

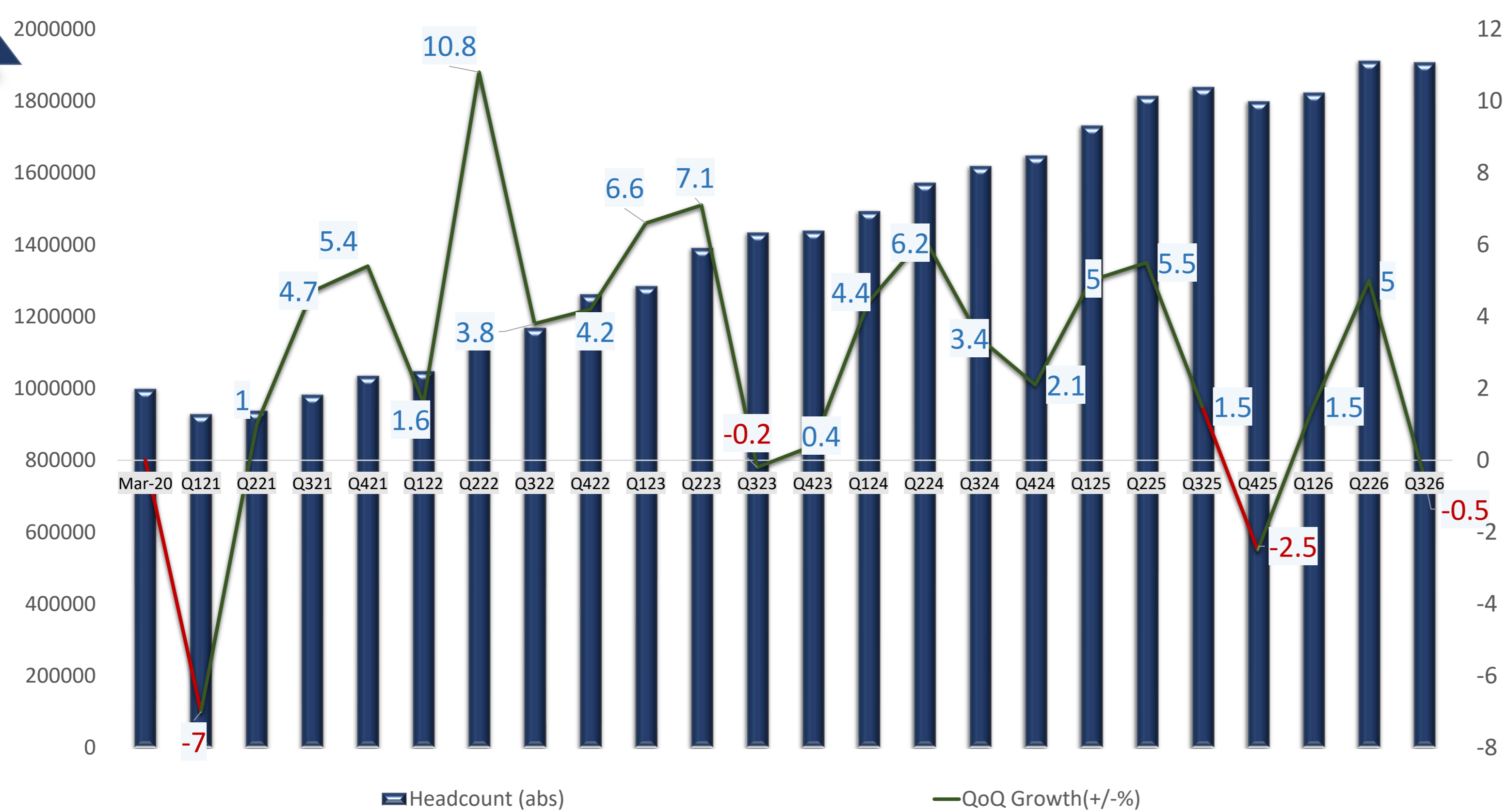
2026

Indian Staffing Federation
Quarter 3 Report
Flexi Staffing Industry

2025-26



Flexi Staffing Industry New Employment Growth QoQ (Q3 25-26)



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Staffing industry had New Employment (Flexi) growth at **4.4% YoY** (Q3 26 vs Q3 25. However, witnessed a dip at -0.5% in Q326 (QoQ) for nett flexi employment (ISF Members).

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ISF Members added **69 K** New Formal Flexi Workforce in last four qtrs.

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ISF Members represent **1.91 mn** Formal Flexi Workforce Q326 (Total Headcount)

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Sectors driving growth in Q3 2025-26:
GCC (+73% of IT new hires), E-commerce & Logistics (consumer demand surge), Manufacturing (PLI-linked capex), FMCG & Retail (festive season spike), Healthcare, and Tourism & Hospitality.

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EPFO data: Expert Services / Manpower Suppliers contributed ~41% of India's net formal payroll additions (Oct-Dec 2025), affirming the staffing industry's central role in organised employment.

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PLFS 2023-24 (MoSPI) benchmarks national LFPR at 56.7% and urban WPR at 49.4% — formal flexi staffing directly supports India's formalisation agenda by onboarding first-time workers, 59% of whom are aged 18-25 per EPFO.

REFERENCE: YoY is the headcount growth between Q326 vs Q325

REFERENCE: Q326: Oct – Dec 2025

General Staffing Industry grew at 4% YoY (Q3 vs Q3) ; and -0.6% Q3 25-26 (QoQ)



>> General Staffing Industry witnessed new employment growth at **4% YoY**. (Q3 25 vs Q3 26). However, the industry witnessed a slight dip at **-0.6% QoQ** in Q3 26 (Q3 25-26 vs Q2 25-26).



>> ISF members overall added **62 K new employment** across General staffing industry in last 4 Quarters.

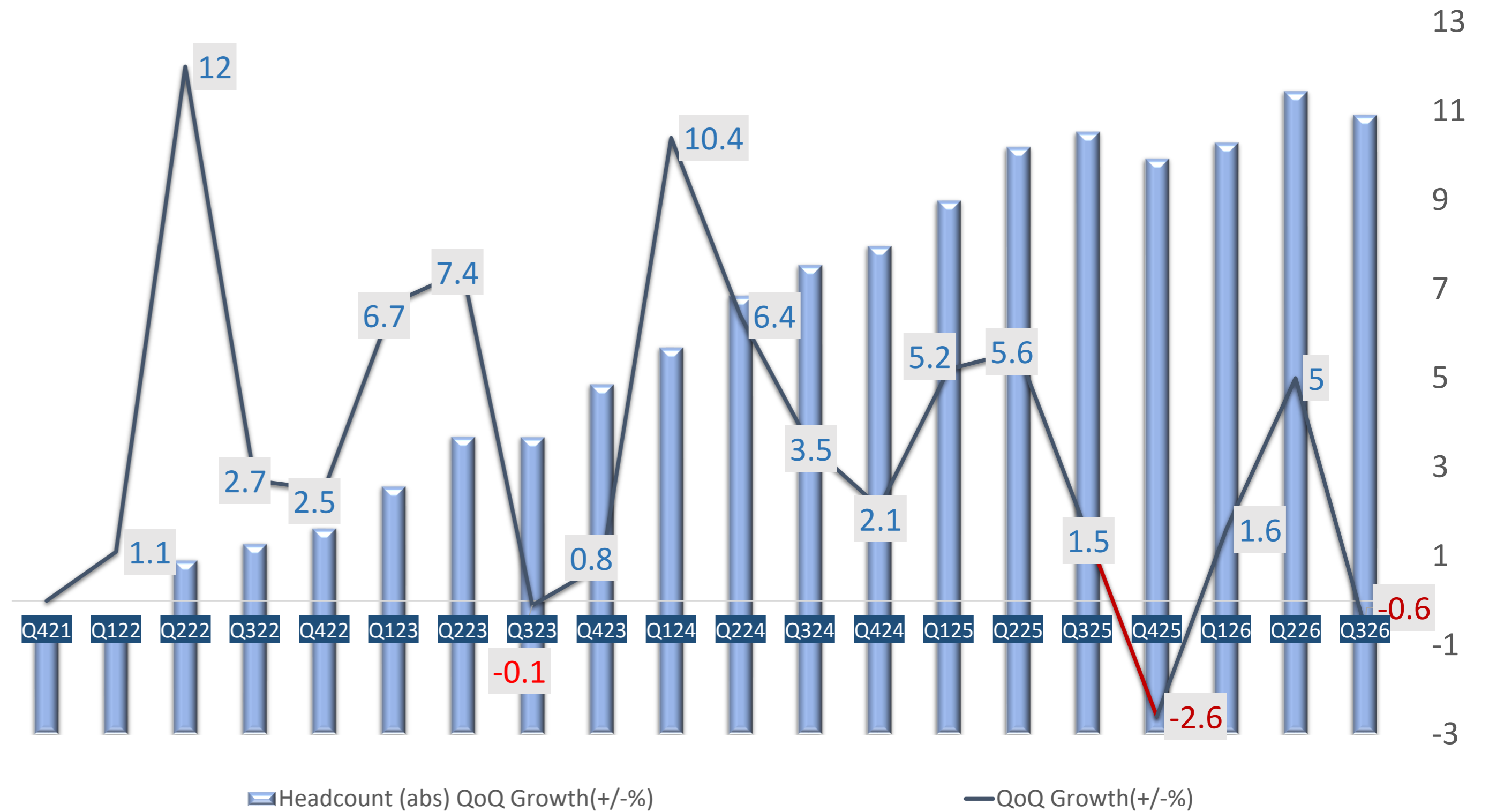
4 % YoY (Q3 26 vs Q3 25)

>> General Staffing demand in Q3 2025-26 was sector-driven: FMCG & Consumer Durables (festive season + rural income recovery), E-commerce & Quick Commerce (3PL warehousing role surge), Retail (GST 2.0 compliance boosting organised retail hiring), Logistics & Transportation (road transport among top EPFO net addition sectors in Q3), BFSI (digital transformation and compliance hiring). EPFO payroll data corroborates: Manpower Suppliers accounted for ~51% of Expert Services net additions (largest formal employment category nationally) in Q3 2025-26. Per PLFS 2023-24, manufacturing and trade sectors absorb ~44% of India's employed workforce — general staffing is critical to their informal-to-formal transition.

With GST 2.0 and seasonal spikes in retail and logistics additional boost led to a QoQ rise in temporary staffing. Note: PLFS 2023-24 reports India's unemployment rate at 3.2% (usual status) — structural demand for flexible workers in organised trade & services remains high.



General Staffing Industry Employment Growth Trend QoQ (Q3 26)



REFERENCE: Q326: Oct – Dec 25



IT Staffing witnessed new employment growth at 2.3% in Q3 26 (QoQ); Annual growth at 16.1% (YoY) (Q3 vs Q3)



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IT Staffing Industry shows nett new employment growth at **2.3% QoQ** (Q3 2025-26), with a robust positive momentum at **16.1% YoY** (Q3 vs Q3).



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IT/consulting sector rebound was driven by tier-2 tech firms and GCCs (Global Capability Centres) leading sequential recovery. GCCs contributed 73% of new IT employment growth with AI, cloud, cybersecurity, and platform engineering roles.

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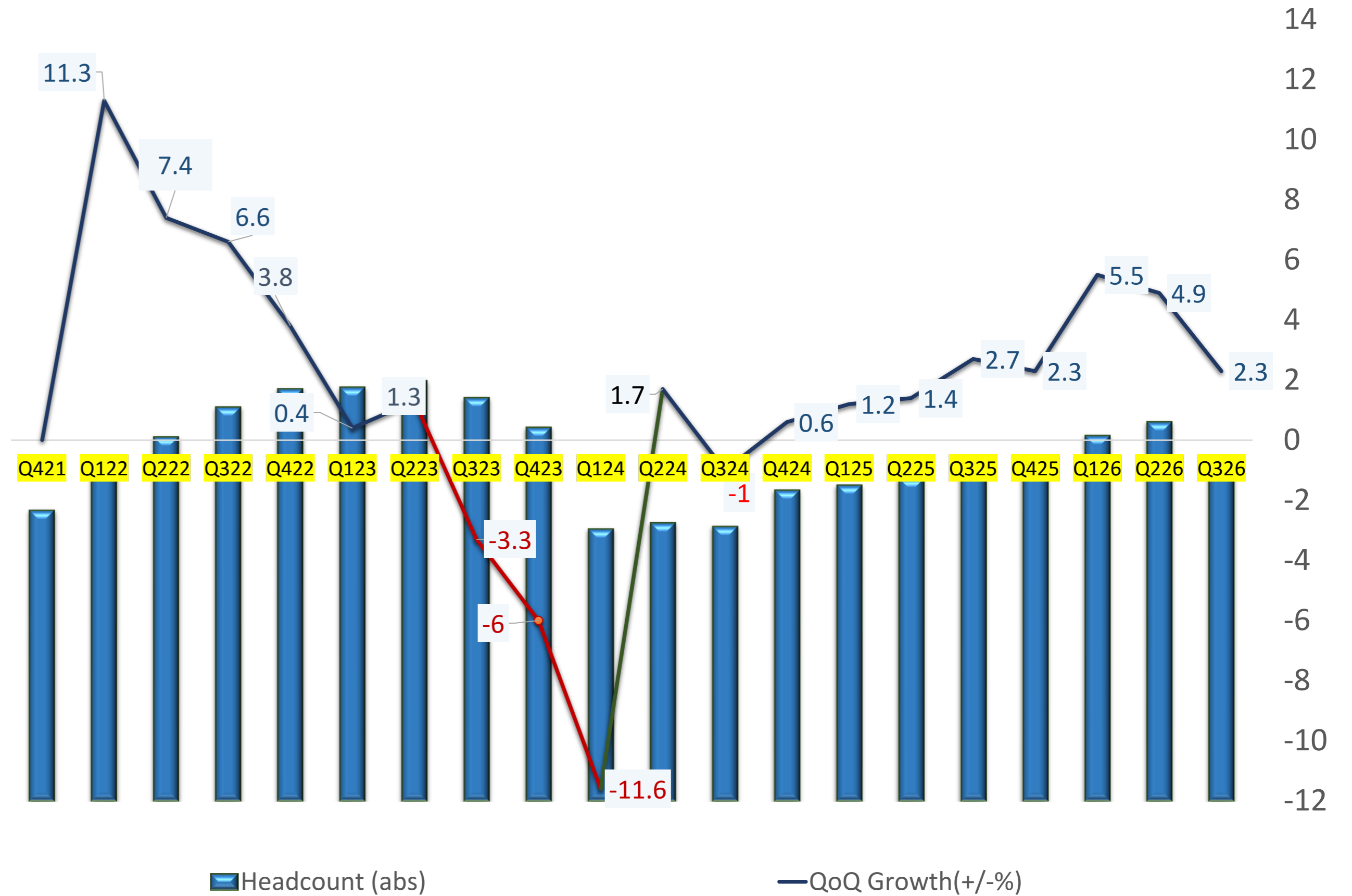
EPFO payroll data for Q3 2025-26 confirms IT & ITeS sectors among fastest growing net-addition industries. However, US regulatory pressures (H-1B restrictions) and global macro uncertainty capped momentum.

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PLFS 2023-24 shows urban regular salaried employment grew steadily — IT staffing plays a key role in expanding quality salaried employment opportunities for India's youth workforce (18–25 age group = ~59% of new EPFO subscribers).

16.1 % YoY (Q3 26 vs Q3 25)

IT Staffing Industry Employment Growth Trend QoQ (Q3 26)



REFERENCE: Q326: Oct – Dec 25



Disclaimer

The research is a property of Indian Staffing Federation (ISF), apex body of the Flexi staffing Industry in India.

The research report has been produced with no biases towards any person/company/industry, however, has not been conducted in controlled environment with the respondents. The respondents were free to reply basis their experience to the defined and close ended questions, executed and collected via a survey. The report published is for the consumption - partners, media, federation members and respondents only. This may not be used in any part for commercial purposes without prior consent from ISF. Anyone using the report for reproduction, will need to seek consent from ISF and attribute the credits accordingly.

About Indian Staffing Federation

Indian Staffing Federation (ISF) was formed with one common goal - Staffing India's Growth. The purpose of ISF is to enhance long-term growth of the staffing industry and to ensure its continued ability to make positive contributions to the economy and society. The principal focus of the Federation's activities is to strengthen triangular employment relationships, in which the staffing company is the employer of the temporary worker, who works under the supervision of the user company. ISF represents close to about 120 staffing companies as its members. Further details www.isf.org.in

About the Research

Indian Staffing Federation (ISF) conducts its quarterly research, to explore the growth of flexi staffing employment through organised staffing companies. Through a survey based research ISF has tried to understand the employment generated in the quarters and gathered a sentiment of the next quarter, to come up with annual report. The survey also covered various dimensions of employment factors impacting across top 15 sectors.

Methodology

The research is based on primary email sent to over 120 staffing members across the country for data collection in a span of 60 days, every Qtr. The research was completed with online input collection from staffing operations/leaders within their company. The data has been closely evaluated to avoid any misrepresentation and avoid manual biases.

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