Infosys Ltd - DCF MODEL

www.ebitdadrajat.in

This DCF engine is designed for live walkthroughs, built by an ex-equity reseach analyst

Analyst	Rajat
Company	Infosys

Date	24-07-2025
Year End	31-03-2026

Assumptions	
WACC	12.6%
Terminal Growth Rate	6.0%

Income Statement	Historical					Forecasted				
Particulars	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Revenue	102673	1,23,936	1,49,468	1,58,381	1,66,590	1,74,920	1,84,120	1,93,879	2,03,573	2,15,787
% growth		*20.71%*	*20.60%*	*5.96%*	*5.18%*	*5.00%*	*5.26%*	*5.30%*	*5.00%*	*6.00%*
EBIT	26,823	30,310	33,606	36,458	38,024	38,482	41,685	46,531	48,857	50,710
% of sales	*26.12%*	*24.46%*	*22.48%*	*23.02%*	*22.82%*	*22%*	*23%*	*24%*	*24%*	*24%*
% Growth rate		*13.00%*	*10.87%*	*8.49%*	*4.30%*	*1096%*	*8%*	*12%*	*5%*	*4%*
Taxes	7,277	8,000	9,227	9,755	10,895	9,621	10,421	11,633	12,214	12,677
Tax rate	*27.00%*	*26.00%*	*28.00%*	*27.00%*	*29.00%*	*25%*	*25%*	*25%*	*25%*	*25%*

Cash Flow Items	Historical					Forecasted				
Particulars	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
D&A	3,267	3,476	4,225	4,678	4,812.00	4,765.00	4,975.00	5,122.00	5,388.00	5,417.00
% of sales	*3.18%*	*2.80%*	*2.83%*	*2.95%*	*2.89%*	*2.72%*	*2.70%*	*2.81%*	*2.84%*	*2.85%*
% Growth rate		*6.40%*	*21.55%*	*10.72%*	*2.86%*	*-0.977%*	*4.407%*	*2.955%*	*5.193%*	*0.538%*
CapEx	2,107	2,161	2,579	2,201	2,237	2,287	2,461	2,316	2,100	2,341
% of sales	*2.05%*	*1.74%*	*1.73%*	*1.39%*	*1.34%*	*2.9%*	*3.1%*	*3.5%*	*3.0%*	*3.0%*
% Growth rate		*2.56%*	*19.34%*	*-14.66%*	*1.64%*	*2.2%*	*7.6%*	*-5.9%*	*-9.3%*	*11.5%*
Change in NWC	6065	-7242	-5299	2613	9,699	-1,396	-1,469	-1,547	-1,625	-1,722
% of sales	*5.9%*	*-5.8%*	*-3.5%*	*1.6%*	*5.8%*	*(1%)*	*(1%)*	*(1%)*	*(1%)*	*(1%)*

DCF (INR Crore)	Historical					Forecasted				
Particulars	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Revenue	1,02,673	1,23,936	1,49,468	1,58,381	1,66,590	1,74,920	1,84,120	1,93,879	2,03,573	2,15,787
% growth	*0.00%*	*20.71%*	*20.60%*	*5.96%*	*5.18%*	*5.0%*	*5.3%*	*5.3%*	*5.0%*	*6.0%*
EBIT	26,823	30,310	33,606	36,458	38,024	38,482	41,685	46,531	48,857	50,710
% of sales	*26.12%*	*24.46%*	*22.48%*	*23.02%*	*22.82%*	*22%*	*23%*	*24%*	*24%*	*24%*
% Growth rate	*0.00%*	*13.00%*	*10.87%*	*8.49%*	*4.30%*	*1%*	*8%*	*12%*	*5%*	*4%*
Taxes	7277	8000	9227	9755	10895	9,621	10,421	11,633	12,214	12,677
Tax rate	*27.00%*	*26.00%*	*28.00%*	*27.00%*	*29.00%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*	*25.0%*
EBIAT						**28,862**	**31,264**	**34,898**	**36,643**	**38,032**
D&A	3267	3476	4225	4678	4812	4,765	4,975	5,122	5,388	5,417
% of sales	3.18%	2.80%	2.83%	2.95%	2.89%	*5%*	*5%*	*5%*	*4%*	*4%*
CapEx	2107	2161	2579	2201	2237	2,287	2,461	2,316	2,100	2,341
% of sales	2.05%	1.74%	1.73%	1.39%	1.34%	*2.86%*	*3.12%*	*3.54%*	*3.00%*	*3.00%*
Change in NWC	6065	-7242	-5299	2613	9699	-1,396	-1,469	-1,547	-1,625	-1,722
% of sales	5.91%	-5.84%	-3.55%	1.65%	5.82%	*11%*	*12%*	*13%*	*14%*	*15%*
Unlevered FCF						**32,736**	**35,247**	**39,251**	**41,556**	**42,831**
PV of Unlevered FCF						**21,564**	**30,619**	**30,282**	**28,472**	**26,062**
Period						0.3	1.2	2.2	3.2	4.2
Discount Period						0.6861				
Terminal Value										6,87,886
PV of Terminal Value										4,18,573
Enterprise Value										5,55,573
(+) Cash										27,459
(-) Debt										8,485
Equity Value										5,74,547
Shares Outstanding										415.00
Intrinsic Share Price										**1,384.45**
Offer Price (For Reference)										**₹ 1,560.00**
Discount / (Premium)										-11.25%

Sensitivity Analysis

WACC	Terminal Growth Rate				
	12.2%	12.4%	12.6%	12.8%	13.0%
5.60%	₹ 1,398.4	₹ 1,359.7	₹ 1,323.2	₹ 1,288.8	₹ 1,256.2
5.80%	₹ 1,432.3	₹ 1,391.4	₹ 1,352.9	₹ 1,316.7	₹ 1,282.4
6.00%	₹ 1,468.3	₹ 1,425.1	₹ 1,384.4	₹ 1,346.2	₹ 1,310.2
6.20%	₹ 1,506.8	₹ 1,460.9	₹ 1,417.9	₹ 1,377.6	₹ 1,339.5
6.40%	₹ 1,547.9	₹ 1,499.1	₹ 1,453.6	₹ 1,410.8	₹ 1,370.7

Summary

DCF-based Intrinsic Value = ₹1,384/share

Assumptions: WACC = 12.6%, TGR = 6%

Forecast horizon = FY26–FY30 (5 - Year DCF)

Price implies ~-11.25% overvaluation vs CMP ₹1560