

Infosys

Performance highlights

(₹ cr)	2QFY17	1QFY17	% chg (qoq)	2QFY16	% chg (yoy)
Net revenue	17,310	16,782	3.1	15,635	10.7
EBITDA	4,724	4,450	6.2	4,305	9.7
EBITDA margin (%)	27.3	26.5	78bp	27.5	(24)bps
PAT	3,606	3,436	4.9	3,398	6.1

Source: Company, Angel Research

Infosys' numbers for 2QFY2017 have come in higher than our expectations. Its revenue posted a 3.5% sequential growth to US\$2,587mn (V/s US\$2,561mn expected). In constant currency terms (CC), the sales grew by 3.9% qoq, while the volume grew by 4.0% (1QFY2017 qoq growth was 2.2%). On the operating margin front, the EBIT margins grew by 78bp qoq to 24.9% (V/s 24.5% expected) on back of the high volume growth. Consequently, the PAT grew by 4.9% qoq to ₹3,606cr (V/s ₹3,546cr expected). The company downgraded the guidance to 8-9% CC growth from earlier 10.5-12.0% CC growth. **We maintain our Buy rating on the stock with a target price of ₹1,249.**

Quarterly highlights: The company's revenue posted a 3.5% sequential growth to US\$2,587mn (V/s US\$2,561mn expected). In CC terms, the sales grew by 3.9%, while the volume grew by 4.0% (1QFY2017 qoq growth was 2.2%). In terms of geographies, the CC qoq growth posted by USA, Europe, India, and ROW was 2.7%, 3.7%, 28.7%, and 5.2%, respectively. In terms of verticals, the CC qoq growth posted by FSI, MFG & Hi-Tech, RCL, and ECS was 5.2%, 2.1%, 1.2%, and 7.3%, respectively. On the operating margin front, the EBIT margins grew by 78bp qoq to 24.9% (V/s 24.5% expected) on back of the high volume growth. Consequently, the PAT grew by 4.9% qoq to ₹3,606cr (V/s ₹3,546cr expected).

Outlook and valuation: Following a soft start to the year, Infosys cut its FY2017 revenue growth guidance to 8-9% in CC terms from 10.5-12.0% earlier. It gave a guidance of achieving sales of US\$20bn by FY2020. **We maintain our Buy rating on the stock.**

Key financials (Consolidated, IFRS)

Y/E March (₹ cr)	FY2015	FY2016	FY2017E	FY2018E
Net sales	53,319	62,441	68,350	77,236
% chg	6.4	17.1	9.5	13.0
Adj. net profit	12,330	13,491	14,354	15,928
% chg	13.5	9.4	6.4	11.0
EBITDA margin (%)	27.9	27.4	27.0	27.0
EPS (₹)	53.7	59.0	62.5	69.4
P/E (x)	19.3	17.6	16.6	15.0
P/BV (x)	4.4	3.9	3.5	3.2
RoE (%)	22.5	21.8	21.3	21.6
RoCE (%)	20.8	20.7	21.2	22.2
EV/Sales (x)	3.9	3.3	2.9	2.5
EV/EBITDA (x)	13.9	12.0	10.8	9.4

Source: Company, Angel Research; Note: CMP as of October 18, 2016

BUY

CMP	₹1,038
Target Price	₹1,249

Investment Period	12 Months
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Stock Info

Sector	IT
Market Cap (₹ cr)	238,469
Net Debt (₹ cr)	(30,250)
Beta	0.8
52 Week High / Low	1,278/996
Avg. Daily Volume	246,752
Face Value (₹)	5
BSE Sensex	28,051
Nifty	8,678
Reuters Code	INFY.BO
Bloomberg Code	INFY@IN

Shareholding Pattern (%)

Promoters	12.8
MF / Banks / Indian Fls	18.0
FII / NRIs / OCBs	58.8
Indian Public / Others	10.4

Abs.(%)	3m	1yr	3yr
Sensex	1.1	3.1	34.3
Infosys	(4.0)	(5.1)	25.2

3-year price chart



Source: Company, Angel Research

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Exhibit 1: 2QFY2017 performance (IFRS, consolidated)

(₹ cr)	2QFY17	1QFY17	% chg (qoq)	2QFY16	% chg (yoy)	1HFY17	1HFY16	% chg (yoy)
Net revenue	17,310	16,782	3.1	15,635	10.7	34,092	29,989	13.7
Cost of revenue	10,547	10,278	2.6	9,412	12.1	20,825	18,177	14.6
Gross profit	6,763	6,504	4.0	6,223	8.7	13,267	11,812	12.3
SG&A expenses	2,039	2,054	(0.7)	1,918	6.3	4,093	3,702	10.6
EBITDA	4,724	4,450	6.2	4,305	9.7	9,174	8,110	13.1
Depreciation	415	403	3.1	312	33.2	818	670	22.2
EBIT	4,309	4,047	6.5	3,993	7.9	8,356	7,440	12.3
Other income	760	753	0.9	793	(4.2)	1,513	1,551	
PBT	5,069	4,800	5.6	4,786	5.9	9,869	8,991	9.8
Income tax	1,460	1,362	7.2	1,387	5.3	2,822	2,562	10.1
Exceptional item	3	2		1		5	-	
Reported PAT	3,606	3,436	4.9	3,398	6.1	7,042	6,429	9.5
Adjusted PAT	3,606	3,436	4.9	3,398	6.1	7,047	6,429	9.6
EPS	15.8	15.0	4.9	13.6	16.5	30.8	28.1	9.6
Gross margin (%)	39.1	38.8	32bp	39.8	(73)bps	38.9	39.4	(47)bps
EBITDA margin (%)	27.3	26.5	78bp	27.5	(24)bps	26.9	27.0	(13)bps
EBIT margin (%)	24.9	24.1	78bp	25.5	(64)bps	24.5	24.8	(30)bps
PAT margin (%)	20.8	20.5	36bp	21.7	(90)bp	20.7	21.4	(77)bps

Source: Company, Angel Research

Exhibit 2: 2QFY2017 – Actual Vs Angel estimates

(₹ cr)	Actual	Estimate	% Var.
Net revenue	17,310	17,133	1.0
EBITDA margin (%)	27.3	26.9	40bps
PAT	3,606	3,546	1.7

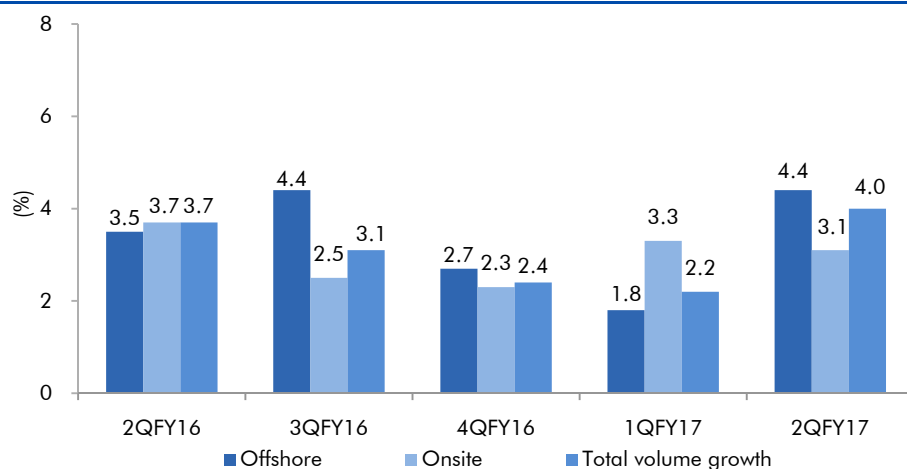
Source: Company, Angel Research

Revenues above expectation

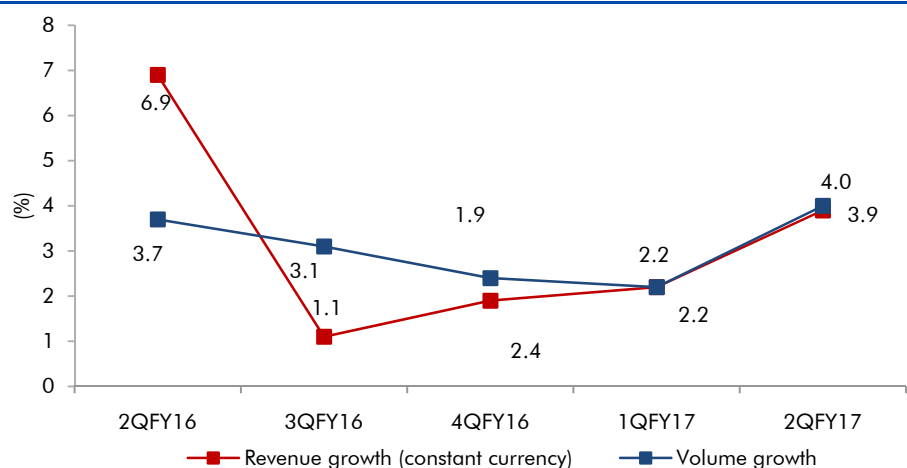
Infosys posted a sequential revenue growth of 3.5% to US\$2,587mn (V/s US\$2,561mn expected). In terms of Constant Currency (CC), the sales posted a qoq growth of 3.9%, while the volume growth came in at 4.0% (1QFY2017 qoq growth was 2.2%).

In INR terms, revenues came in at ₹17,310cr (V/s ₹17,133cr expected), up 3.1% qoq. On CC basis, the company posted a 3.9% qoq growth on the sales front, while volumes grew 3.1% qoq onsite and 4.4% qoq offshore. Blended realization declined by 0.1% qoq in CC terms. Volumes in IT Services grew 4.0% qoq, which is higher than the 2.2% qoq growth seen in the previous quarter.

In terms of geographies, the CC qoq growth posted by USA, Europe, India, and ROW was 2.7%, 3.7%, 28.7%, and 5.2%, respectively. In terms of verticals, the CC qoq growth posted by FSI, MFG & Hi-Tech, RCL, and ECS was 5.2%, 2.1%, 1.2%, and 7.3%, respectively.

Exhibit 3: Trend in volume growth QoQ (Effort wise)


Source: Company, Angel Research

Exhibit 4: Trend in volume and USD revenue growth (QoQ)


Source: Company, Angel Research

Industry-wise, revenue from FSI, the company's anchor vertical which contributed by 33.1% to revenues, grew by 4.4% qoq; in CC terms, revenue from FSI grew by 5.2% qoq. The Manufacturing industry vertical, which contributed by 22.5% to revenues, grew by 2.1% qoq. In CC terms, the revenue from this vertical grew by 2.1% sequentially.

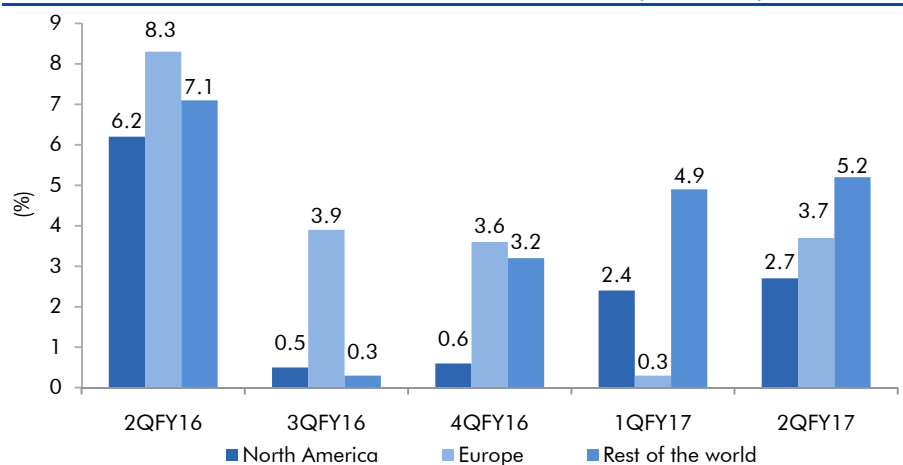
The Retail, CPG and Logistics segment (RCL; contributed by 23.5% to revenues) reported a 0.4% qoq growth. In CC terms, the revenue from RCL grew by 1.2% qoq. The Energy Utilities and Communications & Services segment (contributed by 20.9% to revenue) reported a growth of 7.0% qoq in revenue and 7.3% qoq on CC basis.

Exhibit 5: Growth trend in industry segments (Reported basis)

Particulars	% to revenue	% growth QoQ	% growth YoY
FSI	33.1	4.4	9.1
Banking and financial services	27.4	4.2	8.9
Insurance	5.7	5.3	10.1
Manufacturing	22.5	2.1	2.2
RCL	23.5	0.4	3.3
Retail and CPG	14.9	(0.6)	8.2
Transport and logistics	1.9	3.4	8.2
Life Sciences	4.5	(1.0)	(17.5)
Healthcare	2.2	8.4	25.2
ECS	20.9	7.0	19.1
Energy and utilities	4.8	5.6	10.5
Communication and services	9.4	3.4	28.7
Others	6.7	13.6	16.9

Source: Company, Angel Research

In terms of geographies, revenue from North America grew by 2.7% qoq in CC terms, while other geographies such as Europe grew by 3.7% qoq and RoW grew by 5.2% qoq (both in CC terms). India posted a 28.7% qoq growth in CC terms.

Exhibit 6: USD growth trend in geographies QoQ (CC basis)


Source: Company, Angel Research

Hiring and utilization

Infosys added 12,717 gross employees in 2QFY2017, of which 5,752 were lateral additions. The net addition number for the quarter stood at 2,779. Attrition (for standalone entity) heated up in 2QFY2017; it increased to 20.0% (LTM) V/s 21.0% in 1QFY2017.

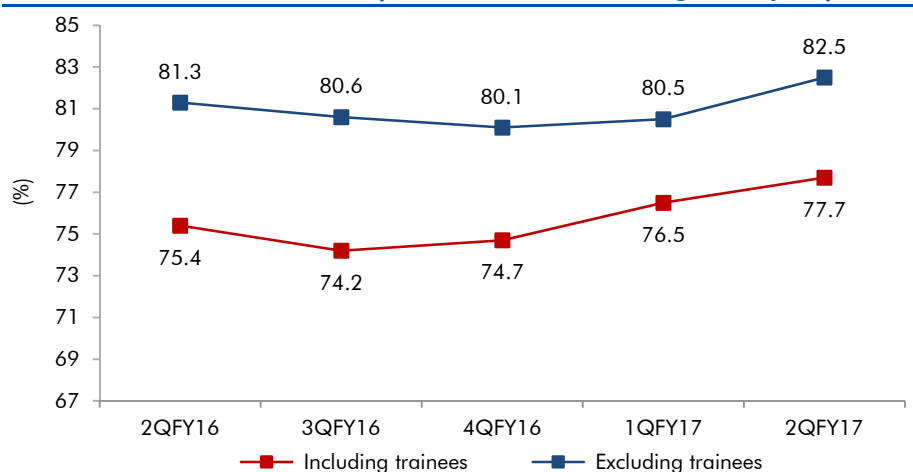
Exhibit 7: Employee metrics

	2QFY16	3QFY16	4QFY16	1QFY17	2QFY17
Gross addition	17,595	14,027	9,034	13,268	12,717
Net addition	8,453	8,620	661	3,006	2,779
Gross lateral emp. addition	7,452	6,115	5,266	5,260	5,752
Attrition – LTM basis (%)*	19.9	18.1	17.3	21.0	20.0

Source: Company, Angel Research, Note- * excluding subsidiaries

The utilization rate including trainees grew by 180bp qoq to 77.7% (higher than 76.5% as in 1QFY2017); while excluding trainees, it grew by 200bp qoq to 82.5%.

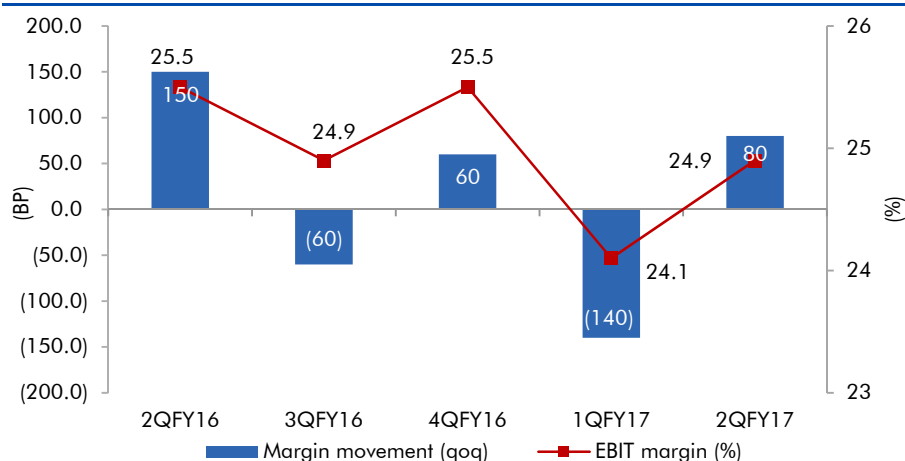
Exhibit 8: Trend in utilization (Services and Consulting + Projects)



Source: Company, Angel Research

Margins expanded

On the operating front, EBDITA and EBIT margins expanded by ~78bp qoq and ~78bp qoq to 27.3% (V/s an expected 26.9%) and 24.9% respectively. In 2QFY2017, operational efficiency, favorable onsite/offshore mix, optimization of onsite expenses, and moderation of subcontracting expenses offset the headwind of higher variable payout.

Exhibit 9: Trend in EBIT margin


Source: Company, Angel Research

Client pyramid

Infosys added 78 new clients (gross additions) during the quarter, taking its total active client base to 1136. The client addition was across the board. The company bagged new deals with TCV of US\$1,209mn, during the quarter. TCV of deal wins LTM of US\$3.1bn, which is 34% higher.

Exhibit 10: Client metrics

Particulars	2QFY16	3QFY16	4QFY16	1QFY17	2QFY17
Top client (% of revenue)	3.7	3.5	3.6	3.6	3.5
Gross Client addition	82	75	89	95	78
Active client	1011	1045	1092	1126	1136
US\$1mn–5mn	284	294	290	306	300
US\$5mn–10mn	89	90	91	88	91
US\$10mn–20mn	84	82	89	93	97
US\$20mn–50mn	35	23	32	35	35
US\$50mn–100mn	19	15	17	21	24
US\$100mn–200mn	17	7	8	11	12
US\$200mn–300mn	8	5	5	6	5
US\$300mn plus	1	1	1	1	1

Source: Company, Angel Research

Concall Highlights

- Infosys won deals worth TCV of US\$1,209mn during the quarter.
- Owing to a weak beginning for 1HFY2017, Infosys has reduced its guidance for the year to 8-9% V/s 10.5-12% growth earlier in CC terms.
- Infosys maintained its guided EBIT margin band of 24-26% for the medium term.

Investment arguments

Revenue guidance revised for FY2017: The Management has lowered its revenue growth guidance for FY2017. The company has issued 8-9% CC growth V/s 10.5-12.0% qoq CC growth guidance earlier. In 2QFY2017, the guidance was reduced to factor the impact of ramp-down in RBS, softness/uncertainty in some other clients, and slower growth than anticipated in some service lines. In INR terms, the guidance has been revised downwards to 9.2-10.2% V/s 11.7-13.2% earlier on the basis of exchange rate as on March 31, 2016.

For FY2016, the company posted a 13.3% growth in CC terms V/s a guidance of 12.8-13.2% growth (in CC terms). We expect the company to post ~9.0% USD revenue growth in FY2017. The company expects to lead industry growth and reach a milestone of achieving sales of US\$20bn by FY2020. Currently, we have factored in moderate growth for FY2017 (INR and USD growth of 9.5% and 9.0% respectively).

Aims to be US\$20bn company by FY2020: The Management believes the traditional IT services model is dying and a structural change is taking place in the industry. Pricing pressure is being witnessed in commoditized services, thus necessitating the company to pursue newer growth avenues including acquisitions in areas like automation. The outsourcing services provider is therefore looking to ramp up its productivity through automation and is looking for acquisitions to boost growth. Infosys' cash and cash equivalents were at US\$5.2bn as at the end of March 2015.

The company expects its revenue to rise to US\$20bn by FY2020, from US\$8.7bn now, as it focuses on acquisitions and on winning more new technology services, implying a 14% CAGR over the period. In the near term, we expect Infosys to post a 12.5% USD revenue growth in FY2017. Over FY2016-18E, we expect USD and INR revenue to grow at a CAGR of 9.0% and 9.5%, respectively.

Operating margin likely to be range bound in near term: Going ahead, given a stable rupee, higher S&M spends, and wage hikes in FY2017, we expect the EBIT margin to remain at 24.6% in FY2017 and FY2018 (V/s 25.0% in FY2016). Over FY2016-18E, we expect an EBIT CAGR of 10.3%. However, as part of its 'Vision 2020' (target to have US\$20bn revenues at 30% operating margins and US\$80,000 per employee revenue productivity by CY2020), the Management expects acceleration in revenue growth and margin improvement to reflect ahead of the increase in revenue productivity.

Outlook and valuation

The company has downgraded its USD revenue growth guidance for FY2017 to 8-9% on CC basis. We expect the company to post ~9.0% USD revenue growth in FY2017. It aims to reach a milestone of achieving sales of US\$20bn by FY2020. Also, the company plans to utilize cash properly through increased dividends and acquisitions, so that it can increase its capital efficiency. The stock currently trades at a valuation of 15.0x its FY2018E earnings. **We recommend a Buy on the stock with a price target of ₹1,249.**

Exhibit 11: Key assumptions

Parameters	FY2017E	FY2018E
Revenue growth – USD terms (%)	9.0	10.0
USD–INR rate	66.0	66.0
Revenue growth – INR terms (%)	9.5	13.0
EBITDA margin (%)	27.0	27.0
Tax rate (%)	28.0	28.0
EPS growth (%)	6.4	11.0

Source: Company, Angel Research

Exhibit 12: One-year forward PE (x)


Source: Company, Angel Research

Exhibit 13: Recommendation summary

Company	Reco	CMP (₹)	Tgt. price (₹)	Upside (%)	FY2018E EBITDA (%)	FY2018E P/E (x)	FY2016-18E EPS CAGR (%)	FY2018E EV/Sales (x)	FY2018E RoE (%)
HCL Tech	Buy	834	1,000	19.9	20.5	13.0	9.6	1.8	17.9
Infosys	Buy	1,038	1,249	20.3	27.0	15.0	8.4	2.5	21.6
TCS	Buy	2,398	3,004	25.2	27.3	16.0	10.1	3.2	33.9
Tech Mahindra	Buy	426	700	64.5	17.0	10.3	13.2	0.9	20.7
Wipro	Buy	481	680	41.3	17.9	13.0	1.3	1.7	18.1

Source: Company, Angel Research

Company Background

Infosys is the second largest IT company in India, employing over 1,94,044 professionals (as of FY2016). The company services more than 1000 clients across various verticals, such as financial services, manufacturing, telecom, retail and healthcare. Infosys has the widest portfolio of service offerings amongst Indian IT companies, spanning across the entire IT service value chain - from traditional Application Development and Maintenance to Consulting and Package Implementation to Products and Platforms.

Profit and loss statement (IFRS, consolidated)

Y/E March (₹ cr)	FY2013	FY2014	FY2015	FY2016	FY2017E	FY2018E
Net sales	40,352	50,133	53,319	62,441	68,350	77,236
Cost of revenue	24,158	30,767	31,817	37,595	35,542	40,163
Gross profit	16,194	19,366	21,502	24,846	26,998	30,508
% of net sales	40.1	38.6	40.3	39.8	39.5	39.5
Selling and mktg exp.	2,034	2,625	2,941	3,431	3,759	4,248
% of net sales	5.0	5.2	5.5	5.5	5.5	5.5
General and admin exp.	2,609	3,107	3,663	4,292	4,785	5,407
% of net sales	6.5	6.2	6.9	6.9	7.0	7.0
EBITDA	11,551	13,634	14,898	17,123	18,455	20,854
% of net sales	28.6	27.2	27.9	27.4	27.0	27.0
Dep and amortization	1,122	1,374	1,066	1,503	1,640	1,854
% of net sales	2.8	2.7	2.0	2.4	2.4	2.4
EBIT	10,429	12,260	13,832	15,620	16,814	19,000
% of net sales	25.8	24.5	25.9	25.0	24.6	24.6
Other income	2,359	2,669	3,427	3,122	3,122	3,122
Profit before tax	12,788	14,929	17,259	18,742	19,936	22,122
Provision for tax	3,367	4,062	4,929	5,251	5,582	6,194
% of PBT	26.3	27.2	28.6	28.0	28.0	28.0
PAT	9,421	10,648	12,330	13,491	14,354	15,928
Exceptional item	-	219	-	-	-	-
Adj. PAT	9,421	10,867	12,330	13,491	14,354	15,928
EPS (₹)	41.0	47.3	53.7	59.0	62.5	69.4

Balance sheet (IFRS, consolidated)

Y/E March (₹ cr)	FY2013	FY2014	FY2015	FY2016	FY2017E	FY2018E
Current assets						
Cash and cash equivalents	21,832	25,950	30,367	32,697	38,249.6	42,480.2
Available for sale fin. assets	1,739	2,197	874	75	75	75
Invest. in certificates of deposit	-	859	93	103	103	103
Trade receivables	7,083	8,351	9,713	11,330	11,483	12,976
Unbilled revenue	2,435	2,811	2,845	3,029	3,029	3,029
Derivative financial instrum.	101	215	101	116	116	116
Prepayments and other current assets	2,123	2,636	3,296	4,448	3,964	4,480
Total current assets	35,313	43,019	47,289	51,798	57,020	63,258
Non-current assets						
Property, plant and equipm.	6,468	7,887	9,125	10,530	10,730	10,930
Goodwill	1,976	2,157	3,091	3,764	2,157	2,157
Intangible assets	368	342	638	985	342	342
Available for sale fin. Assets	394	1,252	1,345	1,811	1,252	1,252
Deferred income tax assets	503	656	537	536	656	656
Income tax assets	1,092	1,522	4,089	5,230	5,230	5,230
Other non-current assets	237	220	238	735	1,876	1,793
Total non-current assets	11,038	14,036	19,063	23,591	22,243	22,360
Total assets	46,351	57,055	66,352	75,389	79,262	85,618
Current liabilities						
Trade payables	189	173	140	386	173	173
Derivative financial instrum.	-	-	3	5	-	-
Current income tax liabilities	1,329	2,187	2,818	3,410	3,787	3,787
Client deposits	36	40	27	28	40	40
Unearned revenue	823	660	1,052	1,332	660	660
Employee benefit obligations	614	954	1,069	1,341	954	954
Provisions	213	379	478	512	379	379
Other liabilities	3,082	4,745	5,796	6,225	5,545	5,545
Total current liabilities	6,286	9,138	11,383	13,239	11,538	11,538
Non-current liabilities						
Deferred income tax liabilities	119	64	160	256	64	64
Employee benefit obligations	149	323	46	115	323	323
Other liabilities	-	-	-	-	-	-
Total non-current liabilities	268	387	206	371	387	387
Total liabilities	6,554	9,525	11,589	13,610	11,925	11,925
Equity						
Share capital	286	286	572	1,144	1,144	1,144
Share premium	3,090	3,090	3,090	2,241	2,241	2,241
Retained earnings	36,114	43,584	50,531	57,655	63,382	69,737
Other components of equity	307	570	570	739	570	571
Total equity	39,797	47,530	54,763	61,779	67,337	73,693
Total liabilities and equity	46,351	57,055	66,352	75,389	79,262	85,618

Cash flow statement (IFRS, consolidated)

Y/E March (₹ cr)	FY2013	FY2014	FY2015	FY2016	FY2017E	FY2018E
Pre tax profit from operations	10,429	12,260	13,832	15,620	16,814	19,000
Depreciation	1,122	1,374	1,066	1,503	1,640	1,854
Pre tax cash from operations	11,551	13,634	14,898	17,123	18,455	20,854
Other income/prior period ad	2,359	2,669	3,427	3,122	3,122	3,122
Net cash from operations	13,910	16,303	18,325	20,245	21,577	23,976
Tax	3,367	4,062	4,929	5,251	5,582	6,194
Cash profits	10,543	12,241	13,396	14,994	15,994	17,781
(Inc)/dec in current assets	(2,464)	(2,271)	(1,942)	(2,968)	331	(2,008)
Inc/(dec) in current liabilities	1,520	2,852	2,245	1,856	(1,701)	-
(Inc)/dec in net trade WC	(944)	581	303	(1,112)	(1,370)	(2,008)
Cashflow from operating actv.	9,599	12,822	13,699	13,882	14,624	15,773
(Inc)/dec in fixed assets	(2,181)	(2,793)	(2,304)	(2,908)	(1,840)	(2,054)
(Inc)/dec in investments	(1,362)	(1,317)	2,089	789	-	-
(inc)/dec in sale of financial assets	(382)	(858)	(93)	(466)	559	-
(Inc)/dec in deferred tax assets	(242)	(583)	(2,448)	(1,140)	(120)	-
Inc/(dec) in other non current liab.	147	119	(181)	165	16	-
(Inc)/dec in other non current ass.	(1,253)	(138)	(1,248)	(1,517)	1,110	83
Cashflow from investing actv.	(5,273)	(5,570)	(4,185)	(5,077)	(276)	(1,971)
Inc/(dec) in debt	-	-	-	-	-	-
Inc/(dec) in equity/premium	(280)	1,099	450	889	(1,101)	(1,048)
Dividends	2,805	4,233	5,547	7,364	7,695	8,523
Cashflow from financing actv.	(3,085)	(3,134)	(5,097)	(6,475)	(8,796)	(9,572)
Cash generated/(utilised)	1,241	4,118	4,417	2,330	5,553	4,231
Cash at start of the year	20,591	21,832	25,950	30,367	32,697	38,250
Cash at end of the year	21,832	25,950	30,367	32,697	38,250	42,480

Key ratios

Y/E March	FY2013	FY2014	FY2015	FY2016	FY2017E	FY2018E
Valuation ratio (x)						
P/E	25.3	21.9	19.3	17.6	16.6	15.0
P/CEPS	22.6	19.5	17.8	15.9	14.9	13.4
P/BVPS	6.0	5.0	4.4	3.9	3.5	3.2
Dividend yield (%)	1.0	1.5	1.8	2.4	3.0	3.3
EV/Sales	5.3	4.2	3.9	3.3	2.9	2.5
EV/EBITDA	18.6	15.4	13.9	12.0	10.8	9.4
EV/Total assets	4.6	3.7	3.1	2.7	2.5	2.3
Per share data (₹)						
EPS	41	47	54	59	63	69
Cash EPS	46	53	58	65	70	77
Dividend	11	16	19	25	31	35
Book value	173	207	239	269	293	321
Dupont analysis						
Tax retention ratio (PAT/PBT)	0.7	0.7	0.7	0.7	0.7	0.7
Cost of debt (PBT/EBIT)	1.2	1.2	1.2	1.2	1.2	1.2
EBIT margin (EBIT/Sales)	0.3	0.2	0.3	0.3	0.2	0.2
Asset turnover ratio (Sales/Assets)	0.9	0.9	0.8	0.8	0.9	0.9
Leverage ratio (Assets/equity)	1.2	1.2	1.2	1.2	1.2	1.2
Operating ROE	23.7	22.4	22.5	21.8	21.3	21.6
Return ratios (%)						
RoCE (pre-tax)	22.5	21.5	20.8	20.7	21.2	22.2
Angel RoIC	45.8	43.7	39.5	36.7	41.2	44.2
RoE	23.7	22.9	22.5	21.8	21.3	21.6
Turnover ratios(x)						
Asset turnover (fixed assets)	6.2	6.2	6.4	5.8	5.9	6.4
Receivables days	84	86	81	86	84	77

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Infosys

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2. Ownership of 1% or more of the stock by research analyst or Angel or associates or relatives	No
3. Served as an officer, director or employee of the company covered under Research	No
4. Broking relationship with company covered under Research	No

Ratings (Based on expected returns over 12 months investment period):

Buy (> 15%)

Accumulate (5% to 15%)
Reduce (-5% to -15%)

Neutral (-5 to 5%)
Sell (< -15)