

Pick of the week

Infosys

Recommendation:	Buy
Target Price:	₹1,750
Current Price:	₹1,434
Time Period:	12 Months
Date:	22th April 2024



- Strong TCV (Total contract value) of \$450 cr led by a couple of mega deals; robust net new TCV in FY24.
- TCV up 39% qoq with 30 large deals, compared to 23 in Dec'23 & 17 in Mar'23.
- FY24 new deal TCV of US\$920 cr grew 137% on yoy basis.
- In Q4FY24, 10 bps increase in adjusted EBIT margin to 21.1% despite headwinds.
- We believe Infosys has the elements to deliver industry leading revenue growth once the demand environment improves.
- We value Infosys at unchanged medium-term multiple of 24x Jun 2026E earnings leading to fair value of Rs1,750. Maintain BUY.