

February 11, 2026

Q3 - Jewellery led healthy performance

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.

Q3FY26 performance: Titan's consolidated net revenues grew by 42% YoY to Rs24,915cr (total revenues grew by 43.3%). This was driven by 40.4% growth in the domestic jewellery business, 42.2% growth in Caratlane and 80% growth in the international business. Its watches and eyewear business grew by 13% and 18% in Q3. TEAL reported 67.1% YoY growth in revenues in Q3FY26. Consolidated gross margins declined by 225bps YoY affected by higher gold prices and inferior mix. EBITDA margins decreased by 19bps YoY to 10.7%. EBITDA grew by 41% YoY to Rs.2713cr. Adjusted PAT grew by 45.7% YoY to Rs1,798cr

Investment Rationale:

- **Jewellery grew by 40%+ in Q3; strong growth to sustain:** Titan's domestic jewellery business grew by 40.2% YoY to Rs.19,921cr in Q3FY26 (grew by 27% YoY in 9MFY26). The growth was largely driven by strong growth in the ticket price while new buyer addition stood flat (stood at 45% of the customer base). Plain gold jewellery grew by 37% YoY while studded jewellery grew by 26% YoY in Q3. Traction was strong for higher value jewellery while it remains muted for jewellery below Rs1 lakh. Average transaction value stood at Rs1.9 lakh was highest in past several quarters. Freshness in the product portfolio, attractive gold exchange schemes and differentiated promotional schemes will help Titan to maintain the strong growth momentum in the backdrop of volatile gold prices and high competition. We expect Titan's Domestic jewellery business to grow at CAGR of 18% over FY25-28E.
- **Caratlane – strong performance:** Caratlane registered yet another quarter of strong performance with revenues growing by 42% YoY to Rs1,537cr while EBIT margins improved by 121bps to 13% in Q3. Its studded portfolio (85-90% of sales) registered a growth of 35%, while plain gold jewellery launched under 14 karat and 9 karat gaining strong traction. We expect Caratlane revenues to grow at CAGR of 28% over FY25-28E.
- **Consolidated EBITDA margins to remain at 10-11%:** Despite higher gold prices, Titan's domestic jewellery normalised EBIT margins marginally declined to 10.9% (stood at 11.2% in 9MFY26). Jewellery business margins to sustain at 10-11% in the near term. Caratlane EBIT would improve to low double digit on back of strong execution and improved product mix. Watches business EBIT margins improved by 480bps YoY stood at 17.4% in 9MFY26. Steady margins in core jewellery business, high margins in the watches business and improving margins in eyewear and other businesses will help consolidated EBITDA margins to remain at 10-11% in the near term.

Rating and Target Price: Strong product portfolio and focus on expanding in key markets will help Titan to achieve revenue and PAT CAGR of 19% and 25% over FY25-28E. **We recommend Buy with a price target of Rs4,980 rolling it over to FY28E EPS of Rs81.6 valuing at 61x.**

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 | 79542.3 | 87163.9 | 100789.3 | 18.6 |
| EBIDTA | 4879.0 | 5292.0 | 6237.0 | 13.1 | 8280.4 | 9412.2 | 11186.9 | 21.5 |
| EBIDTA Margins(%) | 12.0 | 10.4 | 10.3 | | 10.4 | 10.8 | 11.1 | |
| Adjusted PAT | 3273.0 | 3495.0 | 3737.8 | 6.9 | 5073.5 | 5891.5 | 7263.3 | 24.8 |
| EPS (Rs.) | 36.9 | 39.3 | 42.0 | | 57.0 | 66.2 | 81.6 | |
| PE (x) | 115.5 | 108.4 | 101.4 | | 74.7 | 64.3 | 52.2 | |
| EV to EBITDA (x) | 78.2 | 73.4 | 62.8 | | 47.1 | 41.0 | 34.2 | |
| RoE (%) | 30.9 | 32.9 | 35.6 | | 37.1 | 32.6 | 31.1 | |
| RoCE (%) | 33.7 | 28.5 | 26.1 | | 29.4 | 30.8 | 33.7 | |

Source: Company, ICICI Direct Research



Particulars

| Particular | Amount |
|---------------------------------|-------------|
| Market Capitalisation (₹ crore) | 379051 |
| Debt (FY25) - ₹ crore | 14303 |
| Cash (FY25) - ₹ crore | 1584 |
| EV (₹ crore) | 391770 |
| 52 week H/L (₹) | 4330 / 2948 |
| Equity capital (₹ crore) | 89.0 |
| Face value (₹) | 1 |

Shareholding pattern

| | Mar-25 | Jun-25 | Sep-25 | Dec-25 |
|-----------|--------|--------|--------|--------|
| Promoters | 52.9 | 52.9 | 52.9 | 52.9 |
| FII | 17.8 | 17.5 | 16.1 | 15.6 |
| DII | 12.0 | 12.6 | 14.0 | 14.8 |
| Others | 17.3 | 17.0 | 17.0 | 16.7 |

Price Chart

Key risks

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

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Q3FY26 – Key performance highlights

- Titan's consolidated revenues witnessed 42% YoY growth to Rs.24,915cr (ex-bullion) in Q3FY26. Growth was driven by 40.4% YoY growth in domestic jewellery business, 42.2% YoY growth in Caratlane and 80% YoY growth in international business. Total revenues including Bullion sales witnessed 43.3% YoY growth to Rs.25,416cr.
- Domestic Jewellery business reported 40.4% YoY growth driven by strong wedding sales, strong exchange programs, festive season and sustained growth in coins during the quarter. Caratlane continued its strong momentum with 42.2% YoY growth led by strong growth in the studded portfolio. International business witnessed strong growth of 80% YoY driven by robust performance of jewellery business which reported 83% YoY growth in Q3FY26.
- Higher gold prices, lower studded mix (26% in Q3FY26 vs 28% in Q3FY25) and inferior business mix impacted the gross margins which declined by 225bps YoY to 19.8%. However, EBIDTA margins stood almost flat at 10.7% due to better operating leverage and prudent cost management.
- Robust operating performance aided 45.7% YoY growth in Adjusted PAT to Rs.1798cr.

Business wise performance

- **Jewellery:** Despite higher gold prices, Domestic Standalone business revenues witnessed 40.4% YoY growth to Rs.19,921cr driven by strong festive season and brand campaigns for all brands. The new gold exchange introduced by Tanishq in September 2025 continued to drive sizeable demand and was supported by exhibition/on ground launches of high value collections which helped deliver strong growth for the portfolio. Buyer growth remained flat, continued to be impacted by higher gold prices. Aided by wedding purchases and gold coins, plain gold reported 37% YoY growth while higher value purchases in Tanishq, Zoya and Mia aided 26% YoY growth in Studded portfolio. Studded share declined 200bps YoY to 26% in Q3FY26. Jewellery business EBIT stood at Rs.2166cr growing by 59% YoY while margins stood at 10.9% YoY. Adjusting for Rs.253cr impact of custom duty reduction in Q3FY25, EBIT grew by 34% and margins declined 50bps YoY impacted by lower studded mix, higher gold prices and investments in marketing. Higher primary billing for new stores, strong LTL growth and store expansion aided 83% YoY growth in international jewellery business during the quarter.
- **Caratlane:** Broad based growth across the portfolio aided 42.2% YoY growth to Rs.1,537cr. Highlight was healthy studded growth (35% YoY) led by attractive consumer offers. Targeted promotions with coins aided better customer conversions and also led to higher ticket size growth. EBIT stood at Rs.200cr growing by 58% YoY with a margin of 13% driven by operating leverage aided by cost management initiatives.
- **Watches:** Watches segment revenues grew by 13.2% YoY growth to Rs.1,250cr. Analog watches continued to outpace smartwatches significantly which reported 17% YoY growth largely led by volume (+19% YoY). Average selling price for the quarter stood flat. Smartwatches witnessed 27% YoY decline in revenues impacted by low volumes while pricing was stable in YoY basis. Titan and Sonata clocked double-digit volume and value growth on the back of driven by premiumisation trends. Fasttrack grew in double-digits. The same store sales growth for Titan, Helios and Fasttrack ranged from early double-digits to low teens. EBIT for Q3FY26 stood at Rs.156cr witnessing 38.1% YoY growth with margins at 12.5% expanding by 224bps YoY.
- **Eyecare:** Domestic eyewear revenues witnessed 17.5% YoY growth to Rs.227cr for the quarter. Growth was driven by low-single digit volumes and mid-single digit pricing growth. Lens delivered double-digit growth while sunglasses recorded mid-teens growth. International brands

reported 25% YoY growth. EBIT stood at Rs.24cr with margins at 10.6% during Q3FY26.

- **Emerging Business:** Segment witnessed strong growth of 15% YoY to Rs.135cr driven by Women bag reporting 110% YoY growth and Fragrances which recorded 24% YoY growth. Women Bags growth was driven by double-digit volume and value growth while Fragrances growth was aided by strong volumes across SKINN and Fastrack perfumes. Taneira revenues declined by 6% YoY impacted by low volume growth which was offset by double digit growth in ASP. Better profitability in fragrances led to reduction in losses to Rs.26cr last year in Q3FY26 from Rs.32cr in Q3FY25.

Q3FY26 – Key Conference call highlights

- **Strong wedding and festive season aided robust growth in domestic jewellery business; Momentum to continue into Q4.**
 - Gold prices continued to be higher (+75% YoY) which impacted the buyer growth in jewellery which remained flattish during the quarter.
 - Demand was also driven by incremental buying in anticipation of further rise in gold prices. The gold prices have witnessed significant volatility over the past 2 months had impact on buying decisions.
 - The start of Q4 was good. Wedding demand continues to be resilient ahead in February and March. As wedding purchases are non-discretionary in nature, it supports high value purchases which helps revenue growth.
 - Over 50% of the jewellery sales now is contributed by gold exchange (old gold program). This is helping the company mitigate the high gold prices.
 - Around 20-25% of the Jewellery sales comes from the gold purchase plans such as the Golden advantage. The management expects sustained momentum in the purchase plans/exchange schemes due to volatile gold pricing scenario.
 - The new buyer contribution stood at 45% during Q3FY26. The contribution has improved by 300bps sequentially compared to Q2FY26. On YoY bases, it has declined by 300bps from 48% in Q3FY25.
 - Q4FY26 demand trends are similar to Q3FY26. During Akshaya Tritiya, the ticket sizes are expected to be lower but it is generally offset by robust wedding season where ticket size continue to be higher.
 - Overall, during the volatile scenario, the trajectory of the gold prices is difficult to gauge while the management indicated of possibility of further rise in gold prices. The company plans to mitigate any rise in gold prices through cost management and operating leverage.
- **Higher gold prices led to unfavorable mix thereby leading to margin decline; Focus on absolute EBIT growth rather than margins**
 - The jewellery business margins on normalized basis (adjusted for custom duty in Q3FY25) witnessed ~50bps YoY decline. The key drivers of the margin pressure were:
 - Higher salience of gold coins (lower margin product)
 - Studded mix witnessed decline as gold value in the overall product mix grew faster than diamonds.
 - Consolidated margins were impacted due to higher share of jewellery in overall business. As jewellery margins were impacted, it impacted the overall portfolio.

- The management indicated that the newer pivots such as 14 and 9 Karat gold will be key drivers of the growth ahead whenever gold prices stabilize and lower ticket size purchases grow. This is expected to accelerate revenue growth thereby leading to better operating leverage supporting margin expansion.
- The management indicated that amidst the high gold price environment, its focus is on absolute EBIT growth rather than margins.
- **Average ticket price continued to trend higher; Sub-Rs.1lakh segment continued to lag**
 - The overall ticket size stood at ~Rs.1.9 lakhs; highest across several quarters. This is primarily driven by ~75% YoY rise in gold prices. Buyer growth has been flattish.
 - Plain gold ticket price grew by ~44% YoY while Studded ticket price grew by ~15% during the quarter.
 - The demand in the sub-Rs.1lakh segment remained under pressure; continued to be impacted by inflation in gold prices. The >Rs.1lakh segment continued to witness robust demand and this was aided by better wedding season.
 - Wedding and repeat buyers continued to drive richer portfolio mix and higher making charge realization.
- **Caratlane continued to report healthy growth; EBIT margins expansion to double-digit ahead of expectation and expected to continue**
 - The business reported double-digit EBIT margins during the quarter which was ahead of the management's expectation.
 - The margin expansion was majorly driven by strong revenue growth coupled with robust cost management initiatives leading to improved operating leverage.
 - The studded proportion in Caratlane is higher compared to other jewellery brands. It has witnessed slight moderation over the past quarter due to introduction of new 14 karat and 9 karat offerings.
 - The studded mix is expected to remain in ~85%-90% range.
 - New categories such as 9 karat and 14 karats along with Silver + Diamond offering is gaining good traction and will further aid the revenue growth. Currently it forms very small part of the portfolio.
 - Overall, the margins are expected to stay in double-digits over the upcoming quarters aided by strong revenue growth, sustained studded product share and effective cost management initiatives.
- **Eyewear business witnessed improved volume growth in Q3FY26; Volumes to sustained ~8-9% growth ahead**
 - The domestic revenue growth stood at ~17.5% (UCP growth of 11%) during the quarter. Volume growth was ~8%.
 - November and December prices are generally higher driven by robust NRI demand. The management indicated that there is significant opportunity for premiumization.
 - During the quarter, international brands witnessed strong performance (Up 49% YoY).
 - The management guided for mid-to-high single digit volume growth of ~8-9% driven by improving premiumization.

- **Other Updates**

- The company completed 67% stake acquisition in Damas. Consolidation of the Damas business has started and Q4FY26 consolidated earnings will have Damas performance.
- The labour code change impact in Q3FY26 was Rs.152cr at consolidated level and Rs.138cr at standalone level.
- The International business margin has one-off; primary sales of Rs.194cr from Dubai to Damas as some of the Damas stores are being converted to Tanishq in the region. Adjusted for the one-off the margins stood at ~5-6% with gradual improvement expected ahead.
- The TEAL business has 2 parts, project-based business where % of completion method is used and manufacturing business functions on the basis of order book. Order book remained robust for the quarters ahead.

Revision in earnings estimates

We have revised upwards our earnings estimates for FY26E, FY27E and FY28E by 6.8%, 3.0% and 3.8% respectively to factor in higher-than-expected growth in the Jewellery business and Caratlane.

Exhibit 1: Changes in headline estimates

| (₹ crore) | FY26E | | | FY27E | | | FY28E | | |
|-------------------|---------|---------|-------|---------|---------|-------|---------|----------|-------|
| | Old | New | % Chg | Old | New | % Chg | Old | New | % Chg |
| Total revenues | 74591.2 | 79542.3 | 6.6 | 84776.0 | 87163.9 | 2.8 | 98561.7 | 100789.3 | 2.3 |
| EBIDTA | 7835.7 | 8280.4 | 5.7 | 9080.2 | 9412.2 | 3.7 | 10726.1 | 11186.9 | 4.3 |
| EBIDTA margin (%) | 10.5 | 10.4 | | 10.7 | 10.8 | | 11.1 | 11.1 | |
| PAT | 4750.2 | 5073.5 | 6.8 | 5720.7 | 5891.5 | 3.0 | 6997.1 | 7263.3 | 3.8 |
| EPS (Rs.) | 53.4 | 57.0 | 6.8 | 64.3 | 66.2 | 3.0 | 78.6 | 81.6 | 3.8 |

Source: Company, ICICI Direct Research

Exhibit 2: Key Operating Assumptions

| Particulars | FY24 | FY25 | FY26E | FY27E | FY28E |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Jewellery (standalone) - ex bullion | 37480.0 | 45222.0 | 56828.9 | 64396.5 | 74699.9 |
| yoy% | 17.5 | 20.7 | 25.7 | 13.3 | 16.0 |
| Watches | 3,904.0 | 4,504.0 | 5,218.6 | 6,013.9 | 6,930.5 |
| yoy% | 18.4 | 15.4 | 15.9 | 15.2 | 15.2 |
| Eye care | 724.0 | 792.0 | 891.0 | 998.0 | 1117.7 |
| yoy% | 5.1 | 9.4 | 12.5 | 12.0 | 12.0 |
| Caratlane | 2931.0 | 3513.0 | 4827.1 | 5897.4 | 7325.4 |
| yoy% | 34.0 | 19.9 | 37.4 | 22.2 | 24.2 |
| Net revenues (excl. bullion) | 46,751.0 | 57,143.0 | 74,542.3 | 83,663.9 | 97,289.3 |
| yoy% | 23.3 | 22.2 | 30.4 | 12.2 | 16.3 |

Source: Company, ICICI Direct Research

Exhibit 3: Q3FY26 consolidated result snapshot (₹ crore)

| Particulars | Q3FY26 | Q3FY25 | y-o-y (%) | Q2FY26 | q-o-q (%) |
|---------------------------------|-----------------|-----------------|-------------|-----------------|-------------|
| Net sales | 24915 | 17550 | 42.0 | 16461 | 51.4 |
| Other operating revenues | 501 | 190 | 163.7 | 2264 | -77.9 |
| Total Revenue | 25,416.0 | 17,740.0 | 43.3 | 18,725.0 | 35.7 |
| Total operating cost | 22703 | 15813 | 43.6 | 16850 | 34.7 |
| EBITDA | 2,713.0 | 1,927.0 | 40.8 | 1,875.0 | 44.7 |
| Other income | 151 | 128 | 18.0 | 112 | 34.8 |
| Interest & other financial cost | 282 | 231 | 22.1 | 277 | 1.8 |
| Depreciation | 207 | 175 | 18.3 | 189 | 9.5 |
| Profit Before Tax | 2375 | 1649 | 44.0 | 1521 | 56.1 |
| Tax | 577 | 415 | 39.1 | 402 | 43.5 |
| Adjusted PAT before MI | 1,798.0 | 1,234.2 | 45.7 | 1,119.0 | 60.7 |
| Extraordinary item | 114 | 187 | -39.1 | 0 | - |
| Reported PAT | 1,684.0 | 1,047.0 | 60.8 | 1,120.0 | 50.4 |
| Adjusted EPS (Rs.) | 20 | 14 | 45.7 | 13 | 60.7 |
| Margins | Q3FY26 | Q3FY25 | bps | Q2FY26 | bps |
| GPM (%) | 19.8 | 22.0 | -225 | 21.4 | -166 |
| EBIDTA margin (%) | 10.7 | 10.9 | -19 | 10.0 | 66 |
| NPM (%) | 6.6 | 5.9 | 72 | 6.0 | 64 |
| Tax rate (%) | 24.3 | 25.2 | -86 | 26.4 | -214 |

Source: Company, ICICI Direct Research

Exhibit 4: Q3FY26 Segmental revenues (₹ crore)

| Particulars | Q3FY26 | Q3FY25 | y-o-y (%) | Q2FY26 | q-o-q (%) |
|--|--------------|--------------|-------------|--------------|-------------|
| Jewellery (excluding bullion) | 19921 | 14190 | 40.4 | 12460 | 59.9 |
| Watches & wearables | 1250 | 1104 | 13.2 | 1446 | -13.6 |
| Eyecare | 227 | 193 | 17.6 | 215 | 5.6 |
| Emerging businesses | 135 | 118 | 14.4 | 142 | -4.9 |
| Corporate (unallocated) | 91 | 91 | 0.0 | 62 | 46.8 |
| Standalone (excluding bullion) | 21624 | 15696 | 37.8 | 14325 | 51.0 |
| Caratlane | 1537 | 1081 | 42.2 | 1072 | 43.4 |
| TEAL | 323 | 193 | 67.4 | 415 | -22.2 |
| International biz & others | 1108 | 614 | 80.5 | 596 | 85.9 |
| Consolidated (excluding bullion) | 24592 | 17584 | 39.9 | 16408 | 49.9 |
| Bullion & digi-gold sales | 975 | 286 | 240.9 | 2430 | -59.9 |
| Consolidated (incl. other income) | 25567 | 17870 | 43.1 | 18838 | 35.7 |

Source: Company, ICICI Direct Research

Exhibit 5: Q3FY26 Segmental EBIT (₹ crore)

| Particulars | Q3FY26 | Q3FY25 | y-o-y (%) | Q2FY26 | q-o-q (%) |
|-------------------------|-------------|-------------|-------------|-------------|-------------|
| Jewellery | 2166 | 1359 | 59.4 | 1381 | 56.8 |
| Watches | 156 | 113 | 38.1 | 242 | -35.5 |
| Eyecare | 24 | 21 | 14.3 | 12 | 100.0 |
| Emerging business | -26 | -32 | -18.8 | -24 | 8.3 |
| Corporate (unallocated) | -9 | 8 | - | -27 | - |
| Standalone | 2311 | 1469 | 57.3 | 1584 | 45.9 |
| Interntional & Others | 113 | -3 | - | 11 | - |
| Caratlane | 200 | 127 | 57.5 | 109 | 83.5 |
| TEAL | 36 | 33 | 9.1 | 94 | -61.7 |
| Consolidated | 2660 | 1626 | 63.6 | 1798 | 47.9 |

Source: Company, ICICI Direct Research

Exhibit 6: Q3FY26 Segmental EBIT Margins (%)

| Particulars | Q3FY26 | Q3FY25 | y-o-y (bps) | Q2FY26 | q-o-q (bps) |
|-------------------------|-------------|------------|-------------|-------------|-------------|
| Jewellery | 10.9 | 9.6 | 130 | 11.1 | -21 |
| Watches | 12.5 | 10.2 | 224 | 16.7 | -426 |
| Eyecare | 10.6 | 10.9 | -31 | 5.6 | 499 |
| Emerging business | -19.3 | -27.1 | - | -16.9 | -236 |
| Corporate (unallocated) | -9.9 | 8.8 | - | -43.5 | - |
| Standalone | 10.7 | 9.4 | 133 | 11.1 | -37 |
| Interntional & Others | 10.2 | -0.5 | - | 1.8 | - |
| Caratlane | 13.0 | 11.7 | 126 | 10.2 | 284 |
| TEAL | 11.1 | 17.1 | - | 22.7 | - |
| Consolidated | 10.4 | 9.1 | 130 | 9.5 | 86 |

Source: Company, ICICI Direct Research

Financial summary

Exhibit 7: Profit and loss statement

₹ crore

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|---|----------------|----------------|----------------|----------------|-----------------|
| Total Operating Income | 51084.0 | 60456.0 | 79542.3 | 87163.9 | 100789.3 |
| Growth (%) | 25.9 | 18.3 | 31.6 | 9.6 | 15.6 |
| Raw Material Expenses | 39432.0 | 46913.0 | 62838.4 | 67682.8 | 78262.9 |
| Gross Profit | 11652.0 | 13543.0 | 16703.9 | 19481.1 | 22526.4 |
| Gross Profit Margins (%) | 22.8 | 22.4 | 21.0 | 22.4 | 22.4 |
| Employee Expenses | 1864.0 | 2156.0 | 2457.8 | 2703.6 | 2974.0 |
| Other Expenditure | 4496.0 | 5150.0 | 5965.7 | 7365.3 | 8365.5 |
| Total Operating Expenditure | 45792.0 | 54219.0 | 71261.9 | 77751.7 | 89602.4 |
| EBITDA | 5292.0 | 6237.0 | 8280.4 | 9412.2 | 11186.9 |
| Growth (%) | 8.5 | 17.9 | 32.8 | 13.7 | 18.9 |
| Interest | 619.0 | 953.0 | 1118.3 | 1124.7 | 1032.0 |
| 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 | 6893.4 | 8004.8 | 9868.6 |
| Less Tax | 1127.0 | 1339.2 | 1819.8 | 2113.3 | 2605.3 |
| Adjusted PAT (before exceptional item) | 3495.0 | 3737.8 | 5073.5 | 5891.5 | 7263.3 |
| Growth (%) | 6.8 | 6.9 | 35.7 | 16.1 | 23.3 |
| 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 | 5073.5 | 5891.5 | 7263.3 |
| Growth (%) | 6.8 | -4.6 | 52.1 | 16.1 | 23.3 |
| EPS (Adjusted) | 39.3 | 42.0 | 57.0 | 66.2 | 81.6 |

Source: Company, ICICI Direct Research

Exhibit 8: Cash flow statement

₹ crore

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Profit/(Loss) after taxation | 2962.0 | 3251.8 | 4611.8 | 5383.6 | 6704.6 |
| 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 | -3968.6 | -935.1 | -2155.5 |
| CF from Operating activities | 1071.0 | -1192.2 | 1835.3 | 5747.0 | 5952.8 |
| (Purchase)/Sale of Fixed Asset: | -1188.0 | -1050.0 | -375.0 | -375.0 | -375.0 |
| Investments & Bank balances | 164.0 | 297.0 | 1115.0 | -900.0 | -800.0 |
| Others | -89.0 | 13.0 | 0.0 | 0.0 | 0.0 |
| CF from Investing activities | -1113.0 | -740.0 | 740.0 | -1275.0 | -1175.0 |
| (inc)/Dec in Loan | 6225.0 | 3438.0 | -1500.0 | -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 | -2479.0 | -3657.0 | -4013.0 |
| Net Cash Flow | 177.2 | -2.0 | 96.3 | 815.0 | 764.8 |
| Cash and Cash Equivalent (opening) | 231.8 | 409.0 | 407.0 | 503.3 | 1318.3 |
| Cash | 409.0 | 407.0 | 503.3 | 1318.3 | 2083.1 |
| Free Cash Flow | 2259.0 | -142.2 | 2210.3 | 6122.0 | 6327.8 |

Source: Company, ICICI Direct Research

Exhibit 9: 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 | 15629.5 | 20364.0 | 26114.3 |
| Total Shareholders funds | 9393.0 | 11624.0 | 15718.5 | 20453.0 | 26203.3 |
| Minority Interest | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Debt | 10865.0 | 14303.0 | 12803.0 | 10303.0 | 7803.0 |
| Deferred Tax Liability | 3.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Total Liabilities | 20261.0 | 25929.0 | 28523.5 | 30758.0 | 34008.3 |
| 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 | 35957.5 | 39402.9 | 45562.3 |
| Debtors | 1018.0 | 1068.0 | 1405.2 | 1432.8 | 1656.8 |
| 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 | 503.3 | 1318.3 | 2083.1 |
| Bank balance | 1117.0 | 1177.0 | 1050.0 | 1700.0 | 2500.0 |
| Total Current Assets | 25212.0 | 34322.0 | 42539.2 | 47620.7 | 55718.7 |
| Creditors | 1410.0 | 1963.0 | 2582.7 | 2388.1 | 2761.4 |
| Gold on loan | 5341.0 | 7810.0 | 9372.0 | 10777.8 | 12394.5 |
| Provisions | 374.0 | 454.0 | 454.0 | 454.0 | 454.0 |
| Other Current Liabilities | 4164.0 | 4491.0 | 6588.5 | 8058.8 | 10446.6 |
| Total Current Liabilities | 11289.0 | 14718.0 | 18997.3 | 21678.6 | 26056.4 |
| Net Current Assets | 13923.0 | 19604.0 | 23541.9 | 25942.1 | 29662.4 |
| Deferred tax assets | 187.0 | 170.0 | 170.0 | 170.0 | 170.0 |
| Application of Funds | 20261.0 | 25929.0 | 28523.5 | 30758.0 | 34008.3 |

Source: Company, ICICI Direct Research

Exhibit 10: Key ratios

| (Year-end March) | FY24 | FY25 | FY26E | FY27E | FY28E |
|------------------------------|-------|-------|-------|-------|-------|
| Per share data (₹) | | | | | |
| Adjusted EPS | 39.3 | 42.0 | 57.0 | 66.2 | 81.6 |
| Cash EPS | 45.8 | 49.8 | 65.2 | 75.1 | 91.1 |
| BV per share | 105.5 | 130.6 | 176.6 | 229.8 | 294.4 |
| Cash per Share | 43.5 | 40.1 | 28.7 | 48.0 | 65.5 |
| Dividend per share | 11.0 | 11.0 | 11.0 | 13.0 | 17.0 |
| Operating Ratios (%) | | | | | |
| Gross Profit Margins | 22.8 | 22.4 | 21.0 | 22.4 | 22.4 |
| EBITDA margins (%) | 10.4 | 10.3 | 10.4 | 10.8 | 11.1 |
| PAT Margins | 6.8 | 5.5 | 6.4 | 6.8 | 7.2 |
| Cash Conversion Cycle (days) | 133 | 165 | 161 | 161 | 161 |
| Asset Turnover | 2.5 | 2.3 | 2.8 | 2.8 | 3.0 |
| Return Ratios (%) | | | | | |
| RoE | 32.9 | 35.6 | 37.1 | 32.6 | 31.1 |
| RoCE | 28.5 | 26.1 | 29.4 | 30.8 | 33.7 |
| Valuation Ratios (x) | | | | | |
| P/E | 108.4 | 101.4 | 74.7 | 64.3 | 52.2 |
| EV / EBITDA | 73.4 | 62.8 | 47.1 | 41.0 | 34.2 |
| EV / Net Sales | 7.6 | 6.5 | 4.9 | 4.4 | 3.8 |
| Market Cap / Sales | 7.4 | 6.3 | 4.8 | 4.3 | 3.8 |
| Price to Book Value | 40.4 | 32.6 | 24.1 | 18.5 | 14.5 |
| Solvency Ratios | | | | | |
| Debt / EBITDA | 2.1 | 2.3 | 1.5 | 1.1 | 0.7 |
| Debt / Equity | 1.2 | 1.2 | 0.8 | 0.5 | 0.3 |

Source: Company, ICICI Direct Research

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