

# **COMPANY ANALYSIS ON TITAN COMPANY**

Company Analysis Report in partial fulfillment of the requirements for the award of the degree of

**BACHELOR OF COMMERCE**

**Of**

**DAVANGERE UNIVERSITY**



**BY**

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**2023-24**

## DECLARATION

I hereby declare that the Company Analysis Report entitled “**TITAN COMPANY**” submitted to the Department of Commerce, SJM College, Davanagere University, Davanagere, is a record of an original work done by me under the guidance of Mr. MOHAN KUMAR . M, Lecturer COMMERCE IN Davanagere university " and this

Company Analysis Report is submitted in the partial fulfillment of the requirements for the award Bachelor Degree in Commerce by Davanagere University.

I also declare that this report is the outcome of my own efforts and that it has not been submitted to any other university or Institute for the award of any other degree or Diploma or Certificate.

Place: CHITRADURGA

Name: SHRINIVAS. D.M

Date

Register No: U13SJ21C0080

### CERTIFICATE OF ORIGINALITY

This is to certify that the Company analysis report titled "TITAN COMPANY" is an original work of Mr. SHRINIVAS .D.M; Bearing University Register Number- U13SJ21C0080 and is being submitted in partial fulfilment for the award of the Bachelor Degree in Commerce by Davangere University. The report has not been submitted earlier either to this University /Institution for the fulfilment of the requirement of a course of study.

SIGNATURE OF THE GUIDE

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**TITAN WATCH COMPANY**



# TITAN

## COMPANY

### Module-1

#### 1.INTRODUCTION

##### ❖ Brief overview of company

Titan Company Limited is an Indian multinational company that operates in the consumer goods industry. Established in 1984, it is a prominent player in the watch, eyewear, and accessory segments. Titan is known for its diverse range of products, innovative designs, and strong brand presence. The company has successfully expanded its footprint internationally and remains a key player in the Indian market.

**Watches:** Titan is a prominent player in the watch industry, producing a wide range of timepieces under various brands such as Titan, Sonata, and Fast track. The company is known for its innovative designs and technology.

**Other Ventures:** Titan has diversified into other sectors, including fragrances and precision engineering through its subsidiary, Titan Engineering & Automation Limited.

**Corporate Social Responsibility (CSR):** Titan is committed to CSR initiatives, focusing on education, healthcare, and community development.

The company has garnered a strong reputation for its commitment to quality, innovation, and customer satisfaction in the Indian market. Keep in mind that specific details may have evolved since my last training cut-off in January 2022.

#### ❖ INCEPTION OF THE COMPANY

The Titan Watch Company, a subsidiary of the Titan Company Limited, was founded in 1984. It emerged as a joint venture between the Tata Group, one of India's largest and oldest conglomerates, and the Tamil Nadu Industrial Development Corporation (TIDCO). The primary objective was to address the gap in the Indian watch market by offering high-quality, stylish, and affordable timepieces. Since its inception, Titan Watches has grown to become a leading brand in India, known for its innovation, craftsmanship, and a diverse range of watches catering to different segments of the market.

#### ❖ NATURE AND BUSINESS

The Titan Company Limited is an Indian multinational company that operates in various business segments. Established in 1984, it is a prominent player in the consumer goods industry. Here are some key details about the nature and business of Titan Company:

##### Business Segments:

**Watches:** Titan is well-known for its watch division, offering a wide range of watches under different brands such as Titan, Sonata, FastTrack, and more.

**Jewellery:** Titan's jewellery division includes popular brands like Tannish, Mia, and Carat Lane, offering a diverse range of gold, diamond, and other jewellery.

**Eyewear:** Titan Eyewear provides eyeglasses and sunglasses under brands like Titan Eye plus and Fast track.

##### Diversification:

Titan has successfully diversified its portfolio beyond watches to become a leading player in the jewellery and eyewear segments, showcasing its adaptability and market understanding.

##### Innovation and Design:

The company emphasizes innovation and design across its product lines, contributing to its strong brand image.

##### Retail Presence:

Titan has a widespread retail presence with numerous stores and outlets across India, making its products easily accessible to consumers.

**Corporate Social Responsibility (CSR):**

Titan is actively involved in CSR initiatives, focusing on education, healthcare, and community development, showcasing a commitment to social responsibility.

**Financial Performances** :-As of my last knowledge update in January 2022, Titan has shown consistent financial performance, with steady revenue growth over the years.

**International Presence:**

While primarily operating in India, Titan has expanded its reach internationally, exporting products to various countries.

It's advisable to check the latest financial reports and updates for the most recent information about Titan Company, as the business landscape may have evolved since my last update.

❖ **MISSION, VISION, VALUES AND GOAL**

1. **Mission:**

“To empower our customers with innovative and reliable solutions, leveraging our expertise to redefine industry standards and create lasting value.”

2. **Vision:**

“To be the global leader in [industry], recognized for unparalleled innovation, sustainability, and customer satisfaction.”

3. **Values:**

Excellence: Striving for the highest standards in all aspects of our business.

Integrity: Upholding honesty, transparency, and ethical conduct in every interaction.

Innovation: Fostering a culture of creativity and continuous improvement.

Customer-Centricity: Putting the needs and satisfaction of our customers at the forefront.

Teamwork: Collaborating across departments and disciplines to achieve common goals.

4. **Goals:**

Achieve a X% increase in market share within the next three years. Launch innovative products/services to address emerging market demands.



Attain a Y% reduction in carbon footprint through sustainable practices.

Foster employee development and satisfaction, aiming for a Z% increase in employee engagement.

#### ❖ OBJECTIVES AND QUALITY POLICY

Titan Company, an Indian multinational company, has several key objectives, including:

1. Innovation: To continuously innovate and offer cutting-edge products in the fields of watches, jewellery, eyewear, and other lifestyle accessories.
  2. Customer Satisfaction: To prioritize customer satisfaction by providing high-quality products, excellent customer service, and a positive shopping experience.
  3. Market Leadership: To maintain and strengthen its position as a market leader in the Indian consumer goods industry, particularly in the segments it operates in.
  4. Global Expansion: To expand its presence globally and tap into international markets, showcasing Indian craftsmanship and design on a global platform.
  5. Sustainable Practices: To incorporate sustainable and ethical business practices, including responsible sourcing of materials and environmental consciousness in manufacturing processes.
- Titan Watch Company's quality policy. Company policies can change over time, and the latest information would be available on Titan's official website or through direct contact with the company. To find the most accurate and current details regarding Titan Watch Company's quality policy, I recommend checking their official website or contacting their customer support

#### ❖ Products and Services profile

##### 1. Watches:

- Titan offers a diverse range of watches catering to various segments, including formal, casual, sports, and luxury.
- Brands under the watch category include Titan, Sonata, FastTrack, Raga, Nebula, and Octane.

##### 1. Jewellery:

- Titan is well-known for its exquisite jewellery collections under the Tannish brand.
- Tannish offers a wide array of gold and diamond jewellery, including rings, earrings, necklaces, and bangles.

##### • Eyewear:

- Titan Eyewear focuses on stylish and innovative eyeglass frames and sunglasses.

##### • Precision Engineering:

- Titan has ventured into precision engineering, manufacturing critical components for various industries like aerospace and automotive.

##### • Other Accessories:

- Titan also produces accessories such as bags, wallets, and belts through its brand Skill

#### **Innovation:**

- Titan has been at the forefront of innovation in the watch industry, introducing features like water-resistant watches, multi-function watches, and more.
- The company has embraced smartwatch technology with its Titan Smart series.

#### **Retail Presence:**

Titan products are available through a widespread network of retail stores, including exclusive brand outlets and multi-brand outlets.

#### **Corporate Responsibility:**

- Titan is committed to ethical business practices and sustainability, reflected in initiatives like responsible sourcing of materials.

#### **Awards and Recognition:**

- Titan has received numerous awards for its product design, innovation, and corporate excellence.
- **Area of operation- global national and regional**

Titan Company Limited is an Indian multinational company that operates globally. It has a significant presence in various countries, including India, where it is headquartered. Titan operates in multiple business segments, including watches, jewellery, eyewear, and others. The company's global reach extends to markets in the Middle East, Asia, and other regions. For detailed and up-to-date information on Titan Company's operations, including specific details on its global, national, and regional activities, I recommend checking the latest annual reports, press releases, or official statements from the company.

- **Ownership pattern competitors information**

Titan Company Limited is an Indian consumer goods company with a diverse portfolio. As of my last knowledge update in January 2022, here is a brief overview of Titan's ownership pattern and some key competitors:

#### **Ownership Pattern:**

Titan Company is part of the Tata Group, one of India's largest and most respected conglomerates. The Tata Group owns a significant stake in Titan, and the company operates as a subsidiary under the Tata umbrella.

#### **Competitors:**

FastTrack (a brand owned by Titan): FastTrack is a youth-oriented brand that competes with other lifestyle and fashion brands.

- Malabar Gold & Diamonds: A prominent player in the jewellery segment, competing with Titan's Tannish brand.

Watches & Timepieces Segment:

Fossil Group: Known for watches and lifestyle accessories.

Citizen: An international brand with a presence in the watch market.

Eyewear Segment:

Ray-Ban (Luxottica): A well-known eyewear brand globally.

Safely Group: An Italian eyewear manufacturer with various brands.

Fragrances:

L'Oréal: A multinational cosmetic and beauty company with a range of fragrances.

Please note that the competitive landscape may evolve, and it's advisable to check the latest financial reports, news, and industry updates for the most current information about Titan Company and its competitors.

#### ❖ **Achievement and awards**

Titan Company Limited, particularly in its watch division, has garnered several awards and recognitions for its excellence in design, innovation, and business performance. Here are some notable achievements and awards for Titan watches:

Red Dot Design Awards:

Titan watches have received Red Dot Design Awards, a prestigious international design competition, recognizing their commitment to design excellence.

India Design Mark:

Titan watches have been recipients of the India Design Mark, an award given by the India Design Council in recognition of design excellence.

JCK Customer Service Excellence Award: Titan has been honored with the JCK Customer Service Excellence Award, highlighting its commitment to providing exceptional customer service.

Retail Jeweller India Awards:

Titan watches, under various collections, have been recognized at the Retail Jeweller India Awards for their design and appeal.

Watch World Awards:

Titan watches have been recipients of the Watch World Awards in different categories, including design, innovation, and marketing.

CNBC TV18's India Business Leader Awards (IBLA):

Titan's watch division or leadership within the company has been recognized at CNBC TV18's India Business Leader Awards.

Please note that the awards and achievements listed here are based on information available up to January 2022, and there may have been additional accolades or changes since then. For the latest and most accurate information, it's recommended to check Titan Company's official communications or recent industry updates.

## **MODULE-2**

### **Financial and market analysis**

#### **❖ Financial statements analysis of titan company**

Analysing Titan Company's financial statements involves assessing its income statement, balance sheet, and cash flow statement. Look for key financial ratios like liquidity, profitability, and solvency. Pay attention to revenue trends, net income, current ratio, return on equity, and debt levels. Additionally, consider industry benchmarks for comparison.

#### **Titan Company Profit & Loss Annual**

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Period End Date</b>	<b>Mar 23</b>	<b>Mar 22</b>	<b>Mar 21</b>	<b>Mar 20</b>
<b>Revenue</b>	40,575.0 0	28,799.0 0	21,644.0 0	21,051.5 4
<b>Total Revenue</b>	40,575.0 0	28,799.0 0	21,644.0 0	21,051.5 4
<b>Costof Revenue Total</b>	30,470.0 0	21,730.0 0	16,477.0 0	15,258.4 8
<b>Gross Profit</b>	10,105.0 0	7,069.00	5,167.00	5,793.06
<b>Selling/ General/ Admin Expenses Total</b>	4,587.00	3,233.00	3,027.00	2,735.87
<b>Depreciation/ Amortization</b>	441.00	399.00	376.00	347.96
<b>Unusual Expense( Income)</b>	0.00	72.00	-30.00	0.00
<b>Other Operating Expenses Total</b>	610.00	455.00	362.00	572.56

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Total Operating Expense</b>	36,108.00	25,889.00	20,212.00	18,914.87
<b>Operating Income</b>	4,467.00	2,910.00	1,432.00	2,136.67
<b>Interest Inc( Exp) Net- Non- Op Total</b>	-710.00	-540.00	-1,130.00	-749.60
<b>Gain( Loss)on Saleof Assets</b>	-30.00	-30.00	-60.00	0.00
<b>Other Net</b>	54.00	51.00	14.00	39.94
<b>Net Income Before Taxes</b>	4,447.00	2,904.00	1,327.00	2,101.65
<b>Provisionfor Income Taxes</b>	1,173.00	706.00	353.00	608.99
<b>Net Income After Taxes</b>	3,274.00	2,198.00	974.00	1,492.66
<b>Minority Interest</b>	-24.00	-25.00	-1.00	8.73
<b>Net Income Before Extra Items</b>	3,250.00	2,173.00	973.00	1,501.39
<b>Net Income</b>	3,250.00	2,173.00	973.00	1,501.39
<b>Income Availableto Com Excl Extra Ord</b>	3,250.00	2,173.00	973.00	1,501.39
<b>Income Availableto Com Incl Extra Ord</b>	3,250.00	2,173.00	973.00	1,501.39
<b>Diluted Net Income</b>	3,250.00	2,173.00	973.00	1,501.39

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Diluted Weighted Average Shares</b>	88.78	88.78	88.78	88.78
<b>Diluted EPS Excluding Extra Ord Items</b>	36.61	24.48	10.96	16.91
<b>DPS- Common Stock Primary Issue</b>	10.00	7.50	4.00	4.00
<b>Diluted Normalized EPS</b>	36.63			

Titan Company Balance Sheet Annual

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Period End Date</b>	<b>Mar 23</b>	<b>Mar 22</b>	<b>Mar 21</b>	<b>Mar 20</b>
<b>Cash</b>	232.00	219.00	136.00	75.47
<b>Short Term Investments</b>	2,484.00	231.00	3,150.00	368.76
<b>Cashand Short Term Investments</b>	2,716.00	450.00	3,286.00	444.23
<b>Accounts Receivable- Trade Net</b>	832.00	659.00	465.00	413.94
<b>Total Receivables Net</b>	1,885.00	1,897.00	1,238.00	1,082.93
<b>Total Inventory</b>	16,763.00	13,715.00	8,498.00	8,188.52
<b>Prepaid Expenses</b>	98.00	73.00	27.00	32.54

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Other Current Assets Total</b>	945.00	1,319.00	148.00	372.08
<b>Total Current Assets</b>	22,407.00	17,454.00	13,197.00	10,120.30
<b>Property/ Plant/ Equipment Total-Gross</b>	4,268.00	3,440.00	3,039.00	2,846.91
<b>Accumulated Depreciation Total</b>	-1,507.00	-1,180.00	-889.00	-615.27
<b>Property/ Plant/ Equipment Total-Net</b>	2,761.00	2,260.00	2,152.00	2,231.64
<b>Goodwill Net</b>	123.00	123.00	123.00	123.01
<b>Intangibles Net</b>	257.00	245.00	256.00	273.00
<b>Long Term Investments</b>	352.00	280.00	43.00	68.38
<b>Note Receivable- Long Term</b>	954.00	635.00	565.00	562.41
<b>Other Long Term Assets Total</b>	169.00	197.00	116.00	171.05
<b>Total Assets</b>	27,023.00	21,194.00	16,452.00	13,549.79
<b>Accounts Payable</b>	1,214.00	1,294.00	789.00	596.71
<b>Notes Payable/ Short Term Debt</b>	7,494.00	5,914.00	4,366.00	2,290.45



<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Current Portof LT Debt/ Capital Leases</b>	266.00	221.00	204.00	197.29
<b>Other Currentliabilities Total</b>	4,290.00	3,083.00	2,355.00	2,542.10
<b>Total Current Liabilities</b>	13,264.00	10,512.00	7,714.00	5,626.55
<b>Long Term Debt</b>	0.00	2.00	9.00	16.97
<b>Capital Lease Obligations</b>	1,607.00	1,138.00	1,059.00	1,056.29
<b>Total Long Term Debt</b>	1,607.00	1,140.00	1,068.00	1,073.26
<b>Total Debt</b>	9,367.00	7,275.00	5,638.00	3,561.00
<b>Deferred Income Tax</b>	3.00	6.00	8.00	6.19
<b>Minority Interest</b>	53.00	30.00	5.00	4.40
<b>Other Liabilities Total</b>	245.00	203.00	155.00	166.24
<b>Total Liabilities</b>	15,172.00	11,891.00	8,950.00	6,876.64
<b>Common Stock Total</b>	89.00	89.00	89.00	88.78
<b>Additional Paid- In Capital</b>	142.00	141.00	141.00	140.94
<b>Retained Earnings( Accumulated Deficit)</b>	11,679.00	9,095.00	7,277.00	6,657.68

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>ESOP Debt Guarantee</b>	7.00	6.00	4.00	3.90
<b>Other Equity Total</b>	-66.00	-28.00	-9.00	-218.15
<b>Total Equity</b>	11,851.00	9,303.00	7,502.00	6,673.15
<b>Total Liabilities Shareholders' Equity</b>	27,023.00	21,194.00	16,452.00	13,549.79
<b>Total Common Shares Outstanding</b>	89.00	89.00	89.00	88.78
<b>Tangible Book Value per Share Common Eq</b>	128.89			

Titan Company Cash Flow Annual

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Period End Date</b>	Mar 23	Mar 22	Mar 21	Mar 20
<b>Net Income/ Starting Line</b>	4,447.00	2,904.00	1,327.00	2,101.65
<b>Depreciation/ Depletion</b>	441.00	399.00	375.00	347.96
<b>Non- Cash Items</b>	49.00	-5.00	87.00	32.13
<b>Changes in Working Capital</b>	-3,567.00	-4,022.00	2,350.00	-2,829.15

<b>Fiscal Period</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Cashfrom Operating Activities</b>	1,370.00	-724.00	4,139.00	-347.41
<b>Capital Expenditures</b>	-432.00	-224.00	-146.00	-355.02
<b>Other Investing Cash Flow Items</b>	-	1,388.00	-	590.01
<b>Total</b>	1,379.00	1,388.00	2,655.00	590.01
<b>Cashfrom Investing Activities</b>	-	1,164.00	-	234.99
	1,811.00	1,164.00	2,801.00	234.99
<b>Financing Cash Flow Items</b>	-300.00	-218.00	-203.00	-166.17
<b>Total Cash Dividends Paid</b>	-666.00	-355.00	-355.00	-535.57
<b>Issuance( Retirement)of Debt Net</b>	1,423.00	170.00	-676.00	460.07
<b>Cashfrom Financing Activities</b>	457.00	-403.00	-	-241.67
			1,234.00	-241.67
<b>Foreign Exchange Effects</b>	-3.00	1.00	2.00	0.05
<b>Net Changein Cash</b>	13.00	38.00	106.00	-354.04
<b>Cash Interest Paid</b>	300.00	218.00	203.00	166.17
<b>Cash Taxes Paid</b>	1,154.00	802.00	271.00	557.66

Financial ratio of company

<b>KEY FINANCIAL RATIOS OF TITAN</b>	<b>MAR 23</b>	<b>MAR 22</b>	<b>MAR 21</b>	<b>MAR 20</b>	<b>MAR 19</b>
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**COMPANY (in Rs.  
Cr.)****PER SHARE RATIOS**

Basic EPS (Rs.)	37.54	24.56	9.88	17.09	15.48
Diluted EPS (Rs.)	37.54	24.56	9.88	17.09	15.48
Cash EPS (Rs.)	41.54	28.39	13.57	20.58	17.04
Book Value [ExclRevalReserve]/Share (Rs.)	134.76	105.31	84.87	76.87	69.63
Book Value [InclRevalReserve]/Share (Rs.)	134.76	105.31	84.87	76.87	69.63
Dividend / Share(Rs.)	10.00	7.50	4.00	4.00	5.00
Revenue from Operations/Share (Rs.)	430.00	305.73	231.48	225.38	214.80
PBDIT/Share (Rs.)	56.96	39.61	21.15	28.88	24.56
PBIT/Share (Rs.)	52.87	35.71	17.43	25.39	23.00
PBT/Share (Rs.)	50.17	32.94	13.85	23.71	21.71
Net Profit/Share (Rs.)	37.45	24.49	9.85	17.09	15.48

**PROFITABILITY  
RATIOS**

PBDIT Margin (%)	13.24	12.95	9.13	12.81	11.43
PBIT Margin (%)	12.29	11.67	7.52	11.26	10.70
PBT Margin (%)	11.66	10.77	5.98	10.51	10.10
Net Profit Margin (%)	8.70	8.01	4.25	7.58	7.20
Return on Networth / Equity (%)	27.78	23.25	11.61	22.23	22.23
Return on Capital Employed (%)	34.67	30.04	17.89	28.37	32.40
Return on Assets (%)	13.28	10.82	5.52	11.50	11.98
Total Debt/Equity (X)	0.52	0.02	0.54	0.31	0.37
Asset Turnover Ratio (%)	1.69	1.51	129.89	151.72	166.26
<b>LIQUIDITY RATIOS</b>					
Current Ratio (X)	1.80	1.71	1.74	1.82	1.76
Quick Ratio (X)	0.50	0.38	0.63	0.34	0.46
Inventory Turnover Ratio (X)	1.81	2.02	2.58	2.59	2.84
Dividend Payout Ratio (NP) (%)	19.98	16.28	40.47	29.24	24.22

Dividend Payout Ratio (CP) (%)	18.01	14.04	29.38	24.29	22.00
Earnings Retention Ratio (%)	80.02	83.72	59.53	70.76	75.78
Cash Earnings Retention Ratio (%)	81.99	85.96	70.62	75.71	78.00
<b>VALUATION RATIOS</b>					
Enterprise Value (Cr.)	229,331.90	224,893.35	142,190.60	84,653.30	102,273.88
EV/Net Operating Revenue (X)	5.99	8.27	6.90	4.23	5.36
EV/EBITDA (X)	45.24	63.80	75.55	33.01	46.90
MarketCap/Net Operating Revenue (X)	5.85	8.30	6.73	4.14	5.30
Retention Ratios (%)	80.01	83.71	59.52	70.75	75.77
Price/BV (X)	18.66	24.08	18.35	12.14	16.34
Price/Net Operating Revenue	5.85	8.30	6.73	4.14	5.30
Earnings Yield	0.01	0.01	0.01	0.02	0.01

### **Evaluation of company position**

In this Titan Company Analysis we will see what is it that makes Titan Industries one of the most popular companies in India?

Titan has a rich history, and it has been synonymous with watches for about three decades now. **Titan is India's largest integrated watch manufacturer and the fifth largest globally.**

But over the years, the company has diversified its business segment into jewellery, eyewear, and other peripheral segments, including fragrance, wallets, handbags, and clothing. They have **focused on segments that have historically been unorganized**, and they try to become a large organized player in that segment. So this has been their **main strategy**.

Titan has **16+ brands in its product portfolio**. It also owns a license to distribute some international brands in India, including Tommy Hilfiger, Kenneth Cole, Anne Klein, to name a few. Titan has a strong presence in the market with **~2000+ retail stores in India** and **exports to ~32 countries with 11,000+ multi-brand outlets** sell Titan watches globally.

### Now, the question is, which segment drives revenue for Titan?

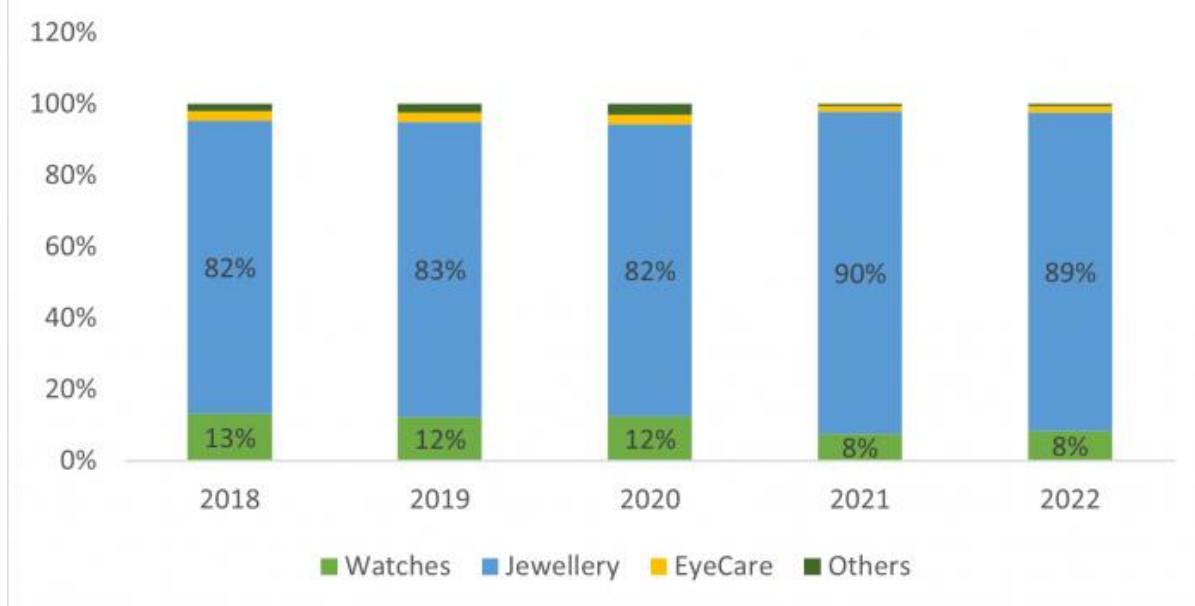
Historically, Titan used to **generate ~70% of the revenue** from the sale of watches. But today, the **watch segment generates merely 8% of revenue** for the company. The **jewellery segment is a significant source of revenue and generates ~89% of revenue** for Titan. Eyewear and other peripheral segments generate just 3% of the revenue for the company.

- Watches: ~8%
- Jewellery: ~89%
- Eyewear: ~2%
- Others (Fragrance, wallets, handbags etc.): ~1%

### SEGMENT WISE PERFORMANCE

Segment Results	(₹ in crore)	
	Year Ended 31 <sup>st</sup> March 2022 (Audited)	Year Ended 31 <sup>st</sup> March 2021 (Audited)
<b>Net Sales/Income from Operations</b>		
Watches	2,309	1,580
Jewellery	24,313	18,631
EyeCare	517	375
Others	154	98
Corporate (Unallocated)	163	99
<b>Total</b>	<b>27,456</b>	<b>20,783</b>

## Distribution of Titan's Revenue



### IMPORTANT RATIOS

- Liquidity ratios

- **RATIOS OF TITAN COMPANY (in Rs. Cr.)**

**MAR 23      MAR 22      MAR 21      MAR 20      MAR 19**

#### **PER SHARE RATIOS**

Basic EPS (Rs.)	37.54	24.56	9.88	17.09	15.48
Diluted EPS (Rs.)	37.54	24.56	9.88	17.09	15.48
Cash EPS (Rs.)	41.54	28.39	13.57	20.58	17.04
Book Value [ExclRevalReserve]/Share (Rs.)	134.76	105.31	84.87	76.87	69.63



Book Value [InclRevalReserve]/Share (Rs.)	134.76	105.31	84.87	76.87	69.63
Dividend / Share(Rs.)	10.00	7.50	4.00	4.00	5.00
Revenue from Operations/Share (Rs.)	430.00	305.73	231.48	225.38	214.80
PBDIT/Share (Rs.)	56.96	39.61	21.15	28.88	24.56
PBIT/Share (Rs.)	52.87	35.71	17.43	25.39	23.00
PBT/Share (Rs.)	50.17	32.94	13.85	23.71	21.71
Net Profit/Share (Rs.)	37.45	24.49	9.85	17.09	15.48
<b>PROFITABILITY RATIOS</b>					
PBDIT Margin (%)	13.24	12.95	9.13	12.81	11.43
PBIT Margin (%)	12.29	11.67	7.52	11.26	10.70
PBT Margin (%)	11.66	10.77	5.98	10.51	10.10
Net Profit Margin (%)	8.70	8.01	4.25	7.58	7.20
Return on Networth / Equity (%)	27.78	23.25	11.61	22.23	22.23

Return on Capital Employed (%)	34.67	30.04	17.89	28.37	32.40
Return on Assets (%)	13.28	10.82	5.52	11.50	11.98
Total Debt/Equity (X)	0.52	0.02	0.54	0.31	0.37
Asset Turnover Ratio (%)	1.69	1.51	129.89	151.72	166.26
<b>LIQUIDITY RATIOS</b>					
Current Ratio (X)	1.80	1.71	1.74	1.82	1.76
Quick Ratio (X)	0.50	0.38	0.63	0.34	0.46
Inventory Turnover Ratio (X)	1.81	2.02	2.58	2.59	2.84
Dividend Payout Ratio (NP) (%)	19.98	16.28	40.47	29.24	24.22
Dividend Payout Ratio (CP) (%)	18.01	14.04	29.38	24.29	22.00
Earnings Retention Ratio (%)	80.02	83.72	59.53	70.76	75.78
Cash Earnings Retention Ratio (%)	81.99	85.96	70.62	75.71	78.00
<b>VALUATION RATIOS</b>					

Enterprise Value (Cr.)	229,331.90	224,893.35	142,190.60	84,653.30	102,273.88
EV/Net Operating Revenue (X)	5.99	8.27	6.90	4.23	5.36
EV/EBITDA (X)	45.24	63.80	75.55	33.01	46.90
MarketCap/Net Operating Revenue (X)	5.85	8.30	6.73	4.14	5.30
Retention Ratios (%)	80.01	83.71	59.52	70.75	75.77
Price/BV (X)	18.66	24.08	18.35	12.14	16.34
Price/Net Operating Revenue	5.85	8.30	6.73	4.14	5.30
Earnings Yield	0.01	0.01	0.01	0.02	0.01

[AssetTurnoverRatio](#)

[CashRatio](#)

### Tsr Stability Index

Tsr Stability IndexLowHigh57.81%

Mild Stability

[Screener](#)

### FY - Historical Inventory Turnover Ratio of Titan Company Ltd.

Period	Mar-23	Mar-22	Mar-21	Mar-20	Mar-19
<b>Inventory Turnover Ratio</b>	2.01	2.09	2.12	2.16	2.38
<b>Change</b>	-3.72 %	-1.36 %	-1.99 %	-9.16 %	2.62 %
<b>Price</b>	2514.90	2536.15	1558.05	933.70	1141.85
<b>Price Change</b>	-0.838 %	62.78 %	66.87 %	-18.23 %	21.18 %

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Inventory Turnover Ratio with value of 2.38 was highest in Year Mar-19 in last Five Years. Inventory Turnover Ratio of TITAN trending down for at least three Years. Latest Inventory Turnover Ratio with value of 2.01 is lower than Average Inventory Turnover Ratio of 2.15 in last five yea

$$\text{Inventory Turnover Ratio} = \frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$$

[www.TopStockResearch.com](http://www.TopStockResearch.com)

## Module-3

### MANAGEMENT AND LEADERSHIP

#### ❖ The company's leadership team and their

##### Qualifications.

Titan Company's leadership team. I recommend checking the company's official website or recent reports for the most up-to-date information on their leadership team and qualifications.

As of my last knowledge update in January 2022, I don't have the latest information on Titan Company's leadership team. I recommend checking the company's official website or recent reports for the most up-to-date information on their leadership team and qualifications.

1. Bhaskar Bhat (Managing Director): He has been associated with Titan for several years and played a crucial role in the company's growth.
2. C.K. Venkataraman (CEO – Jewellery): An experienced leader overseeing the company's jewelry business.
3. Satish T.S. (Executive Director – HR and Corporate Affairs): Responsible for human resources and corporate affairs.
4. S. Subramaniam (CFO): Handling the financial aspects of the company.
5. Ajoy H. Chawla (CEO – Watch & Wearables division): Overseeing the watch and wearables segment.

5 the company's corporate governance and decision

#### ❖ company's corporate governance and decision making processes

Titan Company is an Indian multinational company that operates in various industries, including watches, jewellery, eyewear, and more. As of my last knowledge update in January 2022, here are some general aspects of corporate governance and decision-making processes that Titan Company typically follows:

##### **Board Structure and Composition:**

Titan's Board of Directors plays a crucial role in corporate governance. It is typically composed of individuals with diverse backgrounds and expertise, including executive and independent directors.

The board oversees the company's strategic direction and major decisions.

Committees:

The board may have various committees, such as the Audit Committee, Nomination and Remuneration Committee, and Corporate Social Responsibility (CSR) Committee. These committees assist in specific areas of governance.

**Transparency and Disclosure:**

Titan is likely to emphasize transparency in its operations. This includes timely and accurate financial reporting, disclosure of relevant information, and adherence to regulatory requirements.

**Code of Conduct:**

The company is expected to have a Code of Conduct for its employees and directors, outlining ethical standards and behavior expected within the organization.

**Risk Management:**

Titan likely has processes in place for identifying and managing risks. This could involve periodic risk assessments and implementing measures to mitigate potential threats to the company's objectives.

**Decision-Making Processes:**

Decision-making processes in Titan are likely structured and involve inputs from various levels of management.

Strategic decisions, especially, may undergo thorough analysis and discussion before implementation.

**Stakeholder Engagement:**

Engaging with stakeholders, including shareholders, customers, and employees, is crucial. Titan may have mechanisms for obtaining feedback and ensuring that the interests of various stakeholders are considered.

**Corporate Social Responsibility (CSR):**

Titan is likely involved in CSR activities, contributing to social and environmental causes. It's important to note that specific details may change over time, and for the latest and most accurate information, you should refer to Titan Company's official reports, disclosures, and website. Additionally, there might be updates or changes in their corporate governance practices after my last knowledge update in January 2022.

**Decision making processes**

Titan Company's decision-making process involves multiple steps, typically following a structured approach. Here's a general overview:

**Identification of the Decision:** The process begins with recognizing the need for a decision, whether it's related to product development, market strategy, or operational changes.

**Gathering Information**: Relevant data and information are collected to analyze the current situation and potential options. This may involve market research, internal reports, and feedback from various stakeholders.

**Analysis of Options**: Decision-makers evaluate different alternatives, considering factors such as cost, feasibility, market trends, and potential risks. This step involves a thorough examination of the pros and cons of each option.

**Decision-Making**: After careful analysis, a decision is made. This could involve choosing one option over others or combining elements from different alternatives. Key decision-makers within Titan Company are likely involved in this process.

**Implementation**: Once a decision is made, it's put into action. This step involves executing the chosen course of action, allocating resources, and ensuring that the plan is communicated effectively throughout the organization.

**Monitoring and Evaluation**: The decision's impact is continuously monitored and evaluated. This step helps Titan Company assess whether the decision is achieving the desired results and allows for adjustments if necessary.

**Feedback Loop**: Feedback from the implementation and evaluation stages is used to inform future decision-making processes. This iterative approach helps Titan Company adapt to changing circumstances and improve decision quality over time.

Throughout this process, communication among team members and stakeholders is crucial to ensure a shared understanding and commitment to the decisions made.

## Module-4

### 4. Swot analysis of titan company

#### ❖ Identify the company's

##### ❖ Strengths

The strength of the Titan Company lies in its diverse portfolio of brands, including Tanisha, FastTrack, Sonata, and more. With a strong emphasis on innovation, design, and customer satisfaction, Titan has established itself as a leading player in the Indian consumer goods industry, particularly in watches and jewellery. The company's commitment to quality and ethical business practices contributes to its robust market presence. For the latest and detailed financial information, it's recommended to check the latest reports and statements released by Titan Company or consult financial news sources.

Titan Company Limited is a consumer goods company that makes watches, eyeglasses, and jewellery, among other things. The Tata Group has a subsidiary called Titan. Bangalore is home to Titan.

In this blog, we will be dealing with the SWOT analysis of Titan by detailly learning about its strengths, weaknesses, opportunities, and threats.

Let's start with the introduction to Titan.

#### ❖ Weaknesses of the company

While Titan Company has established itself as a prominent player in the Indian consumer goods industry, it does face certain weaknesses. These may include:

**Dependence on jewellery Segment:** Titan has a significant reliance on its jewellery segment, and any downturn in consumer spending on jewellery could impact its overall performance.

**Economic Sensitivity:** Economic fluctuations can affect consumer spending on discretionary items, impacting Titan's sales, especially in segments like luxury watches and high-end jewellery.

**Intense Competition:** The retail industry, including watches and jewellery, is highly competitive. Titan faces competition from both domestic and international brands, which could affect its market share.

**Supply Chain Vulnerabilities:** Like many companies, Titan may be susceptible to disruptions in its supply chain, whether due to geopolitical issues, natural disasters, or other unforeseen events.

**Currency Exchange Risks:** As Titan operates globally, fluctuations in currency exchange rates can impact its financial performance, affecting costs and profitability.

**Changing Consumer Preferences:** Rapid changes in consumer preferences and trends could pose a challenge for Titan, necessitating agility in adapting to evolving market demands.

It's important to note that while these weaknesses exist, Titan Company has also demonstrated resilience and adaptability over the years, addressing challenges and sustaining growth.



❖ **Opportunities**, Titan Company has established itself as a prominent player in the Indian consumer goods industry, it does face certain weaknesses. These may include:

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It's important to note that while these weaknesses exist, Titan Company has also demonstrated resilience and adaptability over the years, addressing challenges and sustaining growth.

1. **Expanding Retail Presence**: Titan can explore opportunities to expand its retail footprint, both domestically and internationally, tapping into emerging markets and reaching a broader customer base.
2. **Digital Transformation**: Embracing digital technologies and e-commerce can enhance Titan's online presence, enabling it to reach a wider audience and cater to the growing trend of online shopping.
3. **Diversification of Product Portfolio**: Titan can consider diversifying its product portfolio by introducing new and innovative products in the areas of jewellery, watches, eyewear, and other segments it operates in, catering to changing consumer preferences.

**4. Focus on Premium and Luxury Segments**: There is potential for growth in the premium and luxury segments, where Titan can position itself as a leading brand offering high-end products, capturing a more affluent customer base.

**5. International Market Expansion:** Titan can explore opportunities for further expansion into international markets, leveraging its existing brand recognition and adapting products to suit different cultural preferences.

6. **Sustainability Initiatives:** Consumer preferences are increasingly leaning towards sustainable and ethical products. Titan can capitalize on this trend by incorporating sustainable practices in its supply chain and product offerings.
7. **Collaborations and Partnerships:** Forming strategic partnerships or collaborations with other brands or retailers can open up new avenues for growth and market reach.

By strategically capitalizing on these opportunities, Titan Company can strengthen its market position and maintain sustained growth in the dynamic consumer goods industry.

#### ❖ **Threats.**

Titan Company faces various threats in the competitive business environment. Some of the key threats include: **Intense Competition:** The consumer goods industry, particularly in jewelwatand watches, is highly competitive. Titan faces competition from both domestic and international players, which could impact its market share and pricing strategies. **Economic Downturn:** Economic uncertainties and downturns can lead to reduced consumer spending on discretionary items like jewellery and watches, affecting Titan's sales and profitability.

**Changing Consumer Trends:** Rapid changes in consumer preferences and trends pose a threat to Titan's market relevance. Staying attuned to evolving fashion and style preferences is crucial to maintaining consumer interest.

**Global Economic Factors:** As Titan operates in multiple countries, it is vulnerable to global economic factors such as currency exchange rates, trade tensions, and geopolitical instability, which can impact its international operations. **Supply Chain Disruptions:** Any disruptions in the supply chain, whether due to natural disasters, political instability, or other unforeseen events, can impact Titan's ability to manufacture and distribute its products.

**Counterfeit Products:** The luxury goods industry, including watches and high-end jewellery, is susceptible to counterfeit products. This poses a threat to Titan's brand reputation and can lead to loss of customer trust. **Regulatory Changes:** Changes in regulations related to manufacturing, import/export, or environmental standards can impact Titan's operations and add compliance costs. **Technological Disruptions:** Rapid technological advancements may pose a threat if Titan fails to keep up with innovation in product design, manufacturing processes, or digital marketing strategies. **Pandemics and Health Crises:** Events like pandemics can disrupt operations, impact consumer confidence, and lead to supply chain challenges, as witnessed in the global COVID-19

pandemic. Shift to Online Retail: The increasing trend of online shopping poses a threat to traditional brick-and-mortar retail. Titan needs to effectively navigate the digital landscape to remain competitive in

## Module -5

### 5 Summary of Findings, Suggestions and Conclusion

#### ❖ Summarize the key findings of the analysis,

Current price of Rs3,144.8, stands at 85.3 times its trailing twelve months earnings.

The price to book value (P/BV) ratio at current price levels stands at 23.6 times, while the price to sales ratio stands at 6.9 times.

The company's price to cash flow (P/CF) ratio stood at 55.2 times its end-of-year operating cash flow earnings.

Per Share Data/Valuations

No. Of Year Ending	12 Mar-22*	12 Mar-23*
Sales per share (Unadd.)	R s 324.4	457.0
TTM Earnings per share	R s 24.8	36.9
Diluted earnings per share	R s 24.8	36.9
Price to Cash Flow	x 86.7	55.2
TTM P/E ratio	x 102.4	85.3
Price / Book Value ratio	x 19.9	17.3
Market Cap	R s m 1,850,264	2,049,553
Dividends per share (Unadd.)	R s 7.5	10.0

- Results Consolidated

Interim results exclude extraordinary / exceptional items Source: Accord Fintech, Equity master

#### Ratio Analysis for TITAN

##### Solvency Ratios

Current Ratio: The company's current ratio improved and stood at 1.7x during FY23, from 1.7x during FY22. The current ratio measures the company's ability to pay short-term and long-term obligations.

Interest Coverage Ratio: The company's interest coverage ratio improved and stood at 15.8x during FY23, from 14.3x during FY22. The interest coverage ratio of a company states how easily a company can pay its interest expense on outstanding debt. A higher ratio is preferable.

##### Profitability Ratios

Return on Equity (ROE): The ROE for the company improved and stood at 27.6% during FY23, from 23.6% during FY23. The ROE measures the ability of a firm to generate profits from its shareholders capital in the company.

Return on Capital Employed (ROCE): The ROCE for the company improved and stood at 40.1% during FY23, from 33.6% during FY22. The ROCE measures the ability of a firm to generate profits from its total capital (shareholder capital plus debt capital) employed in the company.

Return on Assets (ROA): The ROA of the company improved and stood at 13.3% during FY23, from 11.5% during FY22. The ROA measures how efficiently the company uses its assets to generate earnings.

### **Key Ratio Analysis**

#### **❖ Provide recommendations for enhancing its performance And competitiveness**

##### **1. Innovation and Product Development:**

Invest in research and development to introduce innovative products Stay ahead of market trends and consumer preferences.

##### **2. Digital Presence:**

Strengthen online presence through e-commerce platforms.

Leverage social media for marketing and customer engagement: Focus on improving customer service and satisfaction.

Implement loyalty programs to retain and attract customers.

##### **3 Global Expansion:**

Explore international markets for expansion.

Adapt products and strategies to suit diverse markets.

##### **4. Employee Training and Development:**

Invest in continuous training for employees.

Foster a culture of innovation and adaptability.

##### **5. Partnerships and Collaborations:**

Form strategic partnerships to enhance distribution channels.

Collaborate with other brands for co-branded products.

##### **6 Data Analytics:**

Utilize data analytics for market insights and decision-making.

Personalize marketing efforts based on customer data.

##### **7 Sustainability Initiatives:**

Embrace sustainable practices in production and packaging.

Communicate and market eco-friendly initiatives.

##### **8 Financial Management:**

Ensure prudent financial management for stability.

Evaluate cost structures regularly for optimization.

Implementing a combination of these strategies can contribute to Titan Company's overall performance and competitiveness in the market.

**◆ Emphasize the overall outlook for the company.**

**Titan Company Overview:**

**1 Market Presence:**

Titan Company, a leading Indian consumer goods company, has a significant presence in various segments, including watches, jewelry, eyewear, and accessories.

**2 Financial Performance:**

Historically, Titan has demonstrated robust financial performance, with steady revenue growth and profitability.

**3 Diversification:**

The company's diversification strategy into different product categories has contributed to its resilience in the market.

**4 Innovation:**

Titan is known for innovation in design and technology, particularly in the watch and jewellery segments.

**5 Brand Recognition:**

The brand enjoys strong recognition and trust among consumers, bolstered by quality products and effective marketing.

**6 Retail Presence:**

Titan has an extensive retail network, including exclusive brand outlets, multi-brand outlets, and e-commerce platforms.

**7 Economic Factors:**

Economic conditions and consumer spending habits can influence the company's performance.

**8 Challenges:**

Like any company, Titan faces challenges such as market competition, changing consumer preferences, and economic uncertainties.

**9 Corporate Social Responsibility (CSR):**

Titan has been involved in various CSR initiatives, contributing to community development and sustainability.

For the most accurate and recent information on Titan Company's overall outlook, including its current financial status, recent strategic moves, and market position, I recommend checking the latest financial reports, press releases, and news articles about the company.

- **Bibliography**

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