

## New recommendations Time Frame: 6 Months

Date	Scrip	I-Direct Code	Buying Range	Target	Stoploss	Upside (%)
26-Mar-21	Titan	TITIND	1465.00-1490.00	1,675.00	1,378.00	13.00

## Open recommendations Time Frame: 6 Months

Date	Scrip	Avg Rec Price	Target	Stoploss	CMP	Return till date (%)
23-Mar-21	Berger Paints	741.00	830.00	675.00	749.00	1%
19-Mar-21	Reliance Industries	2,055.00	2,320.00	1,915.00	1,992.00	-3%
3-Mar-21	IndusInd Bank	1,088.00	1,270.00	917.00	967.00	-11%
3-Mar-21	VIP Industries	400.00	478.00	358.00	359.00	-10%
25-Feb-21	Tata Steel	733.00	845.00	675.00	758.00	3%
5-Feb-21	Kotak Mahindra Bank	1,976.00	2,230.00	1,815.00	1,780.00	-10%
5-Jan-21	Marico	415.00	480.00	367.00	401.00	-3%
10-Dec-20	Abbott India	15,500.00	17,920.00	13,910.00	14,860.00	-4%

All the recommendations are in Cash segment

March 26, 2021

## Open Recommendations

### Momentum Picks

Scrip	Action
NBCC	Buy
L&T Infotech	Buy
Duration: 14 Days	

Our Products

[Click here to know more...](#)

### Research Analysts

**Dharmesh Shah**

dharmesh.shah@icicisecurities.com

**Pabitro Mukherjee**

pabitro.mukherjee@icicisecurities.com

**Nitin Kunte, CMT**

nitin.kunte@icicisecurities.com

**Vinayak Parmar**

vinayak.parmar@icicisecurities.com

**Ninad Tamhanekar, CMT**

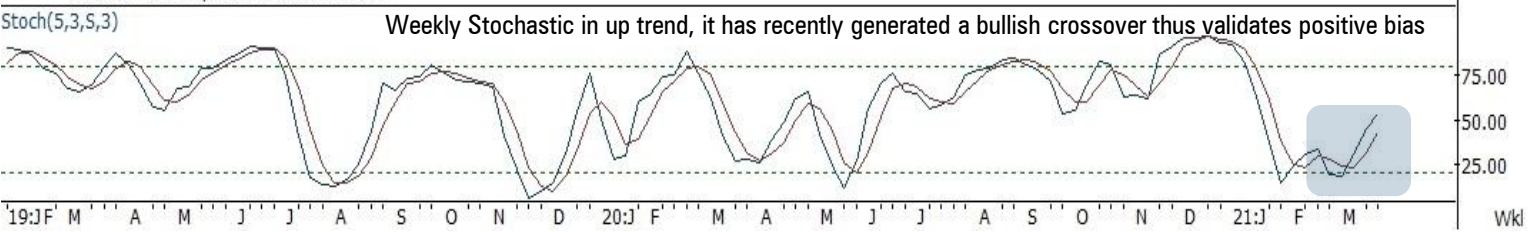
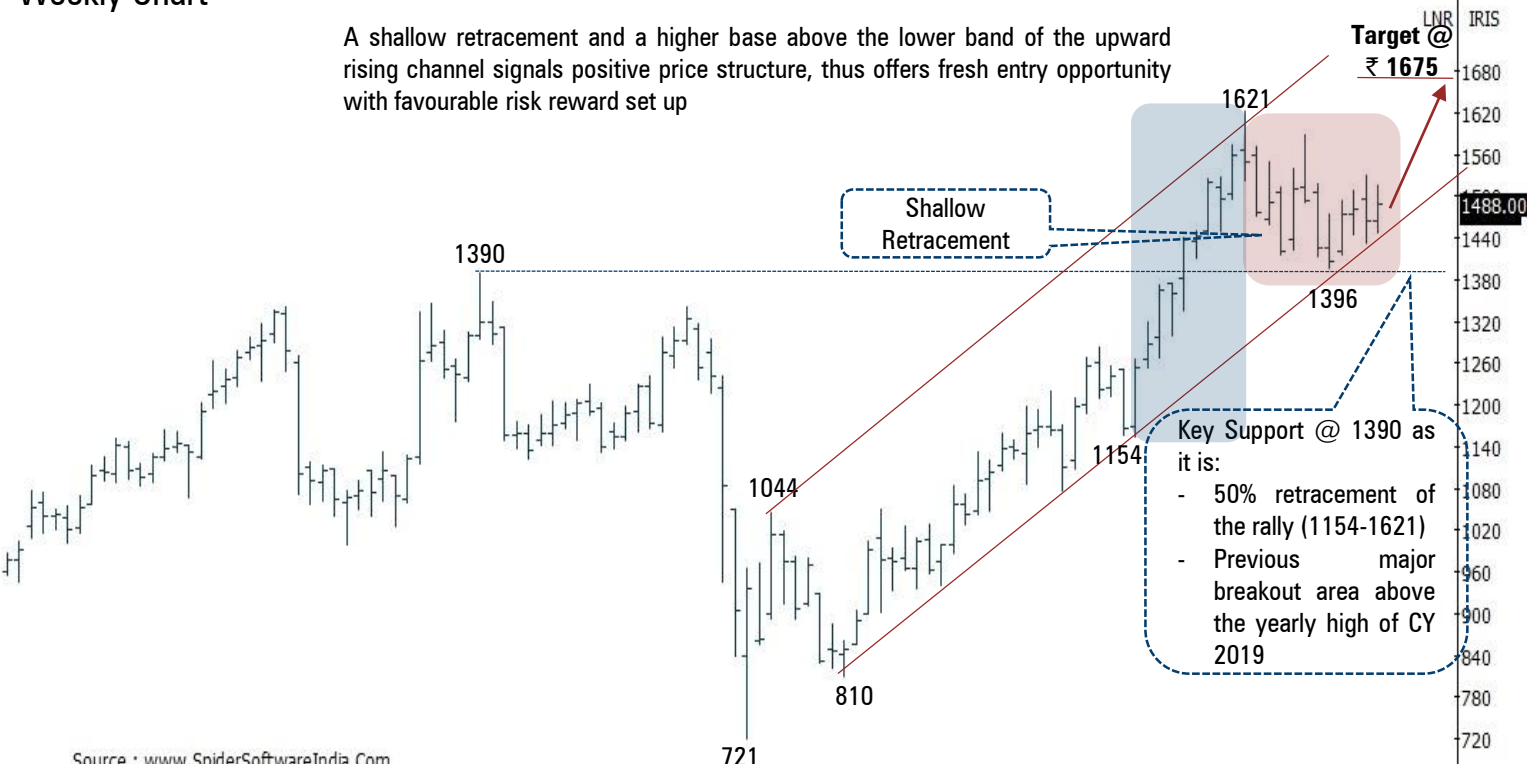
ninad.tamhanekar@icicisecurities.com

# Titan Company (TITIND): Higher base formation at previous breakout area & lower band of the channel offers favourable risk reward...

<b>Rec. Price</b>	<b>1465-1490</b>	<b>Target</b>	<b>1675</b>	<b>Stop loss</b>	<b>1378</b>	<b>Upside</b>	<b>13%</b>
-------------------	------------------	---------------	-------------	------------------	-------------	---------------	------------

## Weekly Chart

A shallow retracement and a higher base above the lower band of the upward rising channel signals positive price structure, thus offers fresh entry opportunity with favourable risk reward set up



- The stock has undergone healthy retracement over the past three months and formed a higher base at the lower band of rising channel and the previous major breakout area above the yearly high of CY19 (₹ 1390). Hence, it offers a fresh entry opportunity with a favourable risk reward set up
- We expect the stock to resume its primary up trend and gradually head towards ₹ 1675 levels in coming months as it is the 123.6% external retracement of the last three months breather (₹1621-1396)
- Key point to highlight is that, over past 12 weeks, the stock has retraced just 50% of preceding nine week's up move (1154-1621). Shallow price retracement signifies robust price structure
- The entire up move since May 2020 has been well channelled, signalling a sustained demand at elevated levels. The stock has witnessed a strong buying demand each time it tested the lower band of the channel. We expect the stock to maintain the same rhythm. Thereby offering fresh entry opportunity

Source: Spider Software,, ICICI Direct Research  
March 26, 2021

Recommended on I-click to gain on 26<sup>th</sup> March 2021 at 10:44

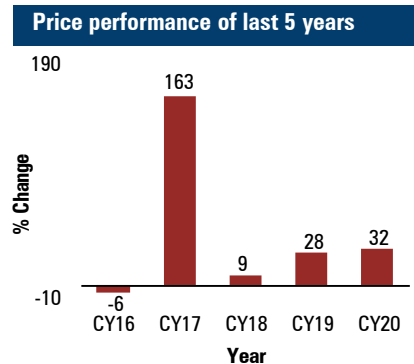
# Fundamental View: Titan Company (TITIND)

- Titan Company is a major player in the organised jewellery market with share of ~6%. Tanishq's penetration is still at a very nascent stage in the Indian jewellery market. This provides immense opportunity for Titan to enhance its market share, going forward. Recent regulatory changes such as gold hallmarking, GST have turned out to be highly favourable for organised players like Titan, leading to market share gains from unorganised players. The market share gains are visible as Tanishq reported robust revenue CAGR of 19% in FY16-20
- Since the outbreak of the pandemic, perception of gold as an asset class has seen healthy traction. Demand for plain gold jewellery, gold coins has zoomed owing to a surge in gold prices. Titan is among few discretionary companies in our coverage to have reverted back to healthy sales growth. Titan's jewellery division witnessed strong revival with revenue growth of 16% YoY in Q3FY21. Revenue trajectory accelerated further in January with jewellery division seeing 28% YoY growth driven by 16% growth in studded ratio
- The healthy growth revival depicts the inherent strength of the Tanishq brand and continuous focus on market share gains. Furthermore, a revival in share of studded ratio augurs well for overall margin profile
- The company's 'War on Waste' programme is well on track with tight control on inventory position and higher focus on gold on lease replenishment (~56% of inventory). We expect initiatives to improve cash positions and significantly enhance RoIC (from 31% in FY20 to ~42% in FY23E). We build in revenue and earnings CAGR of 14% and 22%, respectively in FY20-23E

Particulars	
Particular	Amount
Market Capitalisation (₹ Crore)	1,32,724.0
Debt (FY20) (₹ Crore)	722.9
Cash (FY20) (₹ Crore)	381.2
EV (₹ Crore)	1,33,065.7
52 week H/L	1620 / 819
Equity Capital (₹ Crore)	88.8
Face Value (₹)	1

Financials				
(₹ crore)	FY20A	FY21E	FY22E	FY23E
Net Sales	21,052	20,171	26,960	31,472
EBITDA	2,467	1,634	3,323	4,067
Net Profit	1,501	897	2,175	2,705
EPS (₹)	16.9	10.1	24.5	30.5

Valuation				
	FY20A	FY21E	FY22E	FY23E
P/E	88.4	148.0	61.0	49.1
EV to EBITDA	53.9	81.0	39.6	32.1
Price to book	19.9	18.4	14.8	12.2
RONW (%)	22.5	12.4	24.2	24.8
ROCE (%)	28.7	16.5	32.4	33.2



## Summary Performance - Recommendations till date

Total Recommendations	618	Open	8
Closed Recommendations	610	Yield on Positive recommendations	17.0%
Positive Recommendations	455	Yield on Negative recommendations	-8.0%
Closed at cost	17		
Strike Rate	77%		

# Momentum Picks open recommendations

Date	Scrip Name	Strategy	Recommendations Price	Target	Stoploss	Time Frame
10-Mar-21	L&T Infotech	Buy	4020-4070	4435.00	3830.00	14 Days
23-Mar-21	NBCC	Buy	47-48.5	53.00	45.00	14 Days

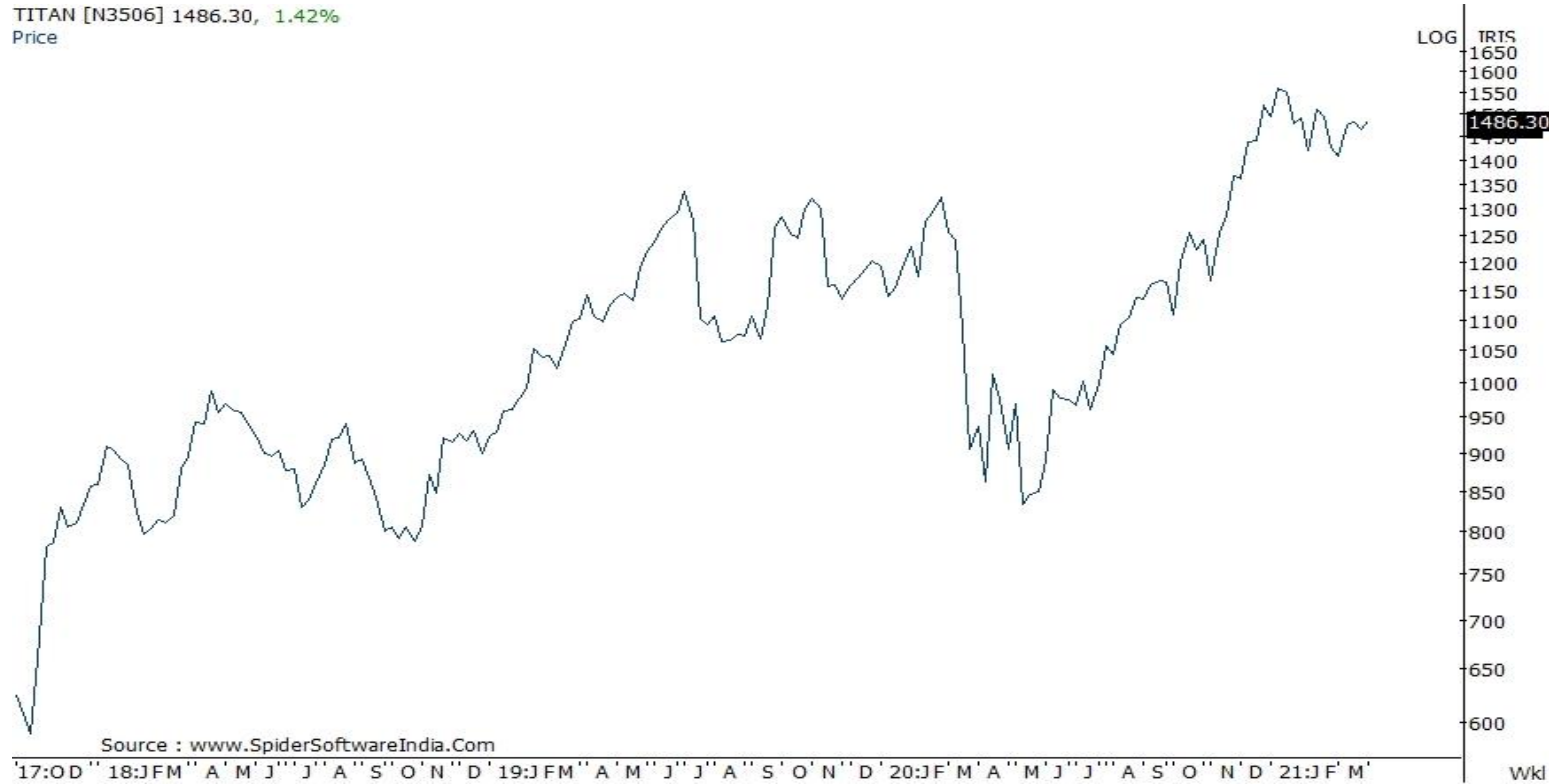
All recommendations are in cash market

[Back to Top](#)

# Price history of past three years

## Titan Company

TITAN [N3506] 1486.30, 1.42%  
Price



- It is recommended to enter in a staggered manner within the prescribed range provided in the report
- Once the recommendation is executed, it is advisable to keep strict stop loss as provided in the report on closing basis
- The recommendations are valid for six months and in case we intend to carry forward the position, it will be communicated through separate mail

## Trading portfolio allocation

- It is recommended to spread out the trading corpus in a proportionate manner between the various technical research products
- Please avoid allocating the entire trading corpus to a single stock or a single product segment
- Within each product segment it is advisable to allocate equal amount to each recommendation
- For example: The 'Momentum Picks' product carries 2 intraday recommendations. It is advisable to allocate equal amount to each recommendation

# Recommended product wise trading portfolio allocation

Product	Allocations		Number of Calls	Return Objective	Duration
	Product wise allocation	Max allocation In 1 Stock			
Momentum Picks-Intraday	10%	30-50%	2 Stocks	1-2%	Intraday
Momentum Picks-Positional	25%	8-10%	8-10 Per Month	5-8%	14 Days
Gladiator Stocks	35%	10-13%	Opportunity Based	15-20%	6 Months
Yearly Technical	25%	12-15%	7-9 Per Year	20-30%	1 Year
Cash	5%				
	100%				





---

Pankaj Pandey

Head – Research  
ICICI Direct Research Desk,  
ICICI Securities Limited,  
1st Floor, Akruti Trade Centre,  
Road No 7, MIDC,  
Andheri (East)  
Mumbai – 400 093  
[research@icicidirect.com](mailto:research@icicidirect.com)

[pankaj.pandey@icicisecurities.com](mailto:pankaj.pandey@icicisecurities.com)

We /I, Dharmesh Shah, Nitin Kunte, Ninad Tamhanekar, Pabitra Mukherjee, Vinayak Parmar Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

## Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities Limited is a SEBI registered Research Analyst with SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on [www.icicibank.com](http://www.icicibank.com)

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities generally prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit [icicidirect.com](http://icicidirect.com) to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.