

INFOSYS

(NSE: INFY , BSE: 500209)

DATE :16/5/24

WE AT AS RESEARCH TECHNIC, INITIATE OUR COVERAGE ON INFOSYS. Infosys is a global leader in next-generation digital services and consulting. They enable clients in more than 50 countries to navigate their digital transformation.

ABOUT THE BUSINESS :

Infosys Limited is an Indian multinational information technology company that provides business consulting, information technology and outsourcing services. The company was founded in Pune and is headquartered in Bangalore. Infosys is the second-largest Indian IT company, after Tata Consultancy Services, by 2020 revenue figures. On 24 August 2021, Infosys became the fourth Indian company to reach US\$100 billion in market capitalization. It is one of the top Big Tech (India) companies.

PREVIOUS MONTH FOLLOWUP

AS MENTIONED IN THE PREVIOUS REPORT, THE SHARE PRICE BROKE 1522 ON THE UPPER SIDE. THE STOCK PRICE WENT UPTO 1510 AFTER BREAKING THE RESISTANCE 1499 ON THE UPPER SIDE.

PROS :

- Company has a good return on equity (ROE) track record: 3 Years ROE 29.4%.
- Company has been maintaining a healthy dividend pay-out of 58.8%.

CONS :

- Stock is trading at 7.75 times its book value.
- Promoter holding is low: 14.8%.

RESEARCH ANALYST

P.SUNANDINI @ AS RESEARCH TECHNIC



FINANCIAL SNAPSHOT :

MARKET CAP	₹ 5,96,957 Cr.
STOCK P/E	23
ROE	31.8 %
CURRENT PRICE	₹ 1,438
BOOK VALUE	₹ 212
ROCE	40.0 %
HIGH	₹ 1,733
LOW	1,242
DIVIDEND YIELD	2.62 %
FACE VALUE	₹ 5.00

SHARE HOLDING PATTERN:

PROMOTERS	14.71%
FIIS	34.11%
DIIS	35.62%
PUBLIC	15.06%
GOVERNMENT	0.21%
OTHERS :	0.29%
NO.OF SHAREHOLDERS	27,73,406

PEER COMPARISON :

SECTOR: IT - SOFTWARE

INDUSTRY: COMPUTERS - SOFTWARE - LARGE

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	Sales Qtr Rs.Cr.	ROCE %
1	TCS	3876.65	30.14	1402605.88	1.42	61237	64.28
2	Infosys	1438.15	22.97	596957.02	2.62	37923	39.99
3	HCL Technologies	1348.3	23.29	365883.43	3.84	28499	29.84
4	Wipro	460.75	21.76	240858.95	0.22	22208.3	17.15
5	LTIMindtree	4708.1	30.49	139436.73	1.29	8892.9	32.11
6	Tech Mahindra	1299.75	53.81	126975.9	2.41	12871.3	11.89
7	Persistent Sys	3508.55	49.48	54049.26	0.56	2590.53	29.8

KEY POINTS :

- Infosys is a global leader in next- generation digital services and consulting.
- They enable clients in more than 56 countries to navigate their digital transformation.
- With over four decades of experience in managing the systems and working of global enterprises, they expertly steer clients, as they navigate their digital transformation powered by the cloud.
- The company enables the clients with an AI- powered core, empower the business with agile digital at scale and drive continuous improvement with always-on learning through the transfer of digital skills, expertise and ideas from innovative ecosystem.
- In the journey of over 40 years, Infosys has catalysed India's transformation into the global destination for software services talent.
- Infosys pioneered the global delivery model and became the first it company from India to be listed on NASDAQ.
- Infosys has achieved industry leading revenue growth of 15.4% with healthy operating margin of 21.0% for fiscal 2023.
- Their ESG vision 2030 and ambitions are continuing to drive value for all the stakeholders.
- In FY 23, the company saw growth of over 15%, operating margins of 21% and free cash flow us\$2.5billion.
- Infy is ranked in the top 3 it services brands in the world and among the top 150 most valued brands by brand finance global 500 2023 report.
- The company won the 'most outstanding company in India -it services sector' in Asia's outstanding companies poll 2022 by Asian money.

- The company's revenue from digital technology related services and solutions has more than doubled in the Last three years.
- Infosys is obtaining financial capital through the funds generated from business operations and financing activities.
- In the past few quarters, there was global economy dealing with inflation, interest rate increases, and changes in demand environment for companies in various industries.
- The company's good strength in digital, cloud and in automation along with cost efficiency capabilities have held them in good stead.
- Infy revenue from digital technology related services and solutions has more than doubled in the last three years, and now comprises 62.2% of the total revenue.
- The company is rated as a 'leader' in 56 industry analyst ratings across the digital offerings.
- Infosys equinox is the flagship digital commerce platform, is a set of core micro services encompassing all digital commerce scenarios to help enterprises rapidly build and deploy features across all touch points and channels, without the friction associated with legacy platforms.

• THE SHARE PRICE CAN GO UPTO 1537 IF IT BREAKS 1525 ON THE UPPER SIDE.

• THE SHARE PRICE CAN GO UPTO 1444 IF IT BREAKS 1456 ON THE LOWER SIDE.

PIVOT TABLE :

DATE	WEEK CLOSE	SUPPORT			PIVOT	RESISTANCE			PRV CLOSE
		S3	S2	S1		R1	R2	R3	
15-05-2024	1437	1405	1411.8	1418.2	1425.02	1431.5	1438.3	1444.7	1424.7
14-05-2024	1437	1400.7	1409.4	1416.4	1425.08	1432.1	1440.8	1447.8	1423.45
13-05-2024	1437	1401.9	1406.6	1415.7	1420.37	1429.5	1434.2	1443.3	1424.9
10-05-2024	1424.9	1400.1	1406.6	1423.1	1429.5	1446	1452.5	1469	1439.55
09-05-2024	1424.9	1393	1408.9	1418.1	1434.03	1443.2	1459.1	1468.3	1427.3
08-05-2024	1424.9	1417	1421.3	1431.1	1435.43	1445.3	1449.6	1459.4	1440.95

DISCLAIMER: INVESTMENT/TRADING IN SECURITIES MARKET IS SUBJECT TO MARKET RISK, PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE PERFORMANCE.THE RISK OF LOSS IN TRADING AND INVESTMENT IN SECURITIES MARKETS INCLUDING EQUITIES AND DERIVATIVES CAN BE SUBSTANTIAL.