



STOCK UPDATE

Result Update - Q3FY2026

SECTOR

Consumer Discretionary

COMPANY DETAILS

Market cap:	Rs. 3,79,675 cr
52-week high/low:	Rs. 4,380 / 2,948
NSE volume: (No of shares)	9.7 lakh
BSE code:	500114
NSE code:	TITAN
Free float: (No of shares)	41.8 cr

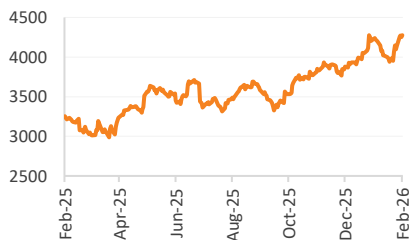
Source: NSE, BSE, Mirae Asset Sharekhan Research

SHAREHOLDING (%)

Promoters	52.9
FII	16.4
DII	15.0
Others	15.8

Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE CHART



Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE PERFORMANCE

(%)	1m	3m	6m	12m
Absolute	1.1	11.1	22.7	31.4
Relative to Sensex	1.3	12.0	18.4	21.5

Source: Mirae Asset Sharekhan Research, Bloomberg

Reco/View: **BUY**

CMP: **Rs. 4,277**

Price Target: **Rs. 4,950**

Quick Snapshot

- Titan's Q3FY26 numbers were strong, with consolidated revenue/adjusted PAT rising 43%/46% y-o-y, respectively. EBITDA margin fell 19 bps y-o-y to 10.7%.
- Despite volatility in gold prices, momentum is likely to continue in Q4 driven by wedding season and Akshaya Tritiya.
- Margins to be stressed owing to rising gold prices. Company aims to maintain EBIT/PBT levels through operating leverage from revenue growth.
- Stock trades at 72x/59x/49x its FY26E/FY27E/FY28E earnings, respectively. We maintain a Buy with a revised PT of Rs. 4,950.

Result overview

- Consolidated revenue grew by 43.3% y-o-y to Rs. 25,416 crore.
- Jewellery business (including Caratlane and excl. bullion and Digi-gold sales) grew 42.1% y-o-y to Rs. 22,517 crore driven by blockbuster festive collections, impactful brand campaigns and powerful exchange initiatives, underscoring strong festive demand amid high gold prices.
- Watches business grew 13.9% y-o-y clocking revenue of Rs. 1,295 crore, driven by festive gifting and enduring consumer preference for analog watches.
- Eyecare business grew by 17.9% y-o-y to Rs. 231 crore, led by both international and house brands contributing well to the overall product mix.
- Emerging businesses grew by 14.9% y-o-y to Rs. 135 crore.
- Subsidiary Teal grew by 67.4% y-o-y to Rs. 323 crore.
- Gross margin declined 225 bps y-o-y to 19.8% impacted by increased gold coin sales, lower studded jewellery margins and jewellery's increased dominance in the overall portfolio mix, while EBITDA margin fell by 19 bps y-o-y to 10.7%.
- EBITDA grew by 40.8% y-o-y to Rs. 2,713 crore and adjusted PAT grew by 45.7% y-o-y to Rs. 1,798 crore.
- Titan forayed into lab-grown jewellery with the launch of 'beYon' from the House of Titan, a fashion-forward accessible studded jewellery line for self-expression and everyday styling.
- 9MFY26 revenues grew 33.2% y-o-y to Rs. 60,664 crore, EBITDA margin rose 26 bps y-o-y to 10.6% and adjusted PAT grew by 39.8% y-o-y to Rs. 4,008 crore.
- Titan added 56 net stores (Jewellery/watches/eyecare/emerging businesses:49/22/-17/2, respectively), taking the total to 3,433 stores at Q3FY26-end across businesses and geographies.

Our Call

A strong growth outlook, focus on sustained market share gains and a strong balance sheet make Titan the best play in the discretionary space. Pressure on margins is temporary and the management expects an uptick in margins in the medium term. Stock trades at 72x/59x/49x its FY26E/FY27E/FY28E earnings, respectively. We maintain a Buy on the stock with a revised PT of Rs. 4,950.

Key Risks

Rise in gold prices or a slowdown in key business verticals would act as a key risk to our earnings estimates.

Valuation (Consolidated)

Particulars	Rs cr				
	FY24	FY25	FY26E	FY27E	FY28E
Revenue (excluding bullion sales)	46,751	57,143	72,368	86,733	1,01,758
EBITDA Margin (%)	10.4	10.3	10.7	10.9	11.0
Adjusted PAT	3,494	3,737	5,267	6,499	7,715
Adjusted EPS (Rs.)	39.3	42.0	59.2	73.0	86.7
P/E (x)	-	-	72.3	58.6	49.3
P/B (x)	40.5	32.7	24.1	18.1	14.0
EV/EBIDTA (x)	73.7	63.1	46.5	38.0	32.2
RoNW (%)	32.9	35.6	38.4	35.3	32.1
RoCE (%)	28.5	26.1	29.3	31.1	32.0

Source: Company; Mirae Asset Sharekhan estimates

Concall highlights**• Jewellery:**

- Revenue growth was driven by substantial average selling price (ASP) increases, offsetting flattish buyer growths.
- To navigate soaring gold prices, Tanishq deployed a powerful gold exchange offer that sustained consumer engagement beyond the traditional festive window.
- Distinct consumer patterns were observed across product categories -
 - Gold coins nearly doubled y-o-y reinforcing their strong investment proposition.
 - Plain gold category grew ~37% y-o-y reflecting preference for design-led, aesthetic premium offerings during the wedding and festive season.
 - Studded clocked ~26% y-o-y growth driven by high value segment purchases in Tanishq and Zoya, Mia expansions and growth in solitaires.
- LFL growth (secondary) across all jewellery retail formats (combined) was in low-thirties.
- At Q3-end, Titan launched 'beYon', a lab-grown diamond jewellery brand, enhancing its portfolio play in the evolving jewellery category. While the natural diamonds in Tanishq, Mia, Zoya and CaratLane would continue to anchor emotionally significant and milestone-led purchases for customers seeking value and adornment, beYon aspires to address an emerging consumer fashion need for affordable, everyday diamond-studded jewellery.
- Of the 49 new store additions (net), 2 were in the international markets and 47 in India including 10 in Tanishq, 11 in Mia, 1 in Zoya, 1 in beYon and 24 in CaratLane.

• Watches:

- Analog watches continued to be the core growth driver clocking ~20% y-o-y growth in (secondary) consumer prices (~17% y-o-y revenue growth) well supported by ~19% y-o-y volume growth. ASPs were broadly flat y-o-y.
- Premiumisation trends resulted in solid double-digit gains for the Titan brand, complemented by healthy volume expansion during the festive period.
- Sonata and Fastrack also witnessed notable consumer traction, delivering robust double-digit value growth and well supported by strong volume momentum.
- Smart Watches category declined ~26% y-o-y, led by lower volumes, whereas their ASPs were broadly flattish y-o-y.
- The same -store retail growth across key retail formats of Titan World, Helios and Fastrack ranged from early double - digits to low -teens.
- Company added 22 new stores (net) consisting of 9 stores in Titan World, 9 stores in Fastrack, 3 stores in Helios and 1 store in Helios Luxe.

• Eyecare:

- Steady demand across core categories and high single-digit volume growth and mid -single digit ASP growth aided in double-digit revenue growth.
- Lenses led the portfolio with healthy double - digit growth, followed by Sunglasses growth in mid -teens.
- International brands growth of ~25% was led by strong demand for sunglasses and prescription lenses.
- E-commerce continued to be a key driver of the business' expansion strategy enabling higher omni-channel sales.
- Runway, the premium sunglass destination, added 2 new stores in Q3. As part of the network optimisation in Titan Eye+, business opened 11 new stores, renovated 20 stores and closed 30 stores in Q3.

• Emerging businesses:

- Fragrances grew ~22% y-o-y led by double-digit volume growth in Fastrack and Skinn, ASPs remaining flat y-o-y.
- Women's Bags grew ~111% y-o-y driven by nearly twofold growth in overall volumes and healthy double-digit ASP growth in Fastrack and Irth brands.

- Across Fashion Accessories, e-commerce channel drove much of the festive uptick with significant contribution to overall sales.
- Taneira's sales declined ~6% y-o-y. Despite double-digit ASP growths across sarees and ready-to-wear portfolio, lower volumes more than offset this benefit resulting in an overall y-o-y decline.
- Irth added 2 stores during the quarter in Delhi and Kolkata.
- The company completed the acquisition of a 67% stake in Damas. Accounting consolidation will begin from January 1 (Q4FY26 onwards). Some Damas stores (in catchments more suited to Tanishq) are being converted to Tanishq. Management guided that conversion is store-by-store, not a large-scale network overhaul.

Results (Consolidated)

Particulars	Rs cr				
	Q3FY26	Q3FY25	Y-o-Y %	Q2FY26	Q-o-Q %
Net sales	24,915.0	17,550.0	42.0	16,461.0	51.4
Other Operating Income	501.0	190.0	-	2,264.0	-77.9
Total Revenue	25,416.0	17,740.0	43.3	18,725.0	35.7
Raw material cost	20,387.0	13,830.0	47.4	14,709.0	38.6
Employee cost	646.0	555.0	16.4	616.0	4.9
Advertising	405.0	371.0	9.2	408.0	-0.7
Other expenses	1,265.0	1,057.0	19.7	1,117.0	13.2
Total operating cost	22,703.0	15,813.0	43.6	16,850.0	34.7
EBITDA	2,713.0	1,927.0	40.8	1,875.0	44.7
Other income	151.0	128.0	18.0	112.0	34.8
Interest & other financial cost	282.0	231.0	22.1	277.0	1.8
Depreciation	207.0	175.0	18.3	189.0	9.5
Profit Before Tax	2,375.0	1,649.0	44.0	1,521.0	56.1
Tax	577.3	414.8	39.2	402.0	43.6
Adjusted PAT	1,797.7	1,234.2	45.7	1,119.0	60.7
Share of profit of an associate	0.0	0.0	-	1.0	-
Adjusted PAT	1,797.7	1,234.2	45.7	1,120.0	60.5
Extraordinary item	113.7	187.2	-39.3	0.0	-
Reported PAT	1,684.0	1,047.0	60.8	1,120.0	50.4
Adjusted EPS (Rs.)	20.2	13.9	45.7	12.6	60.7
			bps		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	-85	26.4	-212

Source: Company; Mirae Asset Sharekhan Research

Segmental EBIT margins

Particulars	Rs cr				
	Q3FY26	Q3FY25	bps (y-o-y)	Q2FY26	bps (q-o-q)
Watches	12.0	9.5	254	16.1	-408
Jewellery	11.0	9.4	159	10.7	31
Eyecare	10.4	10.2	19	5.5	494
Total	10.8	9.3	154	10.6	24

Source: Company; Mirae Asset Sharekhan Research

Additional Data**Top 10 shareholders**

Sr. No.	Holder Name	Holding (%)
1	Jhunjhunwala Rekha Rakesh	5.31
2	Life Insurance Corp of India	2.51
3	Tata Investment Corp Ltd.	2.01
4	Vanguard Group Inc.	1.79
5	SBI Funds Management Ltd.	1.65
6	Blackrock Inc.	1.60
7	ICICI Prudential AMC Ltd.	1.36
8	NPS Trust A/c Uti Retirement Solutions Ltd.	1.31
9	UTI AMC Ltd.	1.08
10	HDFC AMC Ltd.	0.84

Source: Bloomberg

Key management personnel

Name	Designation
V. Arun Roy	Chairman
Ajoy Chawla	Managing Director
Ashok Kumar Sonthalia	Chief Financial Officer
Dinesh Shetty	General Counsel, Company Secretary and Compliance Officer

Source: Company Website

Mirae Asset Sharekhan Limited, its analyst or dependant(s) of the analyst might be holding or having a position in the companies mentioned in the article.

DISCLAIMER

This research report ("Report") has been issued by Sharekhan Limited ("Mirae Asset Sharekhan"), and is intended for use only by the person or entity to which it is addressed to. This Report may contain confidential and/or privileged material and is not for any type of circulation, and any review, retransmission, or any other use is strictly prohibited unless specifically permitted by Mirae Asset Sharekhan. This Report is subject to change without prior notice.

Recommendation in reports is based on technical and derivatives analysis and based on studying charts of a stock's price movement, trading volume, and outstanding positions, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals. However, this would only apply to information/ documents focused on technical and derivatives research and shall not apply to reports/ documents/ information focused on fundamental research.

This Report does not constitute an offer to sell or solicitation for the purchase or sale of any financial instrument or as an official confirmation of any transaction. Though disseminated to all customers who are due to receive the same without discrimination, not all customers may receive this report at the same time. Mirae Asset Sharekhan will not treat recipients as customers only by virtue of their receiving this Report.

The information contained herein is obtained from publicly available data or other sources believed to be reliable, and Mirae Asset Sharekhan has not independently verified the accuracy and completeness of the said data and hence it should not be relied upon as such. While we would endeavor to update the information herein on a reasonable basis, Mirae Asset Sharekhan, its subsidiaries and associated companies, their directors, and employees ("Affiliates") are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that may prevent Mirae Asset Sharekhan and its affiliates from doing so. This Report is prepared for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipients of this Report should also be aware that past performance is not necessarily a guide to future performance, and the value of investments can go down as well. The user assumes the entire risk of any use made of this information. Each recipient of this Report should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this Report (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. We do not undertake to advise you as to any change of our views. Affiliates of, and/ or other individual analysts employed by Mirae Asset Sharekhan may have issued other recommendations/ reports that are inconsistent with and reach different conclusions from the information presented in this Report. The reports may reflect different assumptions, views and analytical methods of the analysts who prepared them. Mirae Asset Sharekhan may make investment or other decisions that are inconsistent with the opinions and views expressed in this Report. The views and opinions expressed in this Report may vary from or contradict with the report, views, estimates, rating, and target price if any provided/ issued by entity(ies) within or outside the group or other team(s) within Mirae Asset Sharekhan basis various factors including but not limited to rating criteria, valuation methodologies, assumptions, accounting methodologies, etc.

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 Mirae Asset Sharekhan 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 a certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restrictions.

The analyst certifies that the analyst might have dealt or traded directly or indirectly in the securities of the company and that all the views expressed in this Report accurately reflect his or her personal views about the subject company or companies and its or their securities. The analyst and Mirae Asset Sharekhan further certifies that either he or his relatives or Mirae Asset Sharekhan or their associates might have direct or indirect financial interest or might have actual or beneficial ownership of 1% or more in the securities of the company at the end of the month immediately preceding the date of publication of the Report. The analyst and Mirae Asset Sharekhan encourage independence in research report/ material preparation and strive to minimize conflict in the preparation of the research report. The analyst and Mirae Asset Sharekhan and their associates have not served as officers, directors or employees of the subject company. The analyst and Mirae Asset Sharekhan or its associates may have managed or co-managed the public offerings of the company. Mirae Asset Sharekhan, or its associates, or analysts may have received compensation for investment banking, merchant banking, brokerage services or received compensation for products or services other than investment banking, merchant banking or brokerage services from the subject company or from a third party in the past twelve months in connection with the Report, or received any other compensation or benefits from the subject company or other third party in connection with this Report. Mirae Asset Sharekhan or its associates have not been debarred/ suspended by the Securities and Exchange Board of India ("SEBI") or any other regulatory authority for accessing/ dealing in securities market. Mirae Asset Sharekhan or its associates or research analyst or his/her relatives may have financial interest or any other material conflict of interest in the subject company of this research report at the time of publication of the research report or at the time of public appearance. Further, please note that Mirae Asset Sharekhan or its research analysts or their associate(s) have not used artificial intelligence tools in providing research services.

Either Mirae Asset Sharekhan or its Affiliates or its directors or employees/representatives/clients or their relatives may have position(s), make market, act as principal or engage in transactions of purchase or sell of securities, from time to time or may be materially interested in any of the securities of the subject company or related securities referred to in this Report and they may have used the information set forth herein before publication. Mirae Asset Sharekhan may from time to time solicit from, or perform investment banking or other services for, any company mentioned herein. Without limiting any of the foregoing, in no event shall Mirae Asset Sharekhan, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability for any damages of any kind.

Forward-looking statements (if any) are provided to allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. These statements are not a guarantee of future performance, and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Mirae Asset Sharekhan and its Affiliates undertake no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, except as required by applicable securities laws. The reader/ investors are cautioned not to place undue reliance on forward-looking statements and use their independent judgment before taking any investment decision.

Investment in securities market is subject to market risks, read all the related documents carefully before investing. The securities quoted are for illustration only and are not recommendatory. Registration granted by SEBI, and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Mirae Asset Sharekhan has been ranked as India's No.1 Retail Broker by Asia Money Brokers Poll 2023. For more details, visit bit.ly/AsiamoneyPoll

Client should read the Risk Disclosure Document issued by SEBI & relevant exchanges on www.sharekhan.com

Most Important Terms and Conditions (MITC) for MASK research services can be viewed on Sharekhan website under

https://www.sharekhan.com/MediaGalary/Common/MITC_Sharekhan.pdf

Registered Office: 1st Floor, Tower No. 3, Equinox Business Park, LBS Marg, Off BKC, Kurla (West), Mumbai 400 070, Maharashtra, India. Tel: 022-67502000.

Correspondence/Administrative Office Address: Gigaplex IT Park, Unit No 1001, 10th Floor, Building No. 9, TTC Industrial Area, Digha, Airoli-West, Navi Mumbai - 400708. Tel: 022 61169000 / 61150000, Fax No. 61169699.

Registration and Contact Details: Name of Research Analyst - Sharekhan Limited - (AMFI-registered Mutual Fund Distributor), Research Analyst Regn No.: INH000006183. CIN: U99999MH1995PLC087498.

SEBI Regn. Nos.: BSE / NSE (CASH / F&O / CD) / MCX - Commodity: INZ000171337; BSE - 748, NSE - 10733, MCX - 56125, DP: NSDL/CDSL-IN-DP-365-2018; PMS: INP000005786; Mutual Fund: ARN 20669 (date of initial registration: 03/07/2004, and valid till 02/07/2026); IRDAI Registered Corporate Agent (Composite) License No. CA0950, valid till June 13, 2027.

Compliance Officer: Mr. Joby John Meledan; Tel: 022-4657 3809; email id: complianceofficer@sharekhan.com

For any complaints/ grievances, email us at igc@sharekhan.com, or you may even call the Customer Service desk on 022-41523200 / 022-61151111.