VGR

// Q1 FY2027

TITAN COMPANY

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VGR MARKET INTELLIGENCE

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01

Executive Summary

Total income rose 40.4% on the company's presented basis and 29.3% on the statutory basis; in Tanishq, Mia and Zoya, average ticket size rose c.31% and buyers c.5%

Titan reported total income of ₹20,753 crores (14,778) on its presented basis, up 40.4%, profit before tax of ₹2,429 crores (1,480), up 64.1%, and profit for the period of ₹1,777 crores (1,091), up 62.9%. Basic earnings per share were ₹20.03 (12.30). Jewellery, watches and eyecare each grew by more than 21.0%, there is no exceptional item, and the auditor's limited review conclusion is unmodified. The company issues no numeric guidance.

Two revenue figures for the quarter appear in Titan's own documents. Statutory consolidated total income was ₹21,502 crores against ₹16,628 crores, up 29.3%. The press release and the presentation lead on ₹20,753 crores against ₹14,778 crores, up 40.4%, because both periods exclude bullion and digi-gold sales: ₹749 crores against ₹1,850 crores, down 59.5% (statutory note 4). Removing a line that fell by 59.5% from both periods raises the growth rate of the remainder, and that arithmetic is the whole 11.1 point gap between the two rates. The presentation discloses the amounts in a footnote to slide 68, and every margin Titan quotes is struck on the smaller denominator.

Presentation slide 17 decomposes the domestic Tanishq, Mia and Zoya business, ₹15,502 crores and 84.9% of jewellery income excluding bullion: buyer growth of c.5% and average ticket size growth of c.31%, rates the company gives in whole points. The product, 37.6%, reproduces the stated business growth of c.38%. On a logarithmic split, buyer count accounts for about 15% of the increase and ticket size for about 85%; the bound is set by the rounding of the two disclosed rates. Coins grew c.65%, plain gold c.35% and studded c.34%, and the studded share of domestic jewellery was 27% on both years after the company's restatement. Same-store secondary growth was c.33%. Damas core revenue of ₹396 crores has no prior-year base: without it jewellery growth excluding bullion is 39.5% against 42.6%, 3.1 points lower. The press release describes "double-digit portfolio buyer growth" across all jewellery brands; slide 18 attributes strong double-digit buyer growth to CaratLane, and no portfolio-level buyer figure is printed.

Reported operating margin rose 156bp to 13.4%; excluding the ₹407 crore customs duty gain it fell 40bp to 11.4%, and adjusted gross contribution margin fell 103bp

Titan discloses that reported profit includes customs duty gains of ₹407 crores, arising from the increase in the duty on gold from 6% to 15% with effect from 13 May 2026, and states that on that adjustment profit before tax grew 37% rather than 64%. VGR reproduces it: ₹2,429 crores less ₹407 crores is ₹2,022 crores, 36.6% above ₹1,480 crores. The company does not carry the adjustment to the group operating line. Doing so gives operating profit of ₹2,375 crores and a margin

of 11.4% against 11.8%, a fall of 40bp against the reported rise of 156bp. Presentation slide 26 states a second item: watches had "one-time gains resulting from inventory revaluation" and adjusted operating profit of ₹275 crores against the reported ₹295 crores. Removing both items gives a group operating margin of 11.3%, 50bp below the prior year.

Overheads fell to 12.1% of presented income from 12.7%, 61bp lower, with employee cost, advertising and other expenses each lower as a share of income. Adjusted gross contribution margin, the reported 26.8% less the duty gain, was 24.8% against 25.8%, down 103bp. The components sum to a 41bp fall, against 40bp computed directly; the residual is rounding in the published crores. Jewellery operating margin on the same treatment was 10.7% against 11.0%. Watches, on the company's own adjusted figure, fell to 17.8% from 22.5% on revenue up 21.2%. Pandora, reporting the same calendar quarter, recorded an operating margin up 210bp of which a one-off tariff refund contributed 250bp, and stated that without it the margin would have been "roughly in line with last year".

Jewellery segment assets rose 66.2% against jewellery income growth of 42.6%; debt to equity rose to 1.01 from 0.82 and inventory turnover fell to 0.37 from 0.45

Total segment assets rose 53.6% to ₹63,884 crores. Jewellery segment assets rose 66.2% to ₹49,692 crores, 23.6 points ahead of jewellery income growth excluding bullion. The Damas total purchase consideration of ₹2,858 crores is 14.4% of the ₹19,795 crore increase in jewellery assets. The consolidated Regulation 52(4) disclosures record debt to equity of 1.01 against 0.82, total debt to total assets of 0.22 against 0.19, a current ratio of 1.31 against 1.39 and inventory turnover, not annualised, of 0.37 against 0.45, 17.8% lower. Finance costs rose 30.3% to ₹353 crores. No balance sheet, cash flow statement, inventory value or borrowings total is published with the quarterly results, so the composition of the increase is not calculable from this release; the half-year balance sheet will carry it.

WHAT TO WATCH

Q2 FY2027 results, quarter ending 30 September 2026 (date not yet announced). Whether the notes to the financial highlights table again carry a customs duty gain, and its size. A continuation is a further gain of comparable scale; a break is no gain line and the Tanishq, Mia and Zoya operating margin reported near the 11.7% the company gives as this quarter's adjusted figure.

Q2 FY2027, slide on domestic Tanishq, Mia and Zoya. Buyer growth against average ticket size. A continuation is buyer growth in single digits with ticket size up 25% or more; a break is buyer growth at 10% or above.

Q2 FY2027, segment table. Watches operating margin. A continuation is a second quarter below 20.0%; a break is a return above the 22.5% of Q1 FY2026.

Q2 FY2027, Regulation 52(4) disclosures and the half-year balance sheet. Debt to equity and inventory turnover. A continuation is debt to equity above 1.00 with

inventory turnover at or below 0.37; a break is a return to the 0.93 and 0.56 of the March 2026 quarter.

VGR will publish the Q2 FY2027 analysis when the figures are released.

02

The period in figures

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TITAN COMPANY LIMITED · NSE: TITAN · Q1 FY2027 · INR AS PUBLISHED

FINANCIAL YEAR ENDS 31 MARCH 2027 · PERIOD ENDED 30 JUNE 2026 · REPORTED 7 AUGUST 2026 · ANALYSIS 30 SEPTEMBER 2026



NET REVENUES	GROSS PROFIT	OPERATING PROFIT	NET PROFIT
+40.4%	+45.5%	+58.9%	+62.9%
20,753 vs 14,778	5,553 vs 3,817	2,782 vs 1,751	1,777 vs 1,091

GROSS MARGIN	OPERATING MARGIN	RoS
26.8%	13.4%	8.6%
from 25.8%	from 11.8%	from 7.4%

₹, quarter against the same quarter a year earlier; money lines in crores; net revenues are total income excluding bullion and digi-gold sales, the company's presented basis (statutory total income ₹21,502 crores against ₹16,628 crores, +29.3%); gross profit is the company's gross contribution line; changes, margins and RoS are VGR arithmetic

Reported and VGR basis side by side. The reported column is the company's presented basis, which excludes bullion and digi-gold sales from both periods; the statutory line is shown first. VGR basis removes the disclosed customs duty gain of ₹407 crores.

₹ CRORES UNLESS STATED	Q1 FY27	Q1 FY26	CHANGE
Total income, statutory	21,502	16,628	+29.3%
Total income, presented basis	20,753	14,778	+40.4%

₹ CRORES UNLESS STATED	Q1 FY27	Q1 FY26	CHANGE
Bullion and digi-gold sales, excluded	749	1,850	**−59.5%**
Gross contribution	5,553	3,817	+45.5%
EBITDA	3,036	1,935	+56.9%
Operating profit (EBIT)	2,782	1,751	+58.9%
Operating profit, VGR basis	2,375	1,751	+35.6%
Finance costs	353	271	+30.3%
Profit before tax	2,429	1,480	+64.1%
Profit before tax, VGR basis	2,022	1,480	+36.6%
Profit for the period	1,777	1,091	+62.9%
Profit for the period, VGR estimate	≈1,479	1,091	≈+35.6%
Earnings per share, basic (₹)	20.03	12.30	+62.8%
Gross contribution margin	26.8%	25.8%	+93bp
Operating margin, company basis	13.4%	11.8%	+156bp
Operating margin, VGR basis	11.4%	11.8%	**−40bp**
Effective tax rate	26.8%	26.3%	+56bp

Source: Titan Company, statutory results p.9, press release financial highlights p.2 and presentation slide 68, 7 August 2026. VGR basis and all changes are VGR arithmetic. The profit estimate applies the quarter's effective tax rate of 26.8% to adjusted profit before tax, because the tax effect of the duty gain is not disclosed; it is bounded by that rate. Other lines exact.

The three VGR-basis lines are the only ones Titan does not print in some form. The pre-tax line reproduces the company's stated adjusted growth of 37%, so the adjustment is applied on the same basis the company used.

03

The restatement bridge

Four items affect comparability between Q1 FY2027 and Q1 FY2026. All four are disclosed; three change totals.

ITEM	WHAT IT DOES	EFFECT
Bullion and digi-gold exclusion	Both periods exclude gold-ingot and digi-gold sales, disclosed in statutory note 4 at ₹749 crores and ₹1,850 crores.	Headline growth 40.4% against 29.3% statutory, a gap of 11.1 points. Every margin is struck on the smaller denominator.
Customs duty gain	Duty on gold rose from 6% to 15% with effect from 13 May 2026. Titan discloses gains of ₹407 crores in reported profit, ₹386 crores in Tanishq, Mia and Zoya and ₹21 crores in CaratLane. No statutory note addresses it.	196bp of operating margin. Pre-tax growth 36.6% against 64.1%, as the company states.
Damas consolidation	Eight Damas entities consolidate from 1 January 2026, so Q1 FY2027 includes them and Q1 FY2026 does not. Core revenue ₹396 crores, operating loss ₹67 crores.	3.1 points of jewellery growth excluding bullion.
Coloured stones reclassification	From Q1 FY2027 coloured stones move from Studded to Gold, Coins and Others. The company restates both periods.	No effect on any total. Studded share 27% on both years restated; 28% on the basis published a year ago.

Source: Titan Company, statutory results notes 2, 4 and 8; press release notes to the financial highlights table; presentation slides 17, 20 and 42. Effects are VGR arithmetic. Exact.

The first three are carried through every measurement in this document. The fourth changes no total and is recorded so that the studded share is read on the restated basis. The March 2026 quarter column in the statutory results is a balancing figure between the audited full year and the reviewed nine months and was not itself audited; the auditor draws attention to this in both review reports. No sequential comparison against that column is used.

04

Growth composition

Segment revenue is taken from the statutory segment table, which includes bullion; the divisional figures Titan quotes exclude it. Both are shown so the two reconcile.

DIVISION	Q1 FY27	Q1 FY26	CHANGE	SHARE OF INCOME
Jewellery, statutory segment	19,002	14,647	+29.7%	88.4%

DIVISION	Q1 FY27	Q1 FY26	CHANGE	SHARE OF INCOME
Jewellery, excl. bullion	18,253	12,797	+42.6%	not applicable
Watches	1,543	1,273	+21.2%	7.2%
Eyecare	289	238	+21.4%	1.3%
Others	566	415	+36.4%	2.6%
Corporate, unallocated	102	55	+85.5%	0.5%
Total income, statutory	21,502	16,628	+29.3%	100.0%

Source: Titan Company, statutory consolidated segment information p.10 and note 4. The ex-bullion jewellery line and all percentages are VGR arithmetic; the Q1 FY2026 ex-bullion base of 12,797 is 14,647 less the disclosed 1,850. Exact.

Tanishq, Mia and Zoya: ticket size about 85% of growth, buyers about 15%

Slide 17 gives two operating metrics for the domestic Tanishq, Mia and Zoya business, which grew c.38% to ₹15,502 crores: buyer growth of c.5% and average ticket size growth of c.31%. The product of the two is 37.6%, so the pair accounts for the stated growth within the rounding of the disclosed rates. Split on logarithms, buyers contribute about 15% of the increase and ticket size about 85%.

MEASURE	DISCLOSED	VGR READING
Buyer growth	c.5% YoY	About 15% of the business's increase.
Average ticket size	c.31% YoY	About 85% of the business's increase.
Same-store secondary growth	c.33% YoY	Five points below the business's c.38% growth; 22 stores were added net.
Plain gold jewellery	c.35% YoY	Below the business's c.38%.
Studded jewellery	c.34% YoY	Below c.38%. Studded share 27% on both years, restated.
Coins	c.65% YoY	The fastest line. Share of mix not disclosed separately.

Source: Titan Company, presentation slides 17 and 20. Company rates are disclosed in whole points and printed as disclosed. The VGR reading is arithmetic on them; the split is bounded by their rounding. The coin effect on mix is not calculable because the coin share is not disclosed on its own.

Studded share unchanged, coins up c.65% against c.38% for the business, and the increase arriving through basket value make a mix that lowers gross margin as a percentage. Section 06 shows that on an adjusted basis it fell.

International jewellery: Damas is ₹396 crores of the ₹1,309 crores

International jewellery income grew 136% to ₹1,309 crores. Damas core contributed ₹396 crores with no prior-year base, and the Tanishq, Mia and CaratLane international business grew 65% to ₹913 crores. Excluding Damas core, jewellery growth excluding bullion is 39.5% against 42.6%. Damas recorded an operating loss of ₹67 crores, against an operating profit of ₹59 crores at a 6.5% margin for the Tanishq, Mia and CaratLane international business. Damas core operates 122 stores across six GCC countries: a loss of about ₹0.55 crores per store in the quarter on revenue of about ₹3.25 crores per store.

Stores converted from Damas to Tanishq are reported inside the Tanishq GCC figures for business purposes but inside the Damas LLC entity for statutory purposes. The converted stores carried ₹154 crores, so Damas as an entity shows ₹550 crores excluding bullion against the ₹396 crores of the core business.

05

The estate

Titan discloses store counts and area by brand, and net additions by division. It does not publish sales per store or per square foot.

BRAND OR FORMAT	JUN 2026	MAR 2026	NET CHANGE	AREA, SQ FT
Tanishq, domestic	532	528	+4	2,767k
Tanishq, international	31	29	+2	not given
Mia, domestic	299	282	+17	272k
Zoya	13	13	0	35k
beYon	2	1	+1	2k
CaratLane, domestic	381	370	+11	502k
Damas	122	123	−1	131k
Titan World	764	755	+9	539k
Fastrack	267	258	+9	128k
Helios and Helios Luxe	314	298	+16	237k
Titan Eye+, domestic	838	832	+6	569k
Taneira	77	78	−1	226k

BRAND OR FORMAT	JUN 2026	MAR 2026	NET CHANGE	AREA, SQ FT
Group total	3,680	not given	≈+77	5.4mn

Source: Titan Company, presentation slides 11, 24, 31, 34 and 37, and the press release. Net change and the group net addition are VGR arithmetic. The company states that area additions include refurbishments. The group net addition is bounded because brands with no March comparative are not summed.

The estate grew by about 77 stores net on a base of 3,680, 2.1%, against presented income growth of 40.4%. Damas and Taneira each closed one store net; Taneira's area fell to 226k square feet from 231k alongside flat revenue as stated by the company. The presentation gives the international jewellery footprint as "32 stores as of June 30, 2026"; its own store table sums to 34. The difference affects no total and is recorded in section 12.

06

Margin architecture

The bridge is built on the company's presented basis, income excluding bullion and digi-gold, because Titan strikes every margin it publishes on that basis. Both years are shown underlying; no equivalent gain is disclosed for Q1 FY2026.

% OF PRESENTED INCOME	Q1 FY27 REPORTED	Q1 FY27 VGR	CHANGE VS Q1 FY26
Gross contribution margin	26.8%	24.8%	**−103bp**
Employee benefits expense	3.9%	3.9%	13bp lower
Advertising	2.1%	2.1%	12bp lower
Other expenses	6.2%	6.2%	36bp lower
Total overheads	12.1%	12.1%	61bp lower
EBITDA margin	14.6%	12.7%	**−43bp**
Depreciation and amortisation	1.2%	1.2%	1bp lower
Operating margin	13.4%	11.4%	**−40bp**

Source: Titan Company, presentation slide 68 and press release p.2. The VGR column removes the ₹407 crore duty gain from gross contribution; the change column compares it with Q1 FY2026 as reported. VGR arithmetic. Components sum to −41bp against −40bp computed directly; the residual is rounding in the published crores (EBITDA less depreciation is 2,780 against EBIT of 2,782).

VGR places the duty gain in gross contribution. Titan does not state which line carries it; it reports the gain at the level of Tanishq, Mia and Zoya operating profit and describes it as a "benefit in realization due to the custom duty increase". Duty on imported gold is an inventory cost, and the company's own adjusted operating

profit figures are struck the same way. If the gain sat below gross contribution, the split between the gross margin fall and the overhead reduction would change; the operating margin result would not, because it is computed on operating profit directly.

Divisional margins on the same treatment

DIVISION	Q1 FY27 REPORTED	Q1 FY27 ADJUSTED	Q1 FY26	ADJUSTED CHANGE
Jewellery	12.9%	10.7%	11.0%	**−30bp**
Jewellery excl. Damas	13.6%	11.3%	11.0%	+31bp
Watches	19.1%	17.8%	22.5%	**−473bp**
Eyecare	8.3%	8.3%	8.4%	**−10bp**
Others	18.4%	18.4%	14.7%	+367bp
Emerging businesses	**−30.5%**	not given	not given	not calculable

Source: VGR arithmetic on the statutory segment table p.10 and the press release divisional figures. Jewellery is struck on income excluding bullion, Q1 FY2026 base 12,797. Jewellery adjusted removes the ₹407 crore duty gain; watches adjusted uses the company's stated ₹275 crores. Emerging businesses has no prior-year comparative. Exact except emerging businesses, not calculable.

Watches shows the largest adjusted margin fall in the group. The press release reports the division's 21% revenue growth and its ₹295 crore operating profit and does not mention the inventory revaluation gain; the presentation does. On the company's adjusted ₹275 crores, watches operating profit fell 4.2% from the prior year's ₹287 crores while revenue grew 21.2%. The presentation states that the adjusted figure represents "c.16% YoY growth" but prints no prior-period adjusted base, so the claim is not verifiable from the disclosure.

Others, which contains Titan Engineering and Automation, is the one division with a higher adjusted margin. TEAL grew 43% to ₹438 crores with operating profit of ₹143 crores. The presentation states that TEAL margins are "not fully comparable to earlier quarters" because of seasonality in Automation Solutions, so the 367bp movement is not read as a trend.

Pandora in the same quarter: a 250bp one-off inside a 210bp rise

Pandora, reporting the three months to 30 June 2026, recorded an operating margin of 20.3%, up 210bp, of which a one-off gain from the partial refund of a United States tariff claim contributed 250bp; the company stated that without it the margin "would have been roughly in line with last year". Titan's duty gain is worth 196bp on the same arithmetic. Pandora quantifies the effect in its own margin bridge; Titan quantifies it at pre-tax and business level but not at group operating level.

07

Inventory and the working-capital cycle

Titan publishes no balance sheet with its quarterly results, so no inventory value, days inventory outstanding or sell-through figure can be computed. The Regulation 52(4) ratio set carries an inventory turnover ratio on a stated formula.

RATIO, CONSOLIDATED	Q1 FY27	Q1 FY26	MOVEMENT
Inventory turnover, not annualised	0.37	0.45	**−17.8%**
Current ratio	1.31	1.39	**−0.08**
Debtors turnover, not annualised	19.66	14.70	+33.7%
Current liability ratio	0.89	0.88	+0.01
Jewellery segment assets over quarterly segment revenue	2.62×	2.04×	**+0.57×**

Source: Titan Company, Regulation 52(4) additional disclosures, consolidated, p.11. The final row is VGR arithmetic on the statutory segment table. Movements are VGR arithmetic. Exact.

Inventory turnover on the company's definition, cost of goods sold over average inventory, fell to 0.37 from 0.45: inventory grew faster than the cost of goods sold against it. Jewellery segment assets, which are mostly inventory, rose to 2.62 times quarterly segment revenue from 2.04. Debtors turnover rose, so receivables are not the source. This is a flag on an incomplete disclosure, not a measured finding. The inventory line in the half-year balance sheet will settle it.

08

Capital structure and financing

MEASURE	Q1 FY27	Q1 FY26	CHANGE
Total segment assets	63,884	41,588	+53.6%
Jewellery segment assets	49,692	29,897	+66.2%
Total segment liabilities	46,396	28,867	+60.7%
Corporate, unallocated liabilities	11,932	6,492	+83.8%
Net worth	17,488	12,721	+37.5%
Debt equity ratio	1.01	0.82	**+0.19**

MEASURE	Q1 FY27	Q1 FY26	CHANGE
Total debt to total assets	0.22	0.19	**+0.03**
Debt including leases, VGR derived	≈17,663	≈10,431	≈+69.3%
Finance costs	353	271	+30.3%
Operating profit over finance costs	7.9×	6.5×	+1.4×

Source: Titan Company, statutory segment information p.10 and Regulation 52(4) disclosures p.11. Derived debt is the disclosed debt equity ratio times disclosed net worth (the company defines debt as borrowings plus lease liabilities), bounded by the rounding of the ratio. Interest cover is VGR arithmetic, not the company's interest service coverage ratio of 13.99, which uses a formula the company prints.

Jewellery assets grew 66.2% against jewellery income growth excluding bullion of 42.6%, and the Damas purchase accounts for 14.4% of the jewellery asset increase. Corporate unallocated liabilities, where borrowings sit, grew 83.8%. Finance costs grew 30.3%, less than operating profit, so cover rose to 7.9 times from 6.5 as reported; on the VGR operating profit of ₹2,375 crores it is 6.7 times.

Commercial paper is the visible short-term funding: five issues in the quarter totalling ₹4,400 crores of face value at coupons between 5.80% and 7.20%, rated CARE A1+, of which ₹2,000 crores matures in September 2026. No total borrowings figure is published.

09

Capital allocation and returns

The quarter's capital event is the completion of the Damas purchase price allocation within the Ind AS 103 measurement period.

DAMAS FINAL PURCHASE PRICE ALLOCATION	₹ CRORES
Net assets taken over	1,472
Identifiable intangible assets, brand	763
Goodwill	623
Less: fair value of financial liability	(1,668)
Consideration paid	1,190
Total purchase consideration	2,858

Source: Titan Company, statutory consolidated results note 8. Titan Holdings International FZCO acquired 67% of Damas LLC through Signature Jewellery Holding Limited. 1,472 + 763 + 623 − 1,668 = 1,190, checked. Exact.

The measurement-period adjustment reduced the fair value of tangible assets by ₹24 crores and increased goodwill by ₹24 crores. Goodwill of ₹623 crores is allocated to the Damas cash-generating unit and is stated not to be tax deductible. The unit recorded an operating loss of ₹67 crores on core revenue of ₹396 crores in the quarter. The company describes "a gradual recovery across key parameters". No impairment indicator is disclosed; the goodwill note in the half-year results will show whether one arises.

Returns are published annually only: return on average capital employed of 46% and return on average equity of 37% for FY2026, against 37% and 32% for FY2025, and a FY2026 dividend of ₹15.00 per share at a payout ratio of 29%, all as disclosed in whole points. Quarterly incremental returns are not calculable because no capital employed figure is published at the quarter end beyond the segment tables.

10

Earnings quality

Two one-off gains are identified in the quarter: one quantified by the company, one derived from two company figures. There is no exceptional item.

ITEM	AMOUNT	DISCLOSURE
Customs duty gain on gold	₹407 crores	Press release notes and presentation, ₹386 crores in Tanishq, Mia and Zoya and ₹21 crores in CaratLane. No statutory note. No prior-period comparative.
Watches inventory revaluation gain	≈₹20 crores	Presentation slide 26 gives adjusted operating profit of ₹275 crores against the reported ₹295 crores. Gross amount not disclosed; not in the press release.
Exceptional item	nil	The Labour Codes charge of ₹51 crores fell in the March 2026 quarter, ₹101 crores for FY2026.
Total identified one-offs	≈₹427 crores	17.6% of reported profit before tax.

Source: Titan Company, amounts as cited. The watches figure and the total are VGR arithmetic. The duty gain is exact; the watches gain is bounded, being the difference between two disclosed operating profit figures.

The duty gain arises because the import duty on gold rose from 6% to 15% on 13 May 2026, which raised the realisable value of gold already held. It is a revaluation of stock and does not recur unless the duty rises again. After tax at the quarter's effective rate of 26.8% it is about ₹298 crores, 16.8% of reported profit for the period. The same duty increase raises the replacement cost of inventory from the next quarter.

The other tests available return no flag. The effective tax rate moved to 26.8% from 26.3%. There is no non-controlling interest in any period. Other income of ₹146 crores is 6.0% of profit before tax, against ₹105 crores and 7.1% a year earlier. Share-based payment expense fell to ₹5 crores from ₹8 crores. The auditor's conclusion is unmodified on both the consolidated and the standalone results.

11

Guidance and the implied requirement

Titan issues no numeric guidance. No revenue, margin, store or capital expenditure target appears in the press release, the presentation or the statutory results, and none was outstanding from the prior period, so no guidance scorecard can be built.

ITEM	STATUS	NOTE
Revenue guidance	none	No target in any document.
Margin guidance	none	No statement on how the customs duty gain unwinds and no margin trajectory.
Store or capital expenditure target	none	Net additions reported after the fact.
Qualitative outlook	limited	Two forward statements: early signs of gradual recovery at Damas, and Taneira focusing on same-store performance before accelerating network expansion.

Source: Titan Company, Q1 FY2027 documents. An absence of disclosure, not a measurement.

The requirement VGR carries into Q2 FY2027 is arithmetic, not a company promise. From the adjusted operating margin of 11.4% in section 06, a margin flat on the prior year in Q2 needs either a repeat of the duty gain or gross contribution margin about 100bp higher than this quarter's adjusted 24.8%. The Q2 release will show which.

12

Disclosure delta and metrics not reported

METRIC	FLAG	POSITION
Customs duty gain at group operating level	M	Quantified at pre-tax and business level, not at group operating level, and in no statutory note. The group operating effect of 196bp is VGR arithmetic.
Watches inventory revaluation gain	M	In the presentation only, as an adjusted figure. Gross amount not given; not in the press release.
Balance sheet and cash flow statement	M	Not published with quarterly results. No inventory, borrowings, working capital or capital expenditure figure for the quarter.
Prior-period comparative for the duty gain	N	Not given, so the Q1 FY2026 base is not stated to be free of a similar item.
Coloured stones reclassification	N	Effective this quarter. Both periods restated by the company. No total affected.
Watches adjusted growth claim	N	Stated as c.16% year on year with no prior-period adjusted base printed.
Buyer growth	N	Slide 17 gives c.5% for Tanishq, Mia and Zoya; the press release gives "double-digit portfolio buyer growth" with no figure. No portfolio-level number is printed.
International jewellery store count	N	Stated as 32; the presentation's own table sums to 34.
Printed differences	N	Q1 FY2026 operating profit appears as 1,751 on two slides and 1,752 on a third; FY2026 profit as 5,073 on two and 5,074 on a third. No total affected.
Grammage and volume growth	N	Not disclosed. Growth is value only.
Emerging businesses brand split	N	Not disclosed below the combined line.

VGR assessment against the disclosure standard applied across the archive. M: material on the methodology thresholds. N: noted.

The items that qualify the result are in the presentation, which ranks lowest among the company's sources in VGR's evidence hierarchy, while the press release and the statutory notes carry the headline figures. A statutory note on the duty gain with a prior-period comparative would close the first and fourth items above.

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The company's account, tested

The claims register was closed during measurement and opened afterwards. Each claim is tested against the arithmetic in sections 02 to 10.

CLAIM	DISPOSITION	BASIS
"Consolidated Total Income was ₹20,753 crores, up 40%"	Partially supported	Correct on the presented basis. Statutory total income rose 29.3%. The exclusion is defined in a footnote.
"Profit before Tax was ₹2,429 crores at 11.7% margin, a 64% increase"	Supported by the disclosed figures	Ties to the statutory statement. The margin is struck on presented income.
"Adjusting for the impact of custom duty increase in gold ... the Profit Before Tax grew 37%"	Supported by the disclosed figures	VGR reproduces 36.6%.
"underscoring resilient consumer confidence"	The disclosed figures show a different weighting	In Tanishq, Mia and Zoya, buyers rose c.5% and ticket size c.31%: higher spend per buyer rather than more buyers.
"amid a stable gold price environment"	Not verifiable from the disclosure	No gold price series is disclosed.
"Led by continuing premiumization trends", watches	Partially supported	Analog growth in the mid twenties is disclosed. Divisional margin fell 343bp reported and 473bp on the company's adjusted figure.

CLAIM	DISPOSITION	BASIS
Watches adjusted operating profit "resulting in c.16% YoY growth"	Not verifiable from the disclosure	No prior-period adjusted base is printed. Against the reported prior year of ₹287 crores, ₹275 crores is 4.2% lower.
"The Core Damas business witnessed a gradual recovery"	Not verifiable from the disclosure	No prior-period Damas figures are disclosed; the business consolidated from 1 January 2026.

Claims quoted from the Q1 FY2027 press release and earnings presentation, 7 August 2026. Dispositions are VGR's, against sections 02 to 10.

The figures in the company's account tie to the statements where they can be checked, and the release states the duty effect on profit before tax. The two items that reverse the operating margin increase are disclosed at different levels of the income statement and in different documents, and neither is carried to the group operating line.

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Method, sources and precision register

Every figure in this document comes from Titan Company Limited's own published materials for the quarter ended 30 June 2026, plus Pandora's own Q2 2026 release for the one cross-section in section 06. No analyst estimate, consensus figure or third-party forecast is used. Figures are in Indian rupees, in crores, as published.

SOURCE	STANDING	USE
Unaudited consolidated and standalone results and notes	Tier 2, governs	Statutory figures, segment tables, Regulation 52(4) ratios, notes 2 to 10.
Limited review reports, B S R & Co. LLP	Tier 2	Unmodified conclusion, consolidated and standalone.
Press release financial highlights table	Tier 3	Presented-basis figures, divisional revenue and operating profit, the duty gain.

SOURCE	STANDING	USE
Earnings presentation	Tier 6, attributed	Profit and loss bridge, operating metrics, store counts, the watches adjustment.
Managing Director's commentary	Tier 7, claim only	Quoted in section 13. Not used as a figure source.

Evidence hierarchy per VGR methodology v5. Where tiers conflict the higher tier governs and the conflict is published, as in sections 03 and 12.

Precision register

- Exact, arithmetic on two disclosed figures: all growth rates, margin rates, the adjusted operating and pre-tax figures, the restatement bridge, the divisional margins, the estate movements and the capital structure table.
- Bounded: the buyer and ticket-size split, by the rounding of the two rates the company discloses in whole points; the watches inventory revaluation gain of about ₹20 crores; the derived debt figure, by the rounding of the published debt equity ratio; the estimated adjusted profit for the period, by the effective tax rate applied.
- Not calculable, with the missing input named: days inventory outstanding, sell-through and any working capital measure (no quarterly balance sheet); the emerging businesses margin movement (no prior-year comparative); the coin share of jewellery mix (reported only inside a combined category).
- Placement assumption, section 06: the ₹407 crore duty gain sits in gross contribution. The operating margin result does not depend on it.
- Percentages: every VGR-derived percentage is printed to one decimal; rates the company discloses in whole points are printed as disclosed.

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METHODOLOGY

VGR Standardised Financial Analysis Methodology v5. Restatement before measurement; arithmetic before language; every finding names the disclosure that would settle it.

PRIMARY SOURCE

Titan Company Limited, Unaudited Standalone and Consolidated Financial Results for the quarter ended 30th June 2026 (filing SEC 52/2026-27), lodged with BSE Limited (500114) and the National Stock Exchange of India Limited (TITAN) on 7 August 2026, with the press release and the limited review reports of B S R & Co. LLP; board meeting commenced 14:00 IST, results approved 15:45 IST. https://www.titancompany.in/sites/default/files/2026-08/Q1FY27%20-%20Results.pdf . Q1FY27 Earnings Presentation, https://www.titancompany.in/sites/default/files/2026-08/Q1FY27%20Earnings%20Presentation%20-%20Final.pdf

WORKING RECORD

Titan Company_Q1 FY2027_Source_Figures.md, with company-disclosed figures and VGR-derived arithmetic in separate sections, and _source_manifest_rework.json.

REVISION

Revised 30 September 2026 to methodology v5; first published 20 August 2026.

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