

Avendus Capital advises CaratLane's founder and his family members on their residual stake sale to Titan for INR 4,621 crore

Mumbai, August 21, 2023

Mithun Sacheti, the founder of CaratLane Trading Private Limited ('CaratLane') and his family members announced that they have signed a Share Purchase Agreement with Titan Company Limited ('Titan') to sell all the shares held by them in CaratLane, representing 27.18% of the total paid-up equity share capital (on a fully diluted basis) to Titan, for a total consideration of INR 4,621 crore.

Avendus Capital was the exclusive financial advisor to Mithun Sacheti (founder of CaratLane) and his family members on the transaction.

CaratLane is an unlisted private company engaged in the manufacture and sale of jewellery and is a subsidiary of Titan. On acquisition, Titan would hold an aggregate of 98.28% of the equity share capital and voting rights (on a fully diluted basis) in CaratLane. The transaction is subject to completion of regulatory approvals from the Competition Commission of India.

CaratLane started as a pure online brand in 2008 with an aim to lead and shape the fast-growing Indian market for affordable and accessible jewellery. Titan first invested in CaratLane in 2016 and over the past 8 years, in partnership with Tanishq, the brand has grown by leaps and bounds.

Commenting on the announcement, C K Venkataraman, Managing Director, Titan said, "Titan has always prided itself in building strong brands that are amongst the leaders in their categories. We have great faith in the India Consumer story and believe that the growth journey of CaratLane has only begun and has a long way to go. We thank Mithun Sacheti, Founder and Managing Director of CaratLane for having jointly built a customer-centric brand that all of us in Tata Group can be proud of and wish him continued success in his future endeavors."

Mithun Sacheti, Founder and Managing Director, CaratLane added, "Having dreamt of making beautiful jewellery accessible and affordable to all, I am immensely proud of what we have collectively achieved at CaratLane in the past 15 years and where the business stands today. Looking into the future, there couldn't be a more ideal destination for CaratLane than Titan and the esteemed Tata Group who will provide the perfect opportunities for CaratLane to continue to grow from strength to strength. I wholeheartedly thank Titan as well as extend my heartfelt gratitude to colleagues, partners and million+ customers whose support and love has paved the way to our success and made it India's largest digitally native omni-channel jewellery brand. I wish CaratLane and all those associated with it many more successes in times to come."

Abha Agarwal, Managing Director and Co-head, Consumer, FIG & Business Services Investment Banking, Avendus Capital said, "It was a truly unique transaction and we were happy to play a key role in seeing it to fruition. CaratLane has built an admirable business and we are confident that its continued partnership with Titan will unlock new opportunities, as it scales from strength to strength."

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Avendus Capital, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus' wide range of clients is testimony to its ability to serve its corporates throughout their life cycle – from growth stage funding to large-sized transactions, and M&A advisory.

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