ADD

Titan Company

Expect re-rating to continue on growth outperformance

Retail | Result Update | **August 09, 2026**

CMP (Rs): 4,941 | TP (Rs): 5,600

We maintain ADD on TTAN and revise up our TP by ~10% to Rs5,600 from Rs5,100 (60x Jun-28E EPS vs 54x earlier). TTAN reported a robust adjusted EBIT growth of ~33% in the standalone jewelry business (TMZ) in Q1; this was a combination of the 38% top-line growth and ~40bps moderation in margin to ~11%. Margin was hit by the gold price volatility (~40bps), as expected. All other segments also reported healthy EBIT growth (113%/21%/16% for Caratlane/Eyewear/Watch). TTAN visibly nullified street concerns around potential growth moderation with the recent dip in gold price, and reiterated its analyst day guidance of more than doubling topline and EBIT over FY26-30 (~20% CAGR). Though TTAN has significantly outperformed NIFTY (LTM), it is trading at a 5-6% valuation discount to DMART/TRENT. In our view, TTAN's strong track record and best-in-class growth outlook make a strong case for continued re-rating; our revised TP multiple of 60x is closer to its historical average. Our estimates remain largely unchanged, as 1Q adjusted EBITDA was in-line. Reported EBITDA was 25-30% higher than our estimate on account of a ~Rs4bn benefit from customs duty increase and a ~Rs1.5bn MTM gain (~80bps), which is expected to reverse in coming quarters.

Robust topline trend continues; high double-digit growth across verticals

Standalone revenue grew ~36% yoy in 1Q (ex-bullion sales), led by 38% growth in the jewelry segment. Watches/Eyewear/Emerging businesses also delivered double-digit growth, at 18-22% yoy. Growth in the domestic jewelry business (TMZ + Caratlane) was driven by both higher ticket size (up ~31% yoy) and double-digit buyer growth in 1Q. Encouragingly, overall buyer growth in studded (including Caratlane) has outpaced buyer growth in plain gold jewelry in 1QFY27. The international jewelry business (ex-Damas) grew ~65% yoy, driven by 85%/38% yoy growth in US/GCC operations, led by network expansion and healthy LFL retail traction. The Watch segment saw ~22% yoy growth, led by mid-twenties growth in the analog watch category. The Eyecare segment saw a customer-level growth of 21% yoy, led by double-digit ASP growth. Among subsidiaries, Caratlane/TEAL continued their strong momentum, with ~41%/43% yoy growth. Store addition remained healthy, with Mia/CaratLane adding 17/11 stores, respectively, while Tanishq's expansion was a tad slower at 6 stores.

Adjusted margins a tad lower; TTAN expects EBIT margin to hover at ~11%

TMZ's reported EBIT margin was 14.2% in 1Q while normalized EBIT margin stood at 10.9% (vs 11.3% yoy). Reported margin was aided by i) a ~Rs4.1bn customs duty benefit, which is expected to also flow through in 2Q/3Q, and ii) a ~75–80bps accounting MTM gain due to divergence between international and domestic gold prices (expected to reverse in coming quarters). TTAN expects jewelry EBIT margin to hover at ~11%, helped by focused initiatives to improve gross margins, richer product mix (higher studded mix, higher mix of lower-carat jewelry and lower mix of coins), and cost-cutting initiatives. Caratlane delivered ~10% adj EBIT margin in 1Q (up by ~350bps); Titan expects to deliver double-digit EBIT margin for CaratLane.

Titan Company: Financial Snapshot (Consolidated)					
Y/E March (Rs mn)	**FY25**	**FY26**	**FY27E**	**FY28E**	**FY29E**
Revenue	604,560	875,840	949,463	1,143,583	1,362,025
EBITDA	56,940	83,550	108,133	125,756	147,773
Adj. PAT	33,370	51,740	66,215	78,527	94,079
Adj. EPS (Rs)	37.5	58.1	74.4	88.2	105.7
EBITDA margin (%)	9.4	9.5	11.4	11.0	10.8
EBITDA growth (%)	7.6	46.7	29.4	16.3	17.5
Adj. EPS growth (%)	(4.8)	55.0	28.0	18.6	19.8
RoE (%)	31.8	37.9	35.9	32.1	29.8
RoIC (%)	22.6	26.4	29.1	30.1	30.9
P/E (x)	131.8	86.7	66.4	56.0	46.7
EV/EBITDA (x)	78.5	53.5	41.3	35.5	30.2
P/B (x)	37.8	28.0	20.8	15.9	12.4
FCFF yield (%)	(0.2)	0.2	1.3	1.1	1.5

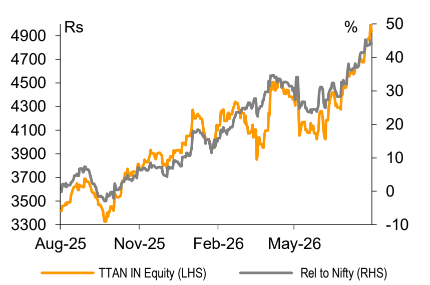
Source: Company, Emkay Research

Target Price – 12M	Jun-27
Change in TP (%)	**9.8**
Current Reco.	ADD
Previous Reco.	ADD
Upside/(Downside) (%)	13.3

Stock Data	**TTAN IN**
52-week High (Rs)	5,034
52-week Low (Rs)	3,303
Shares outstanding (mn)	887.8
Market-cap (Rs bn)	4,387
Market-cap (USD mn)	46,072
Net-debt, FY27E (Rs mn)	39,594.3
ADTV-3M (mn shares)	1.1
ADTV-3M (Rs mn)	5,033.1
ADTV-3M (USD mn)	52.9
Free float (%)	47.0
Nifty-50	24,570.7
INR/USD	95.2
Shareholding,Jun-26	
Promoters (%)	52.9
FPIs/MFs (%)	15.4/15.3

Price Performance			
(%)	**1M**	**3M**	**12M**
Absolute	7.3	14.7	44.7
Rel. to Nifty	6.6	13.6	44.8

1-Year share price trend (Rs)



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Earnings call KTAs

Overall performance

- Titan delivered all-around growth across businesses, brands, and subsidiaries, supported by healthy volume growth and buyer additions.
- Demand weakness was witnessed for ~3 weeks during May due to the customs duty increase and Adhik Maas, though demand trends improved in June.

Caratlane and TEAL

- CaratLane's 10% adj EBIT margin (up ~350bps) was led by operating leverage; Titan expects to maintain double-digit margin structurally for the segment.
- TEAL margins are expected to gradually move toward a normalized range of 12-15% (vs 32.7% in 1Q; higher share of service business).
- The company will continue prioritizing topline growth across both CaratLane and TEAL.

Customs Duty and Accounting impact

- The customs duty rate increase resulted in a consolidated benefit of ~Rs4.07bn during the quarter, comprising ~Rs3.87bn in TMZ and ~Rs210mn in CaratLane.
- The benefit arising from the customs duty increase is expected to flow through in Q2 as well as Q3.
- Owing to the divergence between international and domestic gold prices, the company advanced its gold procurement to ensure uninterrupted production and festive demand supplies. This resulted in an accounting MTM benefit of ~75–80 bps to Jewelry EBIT in 1Q, and is expected to reverse in coming quarters.

Jewelry business

- The jewelry segment saw some softness for around three weeks, but demand started improving from early June. The company observed some softness in plain gold jewelry demand toward the end of July.
- Exchange continues to be a key customer acquisition and growth driver, contributing to >50% of the jewelry business. The elevated exchange mix witnessed during the three-week spike in May has now normalized.
- Titan rolled out its Cash-for-Gold offering in June. While customer traction has been limited so far, the company highlighted that the initiative does not dilute business economics.
- Customers are increasingly favoring the Golden Advantage Scheme over Golden Harvest owing to its rupee-cost advantage.

International business

- The ongoing geopolitical situation has adversely impacted jewelry demand in certain international markets, particularly Damas, with lower footfalls and ticket sizes as jewelry purchases turn into a lower consumer priority.
- Excluding Damas, the international business continues to generate EBIT margin of ~5–6%, which the company expects to maintain.

Others

- Competitive intensity remains elevated, with continued discounting across markets and no signs of easing, particularly in Gujarat.
- The company has reclassified colored stone jewelry, from the studded jewelry category to gold jewelry category.

- Pricing for both solitaires and small natural diamonds has stabilized. Management also noted that consumer sentiment and the industry narrative around lab-grown diamonds versus natural diamonds have stabilized.

Story in charts

Exhibit 1: TTAN's valuation gap vs peers has reduced and should gradually narrow, with better or in-line execution

Company	FY26-29E CAGR (%)		FY26 RoIC (%)	1YF PER (x)
	Revenue	EBITDA		
Vishal Mega Mart	18	23	50	45
Trent	20	22	34	67
Titan Company	**16**	**21**	**26**	**63**
Metro Brands	16	17	30	53
D Mart	16	14	14	67
Varun Beverages	15	14	14	42
Page Industries	15	13	71	49

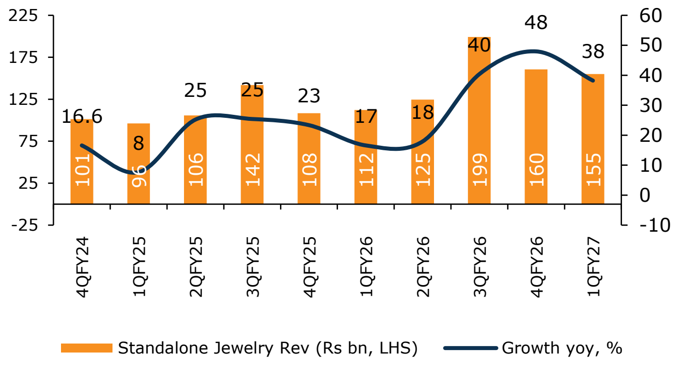
Source: Company, Emkay Research

Exhibit 2: Segmental financials

Comparable revenue growth (%)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Jewellery	18.2	18.9	40.5	46.1	38.4
Tanishq, Mia, Zoya	16.6	17.9	40.4	48.0	38.2
CaratLane	38.8	32.2	42.2	22.4	40.4
Watches	24.1	13.3	13.2	7.7	21.9
EyeCare	12.5	8.0	17.6	16.8	21.8
Emerging Businesses	35.0	34.0	14.4	20.6	18.5
International businesses	47.4	84.0	80.5	154.9	127.6
Titan Engineering & Automation Limited	55.8	111.7	67.4	59.9	42.7
Comparable EBIT Margin (%)	**1QFY26**	**2QFY26**	**3QFY26**	**4QFY26**	**1QFY27**
Jewellery	10.9	11.0	11.0	11.1	10.8
Tanishq, Mia, Zoya	11.3	11.1	10.9	11.3	10.9
CaratLane	6.6	10.2	13.0	8.3	10.1
Watches	19.0	16.7	12.0	12.7	18.2
EyeCare	8.5	5.6	11.9	9.5	8.8
Emerging Businesses	-13.0	-16.9	-19.3	-40.7	-30.5
International businesses	3.4	2.0	10.2	-7.7	-0.7
Titan Engineering & Automation Limited	24.4	22.7	11.1	17.8	32.6

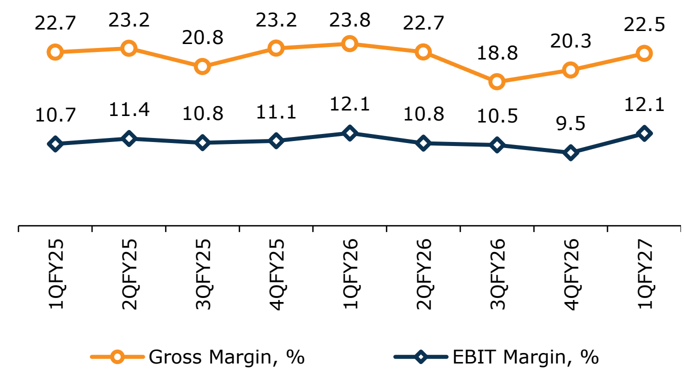
Source: Company, Emkay Research

Exhibit 3: Standalone jewelry (ex-bullion) saw a strong ~38% yoy growth in 1Q



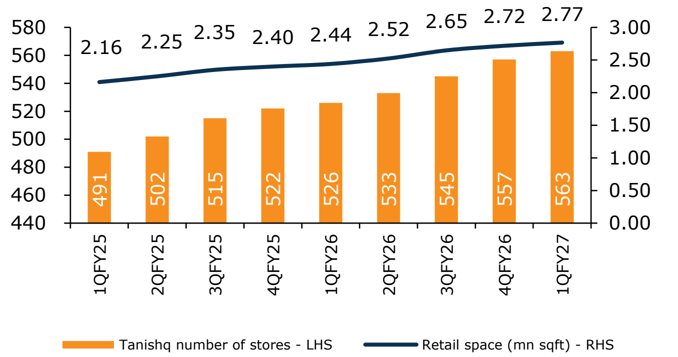
Source: Company, Emkay Research

Exhibit 4: Standalone adj gross margin declined by ~130bps yoy, while adj EBIT margin was flat yoy



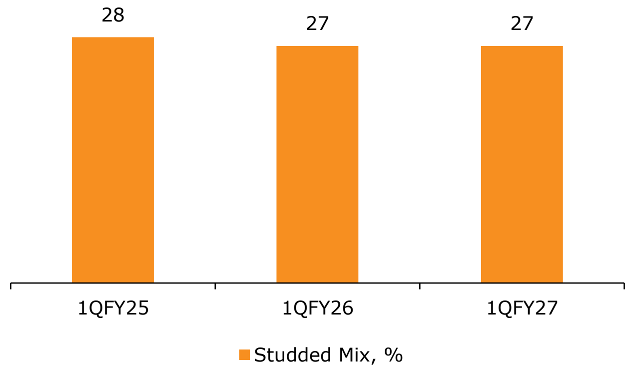
Source: Company, Emkay Research; Note: Margins adjusted for Custom duties gain/loss and calculated on standalone jewelry revenue ex-bullion

Exhibit 5: Tanishq's store addition was a tad slower, with only 6 additions in 1Q



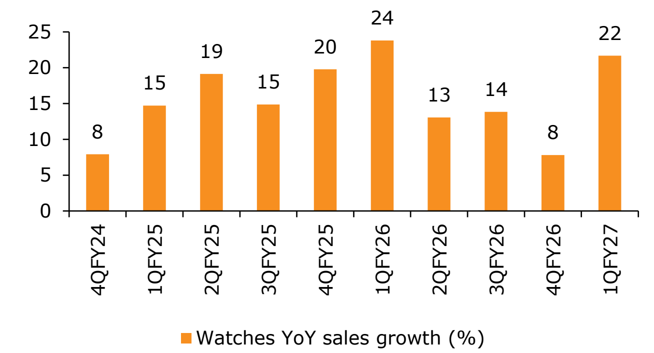
Source: Company, Emkay Research

Exhibit 6: Studded mix (including CaratLane) was flat yoy



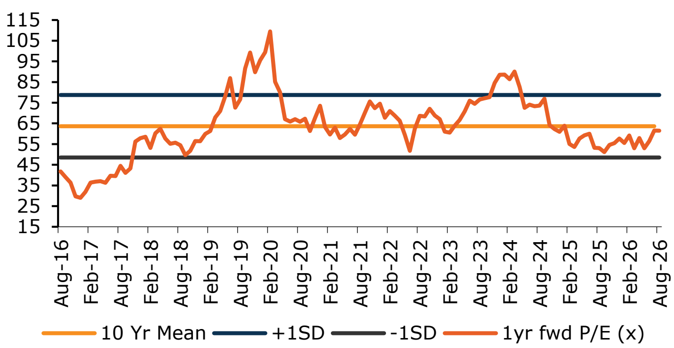
Source: Company, Emkay Research

Exhibit 7: Watch sales grew 22% yoy in 1Q, driven by the mid-twenties growth in the Analog watch category



Source: Company, Emkay Research

Exhibit 8: Titan's one-year forward PER



Source: Company, Emkay Research

Exhibit 9: Actual vs estimates (1QFY27)

(Rs mn)	Actual	Estimates		Variation		Comments
		Emkay	Consensus	Emkay	Consensus	
Net Sales	213,560	213,782	214,510	-0.1%	-0.4%	Topline was in line with our estimate.
EBITDA	28,900	23,035	22,404	25.5%	29.0%	EBITDA beat on account of ~Rs4bn benefit from customs duty increase and ~Rs1.5bn MTM gain (~80bps).
EBITDA Margin	13.5%	10.8%	10.4%	276	309	
PAT	17,770	13,837	13,921	28.4%	27.6%	PAT beat led by EBITDA flow-through and lower interest expense.

Source: Company, Emkay Research

Exhibit 10: Quarterly snapshot of retail growth yoy

Segment	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
World of Titan	13%	15%	31%	18%	20%	16%	15%	18%	18%
Tanishq, Mia, Zoya	9%	21%	28%	20%	17%	19%	36%	54%	38%
Titan Eye+	8%	5%	11%	10%	6%	11%	11%	15%	21%
Fastrack	15%	14%	27%	20%	19%	14%	18%	21%	19%
Helios	24%	43%	47%	38%	33%	27%	23%	36%	40%
LFS (watches)	5%	11%	18%	14%	18%	9%	10%	19%	19%

Source: Company, Emkay Research

Exhibit 11: Quarterly snapshot of LFL growth

Segment	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
World of Titan	9%	11%	25%	14%	15%	11%	12%	15%	13%
Tanishq, Mia, Zoya	3%	15%	22%	15%	11%	14%	32%	50%	33%
Fastrack	5%	5%	14%	12%	12%	10%	10%	12%	10%
Helios	11%	28%	34%	24%	22%	14%	14%	28%	33%
LFS (watches)	-7%	3%	16%	10%	17%	7%	9%	19%	18%

Source: Company, Emkay Research

Exhibit 12: Changes in estimates

(Rs mn)	FY27E			FY28E			FY29E		
	Old	New	Change (%)	Old	New	Change (%)	Old	New	Change (%)
Revenue	952,856	949,463	-0.4	1,147,578	1,143,583	-0.3	NA	1,362,025	NA
EBITDA	**98,367**	**108,133**	**9.9**	**121,397**	**125,756**	**3.6**	NA	**147,773**	NA
EBITDA margin (%)	10.3	11.4	110 bps	10.6	11.0	40 bps	NA	10.8	NA
Net profit	60,810	66,215	8.9	78,223	78,527	0.4	NA	94,079	NA
EPS (Rs)	68.3	74.4	8.9	87.9	88.2	0.4	NA	105.7	NA

Source: Company, Emkay Research

Exhibit 13: Summary of quarterly results (reported)

Y/E, March (Rs mn)	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	yoy (%)	qoq (%)	FY26TD	FY27TD	yoy (%)
Revenue	**165,230**	**187,250**	**254,160**	**269,200**	**213,560**	**29.3**	**-20.7**	**165,230**	**213,560**	29.3
Expenditure	**146,930**	**168,500**	**227,030**	**249,830**	**184,660**	**25.7**	**-26.1**	**146,930**	**184,660**	25.7
Consumption of RM	128,110	147,090	203,870	224,000	159,490	24.5	-28.8	128,110	159,490	24.5
as a % of sales	*77.5%*	*78.6%*	*80.2%*	*83.2%*	*74.7%*			*77.5%*	*74.7%*	
Other expenditure	18,820	21,410	23,160	25,830	25,170	33.7	-2.6	18,820	25,170	33.7
as a % of sales	*11.4%*	*11.4%*	*9.1%*	*9.6%*	*11.8%*			*11.4%*	*11.8%*	
EBITDA	**18,300**	**18,750**	**27,130**	**19,370**	**28,900**	**57.9**	**49.2**	**18,300**	**28,900**	**57.9**
Depreciation	1,840	1,890	2,070	2,460	2,560	39.1	4.1	1,840	2,560	39.1
EBIT	**16,460**	**16,860**	**25,060**	**16,910**	**26,340**	**60.0**	**55.8**	**16,460**	**26,340**	**60.0**
Other Income	1,050	1,120	1,510	1,840	1,460	39.0	-20.7	1,050	1,460	39.0
Interest	2,710	2,770	2,820	3,500	3,530	30.3	0.9	2,710	3,530	30.3
PBT	**14,800**	**15,210**	**23,750**	**15,250**	**24,270**	**64.0**	**59.1**	**14,800**	**24,270**	**64.0**
Total Tax	3,890	4,020	5,390	3,980	6,520	67.6	63.8	3,890	6,520	67.6
PAT	**10,910**	**11,190**	**18,360**	**11,270**	**17,750**	**62.7**	**57.5**	**10,910**	**17,750**	**62.7**
Extraordinary items	0	-10	-1,520	510	-20					
Reported PAT	**10,910**	**11,200**	**16,840**	**11,780**	**17,730**	**62.5**	**50.5**	**10,910**	**17,730**	**62.5**
Minority Interest	0	0	0	0	0					
Adjusted PAT	**10,910**	**11,200**	**17,977**	**11,780**	**17,770**	62.9	50.8	**10,910**	**17,770**	62.9
Adjusted EPS (Rs)	**12.3**	**12.6**	**18.9**	**13.2**	**20.0**	**62.9**	**50.8**	**12.3**	**20.0**	**62.9**
(%)	**1QFY26**	**2QFY26**	**3QFY26**	**4QFY26**	**1QFY27**	**(bps)**	**(bps)**	**FY26TD**	**FY27TD**	**(bps)**
EBITDA margin	11.1	10.0	10.7	7.2	13.5	250	630	11.1	13.5	250
EBIT margin	10.0	9.0	9.9	6.3	12.3	240	610	10.0	12.3	240
EBT margin	9.0	8.1	9.3	5.7	11.4	240	570	9.0	11.4	240
PAT margin	6.6	6.0	7.1	4.4	8.3	170	390	6.6	8.3	170
Effective tax rate	26.3	26.4	22.7	26.1	26.9	60.0	80	26.3	26.9	60

Source: Company, Emkay Research

Exhibit 14: *Valuation comparison across our coverage companies*

Company	Price (Rs)	Mcap (Rs bn)	Reco	Target Price (Rs)	EPS (Rs)			PER (x)			EV/EBITDA (x)*		
					FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Titan Company	**4,941**	**4,387**	**ADD**	**5,600**	**74.4**	**88.2**	**105.7**	**66.4**	**56.0**	**46.7**	**41.3**	**35.5**	**30.2**
Varun Beverages	442	1,495	BUY	525	9.7	11.4	13.8	45.6	38.8	32.0	25.7	22.7	20.0
Ethos	2,782	74	BUY	3,200	49.7	66.9	85.6	56.0	41.6	32.5	23.9	17.8	13.9
Page Industries	39,900	445	ADD	46,800	776.7	894.3	1,025.1	51.4	44.6	38.9	34.7	30.4	26.6
ABFRL	63	77	ADD	80	-5.1	-3.6	-3.3	NA	NA	NA	7.6	5.5	4.8
Jubilant FoodWorks	487	321	BUY	550	6.0	7.9	10.2	81.0	61.3	47.5	16.4	14.0	12.1
Devyani International	135	166	BUY	160	0.2	1.0	1.6	624.3	133.4	82.0	16.9	14.1	12.3
Westlife Foodworld	595	93	ADD	550	1.8	5.3	8.7	337.6	113.1	68.3	24.0	17.7	14.5
Sapphire Foods	224	72	BUY	300	1.6	2.3	2.9	140.7	96.3	77.4	12.5	10.1	8.8
Senco Gold	389	64	BUY	575	21.2	26.2	30.4	18.3	14.8	12.8	11.7	9.8	8.3
Metro Brands	973	265	BUY	1,250	17.7	21.0	25.2	55.0	46.3	38.6	25.9	21.9	18.7
ABLBL	94	115	BUY	140	2.3	3.1	4.0	41.1	30.2	23.2	8.1	7.0	6.1
Vishal Mega Mart	109	509	BUY	170	2.3	2.9	3.6	47.9	37.1	30.1	21.6	17.8	15.1
Lenskart	570	991	BUY	675	4.1	6.1	7.2	138.5	93.1	78.6	40.6	31.1	25.1
DMART	3,900	2,544	SELL	3,700	56.3	63.0	70.4	69.3	61.9	55.4	41.6	36.1	31.6

*Source: Company, Emkay Research; Note: *Post-IndAS-116 EBITDA; **FY26E is CY25, and likewise for Varun Beverages*

Titan Company: Consolidated Financials and Valuations

Profit & Loss

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Revenue	**604,560**	**875,840**	**949,463**	**1,143,583**	**1,362,025**
Revenue growth (%)	18.3	44.9	8.4	20.4	19.1
EBITDA	**56,940**	**83,550**	**108,133**	**125,756**	**147,773**
EBITDA growth (%)	7.6	46.7	29.4	16.3	17.5
Depreciation & Amortization	6,930	8,260	10,630	12,154	13,740
EBIT	**50,010**	**75,290**	**97,503**	**113,602**	**134,033**
EBIT growth (%)	6.2	50.5	29.5	16.5	18.0
Other operating income	-	-	-	-	-
Other income	4,860	5,520	6,110	6,721	7,393
Financial expense	9,530	11,800	14,658	14,918	15,146
PBT	**45,340**	**69,010**	**88,954**	**105,405**	**126,280**
Extraordinary items	0	(1,010)	0	0	0
Taxes	11,980	17,280	22,739	26,878	32,201
Minority interest	-	-	-	-	-
Income from JV/Associates	10	10	0	0	0
Reported PAT	**33,370**	**50,730**	**66,215**	**78,527**	**94,079**
PAT growth (%)	(4.5)	52.0	30.5	18.6	19.8
Adjusted PAT	**33,370**	**51,740**	**66,215**	**78,527**	**94,079**
Diluted EPS (Rs)	**37.5**	**58.1**	**74.4**	**88.2**	**105.7**
Diluted EPS growth (%)	(4.8)	55.0	28.0	18.6	19.8
DPS (Rs)	**11.0**	**11.0**	**13.0**	**15.0**	**18.0**
Dividend payout (%)	**29.2**	**19.2**	**17.5**	**17.0**	**17.0**
EBITDA margin (%)	9.4	9.5	11.4	11.0	10.8
EBIT margin (%)	8.3	8.6	10.3	9.9	9.8
Effective tax rate (%)	26.4	25.0	25.6	25.5	25.5
NOPLAT (pre-IndAS)	**36,796**	**56,437**	**72,578**	**84,633**	**99,854**
Shares outstanding (mn)	890	890	890	890	890

Source: Company, Emkay Research

Balance Sheet

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
Share capital	890	890	890	890	890
Reserves & Surplus	115,350	156,140	210,785	275,962	354,020
Net worth	**116,240**	**157,030**	**211,675**	**276,852**	**354,910**
Minority interests	0	0	0	0	0
Non current liab. & prov.	24,250	47,780	49,021	48,825	47,055
Total debt	**102,860**	**113,780**	**100,930**	**84,500**	**54,500**
Total liabilities & equity	**243,350**	**318,590**	**361,626**	**410,177**	**456,466**
Net tangible fixed assets	14,746	15,200	15,142	14,860	14,365
Net intangible assets	2,530	2,095	1,626	1,167	718
Net ROU assets	17,740	21,950	24,880	26,880	27,880
Capital WIP	1,050	1,630	1,630	1,630	1,630
Goodwill	1,230	7,580	7,580	7,580	7,580
Investments [JV/Associates]	6,520	13,930	13,930	13,930	13,930
Cash & equivalents	**29,210**	**41,660**	**61,336**	**65,263**	**69,743**
Current assets (ex-cash)	326,340	478,170	523,432	608,818	713,473
Current Liab. & Prov.	160,380	284,220	310,991	355,600	420,706
NWC (ex-cash)	**165,960**	**193,950**	**212,441**	**253,218**	**292,767**
Total assets	**243,350**	**318,590**	**361,626**	**410,177**	**456,466**
Net debt	73,650	72,120	39,594	19,237	(15,243)
Capital employed	243,350	318,590	361,626	410,177	456,466
Invested capital	**188,830**	**239,420**	**259,851**	**302,473**	**343,283**
BVPS (Rs)	130.6	176.4	237.8	311.1	398.8
Net Debt/Equity (x)	0.6	0.5	0.2	0.1	-
Net Debt/EBITDA (x)	1.3	0.9	0.4	0.2	(0.1)
Interest coverage (x)	5.5	6.6	6.9	7.8	9.1
RoCE (%)	**28.0**	**33.0**	**35.5**	**35.7**	**36.7**

Source: Company, Emkay Research

Cash flows

Y/E March (Rs mn)	FY25	FY26	FY27E	FY28E	FY29E
PBT (ex-other income)	40,490	63,500	82,844	98,684	118,887
Others (non-cash items)	-	-	-	-	-
Taxes paid	(10,730)	(17,360)	(22,739)	(26,878)	(32,201)
Change in NWC	(50,730)	(27,990)	(18,491)	(40,777)	(39,549)
Operating cash flow	**(4,510)**	**38,210**	**66,903**	**58,101**	**76,022**
Capital expenditure	(4,630)	(27,170)	(7,500)	(8,000)	(8,000)
Acquisition of business	280	(7,410)	0	0	0
Interest & dividend income	-	-	-	-	-
Investing cash flow	**3,800**	**(38,180)**	**21,100**	**(1,279)**	**(607)**
Equity raised/(repaid)	2	0	0	0	0
Debt raised/(repaid)	24,480	10,920	(12,850)	(16,430)	(30,000)
Payment of lease liabilities	(6,082)	(6,180)	(9,609)	(11,546)	(13,720)
Interest paid	(7,310)	(9,330)	(11,808)	(11,568)	(11,196)
Dividend paid (incl tax)	(9,790)	(9,790)	(11,570)	(13,350)	(16,020)
Others	(10)	18,690	0	0	0
Financing cash flow	**1,290**	**4,310**	**(45,837)**	**(52,894)**	**(70,936)**
Net chg in Cash	580	4,340	42,166	3,928	4,480
OCF	(4,510)	38,210	66,903	58,101	76,022
Adj. OCF (w/o NWC chg.)	46,220	66,200	85,394	98,877	115,571
FCFF	(9,140)	11,040	59,403	50,101	68,022
FCFE	(16,450)	1,710	47,594	38,533	56,826
OCF/EBITDA (%)	(7.9)	45.7	61.9	46.2	51.4
FCFE/PAT (%)	(49.3)	3.4	71.9	49.1	60.4
FCFF/NOPLAT (%)	**(24.8)**	**19.6**	**81.8**	**59.2**	**68.1**

Source: Company, Emkay Research

Valuations and key Ratios

Y/E March	FY25	FY26	FY27E	FY28E	FY29E
P/E (x)	131.8	86.7	66.4	56.0	46.7
P/CE(x)	119.8	78.9	61.3	51.9	43.6
P/B (x)	37.8	28.0	20.8	15.9	12.4
EV/Sales (x)	7.4	5.1	4.7	3.9	3.3
EV/EBITDA (x)	78.5	53.5	41.3	35.5	30.2
EV/EBIT(x)	89.4	59.4	45.8	39.3	33.3
EV/IC (x)	23.7	18.7	17.2	14.8	13.0
FCFF yield (%)	(0.2)	0.2	1.3	1.1	1.5
FCFE yield (%)	(0.4)	-	1.1	0.9	1.3
Dividend yield (%)	0.2	0.2	0.3	0.3	0.4
DuPont-RoE split					
Net profit margin (%)	5.5	5.9	7.0	6.9	6.9
Total asset turnover (x)	3.0	3.4	3.0	3.2	3.4
Assets/Equity (x)	1.9	1.9	1.7	1.5	1.3
RoE (%)	**31.8**	**37.9**	**35.9**	**32.1**	**29.8**
DuPont-RoIC					
NOPLAT margin (%)	6.1	6.4	7.6	7.4	7.3
IC turnover (x)	3.7	4.1	3.8	4.1	4.2
RoIC (%)	**22.6**	**26.4**	**29.1**	**30.1**	**30.9**
Operating metrics					
Core NWC days	100.2	80.8	81.7	80.8	78.5
Total NWC days	**100.2**	**80.8**	**81.7**	**80.8**	**78.5**
Fixed asset turnover	17.1	17.5	14.2	15.4	16.5
Opex-to-revenue (%)	12.1	10.2	11.6	11.4	11.4

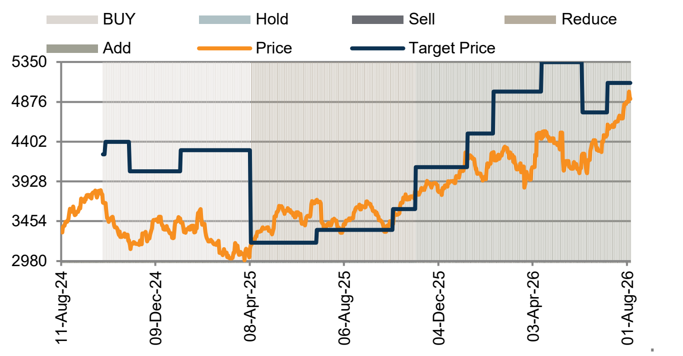
Source: Company, Emkay Research

RECOMMENDATION HISTORY - DETAILS

Date	Closing Price (Rs)	TP (Rs)	Rating	Analyst
07-Jul-26	4,604	5,100	Add	Devanshu Bansal
05-Jun-26	4,260	4,750	Add	Devanshu Bansal
10-May-26	4,509	5,350	Add	Devanshu Bansal
14-Apr-26	4,439	5,350	Add	Devanshu Bansal
11-Mar-26	4,140	5,000	Add	Devanshu Bansal
12-Feb-26	4,276	5,000	Add	Devanshu Bansal
10-Jan-26	4,202	4,500	Add	Devanshu Bansal
05-Nov-25	3,814	4,100	Add	Devanshu Bansal
07-Oct-25	3,418	3,600	Reduce	Devanshu Bansal
08-Aug-25	3,460	3,350	Reduce	Devanshu Bansal
26-Jul-25	3,463	3,350	Reduce	Devanshu Bansal
07-Jul-25	3,666	3,350	Reduce	Devanshu Bansal
02-Jul-25	3,708	3,350	Reduce	Devanshu Bansal
09-May-25	3,510	3,200	Reduce	Devanshu Bansal
09-Apr-25	3,174	3,200	Reduce	Devanshu Bansal
05-Feb-25	3,491	4,300	Buy	Devanshu Bansal
10-Jan-25	3,440	4,300	Buy	Devanshu Bansal
06-Nov-24	3,177	4,050	Buy	Devanshu Bansal
06-Oct-24	3,670	4,400	Buy	Devanshu Bansal
03-Oct-24	3,675	4,250	Buy	Devanshu Bansal

Source: Company, Emkay Research

RECOMMENDATION HISTORY - TREND



Source: Company, Bloomberg, Emkay Research

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ADD	5-15% upside
REDUCE	5% upside to 15% downside
SELL	>15% downside

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