

CMP: ₹ 3,982

Target: ₹ 4,715 (18%)

Target Period: 12 months

BUY

December 30, 2025

LGD foray – a thought “beYon”d naturals

About the stock: Titan, incorporated in 1984, is a joint venture between Tata Group and Tamil Nadu Industrial Development Corporation (TIDCO). The company is a leading organised jeweller in India with its trusted brand, Tanishq. It started as a watch company under the brand, Titan, and is the fifth largest integrated own-brand watch manufacturer in the world. It has a retail chain of 3,377 stores across 436 towns with a retail area of 4.9 million sq. ft. for all its brands.

Investment Rationale:

- Why did Titan launch 'beYon' brand in India?**

Titan launched its new store brand 'beYon' marking its official foray in the lab grown diamond (LGD) category. Its first store in Mumbai was launched on 29th December, 2025 which will cater to the needs of women's lifestyle categories beyond watches, perfumes, sarees and handbags along with curated range of LGD jewellery. It will be adding couple of more stores in Mumbai and Delhi.

- What is the difference between LGD and natural diamonds?**

LGD is priced at 70-80% lower than natural diamonds on per carat basis. A 1.04CT of LGD ring (18KT gold; ~4gm) will cost approx. Rs.89,300 per ring (LGD diamonds price is Rs36,615) while a 1.04CT of natural diamond ring (18KT gold; ~4gm) will cost approx. Rs2,85,500 per ring (natural diamonds price is Rs2,13,400) depending on the cut and no. of diamonds.

- Who are the potential customers of LGD in India?**

Share of diamond jewellery to overall jewellery industry is around 15% in India. LGD provides a value offering in the diamond jewellery for consumers who wants to have at least one diamond jewellery in their jewellery box. Potential customers for LGD will be Gen Z (53% of India's population) and women's working population (30%+ of India's female population).

- Will consumer switch from natural diamond to LGD?**

Our interaction with jewellery retailers and B2B jewellery players indicates unlikely shift of consumers from Natural Diamonds to LGD in the coming years. LGD will create its own strata of consumers who are looking for affordable jewellery used for daily purpose or for gifting purpose or more of a fashion attire for Gen Z population. On the other hand, higher income group will indulge in high value discretionary purchases and will continue with their preference towards natural diamond jewellery in the coming years. However, we cannot rule out their trial of LGD jewellery in the coming years.

- What is our view on Titan's entry to LGD?**

Titan was studying the LGD's market dynamics and emergence of new category for past two years. An entry of large jewellery player like Titan in LGD will bring in more trust in the category. This will help LGD as a category to grow in the long run. According to jewellery players LGD jewellery is less than 1% of the overall jewellery industry sales in India. Studded jewellery constitutes 23% of Titan's jewellery sales, growing in strong double digit. We believe LGD will provide additional lever for Titan's studded mix to improve in the long run.

Rating and Target Price: We expect Titan's revenue and PAT to grow at CAGR of 18% and 23% over FY25-28E. **We recommend Buy with a price target of Rs.4,715 rolling it over FY28E EPS of Rs.78.6 valuing at 60x.**

Key Financial Summary

Key Financials (₹ Crore)	FY23	FY24	FY25	2 year CAGR (FY23-25)	FY26E	FY27E	FY28E	2 year CAGR (FY25-28E)
Revenues	40575.0	51084.0	60456.0	22.1	74591.2	84776.0	98561.7	17.7
EBIDTA	4879.0	5292.0	6237.0	13.1	7835.7	9080.2	10726.1	19.8
EBIDTA Margins(%)	12.0	10.4	10.3		10.5	10.7	10.9	
Adjusted PAT	3273.0	3495.0	3737.8	6.9	4750.2	5720.7	6997.1	23.2
EPS (Rs.)	36.9	39.3	42.0		53.4	64.3	78.6	
PE (x)	108.0	101.4	94.8		74.6	62.0	50.6	
EV to EBIDTA (x)	73.1	68.7	58.9		46.5	39.8	33.4	
RoE (%)	30.9	32.9	35.6		35.2	32.4	30.8	
RoCE (%)	33.7	28.5	26.1		28.8	31.7	34.5	

Source: Company, ICICI Direct Research



Particulars

Particular	Amount
Market Capitalisation (₹ crore)	354398
Debt (FY25) - ₹ crore	14303
Cash (FY25) - ₹ crore	1584
EV (₹ crore)	367117
52 week H/L (₹)	4030 / 2948
Equity capital (₹ crore)	89.0
Face value (₹)	1

Shareholding pattern

	Dec-24	Mar-25	Jun-25	Sep-25
Promoters	52.9	52.9	52.9	52.9
FII	18.1	17.8	17.5	17.5
DII	11.4	12.0	12.6	12.6
Others	17.6	17.3	17.0	17.0

Price Chart



Key risks

- (i) Sustained inflation in the gold prices.
- (ii) Slowdown in discretionary consumption.
- (iii) Increase in the custom duty on gold.

Research Analyst

Kaustubh Pawaskar
kaustubh.pawaskar@icicisecurities.com

Abhishek Shankar
abhishek.shankar@icicisecurities.com

Financial summary

Exhibit 1: Profit and loss statement

₹ crore

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Total Operating Income	51084.0	60456.0	74591.2	84776.0	98561.7
Growth (%)	25.9	18.3	23.4	13.7	16.3
Raw Material Expenses	39432.0	46913.0	58181.1	65828.6	76533.2
Gross Profit	11652.0	13543.0	16410.1	18947.4	22028.5
Gross Profit Margins (%)	22.8	22.4	22.0	22.4	22.4
Employee Expenses	1864.0	2156.0	2457.8	2703.6	2974.0
Other Expenditure	4496.0	5150.0	6116.5	7163.6	8328.5
Total Operating Expenditure	45792.0	54219.0	66755.4	75695.8	87835.6
EBITDA	5292.0	6237.0	7835.7	9080.2	10726.1
Growth (%)	8.5	17.9	25.6	15.9	18.1
Interest	619.0	953.0	1112.9	1024.8	932.8
Depreciation	584.0	693.0	730.4	790.6	845.0
Other Income	533.0	486.0	461.7	507.9	558.7
PBT	4622.0	5077.0	6454.1	7772.7	9506.9
Less Tax	1127.0	1339.2	1703.9	2052.0	2509.8
Adjusted PAT (before exceptional item)	3495.0	3737.8	4750.2	5720.7	6997.1
Growth (%)	6.8	6.9	27.1	20.4	22.3
Profit from associates	1.0	-1.0	0.0	0.0	0.0
Exceptional item	0.0	-401.8	0.0	0.0	0.0
Reported PAT	3496.0	3335.0	4750.2	5720.7	6997.1
Growth (%)	6.8	-4.6	42.4	20.4	22.3
EPS (Adjusted)	39.3	42.0	53.4	64.3	78.6

Source: Company, ICICI Direct Research

Exhibit 2: Cash flow statement

₹ crore

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Profit/(Loss) after taxation	2962.0	3251.8	4288.5	5212.8	6438.5
Add: Depreciation & Amort.	584.0	693.0	730.4	790.6	845.0
Other income	533.0	486.0	461.7	507.9	558.7
Changes in the working cap.	-3008.0	-5623.0	-2604.4	-1907.6	-2311.1
CF from Operating activities	1071.0	-1192.2	2876.3	4603.7	5531.0
(Purchase)/Sale of Fixed Asset	-1188.0	-1050.0	-375.0	-375.0	-375.0
Investments & Bank balances	164.0	297.0	1115.0	-400.0	-1300.0
Others	-89.0	13.0	0.0	0.0	0.0
CF from Investing activities	-1113.0	-740.0	740.0	-775.0	-1675.0
(inc)/Dec in Loan	6225.0	3438.0	-3000.0	-2500.0	-2500.0
Change in equity & reserves	-5026.8	-527.8	0.0	0.0	0.0
Dividend paid	-979.0	-979.0	-979.0	-1157.0	-1513.0
Other	0.0	-1.0	0.0	0.0	0.0
CF from Financing activities	219.2	1930.2	-3979.0	-3657.0	-4013.0
Net Cash Flow	177.2	-2.0	-362.7	171.7	-157.0
Cash and Cash Equivalent (opening)	231.8	409.0	407.0	44.3	215.9
Cash	409.0	407.0	44.3	215.9	58.9
Free Cash Flow	2259.0	-142.2	3251.3	4978.7	5906.0

Source: Company, ICICI Direct Research

Exhibit 3: Balance sheet

₹ crore

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Equity Capital	89.0	89.0	89.0	89.0	89.0
Reserve and Surplus	9304.0	11535.0	15306.2	19869.9	25354.0
Total Shareholders funds	9393.0	11624.0	15395.2	19958.9	25443.0
Minority Interest	0.0	0.0	0.0	0.0	0.0
Total Debt	10865.0	14303.0	11303.0	8803.0	6303.0
Deferred Tax Liability	3.0	2.0	2.0	2.0	2.0
Total Liabilities	20261.0	25929.0	26700.2	28763.9	31748.0
Gross Block - Fixed Assets	4275.0	4810.0	5265.0	5640.0	6015.0
Accumulated Depreciation	995.0	1181.0	1911.4	2702.1	3547.0
Net Block	3280.0	3629.0	3353.6	2938.0	2468.0
Capital WIP	97.0	105.0	25.0	25.0	25.0
Leased Assets	0.0	0.0	0.0	0.0	0.0
Fixed Assets	3377.0	3734.0	3378.6	2963.0	2493.0
Goodwill & Other intangible assets	429	433	433	433	433
Investments	2345	1988	1000	1250	1250
Inventory	19051.0	28184.0	33719.3	38323.4	44555.3
Debtors	1018.0	1068.0	1317.7	1393.6	1620.2
Other Current Assets	2131.0	2252.0	2364.6	2482.8	2607.0
Loans & Advances	1486.0	1234.0	1258.7	1283.9	1309.5
Cash	409.0	407.0	44.3	215.9	58.9
Bank balance	1117.0	1177.0	1050.0	1200.0	2500.0
Total Current Assets	25212.0	34322.0	39754.5	44899.6	52650.9
Creditors	1410.0	1963.0	2422.0	2322.6	2700.3
Gold on loan	5341.0	7810.0	8981.5	10328.7	11878.0
Provisions	374.0	454.0	454.0	454.0	454.0
Other Current Liabilities	4164.0	4491.0	6178.4	7846.3	10216.5
Total Current Liabilities	11289.0	14718.0	18035.9	20951.7	25248.9
Net Current Assets	13923.0	19604.0	21718.6	23947.9	27402.0
Deferred tax assets	187.0	170.0	170.0	170.0	170.0
Application of Funds	20261.0	25929.0	26700.2	28763.9	31748.0

Source: Company, ICICI Direct Research

Exhibit 4: Key ratios

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Per share data (₹)					
Adjusted EPS	39.3	42.0	53.4	64.3	78.6
Cash EPS	45.8	49.8	61.6	73.2	88.1
BV per share	105.5	130.6	173.0	224.3	285.9
Cash per Share	43.5	40.1	23.5	30.0	42.8
Dividend per share	11.0	11.0	11.0	13.0	17.0
Operating Ratios (%)					
Gross Profit Margins	22.8	22.4	22.0	22.4	22.4
EBITDA margins (%)	10.4	10.3	10.5	10.7	10.9
PAT Margins	6.8	5.5	6.4	6.7	7.1
Cash Conversion Cycle (days)	133	165	161	161	161
Asset Turnover	2.5	2.3	2.8	2.9	3.1
Return Ratios (%)					
RoE	32.9	35.6	35.2	32.4	30.8
RoCE	28.5	26.1	28.8	31.7	34.5
Valuation Ratios (x)					
P/E	101.4	94.8	74.6	62.0	50.6
EV / EBITDA	68.7	58.9	46.5	39.8	33.4
EV / Net Sales	7.1	6.1	4.9	4.3	3.6
Market Cap / Sales	6.9	5.9	4.8	4.2	3.6
Price to Book Value	37.7	30.5	23.0	17.8	13.9
Solvency Ratios					
Debt / EBITDA	2.1	2.3	1.4	1.0	0.6
Debt / Equity	1.2	1.2	0.7	0.4	0.2

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours 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, Kaustubh Pawaskar, PGDBA (Finance), Abhishek Shankar, PGDM-RM, 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.

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 Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@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 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.

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