V M V V SANGHA'S

V M K S R VASTRAD ARTS SCIENCE AND V S BELLIHAL COMMERCE COLLEGE HUNGUND

Project report entitled

" A PROJECT REPORT ON INFOSYS TECHNOLOGIES LIMITED"

UNDER GRADUATION OF BACHELOR OF COMMERCE

Submitted by

Miss. SHWETA S AMBIGER
B.Com-II Semester
Register Number U15IY22C0022

Under the Guidance of

Mr. SHREESHAIL BOMMASAGAR
Lecturer,
Department of commerce
2022-23

CERTIFICATE

This is to certify that the project work on **"A PROJECT REPORT ON INFOSYS TECHNOLOGIES LIMITED"** has been carried out by **Miss. SHWETA S AMBIGER** B. Com II semester under the guidance of **Mr. SHREESHAIL BOMMASAGAR** Co-ordinator, **Prof. B A KANTHI** Head of the Department in Commerce. towards the partial fulfillment of the requirements for the award of degree of department of Commerce by the **Rani Channamma University** during the year **2022-23.**

Date :
Place :HUNGUND

Prof. S K MATH
(PRINCIPAL)
Principal
Vijaya Mahantesh Krupaposhit
S ° Vastrad Arts, Science & V S.Bellina
Commerce College,Hungund-587118

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I am greatly indebted to my guide, Shri. SHREESHAIL BOMMASAGAR Co- ordinator, *Department of Commerce,* Rani Channamma University, V M K S R VASTRAD ARTS SCIENCE &V S BELLIHAL COMMERCE COLLEGE HUNGUND for his inspiring guidance. In spite of several busy assignments, he has been kind enough to spare his time for giving me pleaser and privilege to work under his guidance.

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My sincere thanks to all for supporting me in carrying out project report and I also thanks to library staff and all my friends for their co-operation during the course of project work and I am also thankful to printers of their skilful printing this work.

My parents are main soul for my confidence, determination and strength throughout my life. The sweet hopes and wishes have made me able to present this work.

Last but not the least I take this opportunity to thank and remember all my friend si.e., **Pavitra, Sahana, Annapoorna** who are with me and who have helped me throughout my life from the place they have resided in making me feel that I am also one among them who can achieve things as we want.

Date :
Place :HUNGUND

Shweta . S . Ambiger.

Miss. SHWETA S AMBIGER

List of contents

Infosys Technologies Limited

TYPE   -   Public

**BSE**   -   500209

NASDAQ   -   Infy

FOUNDED   -   July 2, 1981

HEAD QUARTERS   -   Bangalore, India

KEY PEOPLE   -   N.R.Narayana Murthy (chairman) Kris

Gopalakrishna (CEO) & (Director)

INDUSTRY   -   Software services

PRODUCTS   -   IT service

Company Overview

Infosys Technologies Limited (Infosys), incorporated on July 2, 1981, is a global technology services firm that defines, designs and delivers information technology (IT)-enabled business solutions to its clients. The Company provides end-to-end business solutions that leverage technology for its clients, including consulting, design, development, software re-engineering, maintenance, systems integration, package evaluation, and implementation and infrastructure management services. Infosys also provides software products to the banking industry. Infosys BPO (formerly Progeon Limited) is a majority owned subsidiary. Infosys Australia, Infosys China and Infosys Consulting are the Company's wholly owned subsidiaries. In June 2006, Infosys acquired the shares in Infosys BPO held by Citicorp International Finance Corporation (CIFC). As a result, Infosys effectively
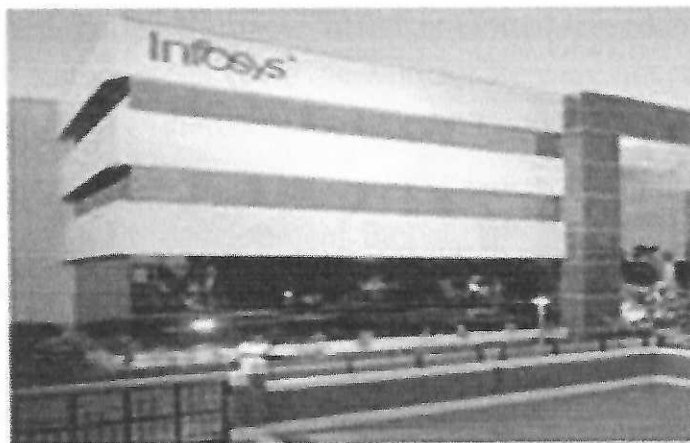
holds 99.98% of the equity share capital of Infosys BPO as of March 31, 2007.

Finacle from infosys	
Original author(s)	Infosys
Developer(s)	infosys
Initial release	1999
Stable release	3.06 / January 11, 2009; 19 months ago
Development status	Active
Written in	Java
Operating system	Cross-platform
Type	Banking and financial suite
License	Q Public License
Website	http://www.infosys.com/finacle

Key industries

Infosys serves various industries through its vertical business units, such as:

- Aerospace and Automobile (ANA)

- Banking & Capital Markets (BCM)

- Communication Service Providers (CSP)

- Resources, Energy & Utilities (REU)

- Hi Tech & Discrete Manufacturing (HTDM)

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Industry Segmentation

	2007	2006	2005	2004	2003
Services	21.0	20.2	23.2	25.7	32.1
Development	29.3	30.2	29.9	30.1	28.2
Maintenance	17.5	16.2	15.2	14.5	11.0
Package implementation	6.9	5.9	5.8	5.3	3.4
Manufacturing	13.5	13.9	14.4	14.8	16.4
Banking financial service and insurance	37.4	36.0	34.6	36.6	37.6
Banking and financial service	30.2	28.5	25.2	23.7	23.3
Telecom	7.2	7.5	9.4	12.9	14.3
Retail	19.3	16.5	18.5	16.6	15.2
Energy and utilities	10.0	10.1	9.8	11.6	11.4
Transportation	5.3	4.7	3.2	3.0	2.9
Others	2.4	5.1	7.6	7.1	6.8
Total	12.1	13.7	11.9	10.3	9.7
	100.0	100.0	100.0	100.0	100.0

Key People

Name	Age	Year	Position	
Nilekani, Nandan M.	52	1987	Co-Chairman of the Board	Trade Activity
Murthy, N. R. Narayana	60	1981	Non-Executive Chairman of the Board and Chief Mentor	Trade Activity
Gopalakrishnan, S.	52	1987	Chief Executive Officer and Managing Director	Trade Activity
Bal Krishnan, Vibin	42	1999	Chief Financial Officer	Trade Activity
Shibulal, S. D.	52	1997	Chief Operating Officer, Director	Trade Activity
Parvatheesam, K.	--	2006	Secretary, Compliance Officer	Trade Activity
Pai, T. V. Mohandas	48	1994	Director and Head - Administration, Education & Research and Human Resources, Director	Trade Activity

Krishnaswamy, Dinesh	52	1996	Head - Communication Design Group, Information Systems, Quality & Productivity, Director	Trade Activity
Batni, Srinath	52	1996	Group Co Head - World-wide Customer Delivery, Director	Trade Activity

Key Competitors

- Offshore Technology services firms such as Cognizant Technologies, Satyam Computer Services, Tata Consultancy Services and Wipro
- Consulting firms as Accenture , Cap Gemini
- IT Outsourcing firms such as EDS ,CSC

Key Clients

ABN AMRO

AIRBUS

AETNA INC

GOLDMAN SACHS

During fiscal 2007, **95.3%** of revenues came as repeat business and during 2006, **95.0%** revenues came from repeat business from existing clients

FUTURE STEPS

1. More keen on large deals. The margin dilution from large deals has been a point of concern in the past at Infosys. However, while the initial margin profile can be extremely wavy, it is possible to improve margins later in the life of the contract through reduced G&A overheads. Infosys, in its recent analyst meet, mentioned that a dedicated team was now working on large deals. We expect greater focus ahead in this area.

2. Increased focus on solution based offerings in both IT services and BPO. Infosys has developed ~50 solution based offerings in the IT services space and believes that some of these can help break the linearity between revenue and manpower growth in the business. In BPO as well, its first platform based BPO offering is likely to be launched soon.

3. Willingness to explore new deal structures. The market was surprised when Infosys paid an upfront $28m for the $250m/7-year Phillips BPO deal. While TCS had made such a payment in the case of Pearl BPO earlier, Infosys' willingness to do so was certainly a shift from the past.

Company Strategy for future

- Increase businesses from existing and new clients

- Expand geographically

- Continue to develop deep industry knowledge

- Enhance brand visibility

- Pursue alliance and strategic acquisitions

- Continue to invest in infrastructure and employees

Infosys's hiring plans for the year (2009):

Most of the companies rapidly cutting their losses by employing massive retrenchment drive, firing thousands of employees or offering them early separation schemes. However, despite the massive economic turmoil across the globe, there are still some companies that are looking to hire skilled candidates. One of these companies is Infosys. The company intends to stick to its plan of hiring 25,000 people this fiscal year.

Infosys plans acquisitions in Brazil and Mexico (JUNE 16, 2009)

Infosys is trying to acquire a few companies in Mexico and Brazil to expand its delivery capabilities. The company's first centre will be operational in Brazil in next three to four months. Infosys has currently employed about 250 people in Mexico and hence feels the need to have local facility to attract local business. "We are looking for some very targeted acquisition with specific criteria," said Dheeshjith V G, Head, New Markets and services, INFOSYS

Infosys had started focusing on Mexican market in last six to seven months. According to Dheeshjith there has been increase in the business from local clients and some companies are looking to outsource large deals. Around 20-25 percent of the total business in Infosys' Mexico subsidiary comes from multinational companies that have operations in Mexico while the rest of the business comes from clients in North America. That is the reason why Infosys is stressing on local deals to attract local customers.

Balance Sheet	
Total Cash (mrq):	1.59B
Total Cash Per Share (mrq):	2.778
Total Debt (mrq):	0
Total Debt/Equity (mrq):	N/A
Current Ratio (mrq):	6.302
Book Value Per Share (mrq):	5.33
Cash Flow Statement	
Operating Cash Flow (ttm):	1.02B
Levered Free Cash Flow (ttm):	240.50M

Company	Symbol	Rating	Price 06/15/07	Diluted Shares	Market Cap.	Net Debt	Ent. Value	FY	Revenue CY06A	CY07E	CY08E	GAAP EBITDA CY06A	CY07E	CY08E	GAAP EPS CY06A	CY07E	CY08E	CAGR	EV/EBITDA CY07E	CY08E	P/E CY07E	CY08E
INFOSYS	INFY	Buy	$53.31	582.0	$31,026	($1,408)	$29,618	Mar.	$2,820	$3,685	$4,997	$890	$1,216	$1,530	$1.32	$1.79	$2.10	26%	24x	19x	30x	25x
WIPRO	WIT	Buy	$16.12	1,470.0	$23,696	($932)	$22,765	Mar.	$3,033	$4,214	$5,442	$720	$935	$1,195	$0.41	$0.52	$0.62	23%	24x	19x	31x	26x
COGNIZANT	CTSH	Buy	$79.02	153.0	$12,090	($665)	$11,425	Dec.	$1,424	$2,125	$2,957	$293	$436	$606	$1.55	$2.20	$2.90	37%	26x	19x	36x	27x
SATYAM	SAY	Buy	$25.94	340.0	$8,820	($852)	$7,967	Mar.	$1,351	$1,815	$2,369	$308	$388	$498	$0.82	$1.04	$1.25	23%	21x	16x	25x	21x
TOTAL					$75,632	($3,857)	$71,776		$8,627	$12,039	$15,764	$2,211	$2,975	$3,829								
AVERAGE																		27%	24x	18x	30x	25x
SYNTEL	SYNT	Hold	$33.81	41.5	$1,403	($88)	$1,315	Dec.	$270	$330	$401	$59	$71	$83	$1.19	$1.35	$1.55	14%	19x	16x	25x	22x
REDIFF	REDF	Buy	$17.95	29.2	$524	($54)	$471	Mar.	$25	$39	$56	$5	$9	$15	$0.19	$0.28	$0.41	47%	53x	32x	64x	44x

Source: Gilford Securities Research. Note: Market capitalization of INFY, SAY & WIT is based on the price of ADSs (that typically trade at a premium to underlying shares on Indian exchanges).

Latest Developments

- NASDAQ-listed Infosys (INFY.O) will provide services like application development, management and maintenance of railway operations of Canadian Pacific, which operates a 13,500-mile (21,700-kilometre) transcontinental railway, a company statement said

- Infosys Technologies Ltd. (INFY.BO) signed a $250 millionoutsourcing contract with Royal Philips Electronics (PHG.AS:

Quote, Profile , Research) on Wednesday and bought three of the Dutch firm's back-office centres to extend its presence in Europe.

Analysis

Key challenges faced by Infosys are :

• *Rise in Wage levels on Indian IT workers.*

Infy can overcome this risk by growing up the value chain so that it can afford to increase its billing rates and still add value to its customers .Second thing it can do is to move their operations to second level cities in India that have low cost of living and where wage pressure is less. One of the good steps Infy has taken to this regard was by opening its Bhubaneswar center. Its cost of living is way less than that of Bangalore. Another good example is Gandhinagar where a Patni computer was one of the first big IT companies to open its office.

• _Change in exchange rates_.

Infy should grow its client base in India and China where the impact of foreign exchange is negligent. TCS is a good example with this regard. Its 2006 revenues had 12.5% revenues generated from India. This is around $300 mn. With the present Indian IT market valued at $5bn (obtained from TCS's 2006 annual report) and expected to grow at 11%, Infy has scope of getting a good market share.

• _Rise in Infrastructure costs_

Infy's 2006 capital expenses was $246mn compared to that of $185mn in 2005. This is an increase of over 30%. In order to continue this pace the company needs to invest a large amount of capital in building new facilities. With recent surge in real estate prices in India, Infy would face challenges in controlling its capital expenditures towards expanding its facilities

• _Inability to acquire foreign companies_

The present Reserve Bank of India guidelines state that in ceratin cases Indian companies have to take the central bank's permission to acquire a foreign company. This increases the lead time required to acquire a company.

Accenture are doinga great job in this front and are not so much dependent on wok visas as the Indian companies like Infy.

Commitment to superior quality and process execution:

Infosys have developed a sophisticated project management methodology to ensure timely, consistent and accurate delivery of superior quality solutions to maintain a high level of client satisfaction.

Strong Brand and Long-Standing Client Relationships:

They have long-standing relationships with large multinational corporations built on successful prior engagements with them.

Status as an employer of choice:

Infosys has among the best talent in the Indian technology services industry and are committed to remaining among the industry's leading employers. We have a presence in 13 cities in India, allowing us to recruit technology professionals with specific geographic preferences. We have a diverse workforce which includes employees from 70 nationalities.

Ability to scale:

Infosys have successfully managed their growth by investing in infrastructure and by rapidly recruiting, training and deploying new professionals. We currently have 52 global development centers.

Innovation and leadership:

 A pioneer in the technology services industry. We are one of the first Indian companies to achieve a number of significant milestones, which has enhanced our reputation in the marketplace.