kotak Securities

Dated: 16 Jan 2026

Infosys (INFO) - BUY

Result Update

Current Market Price (CMP)	Fair Value (FV)
Rs.1600	**Rs.1900**

Rationale:

- Steady execution in a tough environment.
- Healthy revenue beat; steady margin profile.
- Steller deal TCV driven by NHS mega deal and renewals.
- Guidance of 3-3.5% bakes in stable demand, seasonality, & NHS deal ramp-up.
- We value the stock at an unchanged 23x multiple and roll over to Dec’27E EPS, leading to a revised FV of Rs1,900 (Rs1,800 earlier). Maintain BUY.

Positives:

- Reported cc qoq revenue growth of 0.6% to $509.9 cr, ~90 bps ahead of our estimate.
- TCV grew 56.7% qoq and 92.4% yoy to $480 cr, a multi-quarter high.
- EBIT margin, excluding labor code provisions of 21.2%, up 20 bps qoq & was 10 bps ahead of our estimates.
- Adj. net profit up 3% qoq & 11.4% yoy to Rs7590 cr, topping our estimate by 6.3%.
- Sharp reduction in attrition rate to 12.3%.

Negatives:

- “New” TCV declined 44.6% qoq & 27.7% yoy.
- Gen AI headwinds can pose a near-term challenge.

TCV: Total Contract Value. NHS: National Health Service. EBIT: Earnings Before Interest and Tax. EPS: Earnings Per Share. CC: Constant Currency. AI: Artificial Intelligence.

Holding Period: 12 months

Rating Scale (Private Client Group)

Definitions of ratings

BUY	–	We expect the stock to deliver more than 15% returns over the next 12 months
ADD	–	We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	–	We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	–	We expect the stock to deliver < -5% returns over the next 12 months
NR	–	**Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
SUBSCRIBE	–	We advise investor to subscribe to the IPO.
RS	–	**Rating Suspended.** Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.
NA	–	**Not Available or Not Applicable.** The information is not available for display or is not applicable
NM	–	**Not Meaningful.** The information is not meaningful and is therefore excluded.
NOTE	–	Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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