

'India's H-1B visa dependence has been on a clear decline in last 6-8 years'

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Even though most Indian IT firms still have considerable dependence on H-1B visas as percentage to employee base in the U.S, this proportion has been on the decline over the last 6-8 years, reported industry observers.



The visa price hike came up even as the Indian IT is already worried about the possible imposition of tariffs on its software exports to the U.S. | Photo Credit: AI generated

For instance, year 2016 saw 8,473 H-1B visa approvals for the top six tech providers comprising TCS, Infosys, Wipro, HCL Tech, Tech M and LTIMindtree against 43,860 applications they filed cumulatively in that year. In 2024, these top players received 7,105 H1-B visa approvals against 24,269 applications, as per Equirus Securities, a brokerage firm that also tracks the tech sector.

Interestingly, in CY2025 so far, these companies received 2,144 H-1B visas against a total of 14,056 applications they put in cumulatively, indicating a huge decline in the number of applications from earlier years. Equirus Securities also observed that there has been a negative growth (CAGR) both in terms

of total visa approvals for the top six players and the total number of the applications they submitted between 2016 and 2024 at -2.2% and -7.1%, respectively.

Avinash Vashistha, chairman and CEO, Tholons, a GCC consulting and IT services firm and also former Chairman and CEO Accenture India, told *The Hindu*: “The new visa fee structure at \$1,00,000 per annum will force both Indian tech providers and their U.S counterparts to tweak their talent strategies and talent deployment in order to reduce their dependence on H1-B visas.”

With higher costs and added friction for sponsoring foreign workers, many companies were already reassessing their dependency on U.S. visas and leaning more heavily on their Global Capability Centres (GCCs) or Dedicated Delivery Centres (DDCs), observed Sachin Alug, CEO, NLB Services, a staffing solutions firm based in Atlanta.

Commenting on the diverse impacts of the visa fee hike, Atul Gupta, Partner-Labour and Employment, Trilegal, a full-service law firm, said given India’s significant stake in global mobility of skilled talent, this move has far-reaching legal, economic, and human implications.

“The steep increase in the fee will have a material impact on Indian technology and services companies and professionals. Indian service providers and their U.S clients will need to think hard about which roles and positions warrant such a steep investment,” Mr. Gupta further said adding, it was quite likely that many positions (jobs) would shift to neighbouring countries in the same or similar time zone (like Canada or Mexico) or come back to India.

Therefore, it opened up additional opportunities for Indian tech companies to try and increase their value proposition in handling more core services from India and further strengthening the country’s GCC capabilities.

“The whole thing will also trigger a shift in corporate strategy for most for tech providers, including American IT firms, the major beneficiaries of H-1B visas, and they will scale up their Global Capability Centres and R&D centres in India,” opined Mr. Vashistha.

Prawega Tech Solutions, Founder CEO, Vasishta Haavanur was of the opinion that, going forward, there would be a further decline in the number of applications and the \$1,00,000 visa regime would only further shrink operating margins of Indian tech firms and bring them under direct profit stress.

“Indian companies can hire more locally. Visa fees will have much greater stress on margins of small firms too, but they have a great opportunity to explore more remote offshore work in high skill services like AI, DevOps, Cybersecurity,” Mr. Haavanur added.

Meanwhile, several mid-cap tech firms in the country, such as Mphasis, Hexaware, Persistent Systems, Cyient, have already said they have been bringing down their reliance on the H-1B visa in the last couple of years by increasing local hiring (in the U.S) and by deploying AI-led propositions.

The visa price hike came up even as the Indian IT is already worried about the possible imposition of tariffs on its software exports to the U.S.

“Well, tariffs on software exports is the only thing that is left now. Tech firms are already fearing it and if that happens, even if it is 10% or 25%, it would mean the death knell for India’s current tech ecosystem,” cautioned B.S Murthy, CEO, Leadership Capital, a CXO advisory firm.