



Washington, February 26, 2011

## US employee alleges large-scale visa fraud at Infosys

An American employee of Infosys has filed a case against the Indian company accusing it of systematic visa and tax fraud to increase profits.

In his 13-page complaint filed before an Alabama Court early this week, Jack Palmer alleged that Infosys sent lower level and unskilled foreigners to the US to work in full-time positions at its customer sites in direct violation of immigration laws.

Palmer, who says he worked for Infosys as "Principal - Enterprise Solutions" since August 2008, alleged that the company was paying these employees in India for full-time work in the US without withholding federal or state income taxes, and overbilled customers for the labour costs of these employees.

After the federal government restricted the H-1B programme in 2009, Palmer claimed he was sent to Bangalore for planning meetings.

"During one of the meetings, Infosys management discussed the need to, and ways to, 'creatively' get around the H-1B limitations and process and to work the system in order to increase profits and the value of Infosys' stock," he said.

"The decision was made by management to start using the B-1 visa program to get around the H-1B restrictions," Palmer alleged. Palmer also alleged that Infosys managers in the US and India asked him to write false welcome letters, and he refused.

On July 1, 2010, he claims, he "was asked to join a conference call in regards to his refusal to write the welcome letters during which call plaintiff was chastised for not being a team player."

Then he was transferred to another project in a different division, Palmer alleged. There, he says, he "soon learned that Infosys was illegally employing B-1 visa holders on that project as well".

Infosys asked him to rewrite the contract for that project, and he refused, "because he knew that the purpose was to try to cover up Infosys' overcharging this customer by using the lower-income B-1 employees and charging the higher pay rate for specialized employees", according to the complaint.

Infosys, which employs more than 15,000 foreign workers in the US, had also threatened and retaliated against him, Palmer alleged.