

Abstract

In 2014, Infosys Ltd. acquired Panaya Inc. as part of the strategy of its CEO Vishal Sikka to take the company on a path of innovation and automation. But Infosys faced shackles when Securities Exchange Board of India (SEBI), and Securities Exchange Commission (SEC) received an innominate letter from a whistleblower claiming the violation of duly required procedures and approvals in Panaya's acquisition. The situation was worsened by the tussle between Sikka and Narayan Murthy, one of the founders of Infosys. In 2017, Sikka abruptly resigned blaming Murthy for his resignation. One of the founders of Infosys, Nandan Nilekani, was brought back on the board to clear the air about all the allegations and to restore a good governance. The episode poses questions about the state of corporate governance practices at Infosys. The case provides an interesting example for discussion on corporate values and corporate governance practices, especially in case of mergers and acquisitions.

Key Words: *Mergers and Acquisitions, Infosys, Corporate Values, Agency Theory*

Subject Area: *Strategic Management, Corporate Governance.*