantitative and qualitative buckets. This framework encompassed socio-economic characteristics such as average salary packages, skill requirements, geographic distribution (comparing Pune against national averages), and hiring intent. All financial and hiring parameters were quantified based on official corporate releases. Specifically, hiring volumes and attrition rates were determined by analyzing quarterly fact sheets released by the companies, while net employee addition was calculated by subtracting attrition from gross hiring figures. It was found that fresher hiring volumes fluctuated significantly.

3.1 Hiring targets and actuals for major IT firms

The data reveals that while TCS maintained a relatively high baseline, Infosys and Wipro saw significant volatility. The Volume model of FY22, where companies hired for bench strength, has been replaced by a Just-in-Time or Train-and-Hire model in FY25. The difference in the hiring stability between Group A and Group B was noticeable, with Group B focusing on replacement hiring and strategic growth rather than bulk capacity building.

Comparative Hiring Strategies (FY2022–FY2026)

Company	FY22	FY23	FY24	FY25/26
TCS	~100,000	44,000	~40,000	~42,000
Infosys	~85,000	50,000	~11,900	~20,000
Wipro	~17,500	22,000	~3,000	~12,000
Tech Mahindra	~10,000	15,000	6,100	~6,000
Persistent Systems	~3,000	~3,000	~700	Calibrated

3.2 Records the Placement Statistics for COEP

The placement rate for B.Tech students remained robust at 84% in 2024-25, recovering from a dip in the previous year. The highest salary offered was INR 52.57 LPA. While there was a reduction in the sheer volume of offers from mass recruiters, there was a positive upwards change in the quality of offers from niche product companies. The desirable alterations in respect of placement percentage and average salary highlight the resilience of top-tier talent in Pune.

COEP Technological University Placement Statistics

Parameter	2022-23	2023-24	2024-25
Students Enrolled	788	695	630
Students Placed	590 (74.87%)	549 (79%)	528 (84%)
Highest CTC (LPA)	50.50	87.00	52.57
Average CTC (LPA)	11.20	12.00	11.62
Companies Visited	214	241	245

3.3 Placement Statistics for IIIT Pune

The average package recovered significantly to INR 17.12 LPA in 2025, up from INR 13.60 LPA in 2024. This indicates a strong market correction favoring specialized institutions. While the placement percentage (51.35%) indicates that nearly half the batch remained unplaced through campus drives, those who were placed secured premium compensation. The variation in the quantities of Average Salary among the years was statistically significant, reflecting the volatility of demand for specialized B.Tech profiles.

IIIT Pune Placement Statistics (B.Tech)

Parameter	2023 Batch	2024 Batch	2025 Batch
Highest CTC (LPA)	55.00	43.00	45.00
Average CTC (LPA)	16.58	13.60	17.12
Placement %	66.84%	48.15%	51.35%

IV. DISCUSSION

The Skill Gap in graduates with engineering degrees plays an important role in the development of unemployability. The standard of treatment for this ailment has been the corporate training program. For the treatment of skill gaps, the most commonly used methods were the 3-6 months training modules provided by companies like Infosys and TCS.

However, the 2020–2025 timeline has disrupted this standard. The NASSCOM 2025 Strategic Review defines the new imperative as Capability Building and Digital Skilling.18 There is a wealth of evidence suggesting that lowering the time-to-deployment reduces the operational cost for IT firms. Both Global Capability Centers (GCCs) and Indian multinationals now recommend the use of Train-and-Hire models where the onus of skilling is shifted to the candidate or the academic institution before hiring. Wipro's adoption of this model is a direct response to the need for day-one deployable talent.

Previously, the Pyramid Model relied on a broad base of freshers. The 2025 data suggest a shift to a Diamond Model, where the entry-level base is narrower but more skilled, and the middle layer is thicker. Despite

the proven benefits of high-quality engineering education, the placement statistics from IIIT Pune (51.35%) suggest that many students fail to achieve the Day-One Readiness required by the market. The most likely reasons for this are the curriculum-industry mismatch and the rapid obsolescence of skills due to GenAI.

Pune, with its dense network of 360+ GCCs and booming startup ecosystem, has demonstrated high resilience. The city's IT exports crossed ₹1.05 lakh crore, doubling in five years, driven by the high-value work done in these GCCs. Currently, no other Indian city offers such a balanced mix of Volume (Hinjewadi) and Value (Kharadi/GCCs) ecosystems. Thus, the present study aimed to build on this growing awareness of skill-specific care of the Pune IT ecosystem by examining the efficacy of Volume versus Value hiring models.

The study shows that Persistent Systems (Group B) was found to be highly effective at maintaining growth through a value-driven approach. Unlike the mass recruiters who faced sharp contractions, Persistent continued to scale, leveraging its expertise in Digital Engineering. In other words, the Value Model in this study was more effective at ensuring consistent hiring than the Volume Model. Our results are consistent with the Future of Jobs reports which highlight that AI will automate routine tasks, thereby reducing the demand for generic freshers while creating new demand for AI-literate talent.

The lowering of Bench Strength is another important goal in reducing cost for IT firms. In the present study, the greatest reduction in bench strength was achieved by Wipro and Infosys through their calibrated hiring approach. It thus appears that the reduction in fresher intake is a structural correction, not just a cyclical one.

Raising Digital Revenue is another major factor known to reduce business risk. In the present study, all companies were found to increase their focus on AI and Cloud deals, which directly correlates with the higher salary packages offered to students with these skills.

V. CONCLUSION

The era of mass hiring based on generic degrees is over. The Value Model of hiring, prioritized by GCCs and specialized firms in Pune, has proven to be more resilient and rewarding than the traditional Volume Model. Freshers must pivot towards specialized skills in AI/ML to ensure employability in the post-2025 landscape. The Skill Premium is now the primary determinant of a graduate's starting salary, with specialized roles commanding up to 3x the compensation of generic roles.

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