

Resolute in **Driving Innovation**

Titan has a legacy of winning the hearts of customers through stylish, quality offerings. Our passion for innovation continues to inspire exclusive and relevant collections across categories, season after season, year after year.



Jewellery Division

Our flagship Tanishq brand is admired for its exquisite and exclusive collections in gold and studded jewellery. This year's creativity highlights included 'Ahalya,' a high-value diamond necklace collection, inspired by the inner fire and radiance of a woman and the 'Virasat' collection in the plain gold category for the festival season of Diwali, inspired by the rich heritage and artistry of the royal city of Udaipur.

Targeted at young, aspirational women, our brand Mia offers trendy designs at affordable price points. 'Mia Classics', a diamond intensive collection, designed to go with any season, any look and any occasion; 'Smolitaires', a collection of single stone finger rings to celebrate life milestones; and 'Sassy Silver' collection with mother-of-pearl and colour stones embedded in 92.5 sterling silver were among the exciting new launches.

CaratLane is our fast-growing omni-channel jewellery brand offering modern, everyday designs. Several new collections at affordable price points were launched in line with the brand's mission of making beautiful jewellery accessible to everyone.



Watches and Wearables Division

Our diverse and desirable collection of watch brands enable us to reach out to every customer segment – for the office-going executive to the trendy youth, for the woman of purpose to the aspiring Indians residing in smaller towns; for those looking for premium designs to those whose focus is functionality; we have watches for everyone and to match every occasion. Further, our strategic foray into wearables through our smart watches has enabled us to meet the growing demand for technology-enabled health and fitness products.

Titan, our flagship watch brand, continued to attract customers with its innovative offerings. A new segment of mechanical watches recapturing the era of hand craftsmanship and precision and 'Titan Maritime', a collection inspired by sea voyages during medieval era were among the novel creations. The brand also collaborated with Khadi and Village Industries Commission to co-develop a set of two watches for men and women. These timepieces bring to life material innovation in watches by using authentic, hand spun khadi on the dial and strap.

Under our premium 'Nebula' which is for gold watches, 'Nebula Deccan Treasures' collection was launched using gemstone carving techniques of the Indian Deccan region.



Our strategic foray into wearables through our smart watches has enabled us to meet the growing demand for technology-enabled health and fitness products



The watches co-developed in collaboration with Khadi and Village Industries Commission (KVIC) were launched at a press event inaugurated by Honourable Union Minister of MSME, Shri Nitin Gadkari.



Several smart products were also launched including Titan Connected, a full touchscreen smartwatch with analogue hands.

Under the Titan Raga brand for women, 'Raga Cocktails' collection with Swarovski crystals at the premium end, 'Raga Viva III' at affordable prices and 'Raga Facets' – a collection inspired by the amalgamation of different shapes, materials, finishes and colours were the new creations.

Our youth brand Fastrack launched 'Reflex Beat' with heart rate monitor and is witnessing high sell-through across channels. Other notable launches include 'Game of Thrones' collection,

based on the popular series and enabled by our exclusive manufacturing rights in India; the 'Road Trip' collection to cater to the travel-inclined youth; and the 'Space collection' inspired by the achievements of India in the field of outer space.

Sonata, our value brand of functionally styled watches at affordable prices, launched several new collections resonating with evolving customer aspirations. Notable among them included 'Sonata Stride', the brand's first hybrid collection loaded with inbuilt activity tracker to help maintain a healthy lifestyle.





Today, majority of our brands are market-leading in their categories, reflecting our success in driving innovation that resonates with the customer's aspirations. In the challenging operating environment, Titan remains more determined than ever to stay true to its philosophy of customer-centric innovation. This unwavering pursuit of innovation will enable us to remain relevant and capture a larger share of the market opportunity once the operating environment rebounds to normal.

Eyewear Division

Under the Titan brand, a major launch was the 'Titan Signature' collection in the category of frames. Marking our presence in the high-end fashion segment, the in-house designed collection has received a very enthusiastic response from customers. We also introduced in-house designed Titan lens 'Clear Sight' having best-in-class scratch resistance and clarity. In sunglasses, 'Titan Midnight Sun' collection was launched. We also launched new collections for sunglasses under Fastrack brand, including our debut into smart sunglasses through Fastrack audio and a lightweight collection called 'Floatables'. These differentiated innovations will help us to connect better with customer preferences.



New Businesses

We are bringing about differentiation into the unorganised saree market through our national brand Taneira. During the year, Taneira launched '1000 Summer Memories' collection of cotton sarees at very affordable price points to drive customer walk-ins and build the right brand perception. The brand also added new collection of pure and all-natural unstitched suit sets, along with in-house designed festive and workwear saree collections.

Our fragrances brand SKINN offers fine French perfumes at very attractive price points. The brand opened a large new segment by launching premium deodorants, which have been well received in the markets. Perfumes were also launched under the Fastrack brand.



Resolute in Strengthening Access

In the changing milieu, we remain focussed on expanding our retail footprint and aligning our reach to meet evolving customer needs and provide a seamless shopping experience.



Jewellery Division

Tanishq expansion

As a 25-year-old brand, Tanishq has reached high levels of presence across India. At the same time, there is significant scope for expansion in the smaller towns and cities where we are either absent or under-penetrated. To reach out to these aspirational customers, we are pursuing our 'Middle India' focussed expansion

programme. During the year, allied to this strategy, many stores were opened across tier 3 and tier 4 towns. A mix of company-owned stores and asset-light franchise model is further enabling us to strengthen our reach. The thrust on store expansion will continue in the coming year to strengthen access.

Omni-channel and remote selling

We are harnessing digital capabilities such as video selling, augmented reality and virtual reality to make it easier for customers to connect with our products and make purchases online. During the pandemic, we quickly rolled out endless aisles across all our Tanishq stores, wherein customers have access to large touchscreens to browse the entire collection. Also, with jewellery products being in the touch and feel category, we are now bringing the retail store to our customers. CaratLane offers Try@Home service to customers and this facility has now been extended to



our other jewellery brands as well. The acceleration of our digital efforts will help us to overcome the challenges of operating in a new normal as well as capitalise on new opportunities.

Developing overseas potential

Over the past couple of years, we have been reaching out to overseas customers through our brand e-commerce sites. To give a greater thrust to this activity, we recently formed an international business division. The division is developing the jewellery opportunity in the US and other markets.



Eyewear Division

Titan EyePlus retail chain continues to be priority channel, along with our presence at multi-brand outlets and departmental stores for our sunglasses. We are also focussing on a comprehensive omni-channel approach by seamlessly integrating physical stores with digital platform. Post the nationwide lockdown, we developed 'assisted E-commerce', a new process to reach out to our customers. Under this method, our team help customers navigate the website to generate remote ordering, while benefiting our customers.

Watches and Wearables Division

Omni-channel experience

Our watches and wearables are available on multiple channels which include our exclusive outlets – World of Titan, Helios and Fastrack Stores, multi-brand outlets (MBOs), large format departmental stores, brand e-commerce sites as well as e-commerce platforms. Our tie-ups with leading marketplaces like Amazon, Flipkart, Myntra have been the highest growing channel for us. This year we rolled out omni-channel experience in our Watches and Wearables Division by providing customers the choice to 'order online and collect from store,' 'reserve online and try on in-store,' or 'get it shipped from nearest store.' Video shopping, online appointment booking and endless aisle options are also available to enhance customers' shopping experience. In the post-COVID era where customers are likely to gravitate towards digital options, our omni-channel approach should prove to be advantageous.



New Businesses

Confident about the long-term market opportunity for our Indian Dress Wear Brand Taneira, we are exploring multiple formats to establish a strong retail identity. Currently, we have a mix of high street stores, mall stores as well as villa format. We are also studying the market response in the various cities that we are present to arrive at the right business model. The insights from different formats and cities will help us to formulate the appropriate retail expansion strategy to grow our brand. We have also forayed into the e-commerce space to increase brand awareness and reach.

Our fragrances are available at India's leading large format stores. We are also tapping our company-owned retail network of World of Titan to grow our accessibility. To strengthen brand awareness, we often set up kiosks at key mall locations and participate in fragrance festivals at department stores. Our website www.skinn.in went live during the year under review; this along with our presence on key marketplaces has made e-commerce our fastest growing channel.

Creating a Great Place to Work

We are committed to fostering an environment that facilitates employee well-being, safeguards employee rights, and promotes growth. Our people strategy is built on the cultural tenets of driving a performance culture while maintaining unconditional positive regard for people.





The Company had around 7,500 employees on rolls of which 1,986 were women as on 31st March 2020. Of the total headcount, 3,096 employees were engaged in manufacturing, 3,543 in retail and 821 in corporate and support functions. The net addition to employee base during the year was 389 employees. Of the total base, 145 employees are differently abled.

Driving wellness

We are encouraging the adoption of wellness programs through employee involvement and participation. Last year, Titanians pledged to take small yet significant steps in their journey towards wellness - physical, mental, emotional and financial. This journey was divided into four distinct phases - Step Challenge, 101 Healthy Days, 101 Happy Days, and Transform. Each phase had both online and onsite engagement activities to keep the aspirants on track. Titan partnered with TruWorth Wellness App to ensure that the initiative is an ongoing, consistent one. The program was customised across all regions and units wherein the respective HR teams conducted programs curated for the specific target audience.

Improving engagement

Businesses can only excel when employees thrive, which is why employee engagement is important to us. Titan's engagement strategy is deeply entrenched in the philosophy that employee experience is the direct influencer of engagement. At every step of employee lifecycle, processes have been built to ensure enriching and fulfilling work experience. To gain employee insights and ensure that Titan is on the right track of creating the best employee experience possible, engagement scores are formally measured annually. We are also training engagement champions from various functions and business units with the intent to improve engagement at team levels leading to higher overall engagement.

Encouraging growth and development

We offer a range of programs that enable our people to grow and develop. Work on the four-tiered leadership program continued as per plan. Young Leaders Program 3.0 was launched with a new program design. New elements like social immersions and shadowing were introduced for Emerging Leaders Program. A significant benefit from immersion experience are learnings that impact business decisions, fuel innovations or drive improved efficiencies. Job shadowing on the other hand enables employees to gain knowledge of their roles and responsibilities and hone their skills by working alongside another team member. Senior and Top Management Development programs also continued with special focus on immersions. The 2nd edition of Leadership Conclave was conducted in the fourth quarter of the year. For employees outside of leadership programs, learning inputs and programs were designed, curated and rolled out based on not only the Individual Development Plans but also the Titan Competency Framework. Functional journeys specific to sales and manufacturing were launched this year.

Protecting our people

The final quarter of the financial year brought with it the challenges of dealing with the COVID-19 pandemic. Through this ongoing crisis, our topmost priority has been to ensure the utmost safety of our employees. From a quick turn-around to a 100% work-from-home strategy during the lockdown period; supporting employees through online wellness sessions; implementing regular learning initiatives through digital media; extending assistance to travelling employees to reach their destinations safely, providing one-on-one online help; and ensuring no disruption or slowdown in employee development; through our comprehensive efforts, we aim to ensure that every aspect concerning our employees is looked into and taken care of to complete satisfaction.



Maintaining positive relations

The employee relations climate continues to be peaceful and positive. Long-term agreements with employees working at Hosur and Roorkee factories were signed off in a win-win manner.

Resolute in Deepening Our Engagement

Through our customer engagement efforts, we remain committed to not only enrich experiences but also connect to a larger purpose, foster meaningful relationships and better the world we live in.

Progressive advertising

Over the years, we have evolved our branding strategy from product centricity to socially relevant communications. Our advertising and marketing campaigns are based on socio-cultural issues, celebrate women and question stereotypical thinking. Through our memorable commercials, we have been known to touch an emotional chord with our audiences, drive conversations and inspire positive thinking and progressive behaviour. In a world where customers are increasingly seeking more social responsibility from their brands, we will continue to emphasise on progressive advertising to connect with them at a deeper level.



Brands that symbolise trust

The trust that we have earned for our brands is among our greatest differentiators. We continue to nurture this trust through transparent and exceptional offers. Our Golden Harvest Jewellery Purchase Plan, under which customers deposit monthly instalments for a fixed period to be redeemed against jewellery purchase on the maturity of the scheme and be eligible for a special discount, continues to run



successfully for more than 15 years. The Tanishq Exchange Program is another excellent proposition where customers are offered the best exchange value for their old gold against the purchase of Tanishq jewellery, in addition to being a completely transparent process.

Digital Marketing

As customer shopping patterns continue to evolve across stores and digital, we have adapted our engagement to keep pace with changing times and ensure fluidity across all touchpoints. Our websites and e-commerce brand sites have continued to improve, becoming more robust with content and functionality. This year we revamped Tanishq and SKINN websites. Our digital strategy is to consistently deliver the identity and lifestyle of our brands to our customers; endorsing our success, Fastrack continues to be the most followed brand on Instagram. Our focussed digital campaigns during festivals like Durga Pujo and Ganeshotsav has also helped to reach out to our customers and build a more endearing connect.



New technologies

The growing awareness of health and fitness has resulted in significant traction in the demand for wearables as they come with activity trackers. Further, advancements in research have been leading to increased innovation in this category. This year, to boost the technological capabilities of our wearables and offer more differentiated features, we acquired HUG Innovations Inc. This acquisition will enable us to gain access to their patented technology in the field of Advance Gesture Recognition. HUG Innovations has been recognised amongst the Top 10 innovative start-ups in the world at Mobile World Congress, Barcelona. We are ranked 2nd by volume in India by IDC in smart wearables; the new expertise will help us to further elevate customer experiences and fast-forward our wearables journey.

Safe to shop

Given the threat of the global health crisis, we are committed to ensuring that our stores are safe for our customers and employees. We used the lockdown period to review the best safety practices and prepare ourselves for the day ahead. Customers visiting our stores after the lifting of lockdown have been very satisfied with our heightened safety protocols. We will continue to ensure stringent safety and protection measures through this period of uncertainty to ensure the well-being of those visiting our stores.

Exciting associations

Titan has deepened brand engagement through celebrity endorsements. We continue to tie-up with popular and famous people whose personality, lifestyle and career choices resonate with our target audience. This year we brought on board Ayushmann

Khurrana, a celebrated actor, singer and writer, as the brand ambassador of Titan EyePlus. His commitment to his craft reflects Titan's unflinching commitment to quality and design excellence. We also roped in Bollywood actress Ananya Panday as the brand ambassador for our Fastrack Perfumes. A true youth icon and connecting very closely with Fastrack's personality which is trendy, edgy, youthful and vibrant, she is a seamless fit for the brand. We also collaborated with the much-coveted movie 'Mission Mangal' to launch a range of Sonata watches inspired by the women scientists in the film and this was the first time that our brand associated with a movie.

Improving connect through our people

Our front-end team is knowledgeable, efficient and passionate about service. We continue to drive in-store experience by conducting training sessions for our store staff.



Staying connected

During the nationwide lockdown, our 3,000 strong frontline staff of the Eyewear Division reached out to more than half a million of our customers to check their well-being and specifically, if they had any trouble with their eyewear. Our efforts received widespread appreciation.

Resolute in **Growing** **Responsibly**

Titan is determined to be a responsible, sustainable business. It is important for us to contribute to the communities where we work and drive inclusive progress.

Our Corporate Social Responsibility (CSR) focus areas include upliftment of the underprivileged girl child, skill development for the underprivileged and support for Indian art, crafts and heritage. We also support local causes that benefit our neighbourhood as part of our responsible citizenship initiative.



Support for girl child/education

We help in supporting rural girls from underprivileged backgrounds to complete their school education through remedial education and holistic engagement. This year we provided remedial education for the girl child in two most backward regions of Tamil Nadu and Karnataka. Our total reach was 15,910 girls during the year. We have initiated the engagement at Tiruvannamalai, Tamil Nadu and will be moving out after a successful tenure at Krishnagiri, Tamil Nadu in the current year. Under our Kanya Sampurna programme, we created about 50 model anganwadis in Kattumannar Koil and Yadgir to be showcased to the government. As part of our support to education, we also invest in building the capacity of teachers. We completed a teacher training programme in Krishnagiri, Tamil Nadu, covering 296 teachers from government schools. Scholarships were given to 129 students to enable them to pursue higher education.



Skill development for underprivileged

Titan LeAP, our centre of excellence for skill development set up at Chennai, trained 715 youth during the year. This employability skilling programme will empower them to earn an average monthly salary of ₹ 12,500. We have also launched skill development programme for the differently abled youth in Chennai, besides adopting two government Industrial Training Institutes (ITIs) in the tribal region of Tamil Nadu for holistic engagement. Across all skill programmes we have skilled 12,000 youth.



Support to Indian arts, crafts and heritage

Our programmes with the craft communities at Banaras and Kashmir will be coming to a close this year. We have seen good traction in both these programmes. The third engagement with Charaka has shown a promising beginning.

Design Impact Awards (DIA)

As part of the DIA programme, we invest in capacity building, mentorship and engagement of SMEs working with Titan.



Responsible citizenship

Under Happy Eyes, our comprehensive Eye Care programme, a mobile eye care unit has been launched in collaboration with Sankara Eye Hospital, to scale our eye care programme to the rural masses. A total of 2.46 lakh people have benefited under this programme.

Besides the lakes in Hosur, Tamil Nadu and one near our Corporate Office, we have restored two more water bodies in Chennai. Another note-worthy highlight has been the voluntary participation of our employees in mass eye screening programme in Gulbarga, Karnataka.

COVID-19 Relief

Company level contribution

- Committed a sum of ₹ 7 crore from the CSR funds of FY 2020-21 towards the One-Tata Group efforts.
- Contributed a sum of ₹ 1 crore to the Tamil Nadu CM Public Relief Fund.

Local response

- As a President of Hosur Industries Association, Titan helped in raising funds from industries to setting up a COVID-19 special ward at ESI Hosur.
- Contributed approximately ₹ 32 lakh towards ventilators, ICU beds and hospital equipment at Hosur, Vellore and Mysore.
- Provided Personal Protective Equipment (PPE) to the tune of ₹ 26 lakh at Hosur, Sikkim, Bengaluru, Chikkaballapur.

- Provided food and water to over 12,000 migrants and students alike.
- Provided about 100 barricades to Traffic Police at Bengaluru for lockdown support in containment areas.

Employee engagement

- One day salary contribution from employees amounting to ₹ 70 lakh to Tata Community Initiatives Trust.
- Many employees, franchisees, vendors and their employees contributed in their individual capacity towards local support for food and protective gear for COVID-19 warriors.



20,000+ hrs

Employee volunteerism across our CSR programmes



3.50 lakh

Lives touched during the year through our CSR programmes

Sustainability at Titan

Success is measured in terms of how much Titan has been able to impact its environment, society and other stakeholders. Be it the natural resources or impact on people in the community, the below illustration gives a glimpse of the success the Company has achieved over the years.



Energy conservation



67% Electricity from Renewable Sources at Manufacturing Plants



Water conservation



47% of water used across the Company is recycled and lake rejuvenation initiative undertaken



Recycling



44% of gold and 47% of brass used in production is from recycled sources



CSR



Reached out to over 3.5 lakh beneficiaries through various CSR initiatives



Approach to Reporting

A Paradigm Shift in Reporting

Titan Company Limited started its Integrated Reporting two years back in line with its commitment upholding highest standards of transparency in communication and ethos of Corporate Governance.

This is our third year of Integrated Report in line with our continuous commitment to voluntarily disclose more information to our stakeholders on all aspects of our business especially the developments and improvements in our non-financial objectives that have been achieved over the past three years.

We have tried and captured all the key elements of the Integrated Report along with the annual report to essentially highlight the organisation's perspectives and performance across identified Material topics such as Manufacturing, Financial, Human, Intellectual, Social &

Relationship and Natural capitals to all stakeholders in a transparent manner that provides a glimpse on the long-term value creation and sustainability of the Company. These include the key initiatives that were taken during the course of the year that would have significant bearing in impacting the output metrics of these Capitals.

The Integrated Report of Titan Company Limited has been prepared in accordance with IIRC's Integrated Reporting framework <IR>.

Through our Integrated Report, we have managed to identify our capitals, with specific reference to the inputs, activities and outcomes relevant to them as well as a brief review of how we have performed in achieving Key Performance Indicators (KPI) which measure our financial and non-financial performance in respect of these various

capitals. This report has been structured to provide stakeholders with financial and non-financial information that is relevant. It aims to provide stakeholders with a holistic view of how Titan creates value across stakeholder groups and the interlinkages across each of these Capitals.

Other <IR> content elements like our engagement with key stakeholders, risks, governance, CSR and environmental initiatives are further explained in the statutory section of the Annual Report under topics like Management Discussion and Analysis (MDA) and Board's Report as well as Business Responsibility Report.

Performance highlights of each of the capitals are captured under various sections as highlighted below:



Intellectual Capital

(pg 30)



Human Capital

(pg 32)



Financial Capital

(pg 33)



Social and Relationship Capital

(pg 34)



Manufactured Capital

(pg 35)



Natural Capital

(pg 36)

The scope of this Integrated Reporting is limited to Titan Company Limited as a standalone entity.

Sustainable Value Creation for Stakeholders

Titan Company Limited (“Company”) continues to work in sectors that are either unorganised or characterised by poor business practices and ethics. Whether it is in the watches, jewellery, eyewear or even the Indian Dress Wear business, the Company strives to work in these sectors to create business models that transform business practices into those of organised sectors. These are characterised by value-based practices across the entire value chain reflected in the manner in which the products are procured, produced and sold.

The Company fosters and maintains a strong relationship with all its stakeholders through transparent and effective communication mechanisms and also strives to maintain the established credibility and relationship nurtured over a period of time.

The Company’s stakeholders comprise those persons, groups or organisations that are directly or indirectly impacted by its products, services and activities associated with it. Over a period of three decades, the Company has built strong relationships with different stakeholder groups and a structured

system of engagement exists to ensure effective communication of accurate and relevant information to, and engage with, each stakeholder group in a consistent manner.

The Company has categorised its key stakeholders as follows:

Stakeholders



People

- Employees including employee unions
- Community



Operations

- Customers
- Vendors, Third-Party Contractors Suppliers & Partners
- Government and Regulatory Bodies
- Business Associates, Dealers
- Collaborators



Corporate

- Promoters
- Shareholders and Investors
- Bankers
- JV Partners
- Consultants

The Company takes overall responsibility for ensuring a stakeholder-inclusive governance approach. It works towards maintaining a robust system of communication with the identified stakeholder groups.

A wide range of regular and structured engagements take place at various levels in the Company. Through extensive engagement, the Company manages to respond to material issues raised by stakeholders, as appropriate, in the ordinary course of business.



Listed below are some of the stakeholder engagement mechanisms the Company has consistently undertaken and improved over the years:

Subject of Engagement



Employees

Employee Engagement

The Company engages with employees through various forums such as Heartbeat, Employee Engagement Survey, etc. to understand their concerns. Further, customised employee connect programmes are deployed across locations to enable employees to voice their concerns. The Company uses the service of Great Place to Work to conduct an employee satisfaction survey every year. Results from the last year's survey indicated a high level of participation and positive overall employee engagement. Through a variety of reward and recognition mechanisms, employee engagement is constantly reinforced. The Company's leadership development programmes engages all categories of employees through a structured development intervention classified as Young Leaders, Emerging Leaders, Senior Management programmes.



Customers

Customer Satisfaction

A variety of activities and initiatives are undertaken to engage with customers across geographies, demographics and segments. The Company uses both traditional engagement channels like surveys and research, as well as digital media to understand the customer needs and expectations. The Net Promoter Score (NPS) is also used to understand customer satisfaction. Creating forums and communities on the digital media helps the Company to incorporate its feedback on a real-time basis, which also enables it to continuously upgrade and improve customer service with better proposition. The Encircle loyalty program, empowers the Company to further enhance relationships with customers as well as engage with them on the Company's product and service offerings which drive them to greater level of engagement and satisfaction. The Company has invested in customer 360° with the help of Salesforce tools which has aided in higher engagement with customers. Further, the Unified Customer Service program has helped the Company to connect with customers through various channels and serve their needs and expectations in a dynamic manner.



Vendors, Contractors and Suppliers

Continuous engagement through vendor meets, workshops and conferences

The Company works closely with its vendors, suppliers and other service providers who have been playing an important role ranging from procurement to manufacture and from branding to logistics. Regular vendor meets, workshops and conferences enable the Company to build and enhance the engagement towards collective realisation of ambition as well as resolve key issues towards ease of doing business, maintaining quality, enhancing capabilities, etc. Across businesses, the Company works closely with the supply chain associates to ensure that all activities carried out by such associates resonates with the Company's and Tata's ethos. An excellent example of this engagement is the manner in which the Company has transformed the jewellery industry in the country, by enhancing the quality of life of the karigars working for the Company. Another example has been the manner in which the Company has worked with the women self-help groups at Hosur for over 25 years now, in providing livelihood opportunities by providing them with outsourced/subcontract activities.



Business Associates

As a consumer-facing organisation, the Company has a wide network of business associates including franchisees, management agents, dealers, etc. They play a key role in connecting the Company to its end consumers apart from delivering products and services. The Company engages with its business associates through franchisee meets, forums, and conferences as well as one-to-one meetings to understand their issues and concerns, as well as share its growth plans and insights about consumers, behaviour and trends.



CSR Partners and NGOs

The Company continues to play the role of a responsible corporate citizen with a firm belief in making a difference to the lives of people in the communities it engages with. The Company engages with communities through direct CSR interventions as well as through various NGOs and governmental agencies to deploy several programmes aimed at different sections of society. Through a bi-annual meet, the Company interacts with the NGOs it works with, to co-create programmes that add immense value to the community. It reaches out to the community not only in the location of its operations but across the country, and co-creates programmes and solutions that are in the larger interest of the community and society.



Government Bodies and Industry Associations

The Company interacts with various government departments and regulatory bodies from time to time to further address issues and concerns on behalf of the industry. Issues like ease of doing business, industry regulations, compliance and regulatory framework are some of the areas the Company regularly takes up on behalf of the industry at various industry and government forums including at the Indian Horological Federation and the World Gold Council, thereby ensuring the views of the industry and the government are aligned.

Materiality Approach

Materiality assessment is an exercise to ascertain material issues. An issue is material if it substantively impacts the organisation’s ability to create value in the short, medium or long term. A clear understanding of materiality aspects promotes better alignment between business strategy, performance management and reporting.

The process of determining materiality is entity specific and based on industry and other factors, as well as multi-stakeholder perspectives. Material matters improve internal and external decision-making by limiting extraneous information and focussing disclosures on the core issues managed by the organisation. This exercise improves the quality of information available to providers of financial capital to enable a more efficient and productive allocation of capital.

The Company conducted materiality analysis across stakeholder groups as per integrated reporting framework materiality assessment process. The analysis resulted in six material topics,

which were formalised and implemented in the management’s approach.

Materiality assessment survey was conducted through a competent third-party agency.

The purpose of the analysis was to identify topics that have a direct or indirect impact on the Company’s ability to create, preserve or erode economic, environmental and social value, not only for the Company, but also for its stakeholders and the society at large. The analysis revealed what the internal and external stakeholders consider to be the most material and relevant aspects.

The material issues were identified by mapping stakeholder views and business priorities. These material issues were then shortlisted and clustered. Defining these topics was an important exercise which was conducted with the Company’s working group of representatives from different departments and fields of expertise.

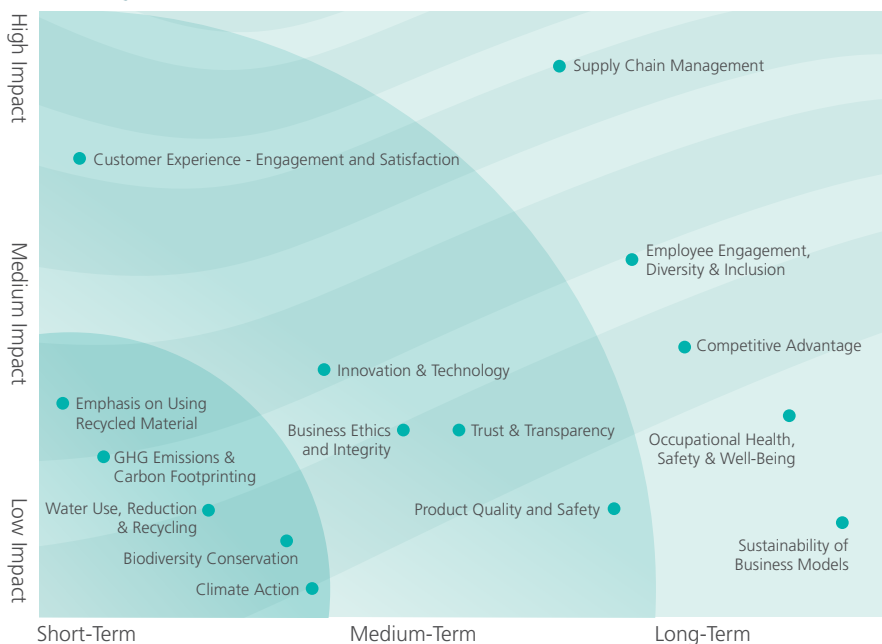
After receiving the inputs from the stakeholders, the Company analysed its responses and requested the senior management to prioritise the material topics. The Company also validated the outcomes of the survey through discussions about the relevance and completeness of the material topics.

Materiality Aspects

The identified material issues have been largely addressed in this report. Moreover, in keeping with the developments in the external environment and changing stakeholder expectations, the following has been identified as additional areas which are material to the Company. The prioritised material aspects are:

1. Customer Experience;
2. Supply Chain Management;
3. Employee Engagement, Diversity and Inclusion;
4. Competitive Advantage;
5. Product Innovation and Technology;
6. Product Manufacturing, Quality and Safety;
7. Occupational Health, Safety and Well-Being.

Materiality Matrix





Customer Experience

Elevating Customer Experience is ingrained in the values of the Company, guiding the Company towards attaining the vision of creating elevating experiences for the people it touches and significantly impacts the world it works in. The Company pays heed to the customer voice, their needs and expectations through several modes. Further, there are several programs to engage and nurture relationships and continued engagement with customers to earn their trust and loyalty. programmes such as Make Hearts Beat, SMILE etc. are customised across divisions to improve customer experience. The Encircle loyalty program has over the years grown into one of India's largest loyalty program in the retail space.

Supply Chain Management

In order to achieve strategic advantage through its integrated supply chain, the Company has an effective supply chain model supported by strong distribution network. This ensures reliable supply of products and services to customers in expanding geographies. With robust processes in place across the supply chain, the Company is able to maintain and grow its customer confidence. The primary focus is to build a sustainable and agile integrated supply chain ecosystem in India. The Company treats vendors, sub-contractors, etc. as associates in its supply chain. The Company ensures responsible business through replenishment analytics based planning, stock supply visibility, monitoring of logistics costs, etc. These have led to improved efficiencies in the supply chain process and practices and enabled the Company to move towards supply chain sustainability.

Employee Engagement, Diversity and Inclusion

The Company provides a safe, productive and conducive environment where employees can learn, and develop their skills and talent. Apart from serving customers, employees innovate and develop products and services in an increasingly competitive world.

Attracting and retaining talent is a challenge and the Company has put in place right measures to address this. In order to enhance employee satisfaction and engagement, the Company conducts employee engagement surveys, the results of which are analysed and new measures to increase employee engagement are implemented. The Company believes and practices diversity and inclusion. The Company has 26% of employees who are women, 6% of employees from affirmative action category and 145 who are

differently abled. There are several people-friendly practices to support gender diversity at Titan.

Competitive Advantage

The Company strives to retain its competitive advantage in the domestic and international markets. Being a dominant player across categories in which it is present coupled with state-of-the-art manufacturing facilities as well as pan-India network presence, provides the Company sustainable competitive advantage. Through the attraction and retention of high calibre individuals, who not only have the required technical qualifications and experience, but also demonstrate the desired behavioural traits which fits its entrepreneurial and dynamic culture, the Company has enhanced its competitive edge over its peers. The Company believes that its capability to respond to its customers demands with agility will enable it to deliver high quality products and exceptional customer service, thereby strengthening its competitive advantage.

Product Innovation and Technology

The Company will focus on new technologies and innovation that was hitherto on simplification and optimisation of core processes, with a view to create a deeper understanding of its stakeholders expectations and enhancing their digital experience. Investment on the Company's websites to integrate the brick and mortar stores with that of the online channel has provided an enhanced shopping experience for the customers. The Company has enabled its jewellery and eyewear customers to try on jewellery and spectacle frames virtually. The frontline staff at the stores are equipped with a state-of-the-art CRM tool that comes with pertinent details to enhance the quality of customer engagement. Digital engagement with franchisees through portals which have helped them to reconcile business and account transactions. The investments in mobile applications for employee engagement and collaboration tools for conducting business away from the office has come in handy during the COVID-19 crisis. The digitisation of after sales service connecting dealers and service hubs has improved operations across 9,000 watch service dealers. The newly introduced e-learning for associates and employees has gained momentum with the launch of Titan-U, a new platform for creating awareness and training on relevant topics across the organisation. With the pool of data scientists and data warehouse experts, the Company has boosted its capabilities that has led to deeper customer

insight and a more efficient process in lead management, optimisation of merchandising mix and campaign management. The Company has a pool of 160 champions trained on 26 Tools - "Untangle". These champions have worked on 200 innovation products. With the acqui-hire of HUG Innovations (a wearable and IoT platform startup), the Company is poised to leapfrog into the wearables segment that has been growing rapidly.

Significant focus on R&D has led to simplification of processes, introduction of alternate materials, addition of features to products etc.

Product Manufacturing, Quality and Safety

In order to build a stronger relationship with all its stakeholders, especially customers, the Company strives to work together more closely in a constructive and transparent manner. Since customer needs and demand for superior products and services are of primary importance, the Company strives to deliver high quality products and services through modern manufacturing processes and technologies. By owning strategically important manufacturing capital, the Company has been able to further augment its product quality, production efficiencies and cost competitiveness to ensure responsive management across the value chain. The multi-locational manufacturing sites enables the Company not only to de-risk operations but also enable it to serve the distribution network much effectively.

Occupational Health, Safety and Well-Being

The Company aims to make a positive contribution to safeguarding human rights, health, safety and well-being of all employees and all other stakeholders. Efforts to improve occupational health, safety and well-being conditions at all of its operations are ongoing. The prevention of work-related injuries is a key focus area for business operations, particularly at the manufacturing facilities where the inherent risks of health and safety incidents are high. Over the past several years, the Company has invested heavily in achieving stability and sustainability in its operations by giving priority to address health and safety expectations of all employees and other stakeholders. The entire Company's operations (including Company-owned retail stores) are certified under OHSAS standards, the first of its kind in the industry to cover all its operations.

Our Business Model

Our business model leverages our unique value drivers to provide high quality products and services and create value for all of our stakeholders in a responsible and sustainable way.

INPUT		
Financial Capital	UoM	2019-20
Equity	₹ Cr.	6,825
Reserves	₹ Cr.	6,736
Total Capital Employed	₹ Cr.	6,825
Capital Expenditure	₹ Cr.	1,197
Market Capitalisation (as on 31 st March 2020)	₹ Cr.	82,892
Human Capital	UoM	2019-20
On Roll Employees	Nos.	
Top Management and Leadership	Nos.	90
Manufacturing	Nos.	3,096
Sales, Marketing & Retail	Nos.	3,543
Corporate & Support Functions	Nos.	821
Off Roll Employees		
At Manufacturing and Offices	Nos.	4,500
At Retail Stores	Nos.	12,651
Diversity Aspect		
Male	Nos.	5,564
Female	Nos.	1,986
Differently Abled (Within the Above)	Nos.	145
Training, Learning & Development - Staff		
Investments Per Person	₹	16,707
Training	Man-days	6.2
Unionised Employees		
Investments Per Person	₹	1,248
Training	Man-days	3.7
Training for Senior/Top Management/Professional Courses		
Investments Per Person	₹	1,98,029
Training	Man-days	5.11
Social and Relationship Capital	UoM	2019-20
Number of showrooms across all formats	Nos.	1,739
Retail footprint	Sq.Ft	22,75,924
Number of Touchpoints (apart from showrooms)	Nos.	11,000
National Campaigns and Initiatives	Nos.	31
Jewellery Division		
• Pan India Number of Showrooms	Nos.	369
• Key Vendor Base	Nos.	84
Watches Division		
• Pan India Number of Showrooms	Nos.	774
• Key Vendor Base	Nos.	60
CSR Budget	₹ Cr.	32
Vendors/Suppliers/Distributors Training Programmes	Nos.	3
Natural Capital	UoM	2019-20
Jewellery Division		
Gold and Silver Recycled	Tonnes	21.32 Tonnes Gold 1.0 Tonne Silver
Energy Consumption (Fuel+Grid+RE)	Lakh Units	65
Water Consumption	KL	35,398
Investments in Environmental Conservation/Biodiversity	₹ Cr.	3.1
Watches Division		
Precious Gold Consumed	Tonnes	0.0067
Total Recycled Gold	Tonnes	0.034
Energy Consumption (Fuel+Grid+RE)	Lakh Units	164
Water Consumption	KL	61,424
Investments in Environmental Conservation/Biodiversity	₹ Cr.	0.83
Manufactured Capital	UoM	2019-20
Jewellery Division		
• Tonnes of Gold Processed	Tonnes	29.8
• Tonnes of Silver Processed	Tonnes	3.7
• Investment in Quality	₹ Cr.	4
Watches Division		
• Quantity of watches produced	Lakh	166.92
• Tonnes of Brass Used	Tonnes	781.9
• Cost of Quality Per Watch Produced	₹	28.98
Eyewear Division		
Lenses Production	Lakh	9.27
Cost of Quality	₹ Cr.	25.3
Intellectual Capital	UoM	2019-20
Research and Development CTS Group	₹ Cr.	0.84
Eyewear Division		
• New Collections (NC) Launched	Nos.	846
Jewellery Division		
• New Collections (NC) Launched	Nos.	4
• Collaboration Investment (IIT s)	₹ Cr.	0.13
Watches Division		
• New Materials Introduced - Aluminium Products	K	68
• New Technologies Introduced - Variety	K	224
Research and Development Capex	₹ Cr.	2.37

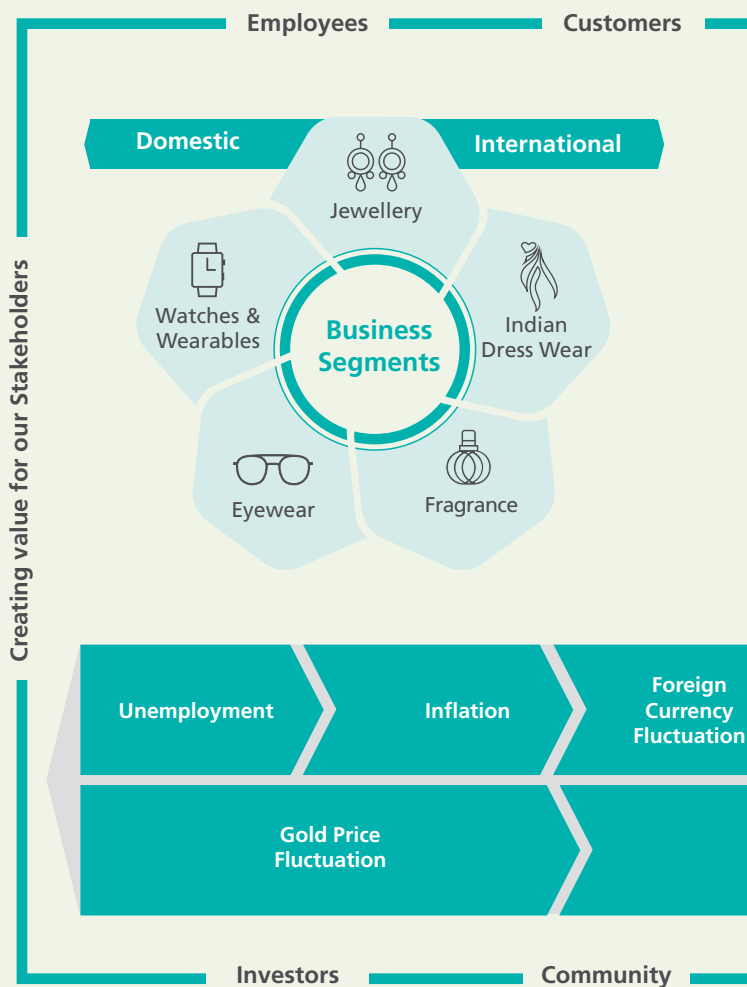
VALUE CREATION USING SIX CAPITALS

Our Vision

We create elevating experiences for the people we touch and significantly impact the world we work in.

Our Mission

We will do this through a pioneering spirit and a caring, value-driven culture that fosters innovation, drives performance and ensures the highest global standards in everything we do.





OUTCOME

Product & Retail Brands

Watch Brands

TITAN

SONATA

FASTRACK

FAVRE LEUBA

XYLYS

NEBULA

RAGA

SF

WORLD OF TITAN

HELIOS

Jewellery Brands

TANISHQ

MIA

ZOYA

CARATLANE

Eyewear Brands

TITAN EYEPLUS

FASTRACK

GLARES

New Business

SKINN

TANEIRA

OUTPUT

Financial Capital	UoM	2019-20
PBT Margin - PBT Margin after exceptional items	%	10.52
Sales to Net Fixed Assets	Ratio	18.10
Sales to Debtors	Ratio	93.31
Sales to Inventory	Ratio	2.59
Retained Earnings	₹ Cr.	3,758
Return on Capital Employed (EBIT)	%	34.67
Return on Net Worth	%	23.34
Market Capitalisation (as of 31 st March 2020)	₹ Cr.	82,892
Human Capital	UoM	2019-20
No. of candidates identified as Emerging Leaders	Nos.	67
No. of candidates identified as Young Leaders	Nos.	13
Total Spends on Training, Learning and Development	₹ Cr.	1.99
Investment per person on training/development	₹ lakh	1.11
Attrition-Overall	%	2
Social and Relationship Capital	UoM	2019-20
CSR Spend	₹ Cr.	30.99
Titan supports - Social Intervention area	Nos.	5
Number of Beneficiaries Impacted	Lakh	3.50
Jewellery Division		
Brand Track Scores (Spontaneous)	%	78
Complaints per thousand	Nos.	1.66
Number of Buyers-Tanishq	Lakh	19.79
New Products Sale	₹ Cr.	3,403
Net Promoter Score	Score	63
Watches Division		
Brand Track Scores (Spontaneous)	Nos.	78
Market Returns	%	1.69
Number of Followers on Social Media	Mn	2.60
Net Promoter Score-World of Titan	Score	67
Net Promoter Score-Fastrack	Score	71
Eyewear Division		
Network Growth-Dealers and Franchisee	Nos.	5,787
Damage returns from stores	%	3.71
Brand Track Scores (Spontaneous)	Nos.	81
Net Promoter Score	Score	71
Natural Capital	UoM	2019-20
Jewellery Division		
Specific Consumption of Energy Per Product	KW per unit	6.76
Specific Consumption of Water Per Product	KL per unit	0.52
Water Recycled	%	75.85
Watches Division		
Specific Consumption of Energy Per Product	KW per unit	2.67
Specific Consumption of Water Per Product	KL per unit	14.4
Wind Energy Contribution	%	70%
Solar Energy Contribution	%	1.56%
Total CO ₂ Emissions	Tonnes	2,035.1
CO ₂ Emissions Reduced	Kgs/Watch	0.19
Silver Recycled	%	10.97
Water Recycled	%	81.81
Eyewear Division		
Specific Consumption of Energy Per Product	KW per unit	3.55
Specific Consumption of Water Per Product	KL per unit	0.015
Water Recycled	%	8500%
Manufactured Capital	UoM	2019-20
Jewellery Division		
Percentage of Outsourced Parts-Value	%	73
Value of Goods Produced	₹ Cr.	19,104
Watches Division		
Outsourced Parts-Value	₹ Cr.	937
Cost of Quality	₹ Cr.	48.38
Value of Goods Produced	₹ Cr.	1,271
Import Substitution	₹ Cr.	4.53
Eyewear Division		
Overall quality of product usage (complaints on sales)	%	63%
Production Numbers	Nos.	10,85,371
Production capacity increase in percentage	%	15%
Capital Expenditure	₹ Cr.	12
Intellectual Capital	UoM	2019-20
R & D expenditure-CTS Group	₹ Cr.	1.1
Jewellery Division		
Number of Patents Granted	Nos.	1
New Innovations	List/Nos.	4
Contribution of New Products	%	Plain Group-29.4%, New Products-3,403 Total Sales-11,560 Studded Group-31% New Products-2,150 Total Sales-6,200
Watches Division		
R & D expenditure	₹ Cr.	5.54
Revenue from New Products/Technologies	₹ Cr.	121.19

Distributors

Research & Development

Risk Management

Total Customer Orientation

Employee Appreciation

Performance Culture and Teamwork

Creativity and Innovation

Passion for Excellence

Corporate Citizenship

Information Technology

Product Development

Business Partners

Domestic Regulatory Policies

Economic Outlook

Shareholders



Intellectual Capital






Passion for service excellence and delivery value through innovation and technology

The Company's intellectual capital supports its focussed objective of providing high quality and affordable products. Driven by innovation and creativity, the Company thrives on questioning the status quo and investing in concurrent technologies. As a Company manufacturing and marketing branded lifestyle products, design, innovation as well as the Company's brands constitute the core of its intellectual capital. The design centres are instrumental in creating

innovative designs that delight the customers. While the Company's brands in watches, jewellery and eyewear are amongst the top brands in their respective categories, the newer business segments such as fragrances, accessories and Indian Dress Wear have been well accepted by customers. The brands continue to symbolise quality, trust, value as well as style and fashion. Design and innovative capabilities and brand equity form the most vital intangible capital

as well as the key differentiator. The digital strategy is to create a seamless omni-channel platform that allows customers the flexibility to discover and buy both, offline as well as online, and the freedom to use any channel from multiple devices. The focus is on analytics too that gives insights from various aspects for customising products and services and retailing. The Encircle loyalty program is an integral part of this. Our R&D efforts are focussed on new materials, technology, platform and features.

Intellectual Capital – Design and Innovation

Business	Design and Innovation Centres/Hubs	Products	Areas worked upon (material, functionality, design, technology-smart/connected)
	Hosur/Hyderabad	Watches & Wearables	Laser cutting, wire cutting, torch brazing, texturing finish, new colour laser, investment casting, fine numerals by forming, aluminium case by cold forming, stone set drilling on 5 axis etc.
	Hosur	Jewellery	Automatic diamond bagging, hollow ball making, 22kt hard alloy, low temperature melting gold alloy, stone detection, investment mixing operation, investment powder removal, chain making etc.
	Chikkaballapur	Lenses and Frames	Designing of lenses and various types of coatings on lenses and manufacturing types of materials for frames
	Bengaluru	Fragrances	Fragrance development and directing the creativity of our international perfumers, bottling and packaging development
	Design Excellence Centre, Bengaluru	Watches, Jewellery, Eyewear	Designing of watches, jewellery, eyewear and other products catering to various divisions

 Watches  Jewellery  Eyewear  Fragrances  Common for Businesses



The Company's value proposition comes through leveraging its strengths and competencies across capitals to provide variety of products and services in several customer segments. The Company has focussed on developing technologies through in-house efforts as well as through collaborative research. Key organisational intangibles also include know-how and management systems. Further, the Company continues to invest significantly in development of technologies.

Knowledge management and innovation have played a key role in nurturing the Company's knowledge and enhancing the digital quotient through multimedia portals, virtual walk-through and simulation technologies and active connect with academic institutions, large technology providers and start-up ecosystems. The Company continues to drive innovation (Titan Innovation Engine) with established enterprise processes, continuously updated tools and through dedicated Innovation Champions.

Some of the innovations worth highlighting are Reflex WAV (slimmest gesture control band), SF RUSH (a smart band), Titan "Radar" (Smart Wallet), etc. The Watches and Wearables Division's tool design and

manufacturing team has developed an alternate to metal elements through polymer-based 3D printing targeting to reduce the lead time and cost by simplifying the manufacturing process. Engagement of technical experts as well as working with established institutions have led to creation of new designs, capabilities and simplification of processes.

Design has emerged as a core competence which has been nurtured through elaborate consumer research, creating differentiated product portfolio suiting to various consumer segments of the businesses.

Some of the innovations worth highlighting are the launch of the Company's in-house developed Hybrid Smart Watches - viz., 'Titan Connected', 'Sonata Stride' and 'Sonata Stride Pro'. All these watches were powered by the in-house micro motors. Sonata Stride and Sonata Stride Pro are the most affordable smart watches available in the market today. Fastrack launched its fourth version of the Reflex range of smart fitness trackers, 'Reflex Beat'. This was the first fitness tracker from the Company that hosted a state-of-the-art heart rate monitor. These launches enabled the Company to retain its position as the second largest wearables company in India in 2019 as reported by IDC.

Zoya, Mia and CaratLane are doing well and are poised for good growth in the future.

Taneira (the Indian Dress Wear brand) represents a celebration of diverse textiles and workmanship in India. With sarees made out of pure and natural fabrics, the brand offers more than 5,000 sarees across 50 regions in India. Apart from sarees, Taneira also offers bridal wear, lehengas, stoles and dupattas. Since designs are painstakingly handpicked, the curation at Taneira promises exclusivity and a refined sense of style. Leaning on the Company's strengths in the arena of design and self-expression, Taneira is targeted at the rooted yet progressive Indian woman with its heart-warming proposition – 'Sarees, Handmade with Love'. The stores are also specifically designed to reflect and celebrate the rich tradition of handicrafts and textiles of India.

The Company also offers SKINN, a range of fragrances for both men and women. These are designed with support from strategic associates and specific focus on bottling and packaging has added to the competitive advantage amongst other aspects.



Interlinkage of intellectual capital with other capitals

The Company provides the required impetus to intellectual capital through investments in technologies, interventions and collaborative approaches for bringing in cutting-edge technologies as well as giving a fillip to design and innovation to drive growth for the Company. Consequentially, financial capital, manufactured capital, natural capital, human capital and social and relationship capital are likely to be positively impacted.



Human Capital

Building talent to drive performance excellence

Built on the foundation of the Company's values and a commitment to the Tata Code of Conduct, the Company strives to provide a safe, challenging and rewarding environment for each of its employees. The motivated and committed employees are the catalysts who drive the business and create value for all the stakeholders. The Company is committed to empower its people and build an organisation on strong business and cultural values. The skills, experience, diversity and competencies of the employees enable the Company to operate safely, reliably and sustainably, and deliver on its growth objectives.

The Company has an ideal mix of youthful energy guided by mature leadership. Guided by its core values

and dynamic culture, the Company values diversity and nurtures excellence. As a learning organisation, the Company invests in upgrading and upskilling its people. The Company endeavours to become a preferred employer offering not just a job, but a lasting and rewarding career.

The Company is an equal opportunity provider and is proud of its 145 differently abled employees. The management's relationship with the employee union continues to be cordial resulting in motivation, efficiency and productivity. The Company continues to provide crucial education support for the children of its employees at the Company's schools to ensure a brighter future for the children. The Company started the leadership development programme which consists of a four-

tiered approach, namely, young leaders, emerging leaders or mid-management, senior management and top leadership. Several executives and managers have gone through this programme. This is now an established process.

The Company has well-defined policies to promote the well-being of all its employees that not only support employee welfare but also enable enhanced engagement with the Company. All the locations of the Company are certified under Occupational Health and Safety Assessment Series (OHSAS) standards. Policies on compensation, sexual harassment, training and retraining of employees are well entrenched. The Company has formal grievance redressal mechanisms for its employees.



Interlinkage of human capital with other capitals

The Company's human capital stock is positively impacted when it invests in skill development initiatives to improve the technical know-how for R&D purposes. This also benefits the individuals for career enhancements, and increasing growth prospects, thereby increasing social and relationship capital stock and intellectual capital stock.



Financial Capital

The Company aims to create value for all its stakeholders by managing the financial capital in a commercially astute and diligent manner thereby harnessing opportunities for long-term sustainable economic growth.

While the provision of high quality and affordable products and services directly benefit the Company's consumers, a focus on building a profitable and sustainable business model generates economic value for varied stakeholder groups. The Company's effective management of cash flows by use of advanced technologies, well-defined processes, competent people and resource management which enables in

sustaining and growing its businesses and thereby deliver a significant positive contribution to the financial capital. The Company's investment decision is always evaluated against targeted return on capital, which has to be higher than the cost of capital. Apart from creating value through its business activities, the resulting financial capital is also reinvested in each of the other capitals in a carefully balanced and calibrated manner to further achieve financial goals and objectives.

Funding mechanism such as equity, short-term debt and operating cash are the main sources of the Company's financial capital.

While the Company has a risk management framework and a prudent capital allocation strategy, it has identified risks and enablers to create value for stakeholders. While risks and positive operating environment have both positive and negative impact on business, the Company seeks to manage these risks by adopting strict management principles and practices.

The Company continuously works on changes required to policies and processes to minimise risks.



Interlinkage of financial capital with other capitals

The Company boosts investments across value chain be it technologies, infrastructure, manufacturing set-ups, marketing, working capital, induction, development and retention of talent. A combination of these would play a key role in providing quality products and service to customers across markets. This will drive growth of the Company. Consequentially, financial capital would be impacted positively as also other capitals.



Social and Relationship Capital

Partnering for creating, sustaining and delivering value

As a lifestyle products company, the success of the Company's endeavour is largely attributed to maintaining excellent relationships with key stakeholders in the value chain. Anchored by the Tata ethos and values, the Company has created long-lasting pleasant experiences for everyone, including karigars, vendors, business associates and customers. It is these networks of association and social capital that are cornerstone to the brand value of the Company.

Core to the business is the customer connect, that happens through country-wide retail network. A focussed channel strategy as well as modernising retail stores and sales channels has driven customers to stores leading to volume and value growth.

Further, brands engaging with customers through campaigns, commercials, social issues, festivals, runs and walkathons on causes as well as on various other occasions have helped in reinforcing the values and philosophy that the brands stand for. Further, schemes like the Gold Exchange Program that enable customers to exchange their old jewellery with new fashionable and carefully curated designs has led to increased sales growth. CaratLane has transformed the customer experience of virtual try-on option of buying jewellery while being at the comfort of their homes.

This feature of bringing the brand closer to the customer, has translated into significant growth in FY 2019-20. The omni-channel experience given to customers has been very effective in driving many customers to buy products. In order to improve the overall customer experience, the Company has set up an interface team that ensures supply chain related issues are immediately resolved. This has led to customer satisfaction scores on quality and delivery improving significantly. To enhance the customer experience at the stores, the Company has implemented measures such as enhanced staff training, creating new identity, correct selling, etc.

On the social front, the Company has engaged with different sections of the society through various programmes and initiatives. The CSR policy focusses on working with the underprivileged girl child through education, skill development for the underprivileged youth and working with arts and crafts and Indian heritage. The Company has a multitude of programmes that are being run with the help of NGOs across the four priority states - Tamil Nadu, Uttarakhand, Karnataka and Sikkim. In addition, the Company has initiated a unique recognition and engagement programme (Design Impact Awards for Social Change) that seeks to recognise design thinking in product design that enables social change.

Trade and Dealer Development

The Company constantly engages with business associates and dealers through several forums to spearhead growth and to reach out to customers. Recharging and rejuvenation of channels has given significant results with sustained brand and product investments.

The relationships with key retailers and different categories of dealers have been strengthened with sound processes leading to mutual benefits and growth. Visual merchandising, enhanced presence, systematic launch of new products, training, introduction of wearables, deeper penetration of premium products, induction of technology enablers, management of stock have been key drivers of growth in this important channel. Expansion of the footprint into new non-traditional high traffic outlets has helped in acquiring new customers.

E-Commerce

E-commerce has transformed significantly and the Company has emerged as the largest partner group for key players like Flipkart, Amazon and Myntra. It has been the highest growing channel and will continue to be an important channel in years to come.



Manufactured Capital

Manufacturing with Excellence

The Company's state-of-the-art manufacturing facilities as well as the collaborative approach with suppliers and associates is crucial in creating sustainable value. The Company continuously invests in upgrading technology and processes to improve the efficiency and effectiveness of its manufacturing capabilities. With an aim to leverage opportunities and provide employment, apart from setting up manufacturing plants, assembly units, lens labs and karigar centres, the Company has also built relationships with a large number of suppliers and associates. This effective synchronisation enables the Company to deliver high

quality products to customers across markets.

The Company's manufacturing competence provides the Company with a significant competitive edge. Along with vendors, the Company swiftly responds to dynamic market requirements. Agility to align to the required product mix has helped in addressing the opportunities in the market, enabling growth. The focus remains to build a sustainable and agile integrated supply chain ecosystem in India.

In Jewellery, from transforming unorganised craftsmanship to organised set-up, the karigar centres have played a huge role in preserving art as well as

stabilizing issues of quality, timeliness and efficiency. They create surreal intricate designs with efficiency while enabling an ecosystem of fairness and respect. This empowerment of the karigars has enabled them to live a dignified life inside and outside of the Company.

Intense focus on innovation continued with increasing collaboration between internal stakeholders and engagement with technology companies and external consultants as well as the SMEs and institutes. Application of various innovation tools and techniques, design thinking approach has helped implementation of a slew of innovations across the value chain.

Business	Plant/Location	Products	Key Equipment and Processes
	Hosur and Coimbatore	Production of Watches	Design and manufacturing of cases (Brass and Gold at Hosur, Stainless Steel (SS) case plant at Coimbatore) movement tools, surface finishing and allied activities, Pro-E, CAD/CAM for design, laser marking, electroplating, polishing, forging machines. Assembly line with multi point monitoring systems. Retail Stores-Laser Engraving
	Pantnagar, Roorkee and Sikkim	Assembly (casing and strapping) of Watches	
	Hosur, Pantnagar and Sikkim	Manufacturing and assembly of Jewellery Sorting Office	Manufacturing Technology and Equipment - Waxing, casting, melting, rolling, refining, alloying, assaying, automated component bagging, robotic kit material, butterfly manufacturing and investment powder loading, 5 Axis - CNC Machine, Rapid Proto typing
	Chikkaballapur	Production of lenses	Lens labs – lens manufacturing, glass cutting, testing and special coating systems
	Chikkaballapur	Manufacturing of Frames	Frame Manufacturing – Metal line and Acetate testing

Watches Jewellery Eyewear

In the eyewear business, the satellite lens labs located at strategic locations, work closely with the stores to reduce turnaround times and enable them to deliver spectacles on the same day. The initiative has been extremely successful and has become a differentiator at many of the stores. This has also led to increase in sales of its frames and lenses.



Interlinkage of manufactured capital with other capitals

The Company boosts investments in manufactured capital through technological upgradation and opening new manufacturing setups and stores. This will play a key role in providing quality products to the customers with low downtime thereby enhancing reputation that will drive growth for the Company. Consequentially, financial capital, as well as, human, social and relationship capital are likely to be enhanced and environment will be positively impacted.



Natural Capital

As a responsible manufacturer, the Company recognises the importance of the use of natural resources to create high value products. The Company is dedicated to minimising the negative environmental impact of its operations including from the manufacturing units, karigar centres and office spaces. The Company has established internal controls to mitigate the compliance risks associated with increasingly stringent requirements regarding air quality and effluent management. Key focussed efforts include investments in renewable energy, recycling of water and waste reduction.

The Company is implementing several initiatives to reduce specific energy and water consumption across its manufacturing locations. The Company has also set targets for improvement on environmental aspects, including achieving carbon neutrality.

The Watches and Wearables Division implemented various energy and fuel conservation projects which has resulted

in significant reduction in energy translating directly into improving efficiency and cost savings.

The Division's manufacturing plant at Hosur has been awarded with CII Green Co Rating under "Silver" category in recognition of the initiatives taken like energy efficiency, green energy substitution, reduction in greenhouse gas emissions and environmental impacts through systematic environmental/energy management systems.

The Company is investing in changing the energy mix and moving towards increasing dependence on renewable energy. For instance, the Company's association with wind farms enables the Company to reduce its dependence on captive energy. Further, the in-house investments in solar energy systems help in generating 7.92 lakh units of energy, whereas 70% of energy requirement at watch plant is met through wind energy and 21% of total energy requirement at jewellery plant met through renewables sources.

Being aware that the environment would be negatively impacted due to use of non-renewable resources with corresponding emissions, consumption of water for process and other activities as well as waste generated due to processes, the Company has been continuously working to minimise these through investments and initiatives and involvement of human, social and relationship capitals. The new Corporate Office has been awarded a 'Platinum' rating by LEED and a 5 Star rating from GRIHA.

Sourcing

Further, in manufacturing and supply chain, the Company has been recycling gold and brass that are used for making products. The jewellery exchange scheme acts as a channel for the Company to source customers' gold for processing. These measures reduce the pressure on gold and brass procurement as well as reduce, albeit, indirectly the mining of ore to that extent.

Looking Ahead

The Company will continue to focus on providing a wide range of high quality products in the sectors in which it operates, with emphasis on enhancing the economic and social well-being of all its stakeholders. Further, the Company is in the forefront of leveraging opportunities to drive growth that will create greater value to stakeholders in an innovative and agile manner in the fast-changing digital world.



Interlinkage of manufactured capital with other capitals

While some of the manufacturing activities may have some impact on the environment, the Company continuously invests in harnessing renewable energy to reduce the impact on the environment by the emissions caused due to the usage of grid electricity. Similarly, recycling of water has significantly reduced sourcing of fresh water. These positively impact other capitals viz. human, social and relationship, manufactured and financial capital.



Awards



Best of the Best award for innovative laser cut tube jewellery from Red Dot.

- Sonata wins the 'Best Brand Launch of the Year' at the 'Brand Equity Marketing Awards'.
- Tanishq received the 'Red Dot: Best of the Best' award for innovative laser cut tube jewellery. Red Dot is the most prestigious and coveted award in the world in the field of Product Design and the 'Red Dot: Best of the Best' is the highest award in the competition and is awarded for groundbreaking design innovation.
- Tanishq Rivaah wins Gold in Effie Awards 2019.
- Tanishq received the 'World Branding Award' in London at Kensington Palace. Tanishq was the only brand selected from India.
- Tanishq wins 'Excellence in customer service and sales process initiative' at the 'Retail Jewellers Guild Awards'.
- Titan EyePlus felicitated by NASSCOM in the Special Category – 'Best use of technology by an enterprise for Excellent Customer Service'.
- Titan EyePlus wins Bronze in the prestigious ACEF Asian Leadership Awards.
- Titan EyePlus won at the 'International Customer Experience Awards' in 'Best Customer Experience Strategy' category, hosted by CXInternational in Amsterdam and judged by 84 CEOs and global customer experience specialists. Jury was impressed with the brand's transforming NPS.
- Titan Company accredited 'Best Employer Award' by Tamil Nadu Government under the category of 'Employing most number of differently-abled personnel.'
- Titan manufacturing units won multiple Health & Safety awards from 'National Safety Council'.
- Titan Watches e-commerce bags 3 awards at Digies 2019.
- Titan won the first prize under Innovation Category at the 31st Qimpro Qualtech Award 2019, for the Balance Dynamic Hydraulic Fixture project.
- Titan Won "Design Honour" award for the project Raga Masaba at the Tata Innovista Finals.
- Titan Watches e-commerce bags DMA ASIA ECHO Awards 2019 in the 'Best Customer Acquisition Campaign' category.
- Titan Watches wins the Brand Equity Shark Awards.
- Titan's Encircle program wins in Loyalty Program category in Future of Retail Awards 2019.
- Titan Company wins the R K Swamy High Performance Brand Award by AIMA.
- Tanishq wins at Global Marketing Excellence Awards 2019 in the outdoor category for Outdoor and Location Based Marketing.
- Tanishq wins at the Great Lifestyle Brands Awards; Smarties 2019 India; Maddies Mobile Awards 2019; Sammies 2019.
- World of Titan wins 'Customer Service Excellence' and 'Retail Store of Year – Merchandising' awards in Future of Retail Awards 2019.
- Titan EyePlus wins Bronze in the prestigious ACEF Asian Leadership Awards.

Board of Directors

(as of 8th June 2020)



Mr. N Muruganandam

Chairman

He is a 1991 batch IAS Officer who has held many key positions in various departments in the Government of Tamil Nadu and Government of India. Presently, Mr. N Muruganandam is the Principal Secretary, Industries Department. During his career spanning more than 25 years, he has held key positions as Collector, Coimbatore, Karur and Chennai, Managing Director of Poimpuhar Shipping Corporation. He has worked in Government of India as Joint Secretary looking after Ports & as Joint Secretary in Rural Development. He was also the Project Director of World Bank-funded poverty alleviation programme Pudhu Vaazhvu. He was the Principal Resident Commissioner of Tamil Nadu House at New Delhi before taking up the current assignment.



Mr. N N Tata

Vice Chairman

He joined the Board of Directors of the Company on 7th August 2003. Mr. Tata graduated from Sussex University (UK) and has completed the International Executive Programme (IEP) from INSEAD. He took over as the Managing Director of Tata International Limited in August 2010 which is a global trading and distribution company with presence in leather products, metals trading, minerals trading and agri trading and employing over 10,000 personnel spanning 39 countries across Africa, Asia, Europe, Latin America and Middle East. He is currently the Chairman of Trent Limited, Voltas Limited, Tata Investment Corporation Limited and Tata Africa Holdings Limited.



Mr. C K Venkataraman

Managing Director

Mr. Venkataraman, a Post Graduate Diploma holder in Management from IIM-Ahmedabad, joined Titan Company Limited in 1990, and worked in the Advertising and Marketing functions before becoming the Head of Sales & Marketing for the Titan brand in 2003.

Thereafter, he took charge of the Jewellery Division in 2005 and last held the position of Chief Executive Officer, Jewellery till 30th September 2019. Subsequently, he assumed office as Managing Director of the Company from 1st October 2019.



Mr. Bhaskar Bhat

Director

Mr. Bhaskar is a B.Tech (Mechanical Engineering) degree holder of IIT – Madras, and a Post Graduate Diploma Holder in Management from IIM – Ahmedabad. He was awarded the Distinguished Alumnus Award of IIT Madras in 2008. Mr. Bhaskar started his journey in the Tata Group with the Tata Watch Project in 1983, later to become Titan Watches Limited, and now Titan Company Limited. At Titan, Mr. Bhaskar dealt with Sales & Marketing, HR, International Business and various general managerial assignments. He then took over as Managing Director of the Company on 1st April 2002, and held the position till his superannuation on 30th September 2019. Subsequently, he was appointed as a Non-Executive Non-Independent Director of the Company with effect from 1st October 2019.



Mr. V Arun Roy

Director

Mr. Arun Roy is a 2003 batch IAS officer who has held many key positions in various departments in the Government of Tamil Nadu. Presently, Mr. Arun Roy is the Additional Secretary to Government of Tamil Nadu, Industries Department. Earlier, Mr. Arun Roy served as the State Commissioner for the Differently Aabled and Deputy Secretary to Government Finance Department, Managing Director, Chennai Metropolitan Water Supply and Sewerage Board and Registrar, Tamilnadu National Law School. He is also on the Board of several other investee companies of Tamil Nadu Government.



Ms. Kakarla Usha

Director

Ms. Kakarla Usha is a 1994 batch IAS Officer who has held many key positions in various departments in the Government of Tamil Nadu/Government of India. Presently, Kakarla Usha is the Chairperson and Managing Director of Tamilnadu Industrial Development Corporation Limited.

**Ms. Hema Ravichandar**

Independent Director

She joined the Board of Directors of the Company on 30th March 2009. Ms. Ravichandar is an alumnus of the Indian Institute of Management, Ahmedabad and a Strategic HR Advisor with over 30 years of industry experience advising several Indian and multinational corporations and is on the Board of several companies. Ms. Ravichandar until 2005 was the Senior Vice-President and Global Head of Human Resources for Infosys Technologies Limited.

**Ms. Ireena Vittal**

Independent Director

She joined the Board of Directors of the Company on 30th January 2013. Ms. Ireena Vittal is an independent strategic advisor, with significant knowledge in agriculture and urban development in India and emerging markets. Ms. Vittal holds a B.Sc. in Electronics from Osmania University and a PGDM from IIM, Calcutta and has co-authored several studies relating to agriculture and urbanisation. Ms. Vittal served as a Partner with McKinsey & Co. and was a founding member of their economic development practice, and the global emerging-markets practice.

**Mr. Ashwani Puri**

Independent Director

He joined the Board of Directors of the Company on 6th May 2016. He has extensive experience in investment/acquisition advisory services, valuations and decision analysis, business and financial restructuring, dispute analysis and forensics. Mr. Puri has served on various committees of the Banking Division/Ministry of Finance, Ministry of Corporate Affairs and INSOL International and also served as a member of PWC's Global Advisory Leadership Team. Mr. Puri is currently the Managing Partner of Veritas Advisors LLP, which provides strategy, governance and financial advisory services.

**Mr. B Santhanam**

Independent Director

He joined the Board of Directors of the Company on 10th May 2018. He is a B.Tech in Civil Engineering from IIT, Madras and PGDM from IIM, Ahmedabad. Mr. Santhanam is the founder Managing Director of Saint-Gobain Glass India and has handled critical functions of Information Technology, Operations, Product Development, Sales and Marketing at Grindwell Norton (Saint-Gobain Group Company).

**Dr. Mohanasankar Sivaprakasam**

Independent Director

Dr. Mohanasankar Sivaprakasam joined the Board of Directors of the Company on 3rd July 2019. He has acquired a Ph.D. in Electrical Engineering from the University of California, M.S. in Electrical Engineering from North California State University and B. Tech in Instrumentation Engineering from Anna University, India. His research interest lies in

medical devices and diagnostics, biomedical instrumentation, affordable healthcare technologies, healthcare delivery models for resource-constrained settings. He is currently Associate Professor in the Department of Electrical Engineering and heads the Healthcare Technology Innovation Centre at IIT Madras.

**Mr. Pradyumna Vyas**

Independent Director

He joined the Board of Directors of the Company on 25th March 2019. He acquired a Masters in Industrial Design from the Indian Institute of Technology, Bombay. In June 2010, Mr. Vyas was conferred with an Honorary Master of Arts Degree from the University for the Creative Arts in Farnham, United Kingdom in recognition of his contributions to design education and design promotion. Mr. Vyas has more than 33 years of professional and teaching experience in different spheres of design. Mr. Vyas had been associated with the National Institute of Design (NID) as a faculty and retired as a Director of NID.

**Ms. Sindhu Gangadharan**

Independent Director

Ms. Sindhu Gangadharan is Senior Vice President and Managing Director of SAP Labs in India, responsible for SAP's development facilities in Bengaluru, Pune, Mumbai and Gurgaon. SAP Labs India is the largest R&D centre outside SAP's headquarters in Germany and a leading hub for innovation and a hotspot for talent and diversity. Her deep technical expertise and business knowledge led her to head the critical integration function in SAP's Technology and Innovation organisation in the Office of the CTO.

Corporate Information

BOARD COMMITTEES

(AS OF 8th JUNE 2020)

Audit Committee

- 1) Mr. Ashwani Puri (Chairman)
- 2) Mr. V Arun Roy
- 3) Mr. B Santhanam
- 4) Ms. Ireena Vittal
- 5) Ms. Hema Ravichandar
- 6) Mr. Bhaskar Bhat

Nomination & Remuneration Committee

- 1) Ms. Hema Ravichandar (Chairperson)
- 2) Ms. Ireena Vittal
- 3) Mr. N.N. Tata
- 4) Mr. B Santhanam
- 5) Ms. Kakarla Usha
- 6) Ms. Sindhu Gangadharan

Corporate Social Responsibility Committee

- 1) Ms. Ireena Vittal (Chairperson)
- 2) Mr. V Arun Roy
- 3) Ms. Hema Ravichandar
- 4) Mr. Pradyumna Vyas
- 5) Dr. Mohanasankar Sivaprakasam
- 6) Mr. C K Venkataraman (Managing Director)

Risk Management Committee

- 1) Ms. Ireena Vittal (Chairperson)
- 2) Mr. V Arun Roy
- 3) Dr. Mohanasankar Sivaprakasam
- 4) Mr. Ashwani Puri
- 5) Mr. C K Venkataraman (Managing Director)

Stakeholders

Relationship Committee

- 1) Mr. B Santhanam (Chairman)
- 2) Mr. V Arun Roy
- 3) Mr. Bhaskar Bhat
- 4) Mr. C K Venkataraman (Managing Director)

CHIEF FINANCIAL OFFICER

Mr. S Subramaniam

GENERAL COUNSEL & COMPANY SECRETARY

Mr. Dinesh Shetty

AUDITORS

BSR & Co., LLP
Chartered Accountants

BANKERS

Canara Bank
State Bank of India
Axis Bank
The Hongkong and Shanghai Banking Corporation
Standard Chartered Bank
HDFC Bank
Union Bank of India
ICICI Bank
Citi Bank
Kotak Mahindra Bank
The Bank of Nova Scotia
IDFC Bank
IndusInd Bank
YES Bank
RBL Bank

REGISTERED OFFICE

3, SIPCOT Industrial Complex
Hosur - 635 126, Tamil Nadu

CORPORATE OFFICE

"INTEGRITY", No. 193, Veerasandra,
Electronics City P.O.,
Off Hosur Main Road
Bengaluru - 560 100
Website: www.titancompany.in

REGISTRAR AND TRANSFER AGENT

TSR Darashaw Consultants Private Limited
Unit – Titan Company Limited
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E Moses Road, Mahalaxmi
Mumbai - 400 011
Website: www.tsrdarashaw.com
Email: csg-unit@tsrdarashaw.com

36th ANNUAL GENERAL MEETING

Tuesday, 11th August 2020 at 2.30 P.M.
through Video Conference/Other
Audio Visual Means

BOOK CLOSURE DATES

5th August 2020 to 11th August 2020

CORPORATE IDENTIFICATION NUMBER

L74999TZ1984PLC001456