

India's Infosys recalls founder as woes mount

June 1 2013

Infosys on Saturday reappointed co-founder N.R. Narayana Murthy to lead the Indian outsourcing giant two years after he retired, as the company grapples with weak earnings and falling market share.

The global [software](#) group said in a statement that incumbent K.V. Kamath will step down as [chairman](#) of the board and be an independent director.

"This calling was sudden, unexpected, and most unusual," Murthy, who has been named executive chairman, said in a statement.

"But, then, Infosys is my middle child. Therefore, I have put aside my plans-in-progress and accepted this responsibility," the Infosys co-founder said.

The move comes after the company, India's second-largest software [outsourcer](#) by revenue, in April announced disappointing fourth-quarter earnings and weak revenue projections.

Infosys, which is also listed on New York's Nasdaq, has been seeking to turn itself around with a strategic overhaul to focus on higher value software and consulting services instead of labour-intensive outsourcing services.

Three decades ago, Murthy and six other [Indian software](#) pioneers sat around a kitchen table and formed Infosys.

Murthy's son, Rohan Murthy, who holds a Harvard computer science doctorate, will serve as his executive assistant, the statement said.

The appointments will be submitted to shareholders for approval at the company's annual general meeting on June 15, [Infosys](#) said.

Murthy retired as executive chairman in August 2011 after turning 65 and Kamath assumed the post as non-executive chairman with co-founder Krish Gopalakrishnan as co-chairman.

Murthy was named chairman emeritus on his retirement.

S. Gopalakrishnan will be re-appointed executive vice-chairman and will focus on client relationships and industry issues.

The decision to bring Murthy back into active service was taken by the board at a meeting on Saturday.

Kamath welcomed Murthy's reappointment saying that his entrepreneurial and leadership record as well as his long experience he has had as a technology pioneer "makes him eminently qualified to lead the company and provide strategic direction at this point in time".

Kamath, former chief executive of India's top private bank ICICI, said the board had taken the step "keeping in mind the challenges that the technology industry" faces.

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