# Consumer - Jewelry


**Jewelry Snapshot**

| Company | CMP | TP | Rating |
|---|---|---|---|
| Titan Company | 5128 | 6000 | Buy |
| Kalyan Jewellers | 602 | 800 | Buy |
| P N Gadgil | 632 | 800 | Buy |
| Senco Gold | 404 | 430 | Neutral |

## The golden compounding story!

- India's organized jewelry retail remains one of the strongest structural growth stories within our consumer universe. We had discussed in detail in our sector thematic (link) in Jun'24 about the growth longevity, and consolidation benefits of the top jewelry players.
- The India-listed jewelry universe has registered a 34% revenue CAGR during FY22-26 (22% over FY19-26), reaching INR1.4t in revenue. Jewelry store aggregates in India have expanded at 22% CAGR during FY22-26 (17% over FY19-26) to 2,002 stores (vs. 661 in FY19). This growth indicates a robust store expansion trajectory as well as strong revenue growth reflecting a healthy consumption trend. The universe had registered 29% EBITDA and APAT CAGR each during FY22-26 (24% and 27% during FY19-26, respectively).
- The market cap of jewelry aggregates has seen a 23% CAGR over FY22-26 and was more visible during the last 12-15 months with ~50% growth. Titan, despite its size, has delivered a 19% Mcap CAGR over FY22-26. Kalyan and Thangamayil experienced ~80% CAGR over FY22-26. They have been the top performers, with 32% and 60% EBITDA CAGR and 57% and 74% APAT CAGR, respectively.
- In our widespread consumer coverage universe, a compendium of ~60 consumer companies with a combined revenue of >INR6t in FY26, the Jewelry category revenue CAGR (FY19-26) is the best performer. The consumer universe has registered an 11% revenue CAGR, while jewelry has delivered a 22% revenue CAGR, the best within the universe.
- The sector's long-term theses remain around two powerful structural tailwinds: formalization and premiumization. Organized share has nearly doubled to 40-45% of the ~INR8.5t jewelry market in FY26 from 20-25% in FY19. Leading retailers are expanding their customer base and increasing spend per customer through premiumization, omnichannel expansion, and higher studded mix. We expect organized leaders to further widen their competitive advantage through superior scale, sourcing, funding access, and capital efficiency. These structural advantages are becoming increasingly difficult for smaller and unorganized players to replicate, particularly in a volatile gold-price environment, reinforcing the ongoing shift towards organized retail.
- **We remain constructive on the jewelry sector and continue to prefer Titan and Kalyan Jewellers as our top picks, supported by their industry-leading execution, superior capital allocation, and sustained ability to compound earnings ahead of the broader consumer sector.**

## Formalization has a long runway; only 40-45% of the market is organized

- The Indian jewelry market has grown to ~INR8.5t in FY26; however, organized retailers account for only 40-45% of the industry sales (though up from 20-25% in FY19). Over the same period, the organized segment has expanded at ~21% CAGR, more than double the industry's 10-12% CAGR, highlighting continued market-share gains from the unorganized channel.
- The formalization is far from complete, with only 40-45% of the market being organized. Among the top 18 jewelry companies (that we tracked), Titan remains the largest player with ~9% share of the Indian jewelry market, followed by Malabar at ~7% and GRT at 5%. Kalyan and Lalitha account for ~4% and ~3%,

**Naveen Trivedi – Research Analyst** (Naveen.Trivedi@motilaloswal.com
**Research Analyst: Amey Tiwari** (Amey.Tiwari@MotilalOswal.com) | **Tanu Jindal** (Tanu.Jindal@MotilalOswal.com)

respectively. Even the largest organized player commands less than 10% of India's jewelry market, highlighting the sector's highly fragmented nature and leaving significant headroom for further formalization and consolidation.

- We expect formalization to remain the industry's largest structural growth driver, supported by rising consumer preference for branded retailers offering hallmarking, transparent pricing, wider product assortment, exchange benefits, and greater trust, particularly amid elevated gold prices.

## Store expansion remains the single largest lever of formalization

- Organized jewelers have expanded their retail footprint to nearly 2,800 stores, versus ~2,050 stores in Jun'24 (~17% CAGR), with listed players accelerating expansion across Tier-2, Tier-3, and Tier-4 markets. We view physical store additions as the clearest leading indicator of ongoing formalization. Titan (~43% of branded stores) and Kalyan (~17%) together make up ~60% of the total organized jewelers' retail footprint.
- The land grab is increasingly occurring in ex-metro areas. Organized jewelers added ~230 stores across Metro/Tier-1 cities versus ~500 stores in other cities over Jun'24-Jun'26, so ~68% of incremental additions came from Tier 2/3/4; the 33%/67% Metro-Tier-1/other-cities split has stayed broadly unchanged. The top 10 states now contribute ~75% of the network (down from 77% in Jun'24), and we expect the next leg to skew toward large, under-penetrated states (UP, Bihar, MP, Rajasthan).
- The runway is long. Across 18 organized players tracked over ~370 cities, 65% of cities (~240) still have three or fewer organized players, including 105 cities (28%) served by just one. Expansion is also increasingly asset-light, shifting inventory and capex to partners, a structural positive for RoCE.

## Premiumization: Higher value-add to drive sustainable margin expansion

- Premiumization is emerging as the second structural growth driver after formalization. Studded jewelry has become the key differentiator: Kalyan has raised its studded mix to ~30% (from the mid-to-high teens a decade ago), while Titan sustains a high-20s base vs. 10-11% for Senco and PN Gadgil, aiding structurally higher gross margins through superior value addition and making charges.
- Consumer preference is gradually shifting beyond the wedding-led purchases towards lightweight and design-driven everyday jewelry. This is evident from the strong execution of digital-first brands. CaratLane posted ~40% revenue CAGR over FY22-26, while Candere posted ~30% revenue CAGR in the same period, validating improving demand from younger consumers and first-time jewelry buyers.
- We expect premiumization to remain a structural earnings driver as higher studded penetration, lightweight collections, and omnichannel formats improve realization, reduce earnings sensitivity to gold prices, and support margin expansion across organized players.

## Scale, stronger balance sheets, and capital efficiency reinforce the competitive moat

- Titan's profit pool remains structurally unmatched, generating INR173b in gross profit and INR84b in EBITDA in FY26. This is nearly 4.5x/4x Kalyan India's, and 10-15x Senco's/PNG's profits, providing a sustainable advantage in sourcing, branding, and reinvestment. During FY22-26, Titan delivered a 25% CAGR in both gross profit and EBITDA, while Kalyan India delivered 30%/32%; smaller peers similarly benefited from operating leverage on a much lower base.
- Balance-sheet quality has improved meaningfully across organized players, with Kalyan reducing debt from INR24b (FY20) to ~INR5b (FY26) and targeting non-GML debt-free status in FY27, despite guiding for 130-140 store additions. Titan maintained healthy 2.5-2.7x inventory turns on an INR427b inventory base (FY26), while Kalyan improved its inventory turns from 2.2x to 3.0x over FY20-26, reflecting stronger capital efficiency.
- Superior capital allocation is translating into industry-leading returns. Titan has sustained RoE above 30% for four consecutive years (38% in FY26) while delivering 15-19% RoCE, whereas Kalyan improved RoE from 7% to 25% and RoCE from 6% to 16% over FY20-26. We believe superior profit pools, efficient inventory management, and low-cost funding will remain key competitive differentiators as organized players continue to consolidate market share.

## Our view: Sector to continue benefiting from structural tailwinds

- We see a double tailwind for the sector: formalization (unorganized to organized) and increasing premiumization, with well-capitalized players as the primary beneficiaries.
- The strong growth is compounded by premiumization (studded and lightweight), a long store-expansion runway (only 40-45% of the market is organized), and strengthening balance sheets via asset-light formats and GML.
- The increasing share of gold coins is expected to exert pressure on margins in the near term; however, over the medium term, this should partly be offset through a better product mix and profitability improvements across other segments. Moreover, the permissible tenure of gold on lease has been extended from 180 days to 270 days, improving working capital flexibility.
- **We continue to prefer Titan and Kalyan Jewellers as our top picks; we have a BUY rating on both with a TP of INR6,000 and INR800, respectively. We reiterate our BUY rating on P N Gadgil with a TP of INR800 and remain NEUTRAL on Senco with a TP of INR430.**

**Exhibit 1: Valuation snapshot**

| Company | PAT (INR b) | | | Target P/E Multiple | Sep 28E EPS | Target Price | CMP | Upside | Rating |
|---|---|---|---|---|---|---|---|---|---|
| | FY28E | FY29E | Sep 28E | | | | | | |
| Titan | 80.6 | 96.5 | 88.6 | 60x | 100 | 6,000 | 5,128 | 17% | BUY |
| Kalyan Jewellers | 20.9 | 24.8 | 22.9 | 35x | 22 | 800 | 602 | 33% | BUY |
| PN Gadgil | 5.8 | 6.6 | 6.2 | 18x | 45 | 800 | 632 | 27% | BUY |
| Senco | 4.2 | 4.7 | 4.4 | 16x | 27 | 430 | 404 | 6% | NEUTRAL |

Source: MOFSL

# Golden era for wealth creation

## India Jewelry – Recap of the last five years

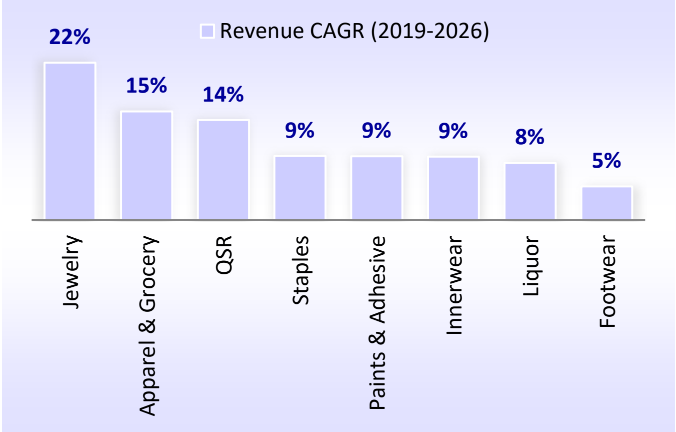
- The India-listed jewelry universe has registered a 34% revenue CAGR during FY22-26 (22% over FY19-26), reaching INR1.4t in revenue. Jewelry store aggregates in India have expanded at 22% CAGR during FY22-26 (17% over FY19-26) to 2,002 stores (vs. 661 in FY19). This growth indicates a robust store expansion trajectory as well as strong revenue growth reflecting a healthy consumption trend.
- The universe had registered 29% EBITDA and APAT CAGR each during FY22-26 (24% and 27% during FY19-26, respectively). Titan, despite its size, has delivered >20% EBITDA and APAT CAGR, while smaller players such as PN Gadgil and Thangamayil have delivered robust profitability CAGR, albeit from a small base.
- The market cap of jewelry aggregates has seen a 23% CAGR over FY22-26 and was more visible during the last 12-15 months with ~50% growth. Titan, despite its size, has delivered a 19% Mcap CAGR over FY22-26. Kalyan and Thangamayil experienced ~80% CAGR over FY22-26. They have been the top performers, with 32% and 60% EBITDA CAGR and 57% and 74% APAT CAGR, respectively.
- In our widespread consumer coverage universe, a compendium of ~60 consumer companies with a combined revenue of >INR6t in FY26, the Jewelry category revenue CAGR (FY19-26) is the best performer. The consumer universe has registered a 10% revenue CAGR, while jewelry has delivered a 22% revenue CAGR, the best within the universe.
- The sector's long-term structural drivers remain intact, i.e., 1) organized market share shift, 2) fashion-centric upgradation, 3) large category size with consolidation drivers for top players, 4) expanding buyer cohorts, and 5) long-term store expansion opportunities.

**Exhibit 2: Jewelry India – Recap of the last five years**

| Particulars (INR b) | FY22 | FY23 | FY24 | FY25 | FY26 | CAGR FY22-FY26 |
|---|---|---|---|---|---|---|
| **Market Cap*** | | | | | | |
| Titan | 2,252 | 2,233 | 3,378 | 2,720 | 4,526 | 19 |
| Kalyan | 60 | 109 | 441 | 482 | 619 | 79 |
| Thangamyil | 15 | 14 | 35 | 62 | 166 | 83 |
| PN Gadgil | - | - | - | 69 | 94 | |
| Senco | - | - | 60 | 45 | 65 | |
| **Total** | **2,327** | **2,355** | **3,854** | **3,264** | **5,311** | **23#** |
| **Revenue (India)** | | | | | | |
| Titan (Jewelry) | 255 | 359 | 455 | 540 | 797 | 33 |
| Kalyan | 91 | 116 | 158 | 217 | 310 | 36 |
| Thangamyil | 22 | 32 | 38 | 49 | 85 | 40 |
| PN Gadgil | 26 | 45 | 61 | 77 | 107 | 43 |
| Senco | 35 | 41 | 52 | 63 | 84 | 24 |
| **Total** | **429** | **592** | **765** | **945** | **1,384** | **34** |
| **Revenue/store (INR m)** | **468** | **526** | **551** | **555** | **691** | **10** |
| **Stores (India)** | | | | | | |
| Titan (Jewelry) | 582 | 756 | 921 | 1,067 | 1,194 | 20 |
| Kalyan | 124 | 149 | 217 | 351 | 466 | 39 |
| Thangamyil | 52 | 53 | 57 | 60 | 66 | 6 |
| PN Gadgil | 31 | 33 | 35 | 52 | 77 | 26 |
| Senco | 127 | 136 | 159 | 174 | 199 | 12 |
| **Total** | **916** | **1,127** | **1,389** | **1,704** | **2,002** | **22** |
| **Studded mix (%)** | | | | | | |
| Titan | 28 | 29 | 29 | 27 | 27 | |
| Kalyan (India) | 24 | 26 | 28 | 30 | 31 | |
| PN Gadgil | 8 | 10 | 11 | 15 | 11 | |
| Senco | 5 | 7 | 7 | 8 | 10 | |
| **EBITDA** | | | | | | |
| Titan | 34 | 49 | 53 | 62 | 84 | 25 |
| Kalyan (India) | 7 | 9 | 11 | 14 | 21 | 32 |
| Thangamyil | 1 | 2 | 2 | 2 | 6 | 60 |
| PN Gadgil | 1 | 1 | 3 | 4 | 6 | 53 |
| Senco | 3 | 3 | 4 | 4 | 10 | 37 |
| **Total** | **46** | **64** | **73** | **87** | **126** | **29** |
| **EBITDA/store (INR m)** | **50** | **57** | **52** | **51** | **63** | **6** |
| **PAT** | | | | | | |
| Titan | 23 | 33 | 35 | 38 | 52 | 22 |
| Kalyan (India) | 2 | 4 | 5 | 8 | 13 | 57 |
| Thangamyil | 0 | 1 | 1 | 1 | 4 | 74 |
| PN Gadgil | 1 | 1 | 2 | 2 | 4 | 55 |
| Senco | 1 | 2 | 2 | 2 | 6 | 46 |
| **Total** | **28** | **40** | **45** | **51** | **78** | **29** |

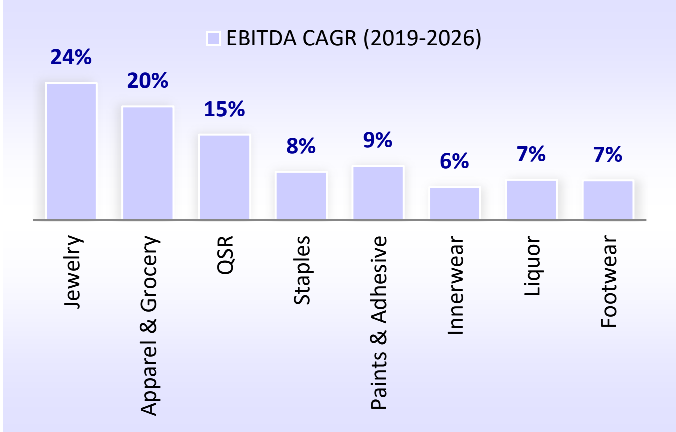
Source: Company, MOFSL; *Market Cap FY26 is as date ; # CAGR is ex of Senco and PNG

**Exhibit 3: Category-wise revenue CAGR over 2019-26**



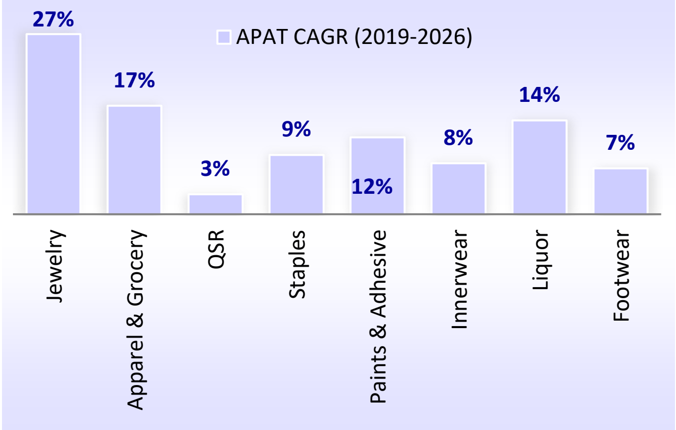

Source: Companies, MOFSL

**Exhibit 4: Category-wise EBITDA CAGR over 2019-26**



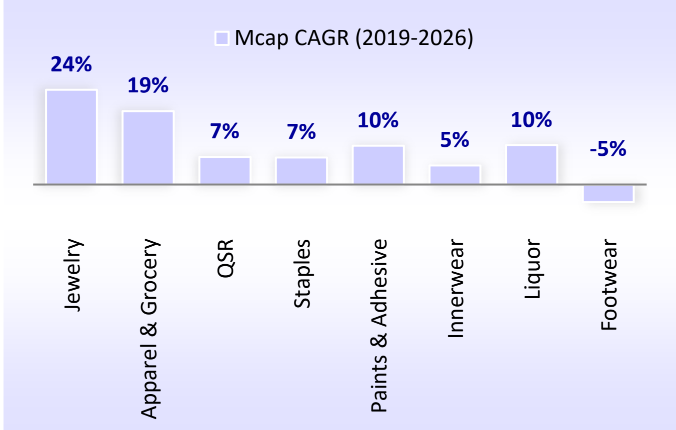

Source: Companies, MOFSL

**Exhibit 5: Category-wise APAT CAGR over 2019-26**




Source: Companies, MOFSL

**Exhibit 6: Category-wise Mcap CAGR over 2019-26**




Source: Companies, MOFSL

## Store locator – Top 18 retailers' network expansion

We mapped the store-locator data of the top 18 organized jewelry players to build a bottom-up, city- and state-level view of the competitive landscape and each player's regional mix. We observed that organized players continue to gain share in jewelry.

### Top players' store mix: Organized retail store network at ~2,800

- India's organized jewelers have scaled their combined footprint to ~2,800 stores (~2,050 stores in Jun'24; 17% CAGR), and network expansion has been the clearest expression of formalization over the past couple of years.
- Titan alone accounts for ~43% of this network (~1,200 stores across Tanishq, CaratLane, Mia, Zoya, and beYon). Kalyan (incl. Candere), Malabar Gold & Diamonds, Senco, and PN Gadgil round out the top tier, while the market beyond the top 2-3 players remains highly fragmented.
- **The top of the market is highly consolidated:** Titan (~43% of branded stores) and Kalyan (~17%) together control ~60% of the organized network, with Malabar Gold & Diamonds, Senco, Joyalukkas, and PN Gadgil being the next largest.
- Several regional champions (Senco, PN Gadgil), having proven their success at home ground, are now scaling pan-India. Fresh capital (largely from recent IPOs) is funding this shift. We expect store additions to remain the single largest lever of formalization over the medium term.
- **Expansion is increasingly asset-light:** FOCO formats (notably at Kalyan and PN Gadgil) shift inventory and capex to partners, enabling faster rollout, lower capital intensity, and better return ratios.
- The runway is long. Even the largest branded network (Titan with ~1,200 stores) is small against 500,000+ unorganized goldsmiths, and organized density remains thin outside the South. We see multi-year, store-led compounding for scaled, well-funded players.

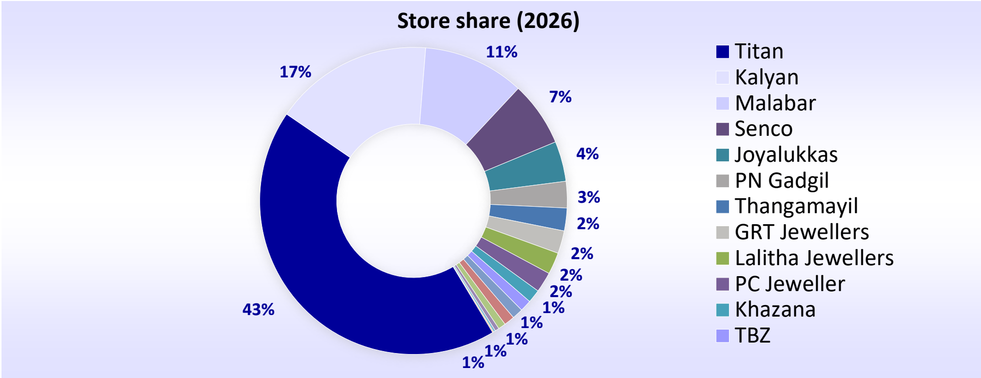
**Exhibit 7: Store expansion across organized players over 2024-26**

| Company | Jun-24 | Jun-26 | Net addition | CAGR over 2024-26 % | Store share (2024) % | Store share (2026) % |
|---|---|---|---|---|---|---|
| Titan | 923 | 1,206 | 283 | 14 | 45 | 43 |
| Kalyan | 241 | 467 | 226 | 39 | 12 | 17 |
| Malabar Gold & Diamonds | 203 | 298 | 95 | 21 | 10 | 11 |
| Senco | 165 | 190 | 25 | 7 | 8 | 7 |
| Joyalukkas | 94 | 118 | 24 | 12 | 5 | 4 |
| PN Gadgil | 32 | 77 | 45 | 55 | 2 | 3 |
| Thangamayil | 58 | 67 | 9 | 7 | 3 | 2 |
| GRT Jewellers | 58 | 67 | 9 | 7 | 3 | 2 |
| Lalitha Jewellers | 55 | 64 | 9 | 8 | 3 | 2 |
| PC Jeweller | 79 | 60 | -19 | -13 | 4 | 2 |
| Khazana | 38 | 39 | 1 | 1 | 2 | 1 |
| TBZ | 32 | 34 | 2 | 3 | 2 | 1 |
| PNG Sons | 30 | 32 | 2 | 3 | 1 | 1 |
| Waman Hari Pethe | 19 | 31 | 12 | 28 | 1 | 1 |
| Emerald Jewels | 13 | 22 | 9 | 30 | 1 | 1 |
| DP Abhushan Jewellers | 7 | 12 | 5 | 31 | 0 | 0 |
| Kalamandir | 5 | 6 | 1 | 10 | 0 | 0 |
| Motisons Jewellers | 3 | 3 | - | 0 | 0 | 0 |
| **Total — tracked organized universe** | **2,055** | **2,793** | **738** | **17** | **100** | **100** |

Source: Company, Store locator, Industry, MOFSL

# we have taken the stores based on data available on respective company websites, there can be a possibility that a store goes online with a lag, thus actual store count may slightly differ vs the above data

Exhibit 8: Titan holds 43% store share in the organized market with a network of ~2,800

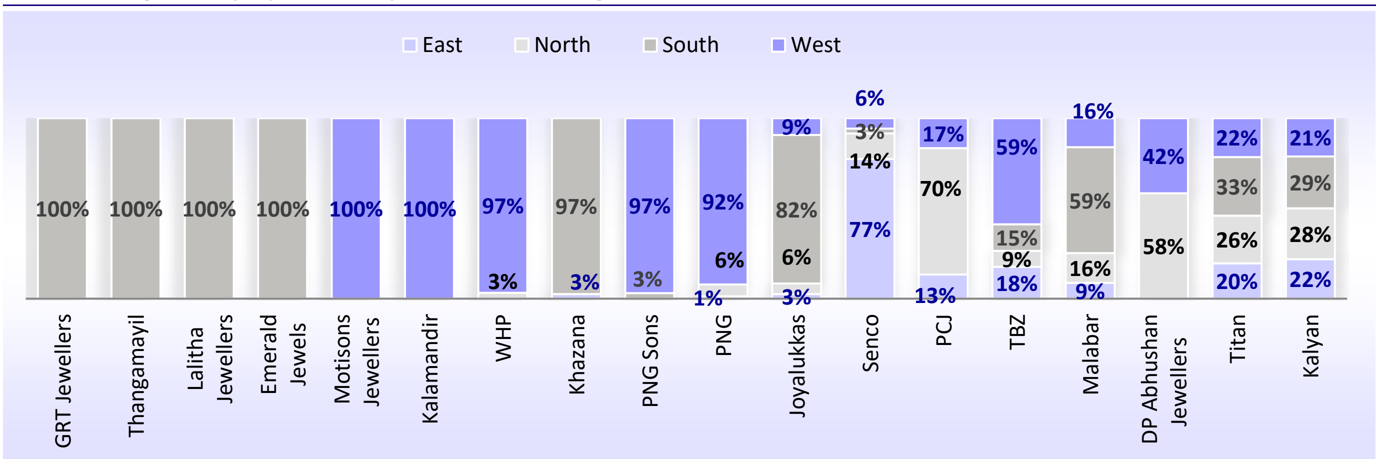



Source: Company, Store locator, Industry, MOFSL

## Organized players now expanding beyond their home ground

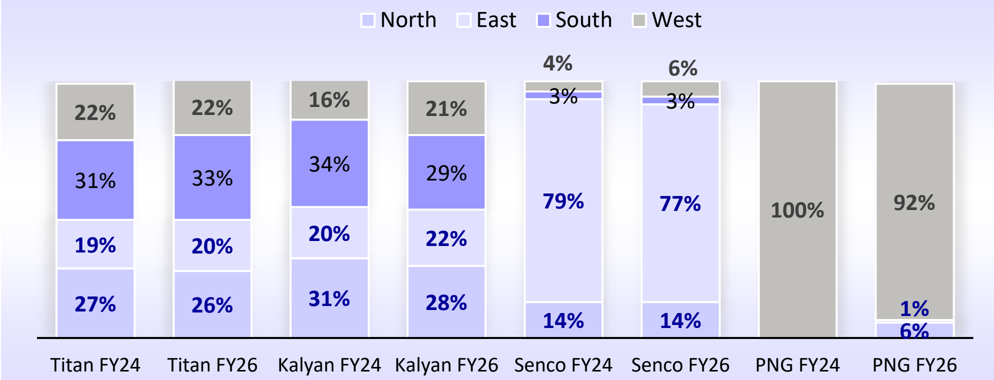
- The Indian jewelry market is heavily skewed toward the South region, where branded density is already high, and competition is most intense. The North and East remain materially underpenetrated by organized players, creating the clearest runway for share gains as consumers migrate from local jewelers to trusted brands.
- Titan and Kalyan are the two genuinely pan-India players. Titan's footprint is the most balanced (South ~33%, North ~26%, West ~22%, East ~20%), while Kalyan (historically South-anchored), now has an almost even four-region spread (South/North ~29% each, East/West ~21% each). Over the past two years, Kalyan's contribution from South has declined from 34% to 29%.
- Titan is deliberately deepening its Tier 2/3/4 presence, where rising incomes are pulling demand, and the unorganized-to-organized shift is still nascent but accelerating. Tier 2/3/4 already contributes 30-35% of Titan's jewelry revenue and has outgrown Tier 1; we expect peers to follow the same playbook.
- Senco and PN Gadgil remain predominantly regional players despite ongoing expansion. Senco derives 77% of its stores from East India, while PN Gadgil has 92% of its network in West India (Maharashtra). Although both companies are gradually expanding beyond their home markets, meaningful geographic diversification remains an important monitorable over the medium term.

Exhibit 9: Organized players' store presence across regions




Source: Company, Store locator, Industry, MOFSL

**Exhibit 10: Our coverage companies' geographical mix change over 2024-26**




Source: Company, Store locator, Industry, MOFSL

## Top 10 states contribute 75% of the organized retail network; the next leg of growth to come from the underpenetrated markets

- The top 10 states account for ~75% (vs. 77% in Jun'24) of the ~2,800 stores of the organized network. Broadly, these states also represent ~60% of India's population and ~70% of GDP. We observe that organized retail has, so far, followed affluence and purchasing power rather than population alone.
- Maharashtra, Tamil Nadu, Karnataka, West Bengal, and UP are the top five by store mix (15%, 14%, 9%, 7%, and 7%, respectively), underscoring the South-and-West tilt of the branded footprint. These five states together account for more than half of the organized store network.
- The state-level store mix has been broadly stable over time, indicating that the land-grab has been geographically broad-based rather than concentrated in a single pocket. This is a healthier, more durable formalization trend in our view.
- We believe that the next leg should skew toward large, high-population, but under-penetrated states (e.g. UP, Bihar, MP, and Rajasthan), where branded density lags demographics. We see this as the primary geographical driver of the organized sector's above-industry growth.

**Exhibit 11: The store mix has broadly been stable across major states**

| Top 10 states | 2024 Stores Mix (%) | 2026 Stores Mix (%) |
|---|---|---|
| Maharashtra | 14 | 15 |
| Tamil Nadu | 15 | 14 |
| Karnataka | 9 | 9 |
| West Bengal | 9 | 7 |
| Uttar Pradesh | 7 | 7 |
| Telangana | 5 | 6 |
| Andhra Pradesh | 6 | 5 |
| Delhi | 5 | 4 |
| Gujarat | 4 | 4 |
| Kerala | 3 | 4 |
| **Total (top 10)** | **77** | **75** |
| Others | 23 | 25 |
| **Total** | **100** | **100** |

Source: Company, Store locator, Industry, MOFSL

## Metros well-penetrated; the next leg of expansion lies beyond the Tier-1 cities

- Organized jewelry retail has already established a meaningful presence across metro and Tier-1 cities, which account for 933 stores (~33%) of the organized network as of Jun'26. We believe that in mature urban markets, growth is increasingly driven by premiumization, a richer studded jewelry mix, higher wallet share, and format extensions rather than aggressive network expansion.

- During Jun'24-Jun'26, organized jewelers added ~230 stores across Metro/Tier-1 cities, compared with ~500 stores in other cities.
- The split between Metro/Tier-1 and other cities (33%/67%) has been broadly unchanged over the past two years despite the addition of 738 stores, indicating that organized players are expanding proportionately across both mature and emerging markets. As metropolitan markets become increasingly saturated, we expect incremental store additions to remain skewed towards smaller cities, while metros continue to deliver growth through stronger store productivity, premiumization, and brand extensions such as Mia, CaratLane and Candere.

## Non-metro (Tier 2/3/4) is the sharper growth vector

- Outside metros, formalization is at an earlier stage and is growing faster. Factors such as rising incomes, aspirational demand, and brand trust are pulling consumers toward organized players. Moreover, franchise formats make deeper tier penetration economically viable. Non-metros can drive a higher share of branded store additions and revenue growth going forward.

**Exhibit 12: Top Jewelry chain presence in Metro/T1 cities**

| Metro/ T1 Cities store count | Jun-24 | Jun-26 | Net addition | CAGR over 2024-26 |
|---|---|---|---|---|
| Mumbai | 109 | 159 | 50 | 21 |
| Bengaluru | 126 | 157 | 31 | 12 |
| Delhi | 102 | 121 | 19 | 9 |
| Hyderabad | 88 | 118 | 30 | 16 |
| Chennai | 87 | 125 | 38 | 20 |
| Kolkata | 76 | 91 | 15 | 9 |
| Pune | 65 | 94 | 29 | 20 |
| Ahmedabad | 26 | 33 | 7 | 13 |
| Jaipur | 11 | 21 | 10 | 38 |
| Surat | 10 | 14 | 4 | 18 |
| **Total store count of Metro/T1** | **700** | **933** | **233** | **15** |
| Other cities store count | 1355 | 1860 | 505 | 17 |
| **Total store count of organized players** | **2055** | **2793** | **738** | **17** |
| **Share of Metro/T1 in total stores %** | **34** | **33** | **32** | |
| **Share of other cities in total stores %** | **66** | **67** | **68** | |

Source: Company, Store locator, Industry, MOFSL

## Store expansion remains aggressive for our coverage across geographies

- Store additions over Jun'24-Jun'26 have been broad-based across our coverage universe (1,361 to 1,940 stores, 19% CAGR over two years), but the mix reveals distinct strategic expansion. There has been aggressive pan-India scaling by Kalyan, concentrated regional dominance by PNG, and steady, balanced expansion by Titan, even as Senco's growth remains anchored to its East India base.
- **Titan** added a net 283 stores over Jun'24-Jun'26 (+14% CAGR), the largest absolute addition in the coverage universe but the slowest pace of relative growth, reflecting its scale and calibrated approach to store rollout. Additions were broadly balanced across regions, with South remaining the single largest contributor. The company plans to add ~40 Tanishq stores and 60 Mia stores annually, while renovating ~60 existing Tanishq stores each year.

- **Kalyan** delivered the most aggressive scale-up, nearly doubling its network with a net addition of 226 stores (+39% CAGR). Unlike Titan, expansion has been near-uniform across all four regions, underscoring a genuine pan-India rollout strategy rather than regional whitespace-filling. In FY27, the company plans to open 84 Kalyan (all FOCO) and 50 Candere stores.
- **PN Gadgil** posted strong growth over two years (+55% CAGR), though this remains almost entirely a West India story. The region continues to account for 92% of the network. The company plans to add 25 stores in FY27 (5 COCO and 20 FOCO, incl. Litestyle), with the majority of expansion focused outside Maharashtra.
- **Senco** remained the most conservative expander (+7% CAGR), the slowest pace among peers. Growth continues to be concentrated in East India, which accounts for 77% of the network. Senco's South and West presence remains limited (5 and 11 stores, respectively), indicating limited diversification away from its West Bengal heartland even as peers scale nationally. Senco plans to add ~18-20 stores during FY27.

**Exhibit 13: Coverage companies' store count as of Jun'26**

| Store Count (Jun'26) | Titan | Kalyan | Senco | PNG | Total of coverage universe |
|---|---|---|---|---|---|
| North | 318 | 132 | 27 | 5 | 482 |
| East | 236 | 102 | 147 | 1 | 486 |
| South | 392 | 134 | 5 | - | 531 |
| West | 260 | 99 | 11 | 71 | 441 |
| **Total** | **1,206** | **467** | **190** | **77** | **1,940** |

Source: Company, Store locator, Industry, MOFSL

**Exhibit 14: Coverage companies' store count as of Jun'24**

| Store Count (Jun'24) | Titan | Kalyan | Senco | PNG | Total of coverage universe |
|---|---|---|---|---|---|
| North | 253 | 74 | 23 | - | 350 |
| East | 178 | 47 | 130 | - | 355 |
| South | 285 | 81 | 5 | - | 371 |
| West | 207 | 39 | 7 | 32 | 285 |
| **Total** | **923** | **241** | **165** | **32** | **1,361** |

Source: Company, Store locator, Industry, MOFSL

**Exhibit 15: Titan aggressively expanded in the South while Kalyan steadily grew across regions**

| Net store additions over Jun'24-Jun'26 | Titan | Kalyan | Senco | PNG | Total of coverage universe |
|---|---|---|---|---|---|
| North | 65 | 58 | 4 | 5 | 132 |
| East | 58 | 55 | 17 | 1 | 131 |
| South | 107 | 53 | - | - | 160 |
| West | 53 | 60 | 4 | 39 | 156 |
| **Total** | **283** | **226** | **25** | **45** | **579** |
| **CAGR over Jun'24-Jun'26 %** | **14** | **39** | **7** | **55** | **19** |

Source: Company, Store locator, Industry, MOFSL

## Unique cities – opportunity for further store expansion

- Our analysis of store locator data for 18 organized jewelry players across ~370 cities in India highlights significant headroom for geographic expansion relative to the country's addressable market. While ~35% of cities (128) already host four or more organized players, 65% of cities (~240) still have three or fewer branded retailers, including 105 cities (28%) served by just a single organized player. However, these 128 highly competitive cities account for 77% of the industry's organized store base (~2,150 stores). This suggests competitive intensity remains concentrated in established markets, while a meaningful white-space opportunity persists across underpenetrated cities.
- Established brand equity, localized merchandise assortment, and franchise-led execution meaningfully reduce execution risks while entering new markets. Every new city expands the addressable catchment and, over time, can support multiple stores as consumer adoption improves, creating a scalable and capital-

efficient growth avenue for organized players. Leading players can continue increasing store density in large cities while simultaneously entering underpenetrated cities where organized presence remains limited.

- Titan remains the undisputed leader in geographic reach with 1,206 stores across 270 cities, around 1.4x Kalyan's city footprint (190 cities) and well ahead of Senco (108 cities) and PNG (31 cities). Titan has 4.5 stores per city, with 79% of its stores located in cities where four or more organized players already operate.
- PNG's expansion opportunity remains relatively constrained by its concentrated geographic footprint. The company operates in just 31 cities, of which 24 cities (77%) overlap with more than four organized players in the cities and account for ~90% of its store base. With only one exclusive city and limited presence in underpenetrated markets, PNG needs to accelerate expansion beyond its core Maharashtra franchise to build a broader regional and national presence.

**Exhibit 16: Titan has the most presence in unique cities where other companies can expand in the coming years**

| Unique Cities | Titan | | | Kalyan | | | Senco | | | PNG | | | Total (All players) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Cities | Stores | Stores/City | Cities | Stores | Stores/City | Cities | Stores | Stores/City | Cities | Stores | Stores/City | Cities | Stores | Stores/City |
| Only 1 player | 27 | 40 | 1.5 | 1 | 2 | 2.0 | 44 | 65 | 1.5 | 1 | 1 | 1.0 | 105 | 144 | 1.4 |
| 2 players | 63 | 101 | 1.6 | 38 | 61 | 1.6 | 12 | 13 | 1.1 | 4 | 4 | 1.0 | 77 | 216 | 2.8 |
| 3 players | 53 | 115 | 2.2 | 41 | 74 | 1.8 | 17 | 20 | 1.2 | 2 | 2 | 1.0 | 59 | 282 | 4.8 |
| 4 players or more | 127 | 950 | 7.5 | 110 | 330 | 3.0 | 35 | 92 | 2.6 | 24 | 70 | 2.9 | 128 | 2,151 | 16.8 |
| **Total** | **270** | **1,206** | **4.5** | **190** | **467** | **2.5** | **108** | **190** | **1.8** | **31** | **77** | **2.5** | **369** | **2,793** | **7.6** |
| Only 1 player | 10% | 3% | | 1% | 0% | | 41% | 34% | | 3% | 1% | | 28% | 5% | |
| 2 players | 23% | 8% | | 20% | 13% | | 11% | 7% | | 13% | 5% | | 21% | 8% | |
| 3 players | 20% | 10% | | 22% | 16% | | 16% | 11% | | 6% | 3% | | 16% | 10% | |
| 4 players or more | 47% | 79% | | 58% | 71% | | 32% | 48% | | 77% | 91% | | 35% | 77% | |

Source: Company, Store locator, Industry, MOFSL

## Organized jewelry market at 40-45% of the total market

- India's jewelry retail market is estimated at INR8,500b in FY26P, up from INR6,400b in FY24, with the organized segment now accounting for 40-45% of the market vs. 36-38% in FY24 and ~25% in FY19.
- The jewelry market is expected to be driven largely by rising gold prices and continued rising penetration. There is still a >50% share with the unorganized/local segment, 500,000+ goldsmiths, and standalone jewelers. Of India's total gold consumption, ~70% is jewelry and ~30% is bars & coins, underscoring jewelry's centrality to household gold demand.
- Over FY19-26, the total market has clocked a CAGR of 10-12%, while the organized segment grew ~21%. The last three years have been exceptional for the total/organized segments, aided by a sharp gold price run.
- As the industry grows, the organized segment is expected to grow at a higher rate than industry growth and increase its share even as the overall pie expands.
- Factors such as rising disposable incomes, a shift toward regular/everyday wear (beyond weddings and investment), studded products, trust factors, and a superior buying experience at branded outlets are expected to aid the organized share to increase going forward.

**Exhibit 17: Indian Jewelry market is experiencing a shift from unorganized to organized players**

| Jewelry (INR b) | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26P | FY19-26 CAGR |
|---|---|---|---|---|---|---|---|---|---|
| Organized Market | 963 | 1,125 | 968 | 1,343 | 1,904 | 2,368 | 2,880 | 3,740 | 21% |
| Total Market | 3,850 | 4,500 | 3,225 | 4,332 | 5,600 | 6,400 | 7,200 | 8,500 | 12% |
| **Organized Market Mix (%)** | **25%** | **25%** | **30%** | **31%** | **34%** | **37%** | **40%** | **44%** | |
| **Unorganized Market Mix (%)** | **75%** | **75%** | **70%** | **69%** | **66%** | **63%** | **60%** | **56%** | |

Source: Companies, Industry, MOFSL

### Top 18 organized players command a significant share of jewelry demand

- The top 18 organized jewelers command a significant share of jewelry demand. We estimate this cohort held ~20% of the total market in FY19; aggressive store expansion and a decisive consumer shift toward branded retail over the past 4-5 years have reshaped the market mix.
- However, formalization is far from complete, with only 40-45% of the market being organized. Within this cohort, Titan remains the largest player with ~9% of the Indian jewelry market, followed by Malabar at ~7% and GRT at 5%. Kalyan and Lalitha account for ~4% and ~3%, respectively. Even the largest organized player commands less than 10% of India's jewelry market, highlighting the sector's highly fragmented nature and leaving significant headroom for further formalization and consolidation.

**Exhibit 18: Total India Revenue of top 18 Players**

| India Revenue Mix | Revenue (INR b) | | Market Share (%) | |
|---|---|---|---|---|
| | FY25 | FY26P | FY25 | FY26P |
| Titan | 528 | 758 | 7.3% | 8.9% |
| Malabar Gold & Diamond | 410 | 565 | 5.7% | 6.6% |
| GRT | 341 | 426 | 4.7% | 5.0% |
| Kalyan | 217 | 310 | 3.0% | 3.7% |
| Lalitha Jewellers | 169 | 250 | 2.3% | 2.9% |
| Joyalukkas | 202 | 244 | 2.8% | 2.9% |
| PN Gadgil & Sons | 89 | 115 | 1.2% | 1.4% |
| Khazana | 102 | 118 | 1.4% | 1.4% |
| PNG Jewellers | 77 | 107 | 1.1% | 1.3% |
| Emerald | 78 | 101 | 1.1% | 1.2% |
| Senco | 63 | 84 | 0.9% | 1.0% |
| Kalamandir | 59 | 88 | 0.8% | 1.0% |
| Thangamayil Jewellers | 49 | 85 | 0.7% | 1.0% |
| DP Abhushan | 33 | 42 | 0.5% | 0.5% |
| TBZ | 26 | 32 | 0.4% | 0.4% |
| PC Jeweller | 22 | 34 | 0.3% | 0.4% |
| Waman Hari Pethe Sons | 10 | 14 | 0.1% | 0.2% |
| Motisons | 5 | 5 | 0.1% | 0.1% |
| **Total India Revenue - Top 18 Players** | **2,481** | **3,379** | **34%** | **40%** |
| **India's Jewelry Market** | **7,200** | **8,500** | | |

Source: Company, VCCircle, Capitaline, Industry, MOFSL
*Based on India revenue incl. bullion sales

- Consolidation is also playing out within the organized segment. Factors such as scale, brand, sourcing, and balance-sheet advantages are compounding for the top players. This is widening the gap versus sub-scale regional names. We expect the top players' share of total demand to keep rising over the coming years.
- In our view, this creates a two-layer structural opportunity: continued migration from unorganized to organized retail, coupled with consolidation toward scaled organized players. Players with stronger brands, sourcing capabilities, store expansion capacity, and balance sheets are best positioned to capture this share shift.

## Broad-based revenue growth with improving earnings

- The top 18 organized players' consolidated revenue increased from INR1,034b in FY19 to INR3,902b in FY26P, translating into a 21% CAGR. Growth has accelerated in the more recent period, with the cohort recording a 28% CAGR over FY22-FY26P.
- The earnings trajectory has been even stronger. Aggregate EBITDA for the tracked players increased from INR58b in FY19 to INR415b in FY26P, implying a 32% CAGR (43% CAGR over FY22-26), while PAT increased from INR25b to INR268b, representing a 40% CAGR (49% CAGR over FY22-26). The faster growth in earnings relative to revenue reflects operating leverage, improving scale, and, for several players, a favorable mix shift.

**Exhibit 19: Consolidated revenue breakup of Top 18 organized players**

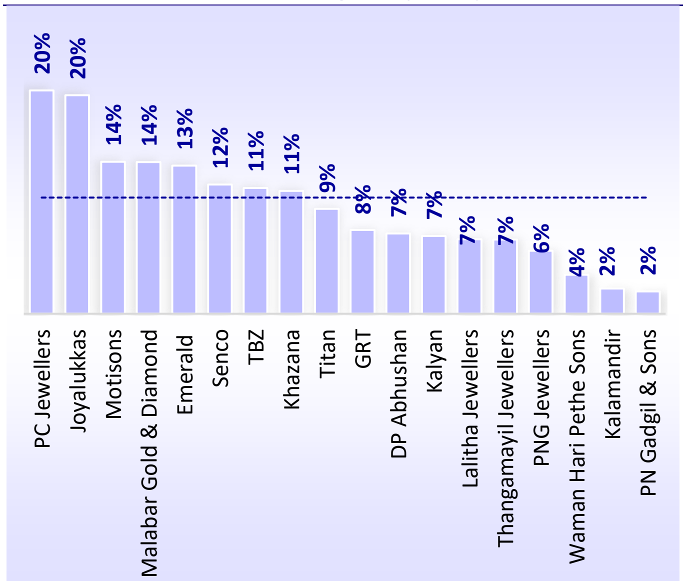
| Consol. Revenue (INR b)* | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26P | CAGR FY19-FY26 | CAGR FY22-FY26 |
|---|---|---|---|---|---|---|---|---|---|---|
| Malabar Gold & Diamond | 135 | 161 | 239 | 314 | 396 | 482 | 651 | 883 | 31% | 29% |
| Titan | 164 | 173 | 193 | 255 | 359 | 455 | 540 | 797 | 25% | 33% |
| GRT | 122 | 136 | 152 | 190 | 258 | 300 | 341 | 426 | 20% | 22% |
| Joyalukkas | 138 | 133 | 117 | 157 | 215 | 248 | 303 | 363 | 15% | 23% |
| Kalyan | 98 | 101 | 86 | 108 | 141 | 185 | 250 | 357 | 20% | 35% |
| Lalitha Jewellers | 78 | 78 | 72 | 81 | 133 | 168 | 169 | 250 | 18% | 32% |
| Khazana | 43 | 49 | 52 | 64 | 81 | 90 | 102 | 118 | 15% | 16% |
| PN Gadgil & Sons | 20 | 21 | 22 | 57 | 101 | 83 | 89 | 115 | 28% | 19% |
| PNG Jewellers | 24 | 25 | 19 | 26 | 45 | 61 | 77 | 107 | 24% | 43% |
| Emerald | 37 | 36 | 38 | 44 | 58 | 63 | 78 | 101 | 15% | 23% |
| Kalamandir | 13 | 13 | 11 | 17 | 22 | 33 | 59 | 88 | 31% | 51% |
| Thangamayil Jewellers | 14 | 17 | 18 | 22 | 32 | 38 | 49 | 85 | 29% | 40% |
| Senco | 25 | 24 | 27 | 35 | 41 | 52 | 63 | 84 | 19% | 24% |
| DP Abhushan | 8 | 8 | 12 | 17 | 20 | 23 | 33 | 42 | 27% | 25% |
| PC Jeweller | 87 | 52 | 28 | 16 | 25 | 6 | 22 | 34 | -13% | 20% |
| TBZ | 18 | 18 | 13 | 18 | 24 | 23 | 26 | 32 | 9% | 15% |
| Waman Hari Pethe Sons | 6 | 6 | 6 | 7 | 8 | 9 | 10 | 14 | 12% | 17% |
| Motisons | 2 | 2 | 2 | 3 | 4 | 4 | 5 | 5 | 12% | 12% |
| **Total Consol. Revenue - Top 18 Players** | **1,034** | **1,054** | **1,108** | **1,434** | **1,961** | **2,326** | **2,869** | **3,902** | **21%** | **28%** |

Source: Companies, VCCircle, Capitaline, Industry, MOFSL
*India + International sales

## Industry profitability: Margin profile driven by scale, business mix, and regional positioning

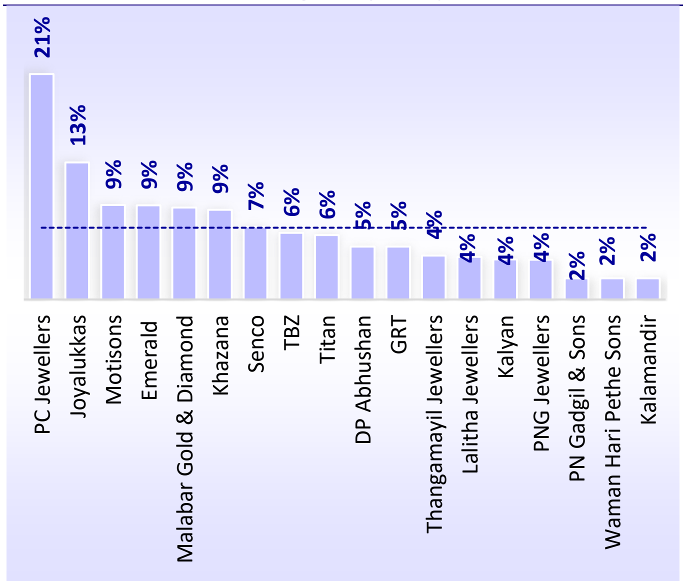
- Despite operating in the same underlying commodity, organized jewelers exhibit a wide dispersion in profitability due to differences in business models, product mix, and regional presence. Jewelry remains a highly localized category, with consumer preferences, studded jewelry penetration, and bullion contribution varying across markets.
- At an industry level, organized jewelers generate EBITDA margins of ~10% and net margins of 5-7%. Margin profiles vary meaningfully across players, primarily reflecting differences in product mix, customer segmentation, and brand positioning.
- Joyalukkas, Motisons, and PC Jeweller typically deliver superior EBITDA margins at ~20% each, followed by Malabar, Emerald, and Senco at 13-14%. At the other end, PN Gadgil & Sons' and Kalamandir's margins are on the lower side. This wide dispersion suggests that revenue scale alone does not determine profitability; product mix, regional economics, inventory turns, sourcing efficiency, and operating cost structures remain critical.
- Regional preferences and capital efficiency are key determinants of sustainable profitability. Northern and western markets typically have a higher studded jewelry mix, supporting stronger gross margins, while southern markets remain predominantly plain-gold oriented with structurally lower margins but faster inventory turns. Therefore, alongside product mix, inventory rotation, working capital discipline, and cost efficiencies play an equally important role in driving long-term returns across organized jewelers.

**Exhibit 20: FY26P EBITDA margin trajectory (%)**




Source: Company, VCCircle, Capitaline, Industry, MOFSL

**Exhibit 21: FY26P PAT margin trajectory (%)**




Source: Company, VCCircle, Capitaline, Industry, MOFSL

**Exhibit 22: Organized jewelry players' EBITDA trajectory**

| EBITDA (INR b) | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26P | CAGR FY19-FY26 | CAGR FY22-FY26 |
|---|---|---|---|---|---|---|---|---|---|---|
| Malabar Gold & Diamond | 4 | 8 | 9 | 10 | 11 | 14 | 58 | 120 | 62% | 85% |
| Titan | 20 | 25 | 17 | 34 | 49 | 53 | 62 | 84 | 23% | 25% |
| Joyalukkas | 8 | 11 | 14 | 18 | 20 | 22 | 38 | 71 | 38% | 41% |
| GRT | 6 | 7 | 8 | 10 | 11 | 13 | 25 | 32 | 27% | 33% |
| Kalyan | 6 | 8 | 6 | 8 | 11 | 13 | 16 | 25 | 23% | 32% |
| Lalitha Jewellers | 3 | 3 | 4 | 4 | 5 | 7 | 7 | 17 | 31% | 43% |
| Emerald | 1 | 2 | 2 | 2 | 2 | 2 | 4 | 13 | 46% | 70% |
| Khazana | 3 | 5 | 5 | 4 | 6 | 7 | 11 | 13 | 25% | 31% |
| Senco | 2 | 2 | 2 | 3 | 3 | 4 | 4 | 10 | 28% | 37% |
| PC Jeweller | 3 | 5 | 4 | -1 | 2 | -2 | 4 | 7 | 13% | NA |
| PNG Jewellers | 1 | 1 | 1 | 1 | 1 | 3 | 4 | 6 | 35% | 53% |
| Thangamayil Jewellers | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 6 | 35% | 60% |
| TBZ | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 4 | 23% | 45% |
| DP Abhushan | 0 | 0 | 1 | 1 | 1 | 1 | 2 | 3 | 41% | 42% |
| PN Gadgil & Sons | 1 | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 9% | 7% |
| Kalamandir | 0 | 0 | 1 | 1 | 1 | 1 | 2 | 2 | 26% | 29% |
| Motisons | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 20% | 15% |
| Waman Hari Pethe Sons | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 10% |
| **Total** | **58** | **80** | **78** | **99** | **128** | **144** | **244** | **415** | **32%** | **43%** |

Source: Company, VCCircle, Capitaline, Industry, MOFSL

### Exhibit 23: Organized jewelry players' PAT trajectory

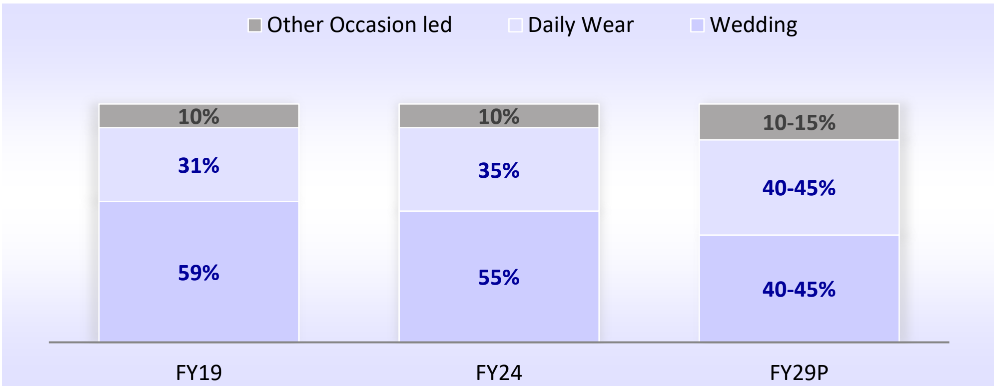
| PAT (INR b) | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26P | CAGR FY19-FY26 | CAGR FY22-FY26 |
|---|---|---|---|---|---|---|---|---|---|---|
| Malabar Gold & Diamond | 2 | 5 | 5 | 7 | 7 | 7 | 35 | 77 | 67% | 82% |
| Titan | 14 | 15 | 10 | 23 | 33 | 35 | 38 | 52 | 21% | 22% |
| Joyalukkas | 1 | 2 | 8 | 11 | 12 | 13 | 23 | 47 | 67% | 43% |
| GRT | 3 | 4 | 3 | 5 | 5 | 7 | 16 | 21 | 33% | 42% |
| Kalyan | -0 | 1 | -0 | 2 | 4 | 6 | 7 | 14 | NA | 57% |
| Lalitha Jewellers | 1 | 1 | 2 | 2 | 2 | 4 | 4 | 10 | 43% | 57% |
| Khazana | 1 | 3 | 3 | 3 | 4 | 4 | 8 | 10 | 32% | 37% |
| Emerald | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 9 | 50% | 85% |
| PC Jeweller | 0 | 1 | 1 | -4 | -2 | -6 | 6 | 7 | NA | NA |
| Senco | 1 | 1 | 1 | 1 | 2 | 2 | 2 | 6 | 35% | 46% |
| PNG Jewellers | 0 | 0 | -0 | 1 | 1 | 2 | 2 | 4 | 49% | 55% |
| Thangamayil Jewellers | 0 | 0 | 1 | 0 | 1 | 1 | 1 | 4 | 42% | 74% |
| PN Gadgil & Sons | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 20% | 22% |
| DP Abhushan | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 2 | 51% | 51% |
| TBZ | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 2 | 44% | 78% |
| Kalamandir | 0 | 0 | 0 | 0 | 0 | 1 | 1 | 1 | 29% | 22% |
| Motisons | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 43% | 31% |
| Waman Hari Pethe Sons | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | 39% |
| **Total** | **25** | **35** | **37** | **55** | **72** | **79** | **149** | **268** | **40%** | **49%** |

Source: Company, VCCircle, Capitaline, Industry, MOFSL

## Encouraging trends for lightweight daily-wear jewelry

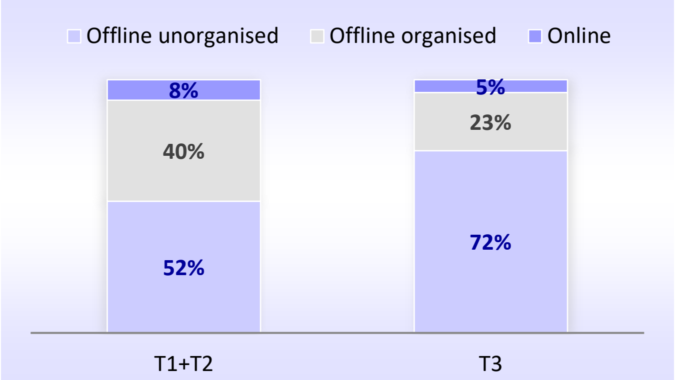
- The Indian jewelry market is experiencing a structural shift towards lifestyle-led purchases, with daily wear and other non-wedding occasions gaining prominence. Wedding jewelry's share has moderated from 59% in FY19 to 55% in FY24 and is expected to dip further to 40-45% by FY29P, while daily wear is projected to expand from 31% to 40-45% over the same period. This reflects evolving consumer preferences and rising demand for lightweight, design-led jewelry. The trend presents a notable long-term growth opportunity for organized jewelers with strong lifestyle product portfolios and omnichannel capabilities.
- The lightweight, design-led everyday jewelry is a structural growth pocket, particularly among younger consumers, and rising gold prices are accelerating the shift to lightweight 18k/22k pieces. We see incumbents (Titan via CaratLane, Kalyan via Candere, and Bluestone) as best placed to leverage this.
- We believe that for larger players, the brand trust, balance-sheet strength, and omnichannel reach are superior to what pure-play digital brands struggle to match profitably.
- Titan's 2016 acquisition of CaratLane marked its entry into online/lightweight jewelry. The digital-first platform gave Titan an early omnichannel edge in step with shifting consumer preferences, and CaratLane now contributes 6-7% of consolidated jewelry revenue. Kalyan's acquisition of Candere (in 2017) mirrors Titan's earlier CaratLane strategy**,** providing the company with an established digital-native brand rather than building one organically. That said, Candere currently accounts for ~1% of Kalyan's India business sales. Bluestone was founded in Bengaluru in 2011, marking its entry as one of India's earliest digital-first jewelry brands with a focus on online discovery and modern design.

**Exhibit 24: Indian jewelry market split by occasion: Lifestyle jewelry (daily + other) ~45% of Indian retail jewelry market in FY24**



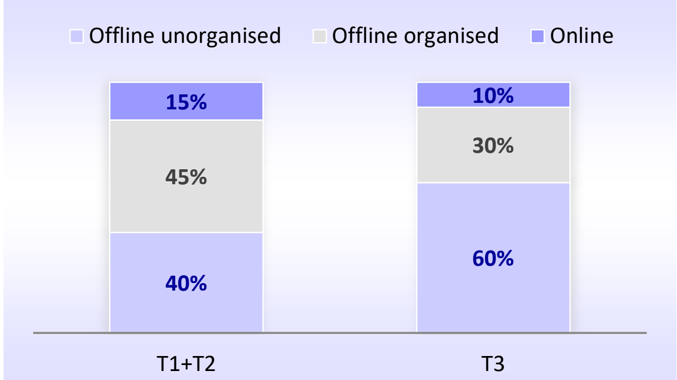

Source: Bluestone DRHP, MOFSL

**Exhibit 25: Indian jewelry: 2024 channel split**



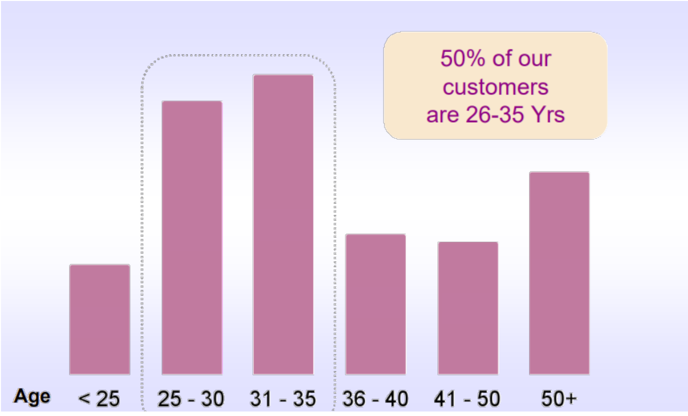

Source: Bluestone DRHP, MOFSL

**Exhibit 26: Indian jewelry: 2029E channel split**




Source: Bluestone DRHP, MOFSL

**Exhibit 27: The 26-35 age group contributes ~50% of CaratLane's customer base**

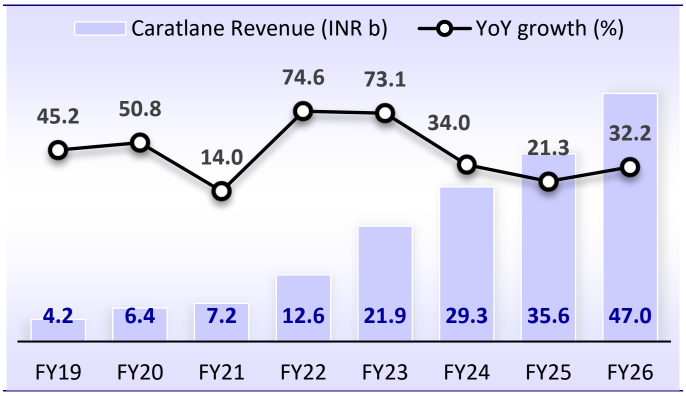



| Price Band | Buyer Share |
|---|---|
| <30K | 50%-60% |
| 30-60K | 25%-35% |
| >60K+ | 15%-25% |

Source: Titan Company Presentation

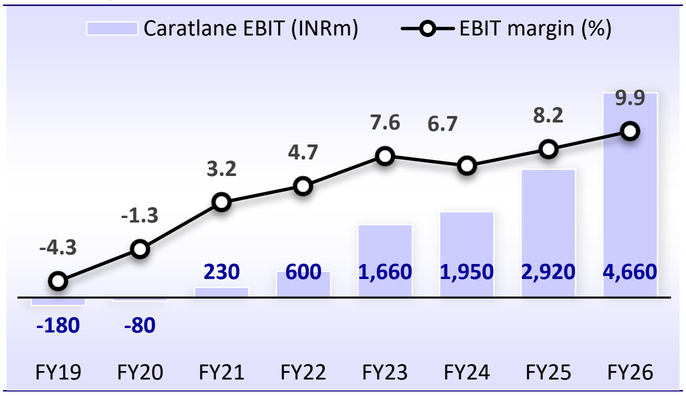
- CaratLane has sustained a strong execution track record, with revenue increasing from INR4.2b in FY19 to INR47b in FY26, implying a ~40% CAGR over FY19-26. The growth momentum has remained consistent, with revenue continuing to compound at ~40% over FY22-26 (post-COVID era). The business achieved breakeven in FY21 and has since scaled profitably, with EBIT margin expanding to ~10% in FY26, reflecting improving operating leverage and reinforcing CaratLane's role as an important growth and profitability driver for Titan.
- CaratLane grew its store network from 55 in FY19 to 372 in FY26 and targets ~425 stores across 200+ towns by FY27, with the customer base expanding toward ~3m (from ~1.5m in FY24).

**Exhibit 28: CaratLane's revenue has grown at ~40% CAGR over FY19-26**



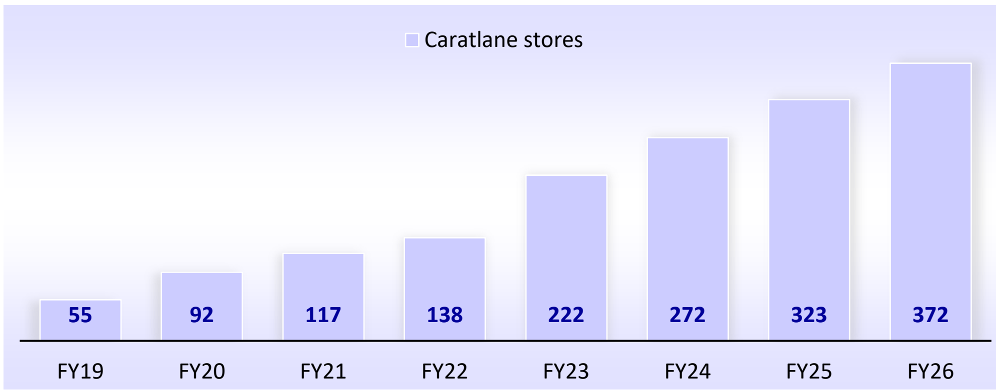

Source: Company, MOFSL

**Exhibit 29: EBIT margins have seen significant improvement over the years**




Source: Company, MOFSL

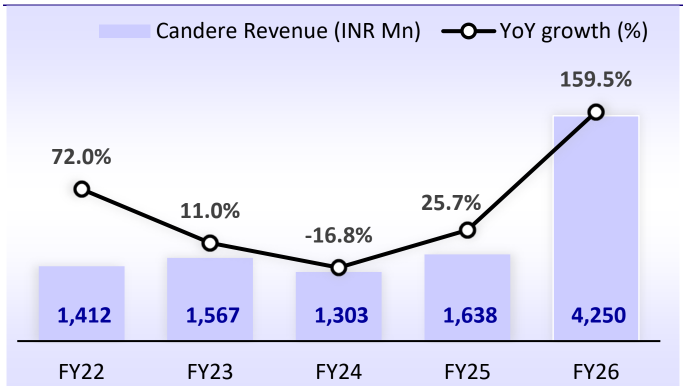
**Exhibit 30: Total CaratLane (India+ International) store expansion over the years**




Source: Company, MOFSL

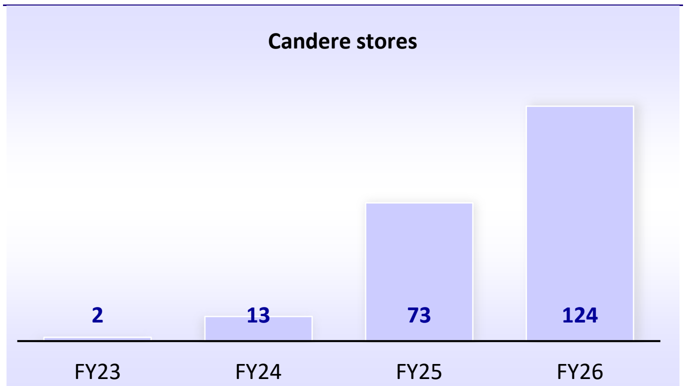
- Kalyan's omnichannel platform Candere is scaling rapidly as well. The store count significantly increased from 24 stores in Jun'24 to 125 stores in Jun'26. Candere has delivered a ~30% revenue CAGR over FY22-26, with revenue growing from INR1.4b in FY22 to INR4.3b in FY26. Moreover, the brand turned PAT positive in 2HFY26.

**Exhibit 31: Candere posted a ~30% revenue CAGR over FY22-26…**




Source: Company, MOFSL

**Exhibit 32: …with robust store expansion over the years**




Source: Company, MOFSL

**Exhibit 33: Revenue trajectory of lightweight jewelry players**

| Sales (INR m) | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | CAGR over FY22-25 % |
|---|---|---|---|---|---|---|---|---|---|
| CaratLane | 4,210 | 6,350 | 7,240 | 12,640 | 21,880 | 29,310 | 35,550 | 47,010 | 41 |
| Bluestone | | 2,550 | 2,446 | 4,614 | 7,707 | 12,658 | 17,700 | 24,364 | 57 |
| Candere | | | | 1,412 | 1,567 | 1,303 | 1,638 | 4,250 | 5 |
| Limelight | | | 163 | 234 | 306 | 700 | 1,262 | | 75 |
| Fiona Diamonds | | | 134 | 227 | 276 | 344 | 393 | | 20 |
| JewelBox | | | | 1 | 37 | 143 | 319 | | |
| Origem | | | | | | | | 173 | |

Source: Company, MOFSL

## Organized players foraying into the growing LGD space as well

- India remains underpenetrated in studded jewelry, with penetration at only 12–15% compared to 100% for gold. The relatively lower price points of lab-grown diamonds (LGDs) are expected to drive category expansion, particularly in a high gold price environment. Currently, LGDs account for just 2-4% of the studded jewelry market, indicating substantial headroom for growth.
- The companies believe India will evolve as an “AND” market, where both natural diamonds and LGDs co-exist. Titan has recently entered the LGD segment with the launch of its brand beYon in Mumbai (Dec’25). Titan positioned beYon as a design-led, fashion-forward brand and targets modern consumers with aggressive pricing of ~INR25k per carat, significantly lower than industry levels of INR40k-60k per carat.
- The brands follow an omnichannel strategy, leveraging both online and offline retail channels. Given the nascent stage of the segment, the larger players are currently experimenting with the segment. There are currently no plans for backward integration in LGDs, and players have also stated that exchange policies will be limited to the gold component (14/18 carat), excluding the stone.

**Exhibit 34: LGD brands' pricing for 1 carat diamond**

| Brand | LGD 1 carat price (INR) | Color-Clarity |
|---|---|---|
| beYon | 25,000-30,000 | FG-VS |
| Origem | 40,000-45,000 | EF-VS |
| Aigiri | 55,000-60,000 | EF-VS |
| Limelight | 55,000-60,000 | EF-VS |
| Fiona Diamonds | 50,000-55,000 | EF-VS |
| JewelBox | 40,000-45,000 | EF-VS |
| Maiora Diamonds | 40,000-45,000 | EF-VS |

Source: Company website, MOFSL

## Our assumptions and thesis

1. **Organized share growth 2x the industry growth**
2. **Store roll-outs a long-term theme**
3. **Fast-changing buyer preference; mix to remain favorable**
4. **Profit pools to keep expanding for top players**
5. **Balance sheet strength reinforces the competitive moat**

The jewelry sector has outperformed other consumption categories in the past, and we expect the same momentum to continue going forward. Formalization remains the umbrella opportunity, with organized share still at only ~45% of an ~INR8.5t market against 500,000+ unorganized goldsmiths. This shift is being executed through accelerating, increasingly asset-light store roll-outs and regional players getting capital to expand (IPO-funded). Moreover, a shift from wedding-led to fashion and daily-wear purchasing via higher-studded mix, lightweight collections, and expanding buyer cohorts is lifting realizations and lowering gold-price sensitivity. Almost half of the ~370 cities that we tracked still have only one or two organized players, leaving a long runway for store-led growth ahead. Underwriting all of this is a balance sheet that is deleveraging even as it funds expansion, as GML and franchise capital replace conventional debt.

### Organized share growth at 2x the industry growth

- The organized segment has grown from ~23% of a ~INR4.4t market in FY19 to ~45% of a ~INR8.5t market in FY26, at ~21% CAGR against ~10% for the overall industry. Even after a decade of formalization, the ceiling is a long way off. Over 500,000 independent goldsmiths still account for more than half of domestic demand. Titan holds only ~9% of the total market. This is not a mature market but is a fragmented market where the top-2 organized players (Titan and Kalyan) already control ~60% of the organized store network (across 18 branded players) but a low-single-digit share of the industry itself. Consolidation is therefore happening on two levels simultaneously: unorganized to organized, and within organized, toward the bigger-scale and better-funded players.
- The franchise-led expansion model has further accelerated market penetration by providing a capital-efficient route to enter newer cities and towns.
- Despite strong store expansion, jewelry retail remains a highly localized business, where regional preferences, merchandising, and execution determine success. With ~60% of jewelry demand originating from rural India, organized players have a significant opportunity to deepen penetration through localized assortments and better access to trusted brands.

**Exhibit 35: Indian Jewelry market is experiencing a shift from unorganized to organized players**

| Jewelry (INR b) | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26P | FY19-26 CAGR |
|---|---|---|---|---|---|---|---|---|---|
| Organized Market | 963 | 1,125 | 968 | 1,343 | 1,904 | 2,368 | 2,880 | 3,740 | 21% |
| Total Market | 3,850 | 4,500 | 3,225 | 4,332 | 5,600 | 6,400 | 7,200 | 8,500 | 12% |
| **Organized Market Mix (%)** | **25%** | **25%** | **30%** | **31%** | **34%** | **37%** | **40%** | **44%** | |
| **Unorganized Market Mix (%)** | **75%** | **75%** | **70%** | **69%** | **66%** | **63%** | **60%** | **56%** | |

Source: Companies, Industry, MOFSL

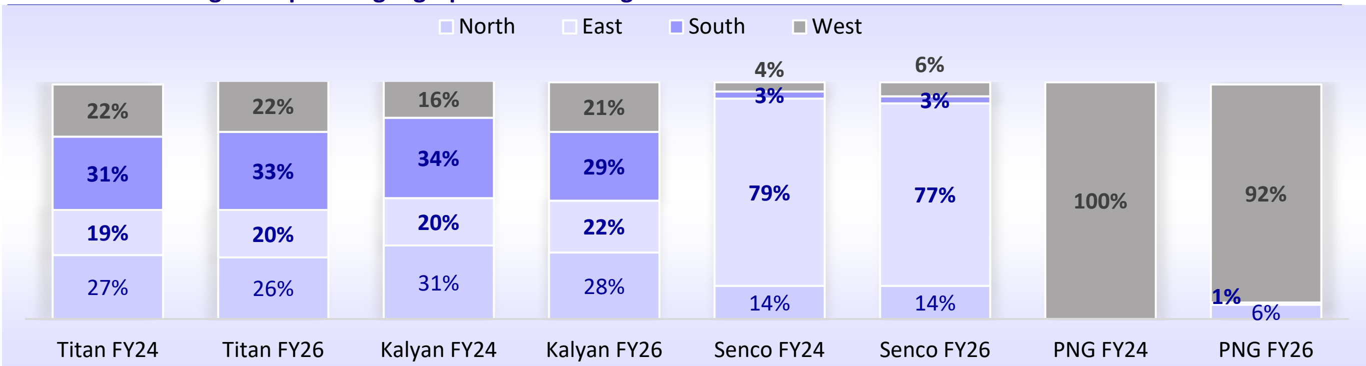
### Store roll-outs a long-term theme

- Store expansion has remained robust across the organized jewelry universe, with our coverage companies expanding from 1,361 stores in Jun'24 to 1,940 stores in Jun'26, implying a ~19% CAGR (link). However, growth strategies have diverged meaningfully. Titan has pursued a calibrated and balanced rollout;

Kalyan has adopted an aggressive pan-India expansion strategy; PN Gadgil has scaled rapidly from a smaller base, while Senco has largely remained focused on its core East India market.

- Expansion is expected to remain strong in FY27, led by franchise-driven store additions. Kalyan plans to add 84 Kalyan and 50 Candere stores; Titan plans to add ~40 Tanishq stores and 60 Mia stores while continuing Tanishq store renovations; PN Gadgil aims to add 25 stores with expansion beyond Maharashtra; whereas Senco plans 18-20 new stores.

**Exhibit 36: Coverage companies' geographical mix change over 2024-26**




Source: Company, Store locator, Industry, MOFSL

## Fast-changing buyer preference; mix to remain favorable

- India's jewelry market remains structurally underpenetrated in studded jewelry, providing a long runway for premiumization and margin expansion. Studded jewelry penetration stands at just 12-15%, making it one of the largest growth opportunities for organized players. The segment has delivered a >20% CAGR over FY19-26, supported by rising preference for design-led jewelry, supportive demographics, and premium purchases.
- Kalyan has meaningfully increased its studded mix over the last decade to ~30% (vs. mid-to-high teens earlier), while Titan sustained a high-20s base, well ahead of Senco and PN Gadgil (10-11%). Digital-first brands such as CaratLane, Bluestone, and Candere operate at significantly higher studded penetration (~70%). A higher-studded mix not only supports premiumization but also enhances gross margins and helps reduce earnings sensitivity to gold price volatility.
- The premiumization opportunity is further supported by an expanding buyer base, providing organized jewelers with dual growth drivers: new customer acquisition and higher spending per customer. Unlike several mature retail categories that rely largely on ticket-size growth, organized jewelry continues to benefit from increasing consumer penetration alongside rising wallet share. Titan, for instance, plans to increase its jewelry buyer base from 3.8m in FY24 to 6m by FY27 (~16% CAGR), after delivering 13% CAGR in buyer additions during FY19-24.
- We believe continued customer additions, combined with rising adoption of studded and lightweight jewelry, should support healthy same-store sales growth, premiumization, and sustained margin expansion across the organized sector.

**Exhibit 37: Studded share of jewelry companies**

| Studded mix(%) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 |
|---|---|---|---|---|---|---|---|
| Titan | 31 | 27 | 28 | 29 | 29 | 27 | 27 |
| Kalyan (India) | 25 | 23 | 24 | 26 | 28 | 30 | 31 |
| Senco | 8 | 9 | 8 | 10 | 11 | 15 | 11 |
| PN Gadgil | 4 | 4 | 5 | 7 | 7 | 8 | 10 |

Source: Company, MOFSL

## Profit pools to keep expanding for top players

- Titan's significantly larger profit pool provides a structural competitive advantage that smaller peers are unlikely to replicate. In FY26, Titan generated INR173b of gross profit and INR84b of EBITDA, nearly 4.5x/4x Kalyan India's and 10-15x Senco's and PN Gadgil's.
- Scale benefits are increasingly translating into stronger operating leverage across the sector. Between FY22-26, Titan's gross profit/EBITDA grew at 25% CAGR each, while Kalyan India delivered 30%/32% CAGR, reflecting the improving conversion of gross profit into operating earnings. Smaller players such as Senco (32% GP CAGR; 37% EBITDA CAGR), PN Gadgil (51%; 53%), and Thangamayil (47%; 60%) have reported faster earnings growth, largely driven by operating leverage on a relatively small profit base as store networks scale.
- While regional players should witness gradual margin improvement, the profitability gap with Titan is likely to persist. Higher studded mix, sourcing efficiencies, and operating leverage should support EBITDA growth ahead of revenue growth for most players over the medium term. However, Titan's superior scale, deeper sourcing capabilities, and significantly larger gross profit pool are expected to sustain its industry-leading profitability, even as margins across the sector gradually converge.

**Exhibit 38: Gross profit and EBITDA of leading listed jewelry companies**

| Gross Profit (INR b) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E | CAGR FY22-26 | CAGR FY26-29E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Titan | 59 | 52 | 72 | 102 | 117 | 135 | 173 | 227 | 267 | 311 | 25% | 22% |
| Kalyan - Consol | 17 | 15 | 17 | 22 | 27 | 34 | 47 | 57 | 65 | 74 | 29% | 17% |
| Kalyan - India | 14 | 12 | 14 | 18 | 23 | 29 | 39 | 49 | 57 | 65 | 30% | 18% |
| Senco | 4 | 4 | 6 | 7 | 8 | 9 | 17 | 16 | 19 | 21 | 32% | 8% |
| PN Gadgil | 3 | 2 | 3 | 4 | 5 | 7 | 13 | 15 | 18 | 21 | 51% | 17% |
| Thangamayil | 2 | 2 | 2 | 3 | 4 | 4 | 9 | | | | 47% | |
| **EBITDA (INR b)** | **FY20** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26** | **FY27E** | **FY28E** | **FY29E** | **CAGR FY22-26** | **CAGR FY26-29E** |
| Titan | 23 | 17 | 34 | 49 | 53 | 62 | 84 | 104 | 125 | 147 | 25% | 21% |
| Kalyan - Consol | 8 | 6 | 8 | 11 | 13 | 16 | 25 | 30 | 35 | 40 | 32% | 17% |
| Kalyan - India | 6 | 6 | 7 | 9 | 11 | 14 | 21 | 25 | 30 | 35 | 32% | 18% |
| Senco | 2 | 2 | 3 | 3 | 4 | 4 | 10 | 8 | 9 | 10 | 37% | 2% |
| PN Gadgil | 1 | 1 | 1 | 1 | 3 | 4 | 6 | 8 | 9 | 11 | 53% | 22% |
| Thangamayil | 1 | 1 | 1 | 2 | 2 | 2 | 6 | | | | 60% | |

Source: Company, MOFSL

**Exhibit 39: Margin profile of leading listed jewelry companies**

| Gross Profit margin (%) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Titan | 28.0 | 24.2 | 24.9 | 25.2 | 22.8 | 22.4 | 19.7 | 21.5 | 21.8 | 22.0 |
| Kalyan - Consol | 16.9 | 17.0 | 15.6 | 15.6 | 14.6 | 13.6 | 13.2 | 12.2 | 11.8 | 11.5 |
| Kalyan - India | 17.7 | 16.9 | 15.3 | 15.6 | 14.5 | 13.4 | 12.7 | 11.8 | 11.5 | 11.2 |
| Senco | 17.5 | 14.1 | 15.7 | 16.1 | 15.3 | 14.4 | 19.8 | 15.7 | 15.6 | 15.5 |
| PN Gadgil | 12.0 | 9.6 | 9.8 | 8.0 | 8.4 | 9.4 | 12.0 | 11.6 | 11.9 | 12.0 |
| Thangamayil | 11.5 | 11.4 | 9.0 | 9.4 | 9.6 | 8.8 | 10.8 | | | |
| **EBITDA margin (%)** | **FY20** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26** | **FY27E** | **FY28E** | **FY29E** |
| Titan | 11.0 | 8.0 | 11.9 | 12.0 | 10.4 | 10.3 | 9.5 | 9.8 | 10.2 | 10.4 |
| Kalyan - Consol | 7.5 | 6.9 | 7.5 | 7.9 | 7.1 | 6.6 | 7.0 | 6.4 | 6.3 | 6.2 |
| Kalyan - India | 8.1 | 8.5 | 7.6 | 8.1 | 7.0 | 6.5 | 6.8 | 6.1 | 6.0 | 5.9 |
| Senco | 8.9 | 6.6 | 7.8 | 7.8 | 7.2 | 6.7 | 11.6 | 7.6 | 7.5 | 7.5 |
| PN Gadgil | 3.4 | 2.9 | 4.4 | 2.7 | 4.4 | 4.6 | 5.6 | 6.1 | 6.2 | 6.4 |
| Thangamayil | 5.8 | 8.1 | 3.9 | 4.9 | 5.5 | 4.5 | 6.6 | | | |

Source: Company, MOFSL

## Balance sheet strength reinforces the competitive moat

- The organized jewelry industry is becoming structurally more capital-efficient, driven by asset-light expansion, prudent funding, and better inventory productivity.
- Titan and Kalyan remain the best examples of superior balance-sheet execution. Kalyan expects to become non-GML debt-free in FY27, despite guiding for 130-140 store additions in FY27. Its debt has reduced from INR24b in FY20 to ~INR5b in FY26. Titan, despite carrying the industry's largest inventory (INR427b in FY26), has maintained healthy inventory turns of 2.5-2.7x, while Kalyan has improved inventory turns from 2.2x in FY20 to 3x in FY26, reflecting stronger store productivity and efficient capital deployment.
- Superior capital allocation is increasingly translating into stronger returns, reinforcing the competitive advantage of scaled, organized players. Titan has sustained an RoE above 30% for four consecutive years (38% in FY26) while maintaining a 15-19% RoCE, despite continuous investments in stores and inventory. Kalyan has structurally improved its return profile, with RoE increasing from 7% in FY20 to 25% in FY26 and RoCE from 6% to 16%, supported by deleveraging, improving inventory productivity, and operating leverage.
- We believe balance-sheet strength, efficient inventory management, and access to low-cost funding will remain key differentiators as organized players continue to gain market share.

**Exhibit 40: Gold metal lease levels of major listed jewelry players**

| GML (INRb) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Titan | 15.8 | 42.1 | 54.0 | 53.0 | 53.4 | 78.1 | 160.7 | 104.4 | 122.6 | 149.2 |
| Kalyan Consol | 11.7 | 14.2 | 15.0 | 18.5 | 22.5 | 23.4 | 35.9 | 37.3 | 38.8 | 40.3 |
| Senco | 2.0 | 2.5 | 4.3 | 6.4 | 9.1 | 11.8 | 7.8 | 19.3 | 19.6 | 25.3 |
| PN Gadgil | - | - | - | - | - | 7.1 | 14.7 | 17.1 | 20.4 | 23.2 |
| Thangamayil | 0.8 | 1.4 | 1.0 | 1.2 | 2.9 | 3.3 | 4.1 | | | |

Source: Company, MOFSL

**Exhibit 41: Inventory turn remains healthy for major listed jewelry players**

| Inventory turnover (x) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Titan | 2.8 | 2.6 | 2.6 | 2.7 | 2.9 | 2.6 | 2.5 | 2.5 | 2.7 | 2.6 |
| Kalyan Consol | 2.2 | 1.7 | 1.9 | 2.2 | 2.4 | 2.8 | 3.0 | 2.9 | 2.9 | 3.0 |
| Senco | 2.5 | 2.5 | 2.9 | 2.5 | 2.4 | 2.2 | 2.0 | 1.8 | 1.8 | 1.8 |
| PN Gadgil | 3.5 | 2.8 | 3.8 | 6.9 | 7.9 | 5.2 | 3.8 | 3.3 | 3.2 | 3.1 |
| Thangamayil | 3.2 | 3.0 | 3.1 | 3.6 | 3.5 | 3.1 | 3.4 | | | |

Source: Company, MOFSL

**Exhibit 42: Return ratios for major listed jewelry players**

| RoE (%) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Titan | 24 | 14 | 28 | 31 | 33 | 36 | 38 | 36 | 35 | 33% |
| Kalyan Consol | 7 | 0 | 8 | 14 | 15 | 18 | 25 | 25 | 25 | 25 |
| Senco | 18 | 11 | 19 | 19 | 16 | 12 | 26 | 14 | 14 | 14 |
| PN Gadgil | 14 | -3 | 28 | 29 | 34 | 23 | 24 | 22 | 21 | 19 |
| Thangamayil | 22 | 33 | 12 | 22 | 28 | 15 | 28 | | | |
| **RoCE (%)** | **FY20** | **FY21** | **FY22** | **FY23** | **FY24** | **FY25** | **FY26** | **FY27E** | **FY28E** | **FY29E** |
| Titan | 18 | 10 | 17 | 19 | 17 | 16 | 15 | 16 | 19 | 19 |
| Kalyan Consol | 6 | -1 | 7 | 9 | 10 | 12 | 16 | 15 | 16 | 16 |
| Senco | 11 | 9 | 12 | 11 | 10 | 9 | 16 | 10 | 9 | 10 |
| PN Gadgil | 14 | -10 | 17 | 18 | 22 | 15 | 16 | 14 | 14 | 13 |
| Thangamayil | 15 | 20 | 9 | 13 | 15 | 10 | 19 | | | |

Source: Company, MOFSL

## Comparative Scorecard (FY26)

The following is the FY26 performance scorecard of listed peers on key metrics, i.e., SSSG, store, revenue per store, operating margin, working capital days, and key ratios.

**Exhibit 43: Comparison across key parameters for the major listed players**

| Jewelry listed Players (INR m) | Titan (Company) | Kalyan (India) | Kalyan (Consol) | Senco | PN Gadgil | Thangamayil |
|---|---|---|---|---|---|---|
| State origin | Tamil Nadu | Kerala | Kerala | West Bengal | Maharashtra | Tamil Nadu |
| **P&L** | | | | | | |
| Store (Jewelry) | 1225* | 466 | 507 | 201 | 78 | 66 |
| Avg store size | 4200 | 6500 | 6500 | 2500 | 3500 | 1500 |
| SSSG % | 27 | 28 | - | 24 | 43 | 38 |
| Revenue | 8,75,840 | 3,10,271 | 3,57,429 | 84,300 | 1,07,391 | 84,993 |
| YoY growth (%) | 45 | 43 | 43 | 33 | 40 | 73 |
| Stud Ratio % | 27 | 31 | 29 | 11 | 10 | |
| Gross Profit | 1,72,770 | 39,453 | 47,043 | 16,680 | 13,022 | 9,189 |
| GM (%) | 19.7 | 12.7 | 13.2 | 19.8 | 12.1 | 10.8 |
| Employee expense | 26,810 | 8,069 | 9,403 | 1,797 | 1,572 | 1,412 |
| Ad-spending | 15,350 | 4,425 | 5,245 | 1,581 | 913 | 917 |
| EBITDA | 83,550 | 21,242 | 24,912 | 9,752 | 6,159 | 5,647 |
| EBITDA margin (%) | 9.5 | 6.8 | 7.0 | 11.6 | 5.7 | 6.6 |
| Depreciation | 8,260 | 2,963 | 4,229 | 820 | 572 | 402 |
| Finance cost | 11,800 | 2,894 | 4,329 | 2,042 | 916 | 677 |
| Other Income | 5,520 | 2,354 | 2,080 | 799 | 881 | 144 |
| PBT | 69,010 | 17,739 | 18,435 | 7,689 | 5,553 | 4,713 |
| PBT margin (%) | 8 | 6 | 5 | 9 | 5 | 6 |
| PAT | 50,720 | 13,163 | 13,820 | 5,836 | 4,098 | 3,540 |
| NPM (%) | 5.8 | 4.2 | 3.9 | 6.9 | 3.8 | 4.2 |
| **Per Store (INR m)** | | | | | | |
| Revenue | 715 | 666 | 705 | 419 | 1,377 | 1,288 |
| EBITDA | 68 | 46 | 49 | 49 | 79 | 86 |
| **Balance Sheet** | | | | | | |
| Property, plant and equipment (net block) | 26,840 | 12,298 | 14,979 | 1,526 | 2,300 | 2,051 |
| Inventory | 4,27,430 | 1,06,872 | 1,41,746 | 52,961 | 36,554 | 29,536 |
| Trade receivables | 9,160 | 7,246 | 8,665 | 2,247 | 628 | 239 |
| Trade payables | 28,640 | 30,196 | 33,597 | 6,786 | 5,755 | 199 |
| Total Debt (including GML) | 2,74,480 | 16,001 | 41,114 | 23,459 | 15,796 | 8,256 |
| GML | 1,60,700 | 12,833 | 35,878 | 7,762 | 14,692 | 4,115 |
| Lease liability | 31,730 | 16,318 | 20,059 | 3,532 | 1,575 | 876 |
| **Cash Flow** | | | | | | |
| Cash from operation | 55,900 | 13,577 | 13,175 | -7,892 | 374 | 3223.4 |
| Capex | 8,770 | 2,832 | 4,061 | 542 | 650 | 733.7 |
| Free cash flow | 47,130 | 10,745 | 9,114 | -8,434 | -277 | 2489.7 |
| **Ratios** | | | | | | |
| Inventory turnover (x) | 2.5 | 3.4 | 3.0 | 2.0 | 3.8 | 3.4 |
| RoE % | 38 | 24 | 25 | 26 | 24 | 28 |
| RoIC % | 15 | 21 | 17 | 18 | 19 | 23 |
| Inventory days | 148 | 107 | 122 | 186 | 96 | 106 |
| Debtor days | 4 | 9 | 6 | 7 | 2 | 1 |
| Payable days | 10 | 36 | 29 | 18 | 14 | 1 |
| Cash conversion cycle (days) | 142 | 80 | 99 | 175 | 84 | 105 |

Source: Company, MOFSL

* includes international stores for Domestic brands

## Our view: Sector to continue benefiting from structural tailwinds

- We see a double tailwind for the sector: formalization (unorganized to organized) and increasing premiumization, with well-capitalized players as the primary beneficiaries.
- The strong growth is compounded by premiumization (studded and lightweight), a long store-expansion runway (only 40-45% of the market is organized), and strengthening balance sheets via asset-light formats and GML.
- The increasing share of gold coins is expected to exert pressure on margins in the near term; however, over the medium term, this should partly be offset through a better product mix and profitability improvements across other segments. Moreover, the permissible tenure of gold on lease has been extended from 180 days to 270 days, improving working capital flexibility.
- We continue to prefer Titan and Kalyan Jewellers as our top picks, given their leadership in formalization, superior execution, stronger premiumization strategy and sustained ability to compound earnings ahead of the broader consumer sector.

**Exhibit 44: Valuation summary**

| Companies | 1 yr fwd | Average P/E (x) | | | Prem / Disc P/E vs. avg (%) | | |
|---|---|---|---|---|---|---|---|
| | P/E (x) | 15 YR | 10 YR | 5 YR | 15 YR | 10 YR | 5 YR |
| **Consumer** | **38.2** | **39.0** | **42.6** | **44.9** | **-1.9** | **-10.4** | **-14.8** |
| **Retail** | **67.1** | **77.0** | **95.2** | **91.5** | **-12.9** | **-29.5** | **-26.7** |
| **Jewelry** | | | | | | | |
| Titan | 63.9 | 53.3 | 63.0 | 66.9 | 19.9 | 1.4 | -4.6 |
| Kalyan Jewellers | 32.7 | | | 31.7 | | | 3.2 |
| Senco Gold | 16.9 | | | | | | |
| P N Gadgil | 17.4 | | | | | | |

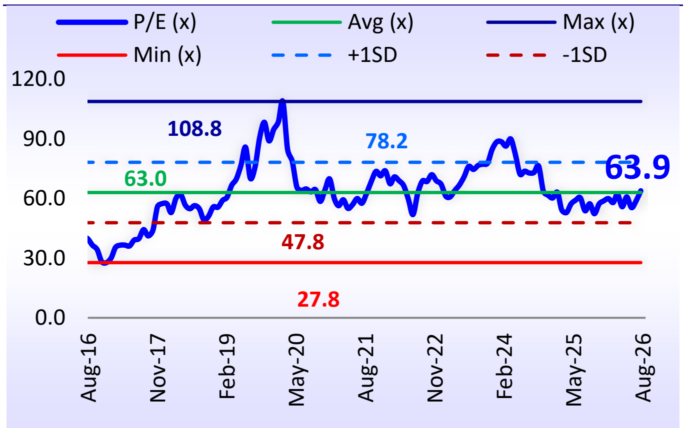
Source: Company, BBG, MOFSL

**Exhibit 45: Valuation comps**

| Company | CMP (INR) | Target Price (INR) | Reco | EPS (INR) FY27E | EPS (INR) FY28E | EPS (INR) FY29E | EPS Growth YoY (%) FY27E | EPS Growth YoY (%) FY28E | EPS Growth YoY (%) FY29E | P/E (x) FY27E | P/E (x) FY28E | P/E (x) FY29E | EV/EBITDA (x) FY27E | EV/EBITDA (x) FY28E | EV/EBITDA (x) FY29E | RoE (%) FY27E | RoE (%) FY28E | RoE (%) FY29E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| TTAN | 5,128 | 6,000 | Buy | 73.7 | 90.6 | 108.5 | 27 | 23 | 20 | 70 | 57 | 47 | 45 | 37 | 31 | 36.9 | 34.9 | 32.9 |
| KALYANKJ | 602 | 800 | Buy | 17.0 | 20.2 | 24.1 | 27 | 19 | 19 | 35 | 30 | 25 | 21 | 18 | 15 | 25.3 | 25.1 | 25.3 |
| PNG | 632 | 800 | Buy | 36.4 | 42.5 | 48.3 | 22 | 17 | 14 | 17 | 15 | 13 | 10 | 8 | 7 | 22.3 | 21.0 | 19.5 |
| SENCO | 404 | 430 | Neutral | 23.1 | 25.5 | 28.5 | (35) | 11 | 11 | 18 | 16 | 14 | 6 | 5 | 5 | 14.1 | 13.7 | 13.6 |

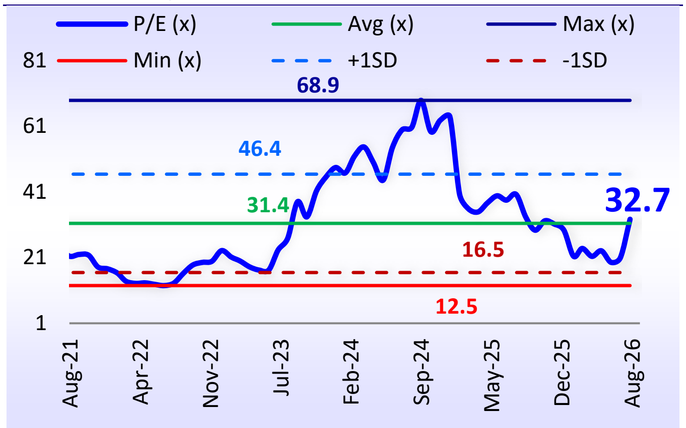
Source: Company, MOFSL

Exhibit 46: Titan P/E



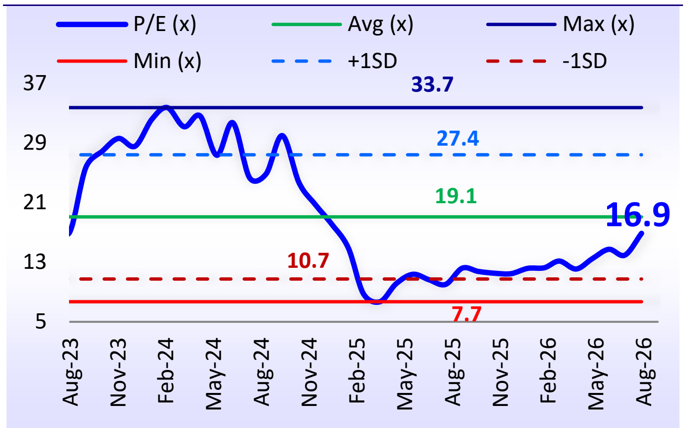

Source: Company, MOFSL

Exhibit 47: Kalyan Jewellers P/E



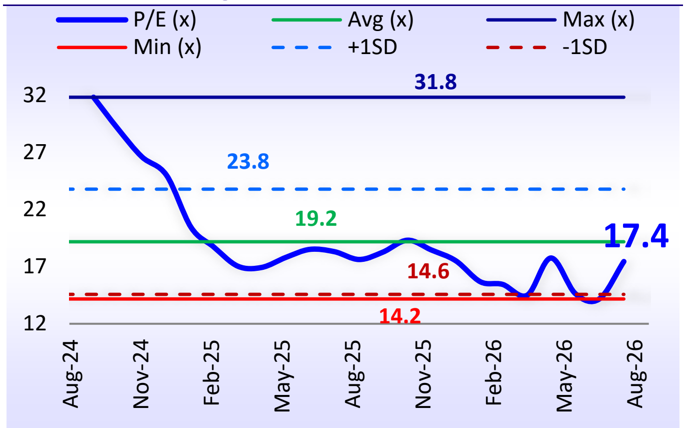

Source: Company, MOFSL

Exhibit 48: Senco Gold P/E




Source: Company, MOFSL

Exhibit 49: P N Gadgil Jewellers P/E




Source: Company, MOFSL

## Company-wise tables

### Titan Company

- TTAN, with its superior competitive positioning (in sourcing, studded ratio, youth-centric focus, and reinvestment strategy), continues to outperform other branded players. Its brand recall and business moat are not easily replicable; therefore, Tanishq's competitive edge will remain strong in the category.
- The store count reached 3,551 as of Jun'26, and the expansion story remains intact. The non-jewelry business is also scaling up well and will contribute to growth in the medium term.
- Apart from industry formalization, stability in gold prices can further improve margin visibility for TTAN. Overall, we remain constructive on growth in the jewelry industry, particularly among top players, with TTAN as the bellwether and, given its superior historical execution track record, best positioned to benefit. **We model a CAGR of 18% in sales, 22% in EBITDA, and 25% in APAT over FY26-28E. We reiterate our BUY rating on the stock with a TP of INR6,000, based on 60x Sept'28E EPS.**

**Exhibit 50: TTAN's jewelry segment performance over the years**

| Titan Jewelry business (INR b) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Standalone Jewelry Sales (Ex-bullion) | 167.4 | 172.7 | 232.7 | 319.0 | 383.5 | 465.7 | 611.5 | 773.0 | 903.4 | 1,046.2 |
| YoY growth (%) | 4 | 3 | 35 | 37 | 20 | 21 | 31 | 26 | 17 | 16 |
| Tanishq SSSG (%) | 3 | -9 | 41 | 32 | 15 | 13 | 27 | 21 | 11 | 10 |
| Studded mix (%) | 31 | 27 | 28 | 29 | 29 | 27 | 27 | 27 | 27 | 27 |
| **Domestic Stores** | **369** | **397** | **444** | **534** | **649** | **745** | **824** | **932** | **1,041** | **1,145** |
| - Tanishq | 327 | 353 | 389 | 416 | 464 | 501 | 528 | 578 | 628 | 678 |
| - Mia | 38 | 40 | 50 | 111 | 177 | 232 | 282 | 332 | 382 | 432 |
| - Zoya | 4 | 4 | 5 | 7 | 8 | 12 | 13 | 17 | 21 | 25 |
| - beYon | - | - | - | - | - | - | 1 | 5 | 10 | 10 |
| Standalone bullion Sales | - | 13.6 | 10.3 | 22.1 | 39.4 | 26.6 | 99.6 | 65.0 | 65.0 | 65.0 |
| YoY growth (%) | 0 | 0 | -24 | 114 | 78 | -33 | 275 | -35 | - | - |
| Caratlane Sales | 6.4 | 7.2 | 12.6 | 21.9 | 29.3 | 35.6 | 47.0 | 61.5 | 75.5 | 92.0 |
| -YoY growth (%) | 51 | 14 | 75 | 73 | 34 | 21 | 32 | 31 | 23 | 22 |
| Caratlane SSSG (%) | 9 | -15 | 66 | 61 | 6 | 16 | 19 | 22 | 15 | 15 |
| Domestic Caratlane Store | 92 | 117 | 138 | 222 | 272 | 322 | 370 | 422 | 474 | 529 |
| International Sales | - | - | - | - | 9.3 | 15.9 | 32.5 | 61.7 | 70.9 | 81.6 |
| YoY growth (%) | 0 | 0 | 0 | 0 | 0 | 71 | 104 | 90 | 15 | 15 |
| **International stores** | **-** | **-** | **-** | **7** | **16** | **24** | **155** | **170** | **183** | **188** |
| - Damas | - | - | - | - | - | - | 123 | 130 | 135 | 135 |
| - Tanishq, Mia and Caratlane | - | - | - | 7 | 16 | 24 | 32 | 40 | 48 | 53 |
| Others Sales (Inter segment + Bullion) | (0.5) | (0.4) | (0.4) | (3.8) | (6.3) | (4.1) | 6.0 | (0.8) | (0.8) | (0.8) |
| **Total Sales** | **173** | **193** | **255** | **359** | **455** | **540** | **797** | **960** | **1,114** | **1,284** |
| **Total stores** | **461** | **514** | **582** | **763** | **937** | **1,091** | **1,349** | **1,524** | **1,698** | **1,862** |
| **Jewelry EBIT** | | | | | | | | | | |
| Standalone Jewelry EBIT (Ex-bullion) | 20.6 | 16.9 | 30.3 | 43.6 | 47.3 | 53.1 | 66.0 | 84.3 | 98.5 | 115.1 |
| YoY growth (%) | 6 | -18 | 80 | 44 | 8 | 12 | 24 | 28 | 17 | 17 |
| EBIT margin (%) | 12.3 | 9.8 | 13.0 | 13.7 | 12.3 | 11.4 | 10.8 | 10.9% | 10.9% | 11.0% |
| Caratlane EBIT | (0.1) | 0.2 | 0.6 | 1.7 | 2.0 | 2.9 | 4.7 | 6.5 | 8.2 | 10.3 |
| YoY growth (%) | 0 | -388 | 161 | 177 | 17 | 50 | 60 | 39 | 26 | 26 |
| EBIT margin (%) | -1.3 | 3.2 | 4.7 | 7.6 | 6.7 | 8.2 | 9.9 | 10.5 | 10.8 | 11.2 |
| International | (0.0) | (0.1) | (0.0) | (1.4) | (1.1) | (1.6) | 1.4 | (1.2) | 1.4 | 2.4 |
| EBIT margin (%) | 0 | 0 | 0 | 0 | 0 | 0 | 4.4 | -2.0 | 2.0 | 3.0 |
| **Total EBIT** | **20.5** | **17.0** | **30.8** | **43.9** | **48.1** | **54.4** | **72.1** | **89.5** | **108.0** | **127.8** |
| YoY growth (%) | 6 | -17 | 81 | 42 | 10 | 13 | 32 | 24 | 21 | 18 |
| EBIT margin (%) | 11.8 | 8.8 | 12.1 | 12.2 | 10.6 | 10.1 | 9.0 | 9.3 | 9.7 | 10.0 |

Source: Company, MOFSL

## Kalyan Jewellers

- With the successful scale-up of its new franchise businesses (>50% revenue contribution) and continued success in non-Southern markets, the company has established itself as one of the leading brands in the industry. Its non-South expansion has improved the studded jewelry mix, while the asset-light expansion supports healthy cash flow generation for debt repayment and enhances profitability by reducing interest costs.
- Management remains optimistic for FY27. India's standalone PBT margin of 5-5.5% is expected to broadly sustain in FY27, with potential for slight improvement through operating leverage. Management reiterated its target of becoming non-GML debt-free during FY27.
- Consistent success on customer acquisition, improving operating margin, and deleveraging the balance sheet remains the key rationale for our constructive view on the business. **We model a 24%/18%/23% revenue/EBITDA/PAT CAGR during FY26-28E. We reiterate our BUY rating with a TP of INR800 (based on 35x Sept'28 P/E).**

**Exhibit 51: KALYAN's performance over the years**

| Particulars (INR b) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Consolidated Sales | 101 | 86 | 108 | 141 | 185 | 250 | 357 | 467 | 552 | 646 |
| YoY growth (%) | 3 | -15 | 26 | 30 | 32 | 35 | 43 | 31 | 18 | 17 |
| Standalone Sales | 78 | 73 | 91 | 116 | 158 | 217 | 310 | 413 | 494 | 584 |
| YoY growth (%) | 5 | -7 | 24 | 28 | 36 | 37 | 43 | 33 | 20 | 18 |
| SSSG (%) | 0 | 0 | 0 | 5 | 12 | 20 | 28 | 21 | 11 | 11 |
| Studded mix (%) | 25 | 23 | 24 | 26 | 28 | 30 | 31 | 31 | 31 | 31 |
| **Kalyan India** | | | | | | | | | | |
| - South revenue | 53 | 51 | 60 | 71 | 81 | 104 | 137 | 198 | 237 | 280 |
| - Non-South revenue | 26 | 22 | 31 | 45 | 77 | 112 | 173 | 215 | 257 | 303 |
| Stores (India) | 107 | 107 | 124 | 149 | 217 | 351 | 466 | 596 | 716 | 836 |
| -COCO | 107 | 107 | 124 | 132 | 128 | 126 | 120 | 120 | 120 | 120 |
| -FOCO | | | | 15 | 76 | 152 | 222 | 302 | 377 | 452 |
| -Candere | | | | 2 | 13 | 73 | 124 | 174 | 219 | 264 |
| Candere Sales | | | 1 | 2 | 1 | 2 | 4 | 7 | 9 | 12 |
| -YoY growth (%) | | | | 11 | -17 | 26 | 159 | 57 | 37 | 30 |
| **International Sales** | **22** | **12** | **16** | **24** | **26** | **32** | **40** | 47 | 51 | 55 |
| YoY growth (%) | -4 | -46 | 38 | 44 | 11 | 23 | 25 | 16 | 9 | 9 |
| International stores | 37 | 30 | 30 | 33 | 36 | 36 | 41 | 44 | 47 | 50 |
| - Middle East (COCO + FOCO) | 37 | 30 | 30 | 33 | 36 | 36 | 38 | 41 | 44 | 47 |
| - Others (USA, UK) | | | | | | | 3 | 3 | 3 | 3 |
| Others Sales (Inter segment, etc.) | 1 | 1 | 1 | 1 | 1 | 2 | 7 | 7 | 7 | 7 |
| **Total Sales** | **101** | **86** | **108** | **141** | **185** | **250** | **357** | 467 | 552 | 646 |
| **Total stores** | **144** | **137** | **154** | **182** | **253** | **387** | **507** | 640 | 763 | 886 |
| **Profitability** | | | | | | | | | | |
| Gross Profit | 17 | 15 | 17 | 22 | 27 | 34 | 47 | 57 | 65 | 74 |
| Gross margin (%) | 17 | 17 | 16 | 16 | 15 | 14 | 13 | 12 | 12 | 12 |
| EBITDA | 8 | 6 | 8 | 11 | 13 | 16 | 25 | 30 | 35 | 40 |
| EBITDA margin (%) | 8 | 7 | 8 | 8 | 7 | 7 | 7 | 6 | 6 | 6 |
| PBT | 2 | 0 | 3 | 6 | 8 | 11 | 18 | 23 | 28 | 33 |
| PBT margin (%) | 2 | 0 | 3 | 4 | 4 | 4 | 5 | 5 | 5 | 5 |
| APAT | 1 | 0 | 2 | 5 | 6 | 8 | 14 | 18 | 21 | 25 |
| APAT margin (%) | 1 | -0 | 2 | 3 | 3 | 3 | 4 | 4 | 4 | 4 |

Source: Company, MOFSL

## P N Gadgil Jewellers

- PNG's aggressive store expansion, improved product mix, and focus on operational efficiency provide visibility on medium-term earnings growth. We see execution of the expansion pipeline and traction in newer markets as key monitorables, particularly as the company scales its franchise-led store network.
- Management maintained its guidance of ~25 store additions in FY27, with a larger share of additions expected through the franchise-led model and concentrated in 2HFY27. PNG targets 140 stores by FY28 and 177 stores by FY29. Strong customer response in Uttar Pradesh has encouraged the company to add 8–10 franchise stores in the state during FY27. Management aspires to deliver ~7% EBITDA margin and ~4% PAT margin in FY27 while continuing to increase hedge coverage and gradually reduce borrowings through internal accruals.
- PNG has so far demonstrated a healthy ability to scale its store network and enter new geographies. We believe the success of its expansion into newer states, particularly Uttar Pradesh, and the ability to replicate its operating model

across these markets will remain key monitorables for medium-term growth and returns.

- We model revenue, EBITDA, and APAT CAGR of 19%, 25%, and 20% over FY26-28E. PNG continues to focus on increasing the old-gold contribution to ~50% (from ~40%) through its Suvarna Swarajya initiative. The company has increased hedge coverage to ~70%, targeting 80%+ in the near term and ~100% over time. **Given the ongoing strategic initiatives and long-term growth visibility, we reiterate our BUY rating on the stock with a TP of INR800 (based on 18x Sept'28 P/E).**

**Exhibit 52: PNG's performance over the years**

| Particulars (INR b) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 24.6 | 19.3 | 25.6 | 45.1 | 61.1 | 76.9 | 107.4 | 131.1 | 152.0 | 171.7 |
| YoY growth (%) | 0% | -21% | 32% | 76% | 36% | 26% | 40% | 22% | 16% | 13% |
| Revenue (ex-bullion) | 23.5 | 18.4 | 22.6 | 33.6 | 44.7 | 63.8 | 99.5 | 124.0 | 145.7 | 165.4 |
| YoY growth (%) | 1% | -22% | 23% | 48% | 33% | 43% | 56% | 25% | 18% | 14% |
| Stores | 34 | 32 | 32 | 34 | 36 | 53 | 78 | 103 | 126 | 145 |
| -COCO | 25 | 22 | 22 | 21 | 25 | 41 | 61 | 77 | 91 | 102 |
| -FOFO | 9 | 10 | 10 | 13 | 11 | 12 | 17 | 26 | 35 | 43 |
| -PNG Litestyle | 0 | 0 | 0 | 0 | 0 | 0 | 13 | 23 | 31 | 36 |
| Store addition | 5 | -2 | 0 | 2 | 2 | 17 | 25 | 25 | 23 | 19 |
| Stud ratio (%) | 4% | 4% | 5% | 7% | 7% | 8% | 10% | 10% | 10% | 10% |
| Gross profits | 3.0 | 1.8 | 2.5 | 3.6 | 5.1 | 7.2 | 12.9 | 15.2 | 18.1 | 20.7 |
| GM (%) | 12.0% | 9.6% | 9.8% | 8.0% | 8.4% | 9.4% | 12.0% | 11.6% | 11.9% | 12.0% |
| GM (%) (ex-bullion) | 12.6% | 10.1% | 11.1% | 10.8% | 11.5% | 11.3% | 13.0% | 12.3% | 12.4% | 12.5% |
| EBITDA | 0.8 | 0.6 | 1.1 | 1.2 | 2.7 | 3.5 | 6.1 | 7.9 | 9.5 | 10.9 |
| YoY growth (%) | 45% | -33% | 96% | 10% | 121% | 30% | 71% | 31% | 19% | 15% |
| EBITDA margin (%) | 3.4% | 2.9% | 4.4% | 2.7% | 4.4% | 4.6% | 5.6% | 6.1% | 6.2% | 6.4% |
| EBITDA margin (%) (ex-bullion) | 3.6% | 3.1% | 4.9% | 3.7% | 6.1% | 5.5% | 6.1% | 6.4% | 6.5% | 6.6% |
| EBIT | 0.7 | 0.3 | 0.9 | 1.0 | 2.5 | 3.2 | 5.5 | 7.2 | 8.6 | 10.0 |
| EBIT margin (%) | 2.9% | 1.6% | 3.5% | 2.2% | 4.1% | 4.1% | 5.1% | 5.5% | 5.7% | 5.8% |
| EBIT margin (%) (ex-bullion) | 3.0% | 1.6% | 4.0% | 3.0% | 5.5% | 5.0% | 5.5% | 5.8% | 5.9% | 6.1% |
| PBT | 0.5 | 0.1 | 0.9 | 1.2 | 2.1 | 3.1 | 5.5 | 6.6 | 7.7 | 8.7 |
| PBT margin (%) | 2.1% | 0.3% | 3.3% | 2.6% | 3.4% | 4.0% | 5.1% | 5.0% | 5.1% | 5.1% |
| PBT margin (%) (ex-bullion) | 2.2% | 0.4% | 3.8% | 3.5% | 4.7% | 4.9% | 5.5% | 5.3% | 5.3% | 5.3% |
| PAT | 0.3 | -0.1 | 0.7 | 0.9 | 1.6 | 2.4 | 4.0 | 4.9 | 5.8 | 6.6 |
| PAT margin (%) | 1.2% | -0.3% | 2.7% | 2.1% | 2.5% | 3.1% | 3.8% | 3.8% | 3.8% | 3.8% |
| PAT margin (%) (ex-bullion) | 1.2% | -0.4% | 3.1% | 2.8% | 3.5% | 3.7% | 4.1% | 4.0% | 4.0% | 4.0% |

Source: Company, MOFSL

## Senco Gold

- SENCO's gross margins have historically remained volatile, reflecting its low level of hedging and the resultant impact of inventory gains/losses. While management guides for a sustainable EBITDA margin of 7.5-7.8%, we model a 7.5% margin for FY27/FY28, broadly in line with the FY23-25 average.
- Looking ahead, the company plans to open 8-10 COCO stores and 8-10 franchise outlets annually, with 70-80% of the new stores concentrated in North and East India and the remaining in the West and South.
- Given the inconsistencies in operating performance and fluctuating hedging ratios, we remain cautious on SENCO's operating margin performance going forward.
- **We model a revenue and EBITDA CAGR of 19% and -4% over FY26-28. We reiterate our Neutral rating with a TP of INR430 (16x Sept'28 P/E).**

**Exhibit 53: SENCO's performance over the years**

| Particulars (INR b) | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26 | FY27E | FY28E | FY29E |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | 24 | 27 | 35 | 41 | 52 | 63 | 84 | 104 | 119 | 137 |
| YoY growth (%) | -3 | 10 | 33 | 15 | 29 | 21 | 33 | 24 | 14 | 15 |
| Stores | 108 | 111 | 127 | 136 | 159 | 175 | 201 | 221 | 240 | 259 |
| -COCO | 56 | 60 | 70 | 75 | 93 | 103 | 116 | 128 | 139 | 150 |
| -FOFO | 52 | 51 | 57 | 61 | 66 | 72 | 85 | 93 | 101 | 109 |
| Store addition | 11 | 3 | 16 | 9 | 23 | 16 | 26 | 20 | 19 | 19 |
| Stud ratio (%) | 8 | 9 | 8 | 10 | 11 | 15 | 11 | 12 | 13 | 14 |
| Gross profits | 4.2 | 3.7 | 5.5 | 6.6 | 8.0 | 9.1 | 16.7 | 16.4 | 18.6 | 21.3 |
| GM (%) | 17.5 | 14.1 | 15.7 | 16.1 | 15.3 | 14.4 | 19.8 | 15.7 | 15.6 | 15.5 |
| EBITDA | 2.2 | 1.8 | 2.8 | 3.2 | 3.8 | 4.3 | 9.8 | 7.9 | 8.9 | 10.4 |
| EBITDA margin (%) | 8.9 | 6.6 | 7.8 | 7.8 | 7.2 | 6.7 | 11.6 | 7.6 | 7.5 | 7.5 |
| EBIT | 1.8 | 1.4 | 2.4 | 2.7 | 3.2 | 3.6 | 8.9 | 7.0 | 7.9 | 9.2 |
| EBIT margin (%) | 7.4 | 5.1 | 6.7 | 6.6 | 6.0 | 5.6 | 10.6 | 6.7 | 6.6 | 6.7 |
| PBT | 1.3 | 0.8 | 1.8 | 2.2 | 2.5 | 2.8 | 7.7 | 5.0 | 5.6 | 6.2 |
| PBT margin (%) | 5.5 | 3.1 | 5.0 | 5.3 | 4.8 | 4.4 | 9.1 | 4.8 | 4.7 | 4.5 |
| PAT | 0.9 | 0.6 | 1.3 | 1.6 | 1.8 | 2.0 | 5.8 | 3.8 | 4.2 | 4.7 |
| PAT margin (%) | 3.8 | 2.3 | 3.7 | 3.9 | 3.5 | 3.2 | 6.9 | 3.6 | 3.5 | 3.4 |

Source: Company, MOFSL

| Explanation of Investment Rating | |
|---|---|
| **Investment Rating** | **Expected return (over 12-month)** |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | < - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

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Grievance Redressal Cell:

| Contact Person | Contact No. | Email ID |
|---|---|---|
| Ms. Hemangi Date | 022 40548000 / 022 67490600 | query@motilaloswal.com |
| Ms. Kumud Upadhyay | 022 40548082 | servicehead@motilaloswal.com |
| Mr. Ajay Menon | 022 40548083 | am@motilaloswal.com |
| Mr. Neeraj Agarwal | 022 40548085 | na@motilaloswal.com |
| Mr. Siddhartha Khemka | 022 50362452 | po.research@motilaloswal.com |

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