

# Opportune

Exclusively curated opportunities to re-enter fundamentally strong companies at attractive valuations!

## ADD – Titan Company (TTAN)

CMP: ₹2409 (Upside Potential: 20.4%) as on 17<sup>th</sup> Jan 2023

Fair Value (FV): ₹2900 | Time Period: 12 months

### Why Invest?

- TTAN's long term (LT) attractiveness comes from (1) low market share (7%) in a large addressable market and (2) wide gap versus competition and focus on keeping its lead.
- CaratLane (CL) (TTAN's 72.3% subsidiary) has emerged as the leading digital-first omni-channel jewelry brand in India, with a 53% CAGR in revenue to about Rs2250 cr and a 10 ppts improvement in EBIT margin (Operating) to about 7% over FY20-23E.
- CL's success is attributable to sharp designs/merchandizing, superior front-end/back-end tech/data capabilities, consumer trust enjoyed (courtesy Tanishq partnership), and the multiplier effect of the omni-channel model.
- We expect CaratLane to deliver ~50% revenue CAGR and EBIT margin expansion to 10% over FY22-25E.

Maintain ADD with **FV Rs-2900**

**Read Full Report**

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