

CMP: ₹ 6,242

Target: ₹ 7,350 (18%)

Target Period: 12 months

BUY

December 17, 2025

## Growth momentum to accelerate ahead...

**About the stock:** LTIMindtree (LTIM) is the merged entity formed after the merger of erstwhile Mindtree with LTI. It caters to BFSI, Manufacturing, Retail, Health, Media & Hi-tech.

### Investment Rationale:

- **Superior growth trajectory:** LTIM stands out among large-cap IT services companies with a clearly superior growth outlook. While peers are largely looking low single-digit growth in near term, LTIM remains confident of H2FY26 acceleration, supported by ramp-ups in the PAN 2.0 (early ramp-up for the deal has started and is expected to ramp up by Q3) and media segment mega deal. **Management targets exiting FY26 with double-digit USD revenue growth.** Driven by robust execution and sustained deal momentum, **we expect US\$ revenue to grow at a strong CAGR of ~8.6% over FY25-28E.**
- **Margin expansion ahead of plan, further upside visible:** LTIM has delivered a sharp margin recovery, with Q2FY26 EBIT margin at 15.9% (+160 bps QoQ), already ahead of management's internal roadmap. Margin gains were driven by the "Fit for Future" margin improvement program and favourable forex. Importantly, **management remains confident of further margin expansion despite upcoming wage hikes** (in January'26 and April'26), supported by productivity gains, pyramid optimization and AI-led delivery. **Accordingly, we bake in EBIT margins of 15.4%/16%/16.1% in FY26E/FY27E/FY28E respectively.**
- **Strong deal pipeline and AI-led execution provide visibility:** The company continues to see healthy demand traction, with **Q2 order inflow of ~US\$1.6bn (+22% YoY)**, marking the fourth consecutive quarter at this elevated level. Deal wins are broad-based across verticals, enhancing revenue visibility. LTIM's AI-centric strategy through **BlueVerse**, deep GenAI workforce training and improving delivery non-linearity position it well for sustainable medium-term growth.

### Rating and Target Price

- We believe, LTIM is well positioned to sustain above-industry growth levels on the back of a strong deal pipeline and its relative higher growth trajectory outlook among larger peers.
- We maintain **BUY** rating on LTIM with revised target price of **₹7,350 (vs ₹6,500 earlier)** as we roll over to **FY28E; valuing it at 30x on FY28E EPS.**

### Key Financial Summary

(₹ Crore)	FY23	FY24	FY25	5 Year CAGR (FY20-25)	FY26E	FY27E	FY28E	3 year CAGR (FY25-28E)
Net Sales	33,183	35,517	38,008	NC	41,818	46,616	51,717	10.8
EBITDA	6,108	6,387	6,495	NC	7,508	8,624	9,619	14.0
EBITDA Margins (%)	18.4	18.0	17.1		18.0	18.5	18.6	
Net Profit	4,410	4,585	4,602	NC	5,465	6,480	7,278	16.5
EPS (₹)	148.8	154.5	155.0		184.1	218.3	245.1	
P/E (x)	41.7	40.2	40.1		33.7	28.4	25.3	
RoE (%)	26.6	22.9	20.3		21.3	22.3	22.2	
RoCE (%)	32.4	28.7	25.8		26.7	27.4	27.4	

Source: Company, ICICI Direct Research; \* LTI and Mindtree merged w.e.f. November, 2022. Number prior to FY23 are not comparable (NC)



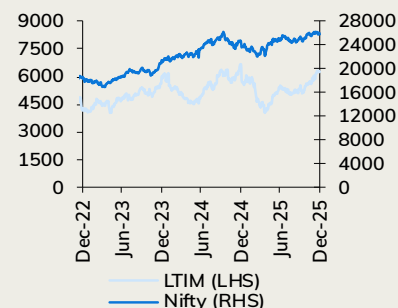
### Particulars

Particular	Amount
Market Cap (₹ crore)	1,85,327
Total Debt (₹ crore)	1,901
Cash and Investment (₹ crore)	10,962
EV (₹ crore)	1,76,266
52 week H/L	6767/ 3802
Equity Capital (₹ crore)	29.6
Face Value (in ₹)	1

### Shareholding pattern

	Dec-24	Mar-25	Jun-25	Sep-25
Promoter	68.6	68.6	68.6	68.5
FII	7.5	7.0	6.6	6.4
DII	15.0	15.6	16.2	16.7
Public	9.0	8.8	8.6	8.4

### Price Chart



### Key risks

- Lower than expected revenue and margin expansion;
- Slower than expected pipeline to deal conversion

### Research Analyst

Bhupendra Tiwary, CFA  
bhupendra.tiwary@icicisecurities.com

CA Anjini Sharma  
anjini.sharma@icicisecurities.com



## Exhibit 1: Change in Estimates

(₹ crore)	FY26E			FY27E			FY28E
	Old	New	% Change	Old	New	% Change	Introduced
Revenue (USD mn)	4,771	4,771	0.0	5,238	5,238	0.0	5,746
Revenue	41,704	41,818	0.3	46,092	46,616	1.1	51,717
EBIT	6,404	6,422	0.3	7,398	7,459	0.8	8,326
EBIT Margin (%)	15.4	15.4	0 bps	16.1	16.0	-5 bps	16.1
PAT	5,452	5,465	0.2	6,435	6,480	0.7	7,278
EPS	183.6	184.1	0.2	216.7	218.3	0.7	245.1

Source: Company, ICICI Direct Research

## Financial Summary

## Exhibit 2: Profit and loss statement ₹ crore

(Year-end March)	FY25	FY26E	FY27E	FY28E
<b>Total Revenues</b>	<b>38,008</b>	<b>41,818</b>	<b>46,616</b>	<b>51,717</b>
Growth (%)	7.0	10.0	11.5	10.9
Employee costs	26,822	29,397	32,631	36,150
Total Operating Expenditure	31,513	34,310	37,992	42,098
<b>EBITDA</b>	<b>6,495</b>	<b>7,508</b>	<b>8,624</b>	<b>9,619</b>
Growth (%)	1.7	15.6	14.9	11.5
Depreciation & Amortization	992	1,086	1,165	1,293
Other Income	865	969	1,041	1,223
Interest	279	256	228	228
PBT before Exceptional Items	6,214	7,329	8,465	9,516
Growth (%)	2.7	17.9	15.5	12.4
Tax	1,612	1,863	1,985	2,237
PAT before Exceptional Items	4,602	5,465	6,480	7,278
Exceptional items	-	-	-	-
Minority Int & Pft. from associ	-	-	-	-
<b>PAT</b>	<b>4,602</b>	<b>5,465</b>	<b>6,480</b>	<b>7,278</b>
Growth (%)	0.4	18.8	18.6	12.3
Diluted EPS	155.0	184.1	218.3	245.1
EPS (Growth %)	0.3	18.8	18.6	12.3

Source: Company, ICICI Direct Research

## Exhibit 4: Balance Sheet ₹crore

(Year-end March)	FY25	FY26E	FY27E	FY28E
<b>Liabilities</b>				
Equity	29.6	29.6	29.6	29.6
Reserves & Surplus	22,669	25,647	29,017	32,802
Networth	22,698	25,677	29,047	32,832
Minority Interest	13	13	13	13
Long term Liabilities & prov	52	54	56	59
Total Debt	1,901	1,901	1,901	1,901
<b>Source of funds</b>	<b>24,664</b>	<b>27,645</b>	<b>31,017</b>	<b>34,804</b>
<b>Assets</b>				
Net fixed assets	4,545	4,503	4,477	4,447
Net intangible assets	218	167	135	99
Goodwill	1,204	1,204	1,204	1,204
Other non current assets	3,725	3,820	3,940	4,067
Unbilled revenue	1,821	2,003	2,233	2,477
Debtors	5,868	6,456	7,196	7,984
Current Investments	7,374	7,374	7,374	7,374
Cash & Cash equivalents	3,588	6,165	8,970	12,158
Other current assets	2,288	2,517	2,806	3,113
Trade payables	1,550	1,705	1,901	2,109
Current liabilities	4,416	4,859	5,416	6,009
<b>Application of funds</b>	<b>24,664</b>	<b>27,645</b>	<b>31,017</b>	<b>34,804</b>

Source: Company, ICICI Direct Research

## Exhibit 3: Cash flow statement ₹crore

(Year-end March)	FY25	FY26E	FY27E	FY28E
PBT	6,214	7,329	8,465	9,516
Add: Depreciation	992	1,086	1,165	1,293
(Inc)/Dec in current assets	(462)	(588)	(741)	(788)
Inc/(Dec) in current liabilities	-	2	2	3
<b>CF from operations</b>	<b>4,546</b>	<b>5,150</b>	<b>6,016</b>	<b>6,720</b>
(Inc)/dec in other investments	(1,155)	-	-	-
(Inc)/dec in Fixed Assets	(934)	(993)	(1,107)	(1,228)
Other investing cash flow	358	1,163	1,235	1,417
<b>CF from investing Activities</b>	<b>(1,738)</b>	<b>170</b>	<b>128</b>	<b>189</b>
Issue of equity	4	-	-	-
Inc/(dec) in loan funds	(40)	0	(0)	0
Dividend paid & dividend tax	(1,925)	(2,487)	(3,111)	(3,494)
Others	(305)	(256)	(228)	(228)
<b>CF from Financial Activities</b>	<b>(2,574)</b>	<b>(2,743)</b>	<b>(3,339)</b>	<b>(3,722)</b>
Net cash flow	233	2,577	2,805	3,187
Effect of exchange rate changes	9	-	-	-
Opening cash	2,816	3,588	6,165	8,970
<b>Closing cash</b>	<b>3,588</b>	<b>6,165</b>	<b>8,970</b>	<b>12,158</b>

Source: Company, ICICI Direct Research

## Exhibit 5: Key ratios

(Year-end March)	FY25	FY26E	FY27E	FY28E
<b>Per share data (₹)</b>				
EPS	155.0	184.1	218.3	245.1
Cash Per Share	121.1	208.0	302.7	410.3
BV	765	865	978	1,106
DPS	65	84	105	118
<b>Operating Ratios (%)</b>				
EBITDA Margin	17.1	18.0	18.5	18.6
PBT Margin	16.3	17.5	18.2	18.4
PAT Margin	12.1	13.1	13.9	14.1
<b>Turnover Ratios</b>				
Debtor days	56	56	56	56
Creditor days	15	15	15	15
<b>Return Ratios (%)</b>				
RoE	20.3	21.3	22.3	22.2
RoCE	25.8	26.7	27.4	27.4
RoIC	40.2	45.5	50.8	54.5
<b>Valuation Ratios (x)</b>				
P/E	40.1	33.7	28.4	25.3
EV / EBITDA	27.0	23.0	19.7	17.3
Market Cap / Sales	4.9	4.4	4.0	3.6
<b>Solvency Ratios</b>				
Debt/EBITDA	0.3	0.3	0.2	0.2
Debt/Equity	0.1	0.1	0.1	0.1
Current Ratio	1.7	1.7	1.7	1.7
Quick Ratio	1.4	1.4	1.4	1.4

Source: Company, ICICI Direct Research

## RATING RATIONALE

ICICI Direct endeavors to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according -to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,  
ICICI Securities Limited,  
Third Floor, Brillanto House,  
Road No 13, MIDC,  
Andheri (East)  
Mumbai – 400 093  
research@icicidirect.com



## ANALYST CERTIFICATION

I/We, Bhupendra Tiwary, CFA, MBA (Finance), Anjini Sharma, CA, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

## Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com).

## Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agarwal  
Contact number: 022-40701000 E-mail Address: [complianceofficer@icicisecurities.com](mailto:complianceofficer@icicisecurities.com)

For any queries or grievances: Mr. Jeetu Jawrani Email address: [headsservicequality@icicidirect.com](mailto:headsservicequality@icicidirect.com) Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/ beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report