

Corporate Governance Report

The report on Corporate Governance is pursuant to Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**SEBI LODR**). The Company has complied with the applicable requirements of the SEBI LODR and amendments thereto.

1. Corporate Governance Philosophy

Corporate Governance philosophy of Titan Company Limited ("the Company" or "Titan" or "We" or "Our") is founded upon a rich legacy of fair, ethical and transparent governance practices by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Titan strongly believes that a company can emerge as a strong leader only by following good and sound Corporate Governance principles. Good corporate governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions, thus maximising long-term shareholder value without compromising on integrity, societal obligations, environment and regulatory compliances. The Company's corporate governance philosophy has been

further strengthened through the Tata Code of Conduct and Codes of Fair Disclosure and Conduct. Overall, the Company's corporate governance practices are a reflection of its value system encompassing its culture, policies, and relationships with its stakeholders. As a Company with a strong sense of values and commitment, your Company understands that Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. The vision of the Company: "To create elevating experiences for the people we touch and significantly impact the world we work in" underpins the Corporate Governance philosophy.

2. Board of Directors

Titan was promoted by the Tamilnadu Industrial Development Corporation Limited (TIDCO) and the Tata Group. As on 31st March 2020, the Company had 12 Directors, comprising 11 Non-Executive Directors and 1 Executive Director. The profiles of Directors can be accessed on the Company's website at <https://www.titancompany.in/investors/investor-information/board-of-directors>

The composition and category of Directors as at 31st March 2020 is as follows:

Category	Name of Director	No. of Directors
Nominee Directors of TIDCO (Non-Executive, Non-Independent)	Mr. N Muruganandam Mr. V Arun Roy Ms. Kakarla Usha ¹	3
Nominee Directors of Tata Group (Non-Executive, Non-Independent).	Mr. N N Tata Mr. Bhaskar Bhat ²	2
(Executive, Non-Independent)	Mr. C. K. Venkataraman ³	1
Other Directors (Non-Executive, Independent)	Ms. Hema Ravichandar Ms. Ireena Vittal Mr. Ashwani Puri Mr. B Santhanam Mr. Pradyumna Vyas Dr. Mohanasankar Sivaprakasam ⁴	6
Total		12

¹ Ms. Usha Kakarla, IAS, nominee of TIDCO was appointed on the Board effective 21st November 2019.

² Mr. Bhaskar Bhat, nominee of Tata Group was appointed on the Board effective 1st October 2019 after his retirement as the Managing Director of the Company effective on 30th September 2019.

³ Mr. C. K. Venkataraman was appointed as Managing Director of the Company effective 1st October 2019 subject to approval of the shareholders.

⁴ Dr. Mohanasankar Sivaprakasam was appointed on the Board effective on 3rd July 2019 and his appointment was approved by the Shareholders at the 35th Annual General Meeting of the Company held on 6th August 2019.

During the year, the Company had a Non-Executive Chairman, nominees of the Promoter and half of the total strength of the Board of Directors was independent.

The Company has not had any pecuniary relationship and transaction with any of the Non-Executive Directors, other than payment of sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company and post-retirement benefits paid to Mr. Bhaskar Bhat, as approved by the Board, consequent upon his retirement as Managing Director on 30th September 2019.

The Board of Directors met six times during the Financial Year 2019-20. The Board meetings were held on 8th May, 19th July, 6th August, 27th September and 5th November in 2019 and on 4th February in 2020.

The information as required in terms of SEBI LODR is being regularly placed before the Board. The Board also reviews the declaration made by the Managing Director and Executives of the Company regarding compliance with all laws applicable to the Company on a quarterly basis.

The attendance of each Director at the Board of Directors meetings during the year and at the last Annual General Meeting, the number of Directorships and Committee memberships held by them in domestic public companies as at 31st March 2020 are as indicated below:

Name of Director	No. of Board Meetings attended during the year 2019-20	Whether attended last Annual General Meeting	No. of Directorships in domestic public companies (including this Company)		No. of Committee positions in domestic public companies (including this Company) [#]	
			As Chairman	As Director	As Chairman	As Member
Mr. N. Muruganandam	1	No	7	2	Nil	Nil
Mr. Ramesh Chand Meena ¹	3	Yes		Not Applicable		
Mr. V Arun Roy	1	No	1	7	1	2
Ms. Kakarla Usha ²	1	NA	4	5	1	2
Mr. N.N. Tata	6	Yes	3	3	1	2
Mr. Harish Bhat ³	4	Yes		Not Applicable		
Mr. Bhaskar Bhat ⁴	6	Yes	Nil	6	Nil	5
Mr. T.K. Balaji ⁵	2	NA		Not Applicable		
Ms. Hema Ravichandar	6	Yes	Nil	4	1	4
Ms. Ireena Vittal	5	Yes	Nil	4	Nil	4
Mr. Ashwani Puri	6	Yes	Nil	3	3	Nil
Mr. B Santhanam	6	Yes	Nil	3	1	2
Mr. Pradyumna Vyas ⁷	6	Yes	Nil	5	1	Nil
Dr. Mohanasankar Sivaprakasam ⁶	5	Yes	Nil	1	Nil	Nil
Mr. C. K. Venkataraman ⁷	2	NA	Nil	3	Nil	2

[#] excludes Committees other than Audit and Stakeholders Relationship Committee.

¹ Mr. Ramesh Chand Meena ceased to be a Director effective 14th October 2019.

² Ms. Kakarla Usha was appointed on the Board effective 21st November 2019.

³ Mr. Harish Bhat ceased to be a Director effective 1st October 2019.

⁴ Mr. Bhaskar Bhat retired as Managing Director on 30th September 2019 and was subsequently appointed as a Non-Executive Non-Independent Director of the Company with effect from 1st October 2019.

⁵ Mr. T. K. Balaji ceased to be a Director on 31st July 2019.

⁶ Dr. Mohanasankar Sivaprakasam was appointed on the Board effective 3rd July 2019.

⁷ Mr. C. K. Venkataraman was appointed as Managing Director effective 1st October 2019.

During the year Mr. Ramesh Chand Meena ceased to be a Director effective 14th October 2019 upon withdrawal of nomination by TIDCO. Mr. Harish Bhat ceased to be a Director effective 1st October 2019 upon withdrawal of nomination by Tata Sons Private Limited and Mr. Bhaskar Bhat who retired as Managing Director of the Company on 30th September 2019, was nominated by Tata Sons Private Limited as a Non-Executive Non-Independent Director on the Board effective 1st October 2019. Mr. T. K. Balaji ceased to hold office as an Independent Director upon completion of his tenure on 31st July 2019. Ms. Hema Ravichandar was re-appointed for a second term as Independent Director by the shareholders upto 31st July 2020. Ms. Ireena Vittal was re-appointed for a second term as Independent Director by the shareholders upto 29th January 2023.

The names of other listed entities where the person is a director and category of directorship as on 31st March 2020 are as follows:

Sl No	Name of Director	Name of listed entities where the person is a director	Category of directorship
1	Mr. N. Muruganandam	Tamilnadu Newsprint and Papers Limited	Non-Executive, Non independent Director, Chairman
2	Mr. V Arun Roy	Nil	NA
3	Ms. Kakarla Usha	Tamilnadu Petroproducts Limited	Chairperson and Director
4	Mr. N N Tata	Kansai Nerolac Paints Limited	Non-Executive, Independent Director
		Trent Limited	Non-Executive, Non independent, Chairman
		Voltas Limited	Non-Executive, Non independent Director, Chairman
		Tata Investments Corporation Limited	Non-Executive, Non independent Director, Chairman
5	Mr. Bhaskar Bhat	Tata Chemicals Limited	Non-Executive, Non Independent Director
		Trent Limited	Non-Executive, Non Independent Director
		Rallis India Limited	Non-Executive, Non Independent Director, Chairman
		Bosch Limited	Non-Executive, Independent Director
6	Ms. Hema Ravichandar	Marico Limited	Non-Executive, Independent Director
		Bosch Limited	Non-Executive, Independent Director
		The Indian Hotels Company Limited	Non-Executive, Independent Director
7	Ms. Ireena Vittal	Godrej Consumer Products Limited	Non-Executive, Independent Director
		Wipro Limited	Non-Executive, Independent Director
		Housing Development Finance Corporation Limited	Non-Executive, Independent Director
8	Mr. Ashwani Puri	NIIT Technologies Limited	Non-Executive, Independent Director
9	Mr. B Santhanam	Saint-Gobain Sekurit India Limited	Non-Executive, Non Independent Director
		Grindwell Norton Limited	Executive, Managing Director
10	Mr. Pradyumna Vyas	Dynamatic Technologies Limited	Non-Executive, Independent Director
		Kirloskar Brothers Limited	Non-Executive, Independent Director
11	Dr. Mohanasankar Sivaprakasam	Nil	NA
12	Mr. C. K. Venkataraman	Nil	NA

None of the Directors are related to each other within the meaning of the term "Relative" as per Section 2(77) of the Companies Act, 2013 ("the Act").

The Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of the SEBI LODR and are independent of the Board as of 31st March 2020.

A Declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, along with a declaration as provided in the Notification dated 22nd October, 2019, issued by the Ministry of Corporate Affairs ("MCA"), regarding the requirement relating to enrolment in the Data Bank for Independent Directors, has been received

from all the Independent Directors, along with declaration made under Section 149(6) of the Act.

Number of shares and convertible instruments held by Non-Executive Directors:

Details of shares of the Company held by Non-Executive Directors as on 31st March 2020 are as below:

Name of Director	Number of Shares
Mr. N. Muruganandam	Nil
Mr. V. Arun Roy	Nil
Ms. Kakarla Usha	50
Mr. N.N Tata	46,900
Mr. Bhaskar Bhat	80,960
Ms. Hema Ravichandar	Nil

Name of Director	Number of Shares
Ms. Ireena Vittal	Nil
Mr. Ashwani Puri	Nil
Mr. B. Santhanam	Nil
Mr. Pradyumna Vyas	Nil
Dr. Mohanasankar Sivaprakasam	Nil

Web link where familiarisation programmes imparted to Independent Directors is as below:

The details of familiarisation programmes for Independent Directors is posted on the website of the Company and can be accessed at:

<https://www.titancompany.in/investors/corporate-governance/familiarisation-programmes>

Skills/ Expertise/ Competence identified by the Board of Directors:

The list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of Company's business operations for it to function effectively and those actually available with the Board are as follows:

- Financial Expertise** – Proficiency in complex financial management and experience and expertise in accounting principles, auditing and reporting.
- Mergers and Acquisitions** – Ability to assess “make or buy” decisions, evaluate business combinations and operational integration plans, expertise in analysing and valuing transactions.
- Business Strategy, Sales and Marketing** – Experience in developing strategies to grow sales and market shares in semi urban and rural markets, understanding long term trends, build brand awareness and equity and leading management teams to make strategic choices.
- Governance and Risk Management** – Experience in developing governance practices, serving the best interest of all stakeholders, developing insights about management and accountability and driving corporate ethics and values, building long-term effective stakeholder engagements and driving corporate ethics and values, ability to understand, assess and manage risk.
- People Management and Leadership** – Expertise in developing talent, planning succession, furthering representation and diversity and other strategic human resource advisory.
- Manufacturing expertise** – Understanding various facets of manufacturing and operations, insight in innovation, ability to foresee and identify potential challenges, expertise in strategizing to obtain sustainable advantage.

vii. **Design and Aesthetics** – Expertise in design, ability to apply design thinking to various products, keen understanding of design development and related processes and aesthetic excellence.

viii. **Technological Expertise** – Expertise in Healthcare related technology, biomedical instrumentation, medical devices and diagnostics, insight in innovation and ability to bring in affordable healthcare technologies and healthcare delivery models.

The Core Skills identified to each of the Directors of the Company are as follows:

Name of Director	Core Skills
Mr. N. Muruganandam	People Management and Leadership
Mr. V. Arun Roy	People Management and Leadership
Ms. Kakarla Usha	People Management and Leadership; Governance and Risk Management
Mr. N.N Tata	Business Strategy, Sales and Marketing.
Mr. Bhaskar Bhat	Manufacturing expertise, People Management and Leadership, Business Strategy, Sales and Marketing, Mergers and Acquisitions.
Ms. Hema Ravichandar	People Management and Leadership; Governance and Risk Management
Ms. Ireena Vittal	Financial Expertise, Governance and Risk Management, Mergers and Acquisitions, Business Strategy
Mr. Ashwani Puri	Financial Expertise, Governance and Risk Management, Mergers and Acquisitions.
Mr. B. Santhanam	Financial Expertise, Manufacturing expertise, Business Strategy, Sales and Marketing, Governance and Risk Management.
Mr. Pradyumna Vyas	Design and Aesthetics.
Dr. Mohanasankar Sivaprakasam	Technological Expertise
Mr. C. K. Venkataraman	People Management and Leadership, Business Strategy, Sales and Marketing.

CODE OF CONDUCT

Whilst the ‘Tata Code of Conduct’ is applicable to all Whole-time Directors and by definition to the Managing Director and the employees of the Company, the Board has also adopted a

Code of Conduct for Non-Executive Directors, both of which are available on the Company's website. All the Board members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct for the Financial Year ended 31st March 2020. A declaration to this effect, duly signed by the Managing Director is annexed hereto.

INDEPENDENT DIRECTORS AND THEIR APPOINTMENT

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the SEBI LODR and Tata Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at <https://www.titancompany.in/sites/default/files/Terms%20and%20Conditions%20of%20Appointment%20of%20ID.pdf>

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Separate meeting of Independent Directors of the Company without the presence of the Executive Directors and the Management representatives was held on 23rd March 2020, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the SEBI LODR. At the said meeting, the Independent Directors:

- (a) reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;
- (b) reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (c) assessed the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors of the Company attended the Meetings of Independent Directors held on 23rd March 2020. The Independent Directors expressed their satisfaction to the desired level on the governance of the Board and the consistent improvement in scores pertaining to various aspects of the Board meetings as captured in the Board Effectiveness Review exercise.

INSIDER TRADING CODE

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), the Company had adopted the Code of Conduct for Prohibition of Insider Trading on 14th May 2015. Consequent upon the amendments made to the PIT Regulations vide SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, revised Codes of Fair Disclosure and Conduct ("the Code") which in turn contains Code of Conduct to Regulate, Monitor and Report Trading

by Insiders and Code of Fair Disclosure Practices was adopted by the Company on 25th March 2019 and was made effective from 1st April 2019. Thereafter, SEBI vide its notification dated 25th July 2019 (second amendment) and 17th September 2019 (third amendment) has amended certain provisions of PIT Regulations. Accordingly, the Company approved the Code at its Meeting held on 5th November 2019. This Code is applicable to all Directors, Promoters and such identified Designated Persons who are expected to have Unpublished Price Sensitive Information relating to the Company. Mr. S Subramaniam, Chief Financial Officer of the Company is the Compliance Officer under the Code.

BOARD EVALUATION CRITERIA

During the year, the Board carried out an Annual Evaluation of its own performance and the performance of individual Directors, as well as evaluation of the Committees of the Board. An indicative list of factors on which evaluation of the individual directors, the Board and the Committees was carried out includes board structure and composition, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information flow, functioning of the Board/ Committees, Board culture and dynamics, quality of relationship between the Board and Management, contribution to decisions of the Board, guidance/support to Management outside Board/ Committee meetings.

3. Audit Committee:

The Audit Committee of the Board was constituted in 1999. The constitution of Audit Committee is in conformity with the requirements of Section 177 of the Act and also as per the requirements of Regulation 18 of the SEBI LODR.

Powers of the Audit Committee:

The Audit Committee shall have powers, which includes the following:

- a) To investigate any activity within its terms of reference;
- b) to seek information from any employee;
- c) to obtain outside legal or other professional advice;
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- e) to have full access to information contained in the books of accounts and the Company's facilities and personnel.

Terms of reference of the Audit Committee:

The terms of reference of the Audit Committee is in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the SEBI LODR which inter alia includes overseeing the Company's financial reporting process and disclosure of

its financial information to ensure correctness, sufficiency and credibility, reviewing the accounting policies, practices & standards, and the changes if any, and the reasons for such changes, reviewing with the Management the quarterly financial statements and Auditor's report thereon before submission to the Board, review the effect of regulatory and accounting initiatives as well as off-balance-sheet structures on the financial statements, approval/review of Related Party Transactions (RPT) including examination of nature, basis and terms, scrutinize inter-corporate loans and investments made by the Company, reviewing the utilization of loans, advances and investment by the holding company in the subsidiaries, review and monitor the auditor's independence and performance, and effectiveness of audit process, oversight of compliance with SEBI PIT Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively, as per the Code and PIT Regulations for Prevention of Insider Trading with PIT Regulations, review Management Discussion and Analysis of financial condition and results of operations in the Annual Report, review with the Management the performance of statutory and internal auditors, review of the risk and control environment and framework operating in the unlisted subsidiaries, provide approval of payment to statutory auditors for any other services rendered by the statutory auditors, review and suitably reply to the report(s) forwarded by the auditors on the matters involving fraud, review the valuation of undertakings or assets of the Company.

Additionally, the Audit Committee of the Board will also oversee financial reporting controls and process for material subsidiaries and compliance with legal and regulatory requirements including the Tata Code of Conduct ("TCoC") for the Company and its material subsidiaries.

Mr. Ashwani Puri, Chairman of the Board Audit Committee was present at the last Annual General Meeting of the Company held on 6th August 2019.

As at the year-end, the Audit Committee of the Board comprised of six members, four of them being Independent Directors. All members are financially literate and have relevant finance and/or audit exposure. Mr. Ashwani Puri has accounting and financial management expertise.

The Audit Committee met five times during the Financial Year 2019-20. Audit Committee meetings were held on 7th May, 5th August and 4th November in 2019 and on 3rd February and 9th March in 2020.

The quorum as required under Regulation 18(2) of the SEBI LODR was maintained at all the meetings.

The names of the Directors who are members of the Audit Committee and their attendance at Audit Committee

meetings are given below:

Name of Director & Category	No. of Meetings attended out of five meetings
Mr. Ashwani Puri, Chairman (Non-Executive) (Independent)	5
Mr. V. Arun Roy (Non-Executive) (Non-Independent)	1
Mr. T. K. Balaji ¹ (Non-Executive) (Independent)	1
Ms. Ireena Vittal (Non-Executive) (Independent)	5
Mr. Harish Bhat ² (Non-Executive) (Non-Independent)	2
Ms. Hema Ravichandar ³ (Non-Executive) (Independent)	3
Mr. B. Santhanam (Non-Executive) (Independent)	5
Mr. Bhaskar Bhat ⁴ (Non-Executive) (Non-Independent)	2

¹ Consequent upon his ceasing to be a director on 31st July 2019, Mr. T. K. Balaji ceased to be a member of the Committee.

² Consequent upon his resignation effective 1st October 2019, Mr. Harish Bhat ceased to be a member of the Committee.

³ Ms. Hema Ravichandar was appointed on the Board Audit Committee effective from 6th August 2019.

⁴ Mr. Bhaskar Bhat was appointed on the Board Audit Committee effective from 5th November 2019.

The Managing Director, the Chief Financial Officer, the Chief Executive Officers of the Watches & Wearables Division, Jewellery Division, Eyewear Division, the Chief Human Resources Officer and the Head – Internal Audit were present at meetings of the Audit Committee. Representatives of the Statutory Auditors, B S R & Co., LLP are also invited to the meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

4. Board Nomination and Remuneration Committee

The constitution of Board Nomination and Remuneration Committee ("Committee" or "BNRC") is in conformity with the requirements of Section 178 of the Act and also as per the requirements of Regulation 19 of the SEBI LODR. The broad terms of reference of the Board Nomination and Remuneration Committee inter alia includes to recommend to the Board of Directors the selection and appointment or reappointment of Independent Directors ("IDs") in the Board and its Committees which shall include "Formulation of the criteria for determining qualifications, positive attributes and independence of a director". The Committee shall also be responsible to devise a policy on Board diversity, recommend to the Board appointment

of Key Managerial Personnel (“KMP” as defined by the Act) and Senior Management Team in-charge of respective business divisions of the Company as defined by the Committee. The Committee shall also support the Board and IDs in evaluation of the performance of the Board, its committees and individual directors which shall include “*Formulation of criteria for evaluation of Independent Directors and the Board*”. It shall also decide whether to extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of independent directors, which shall include overseeing the performance review process of the KMPs and the executive team of the Company recommending to the Board the remuneration policy for directors, executive team/ KMPs as well as the rest of the employees, identifying and recommending to the Board, including their remuneration, the appointment and removal of persons for the positions/offices one level below the chief executive officer/managing director/ whole time director/ manager (including chief executive officer/manager, in case chief executive officer/manager is not a part of the Board), specifically including the position of the Company Secretary and the Chief Financial Officer. The Committee shall oversee the identified programmes like Familiarisation programmes for directors, HR philosophy, HR and People strategy and HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMPs and executive team). In addition to this, the Committee shall provide guidelines for remuneration of directors on material subsidiaries, recommend to its Board how the Company will vote on resolutions for appointment and remuneration of directors on the Boards of its material subsidiary companies, endeavors to play a larger role to help the Company navigate the future to guide the Management in the areas of capability building, leadership development, succession planning and in general “future proofing” the Company from a leadership perspective, be the sounding board for the HR strategy of the Company and perform such other duties and responsibilities as may be consistent with the provisions of its charter.

The Board Nomination and Remuneration Committee also recommends the total remuneration payable to Non-Executive Directors and the criteria for payment amongst the Directors. The criteria for payment of Non-Executive Directors Commission for Financial Year 2019-20 is based on attendance at the meetings of the Board and the Committees thereof and Chairmanships held by the directors on various Committees. The Remuneration Policy is annexed as **Annexure-A**.

The Committee met four times during the Financial Year 2019-20. Meetings were held on 7th May, 5th August and 5th November in 2019 and on 4th February in 2020.

The following Directors were members of the BNRC during the year 2019-20 and their attendance in the meetings held during the year were as follows:

Name of Director & Category	No. of Meetings attended out of four meetings
Ms. Hema Ravichandar, Chairperson (Non-Executive) (Independent)	4
Mr. Ramesh Chand Meena ¹ (Non-Executive) (Non-Independent)	1
Mr. N. N. Tata (Non-Executive) (Non-Independent)	4
Ms. Ireena Vittal (Non-Executive) (Independent)	4
Mr. T. K. Balaji ² (Non-Executive) (Independent)	1
Mr. B Santhanam ³ (Non-Executive) (Independent)	2
Ms. Kakarla Usha ⁴ (Non-Executive) (Non-Independent)	NA

¹ Consequent upon his resignation effective 14th October 2019, Mr. Ramesh Chand Meena ceased to be a member of the Committee.

² Consequent upon his cessation effective 31st July 2019, Mr. T. K. Balaji ceased to be a member of the Committee.

³ Mr. B Santhanam was appointed on the Board Nomination and Remuneration Committee effective from 5th August 2019.

⁴ Ms. Kakarla Usha was appointed on the Board Nomination and Remuneration Committee effective from 4th February 2020.

5. Remuneration of Directors

MANAGING DIRECTOR(S)

During the year, Mr. Bhaskar Bhat was the Managing Director till his retirement on 30th September 2019. Subsequently, Mr. C K Venkataraman was appointed as the Managing Director of the Company by the Board for a period of 5 years effective from 1st October 2019 subject to the approval of the shareholders.

The Company has during the year paid remuneration to Mr. Bhaskar Bhat by way of salary, perquisites and commission within the limits approved by the shareholders. Further, the Company has during the year paid remuneration to Mr. C K Venkataraman by way of salary and perquisites as approved by the Board and the same is subject to approval of the shareholders. The Commission amount proposed to be paid to Mr. C K Venkataraman for the six month period ending 31st March 2020 will be subject to approval of the shareholders.

The Board of Directors on the recommendation of the Board Nomination and Remuneration Committee approves the annual increment (effective April each year). Commission is calculated based on the net profits of the Company in a particular financial year and is determined by the Board of Directors on the recommendation of the members of the Board Nomination and Remuneration Committee in the succeeding financial year, subject to the overall ceiling as stipulated in Section 197 of the

Act. The specific amount payable to the Managing Director is based on performance criteria laid down by the Board, which broadly takes into account the profits earned by the Company for the related financial year.

Details of the remuneration paid/payable to the Managing Director(s) for the financial year 2019-20 (in ₹)

Name	Salary	Perquisites & Allowance	Commission**
Mr. C. K. Venkataraman ¹	60,00,000	1,05,43,110	1,95,00,000
Mr. Bhaskar Bhat ²	75,00,000	2,31,61,222*	3,00,00,000

¹ Mr. C. K. Venkataraman was appointed as Managing Director effective 1st October 2019 and the same is subject to approval of the shareholders.

² Mr. Bhaskar Bhat retired as Managing Director on 30th September 2019 and was subsequently appointed as a Non-Executive Non-Independent Director of the Company with effect from 1st October 2019. The amount disclosed here pertains to payment to Mr. Bhaskar Bhat as the Managing Director of the Company upto 30th September 2019.

* Includes leave encashment on retirement

** For financial year 2019 -20, based on the recommendations of the Board Nomination and Remuneration Committee and approved by the Board which is payable in financial year 2020-21 post the ensuing Annual General Meeting.

The perquisites indicated above exclude gratuity as these are determined on an actuarial basis for the Company as a whole. Commission is the only component of remuneration, which is performance linked and the other components are fixed. The Board Nomination and Remuneration Committee also recommends to the Board of Directors increase in salary of the Managing Director based on results relating to the Company's financial performance, market performance and few other performance related parameters.

The broad terms of agreement of appointment of Mr. C. K. Venkataraman, Managing Director, subject to approval of the shareholders, are as under:

Period of Agreement: 5 years from 1st October 2019 to 30th September 2024.

Salary: Basic salary in the range of ₹ 10,00,000 (Rupees Ten lakh only) to ₹ 20,00,000 (Rupees Twenty lakh only) per month, subject to the Board Nomination and Remuneration Committee or the Board being authorised to fix the salary within such range, from time to time. His initial basic salary is ₹ 10,00,000 (Rupees Ten lakh only) per month commencing from 1st October 2019.

Perquisites: As agreed to in the Appointment Agreement within the overall ceiling of 140% of the basic salary or such ceiling as may be determined by the Nomination & Remuneration Committee or the Board.

Commission: As evaluated by the Board or the Board Nomination and Remuneration Committee subject to the overall ceiling under the Act.

Notice period: The Agreement may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

There are no stock options issued to the Managing Director.

NON-EXECUTIVE DIRECTORS

The remuneration paid/payable to Non-Executive Directors for the year 2019-20 had been computed pursuant to Sections 197 and 198 of the Act.

The Commission payable to Non-Executive Directors is as per the approval obtained from the shareholders at the Annual General Meeting held on 31st July 2015 and is within the limits specified under the Act. The remuneration by way of Commission to the Non-Executive Directors is decided by the Board of Directors primarily based on attendance at the meetings of the Board and the Committees thereof and Chairmanship held by the Directors in various Committees.

During the Financial Year 2019-20, the Company has paid Sitting Fees to Non-Executive Directors detailed below and proposes to pay commission as shown below:

Sl No	Name of the Director	Sitting fee ** (₹)	Commission* (₹)
1	Mr. N Muruganandam - Chairman (nominated by TIDCO)	50,000	32,00,000
2	Mr. Ramesh Chand Meena (nominated by TIDCO)	1,80,000	17,50,000
3	Mr. V Arun Roy (nominated by TIDCO)	90,000	34,00,000
4	Ms. Kakarla Usha (nominated by TIDCO)	50,000	750,000
5	Mr. Harish Bhat [^]	3,30,000	Refer Note below
6	Mr. N N Tata [^]	4,20,000	Refer Note below
7	Mr. T K Balaji	1,90,000	14,66,667
8	Ms. Hema Ravichandar	5,30,000	69,45,833
9	Ms. Ireena Vittal	6,00,000	61,66,667
10	Mr. Ashwani Puri	5,80,000	53,00,000
11	Mr. B. Santhanam	5,80,000	42,41,666

Sl No	Name of the Director	Sitting fee ** (₹)	Commission* (₹)
12	Mr. Pradyumna Vyas	3,30,000	25,58,333
13	Dr. Mohanasankar Sivaprakasam	2,80,000	21,83,334
14	Mr. Bhaskar Bhat [®]	2,00,000	18,75,000

* Gross amount, subject to tax and payable in Financial Year 2020-21.

** Gross amount, excluding applicable taxes, paid during Financial Year 2019-20.

[^] In line with the internal guidelines, no payment is made towards Commission to Mr. N N Tata and Mr. Harish Bhat, Non-Executive Directors of the Company, who are in full-time employment with other Tata Group companies.

[®] The Commission amount is pertaining to the period 1st October 2019 to 31st March 2020 during which period Mr. Bhaskar Bhat was the Non-Executive Director.

The Managing Director is not eligible to receive sitting fees as per the terms of appointment and the contract entered into with him. Sitting fees and Commission payable to the Directors, who are nominees of the co-promoters viz., TIDCO are being paid directly to TIDCO.

The Company does not pay any salary, benefits, bonuses, stock options etc. to the Non-Executive Directors other than to Mr. Bhaskar Bhat to whom the Company had paid post-retirement benefits (monthly pension, allowances and one-time ex-gratia) amounting to ₹ 99,37,500 for the period October 2019 to March 2020 consequent upon his retirement.

6. Stakeholders Relationship Committee

Section 178(5) of the Act prescribes that a company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee.

The Company has constituted the Stakeholders Relationship Committee (SRC) and the terms of reference of the Committee are to review statutory compliance relating to all security holders, consider and resolve the grievances of security holders of the Company including complaints related to transfer of securities, non-receipt of annual report/declared dividends/notices/ balance sheet, oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund, oversee and review all matters related to the transfer of securities of the Company, approve issue of duplicate certificates of the Company and transmission of securities, review movements in shareholding and ownership structures of the Company, ensure setting of proper controls and oversee performance of the Registrar and

Transfer Agent, recommend measures for overall improvement of the quality of investor services, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Transfer Agent, review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

The Committee met two times during the Financial Year 2019-20. The meetings were held on 8th May 2019 and 5th November 2019.

The members of the Stakeholders Relationship Committee and their attendance in the meetings held during the FY 2019-20 are as follows:

Name of Director & Category	No. of Meetings attended out of two meetings
Mr. T. K. Balaji ¹ (Non-Executive) (Independent)	1
Mr. Harish Bhat ² (Non-Executive) (Non-Independent)	1
Mr. V Arun Roy (Non-Executive) (Non-Independent)	Nil
Mr. Bhaskar Bhat ³ (Non-Executive) (Non-Independent)	2
Mr. B Santhanam ⁴ (Non-Executive) (Independent)	1
Mr. C. K. Venkataraman ⁵ (Executive, Non-Independent)	1

¹ Consequent upon his cessation on 31st July 2019, Mr. T. K. Balaji ceased to be a member of the Committee.

² Consequent upon his resignation effective 1st October 2019, Mr. Harish Bhat ceased to be a member of the Committee.

³ Mr. Bhaskar Bhat was Managing Director when he attended the SRC meeting dated 8th May 2019 and was Non Executive Non Independent Director when he attended the SRC meeting dated 5th November 2019.

⁴ Mr. B Santhanam was appointed on the Stakeholder Relationship Committee effective from 6th August 2019.

⁵ Mr. C. K. Venkataraman was appointed on the Stakeholder Relationship Committee effective from 5th November 2019.

Mr. Dinesh Shetty, Company Secretary, is the Compliance Officer under SEBI LODR.

Number of complaints from shareholders during the year ended 31st March 2020

The complaints which were received through SCORES i.e. the SEBI online shareholder grievance redressal portal is as below:

Complaints outstanding as on 1 st April 2019	0
Complaints received during the year ended 31 st March 2020	28
Complaints resolved during the year ended 31 st March 2020	28
Complaints not solved to the satisfaction of shareholders during the year ended 31 st March 2020	0
Complaints pending as on 31 st March 2020	0

The position of queries/other correspondence received and attended to during 2019-20 in respect of equity shares apart from those received through SCORES are given below:

	Received	Resolved	Pending as of 31 st March 2020
For non-receipt of interests/dividend warrants	1,881	1,873	8
Loss of shares	789	776	13
Signature Cases	393	388	5
ECS/ Mandate Requests	413	413	0
Change of address requests	307	307	0
Transmission of securities	174	174	0
Document Registration	230	230	0
Exchange/ Sub-division of old shares/ Conversion	131	131	0
Split/ Consolidation/ Renewal/ Duplicate issue of shares	104	104	0
Name/ status correction	92	91	1
General Inquiries	133	133	0
Transfer of securities	30	30	0
Nomination requests	18	18	0
Depository System	2	2	0
Dematerialisation of securities	33	33	0
Correspondence related to legal matters	37	37	0
Securities/ Warrants enclosure letters	29	29	0
Change of address queries	11	11	0
Annual Report	9	9	0
Letters received from SEBI and other statutory bodies	28	28	0
Verification of Holdings	10	10	0

7. General Body Meetings

Particulars of the past three Annual General Meetings

a) Location, date and time of Annual General Meetings held during the last 3 years

Year	Location	Date	Time	Special Resolution
2016-17	At the Registered Office of	3 rd August 2017	3:00 p.m.	Nil
2017-18	the Company located at	3 rd August 2018	2:30 p.m.	Nil
2018-19	3, SIPCOT Industrial Complex, Hosur 635 126	6 th August 2019	2:30 p.m.	i) Re-appointment of Ms. Hema Ravichandar as an Independent Director for a second term upto 31 st July 2020. ii) Re-appointment of Ms. Ireena Vittal as an Independent Director for a second term upto 29 th January 2023.

- b) No Extraordinary General Meeting of the shareholders was held during the financial year 2019-20.
- c) No Postal Ballot was conducted during the financial year 2019-20.
- d) As of the date of the Report, no special resolutions are proposed to be conducted through postal ballot.
- e) Procedure for Postal Ballot – In compliance with Schedule V Part C of the SEBI LODR and Section 108, 110 and other applicable provisions of the Act read with the related rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engages the services of NSDL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on register of members/ list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the e-mail addresses registered with their depository participant (in case of electronic shareholding)/the Company's

registrar and share transfer agents (in case of physical shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their vote by electronic mode are requested to vote before close of business hours on the last date of e-voting.

The scrutinizer submits his report to the Chairman, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman/authorised officer. The results are also displayed on the website of the Company, www.titancompany.in, in besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The date of declaration of the results by the Company is deemed to be the date of passing of the resolutions.

8. Means of Communication

Whether half-yearly reports are sent to each households of shareholder?	To benefit the shareholders, after the results were approved by the Board of Directors, the Company voluntarily sent quarterly financial results through e-mail to those Shareholders whose e-mail addresses are registered with the Company/Depositories.
Website, where results are displayed	The results are displayed on www.titancompany.in
Whether it also displays official news releases	Yes
Website for investor complaints	The Company has created an exclusive ID investor@titan.co.in for this purpose. SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.
Presentations to institutional investors or analysts	Presentations made during the year to institutional investors are displayed on www.titancompany.in
Newspaper in which results are normally published	The quarterly results were published in the Business Standard and Dina Thanthi. However, in terms of the relaxation granted vide Circular dated 26 th March, 2020 issued by Securities and Exchange Board of India, bearing Ref. No. SEBI/HO/CFD/CMD1/ CIR/P/2020/48 on the provisions of Regulation 47 of the SEBI LODR, the Audited Financial Results for the quarter and year ended 31 st March 2020 were not published in the newspapers.
Annual Reports and Annual General Meetings	In view of the General Circular No. 20/2020 issued by Ministry of Corporate Affairs dated 5 th May 2020, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), Annual Report will be sent only by email to the members and to all other persons so entitled. Further, the 36 th Annual General Meeting scheduled to be held on 11 th August 2020 will be conducted through video conference or other audio visual means and the requirements as stated in the above said circular will be fulfilled. Details of the procedure of conduct of the 36 th AGM is provided in the Notice of the Meeting. The Annual Report and the Notice of the AGM is also available on the Company's website at www.titancompany.in .

9. General Shareholder Information

AGM: Date, time and venue	Tuesday, 11 th August 2020, 2:30 p.m. In accordance with the General Circular issued by the MCA on May 5, 2020, the AGM will be held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') only
Financial Year	1 st April 2019 to 31 st March 2020
Book Closure Date	5 th August 2020 to 11 th August 2020 (both days inclusive)
Dividend payment date	On or after 18 th August 2020 (within the statutory time limit of 30 days) subject to shareholders' approval at the Annual General Meeting
Registered Office	3, SIPCOT Industrial Complex, Hosur 635 126, Tamil Nadu
Listing of Equity Shares on Stock Exchanges	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-01; and National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-51
Listing fees	Listing fees as prescribed have been paid to the above stock exchanges up to 31 st March 2020.
Share Registrar and Transfer Agents	TSR Darashaw Consultants Private Limited, 6-10, Haji Moosa Patrawala Industrial Estate, Near Famous Studio, 20, Dr E Moses Road, Mahalaxmi, Mumbai - 400 011 E-mail: csg-unit@tsrdarashaw.com , Website: www.tsrdarashaw.com Tel No: 022-66568484, Fax No: 022-66568494
Company Secretary & Contact Address	Mr. Dinesh Shetty, General Counsel & Company Secretary E-mail: investor@titan.co.in Tel No: 080-67046600/67046646

For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches of TSR Darashaw Consultants Private Limited:-

TSR Darashaw Consultants Private Limited

503, Barton Centre, 5th Floor
84, M.G. Road, Bengaluru – 560 001
Tel: 080-25320321
Fax: 080 – 25580019
Email: tsrdlbg@tsrdarashaw.com
Contact Person: Mr. Jaymohan K

Shah Consultancy Services Limited

c/o. TSR Darashaw Consultants Private Limited
3-Sumatinath Complex, Pritam Nagar, Akhada Road,
Ellisbridge, Ahmedabad - 380 006
Telefax: 079 - 2657 6038,
Email: shahconsultancy8154@gmail.com
Contact Person: Mr. Suresh Shah

TSR Darashaw Consultants Private Limited

Bungalow No.1, 'E' Road, Northern Town, Bistupur,
Jamshedpur – 831 001 Tel: 0657 – 2426616
Fax: 0657 – 2426937
Email: tsrdljsr@tsrdarashaw.com
Contact Person: Mr. Subrato Das

TSR Darashaw Consultants Private Limited

Plot No.2/42, Sant Vihar
Ansari Road, Daryaganj, New Delhi – 110 002
Tel: 011 – 23271805
Fax: 011 – 23271802
Email: tsrdldel@tsrdarashaw.com
Contact Person: Mr. Shyamalendu Shome

TSR Darashaw Consultants Private Limited

Tata Centre, 1st Floor
43, Jawaharlal Nehru Road, Kolkata – 700 071
Tel: 033 - 22883087
Fax: 033 - 22883062
Email: tsrdlcal@tsrdarashaw.com
Contact Person: Mr. Rijit Mukherjee

**SHARE TRANSFER SYSTEM**

Transfer of shares in physical form has been delegated by the Board to certain officials of the Registrar and Transfer Agents, to facilitate speedy service to the shareholders. Shares sent for transfer in physical form are registered by the Registrar and Transfer Agents within 20 days of receipt of the documents, if found in order. Shares under objection are returned within two weeks. All requests for dematerialization of shares are processed, if found in order and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

An Independent Practising Company Secretary reviews and furnishes the quarterly Reconciliation Reports and half yearly Physical Transfer related Reports which are submitted to the Stock Exchanges.

STOCK CODE

Equity Shares - Physical form	- BSE Ltd (BSE)	: 500114
	- National Stock Exchange of India Ltd (NSE)	: TITAN
Equity Shares - Demat form	- NSDL/CDSL	: ISIN No. INE280A01028

The Aggregate Non-promoter/Public Shareholding of the Company as at 31st March 2020 is as shown below:

Number of Shares	: 41,80,84,240
Percentage to total holding	: 47.09%

STOCK PERFORMANCE

Month	BSE		NSE		Index Close Price	
	High	Low	High	Low	Sensex	Nifty
Apr-19	1,164.00	1,065.60	1,165.00	1,083.50	39,031.55	11,748.15
May-19	1,262.10	1,069.25	1,262.80	1,067.85	39,714.20	11,922.80
Jun-19	1,336.80	1,227.50	1,337.05	1,227.50	39,394.64	11,788.85
Jul-19	1,340.75	1,041.05	1,340.90	1,041.00	37,481.12	11,118.00
Aug-19	1,131.40	998.70	1,131.50	998.00	37,332.79	11,023.25
Sep-19	1,345.55	1,025.70	1,345.00	1,025.50	38,667.33	11,474.80
Oct-19	1,389.85	1,177.75	1,389.95	1,177.05	40,129.05	11,855.10
Nov-19	1,340.00	1,123.85	1,333.35	1,123.20	40,793.81	12,056.05
Dec-19	1,229.70	1,143.60	1,229.00	1,142.50	41,253.74	12,168.45
Jan-20	1,240.00	1,132.00	1,240.35	1,132.00	40,723.49	11,962.10
Feb-20	1,340.60	1,163.10	1,341.05	1,162.55	38,297.29	11,201.75
Mar-20	1,295.00	720.00	1,294.00	720.90	29,468.49	8,597.75

DISTRIBUTION OF SHARES ACCORDING TO SIZE, CLASS AND CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH 2020

No. of Equity Shares Held	No. of Shareholders*	Percentage	No. of Shares	Percentage
1-5,000	3,34,220	98.83	6,02,59,014	6.79
5,001-20,000	2,906	0.86	2,61,77,832	2.95
20,001-30,000	219	0.06	53,77,264	0.61
30,001-40,000	134	0.04	46,81,543	0.53
40,001-50,000	92	0.03	41,60,905	0.47
50,001-1,00,000	183	0.05	1,30,40,220	1.47
1,00,001-10,00,000	351	0.10	10,92,41,435	12.30
10,00,001 and above	69	0.02	66,48,47,947	74.89
TOTAL	3,38,174	100.00	88,77,86,160	100.00

*The number of shareholders in the Corporate Governance Report is compiled on the basis of the number of folios held by the shareholders.

CATEGORIES OF SHAREHOLDING AS ON 31st MARCH 2020

Category	No. of Shareholders*	No. of Shares Held	% of Shareholding
Tamilnadu Industrial Development Corporation Limited	1	24,74,76,720	27.88
Tata Group Companies	11	22,22,25,200	25.03
FII/OCBs	739	15,74,59,981	17.74
Bodies Corporate	3,039	1,96,42,623	2.21
Institutional Investors	126	4,20,56,384	4.74
Mutual Funds	255	5,02,55,992	5.66
Banks	20	6,58,711	0.07
Others	3,33,983	14,80,10,549	16.67
Total	3,38,174	88,77,86,160	100.00

*The number of shareholders in the Corporate Governance Report is compiled on the basis of the number of folios held by the shareholders.

DEMATERIALISATION OF SHARES AND LIQUIDITY

As on 31st March 2020, 98.85% of the Company's Equity Capital was held in dematerialised form with NSDL and CDSL. Trading in equity shares of the Company is permitted only in dematerialised form with effect from 15th February 1999 as per the notification issued by the Securities and Exchange Board of India (SEBI). Further, effective 1st April 2019, SEBI has amended Regulation 40 of the SEBI LODR, which deals with transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments: None

Stock option scheme: The Company does not have any stock option scheme.

PLANT LOCATIONS

The Company's plants are located at:

Watches : Roorkee, Pantnagar, Hosur, Coimbatore and Sikkim.

Jewellery : Hosur, Pantnagarr and Sikkim

Prescription Eyewear : Bengaluru, Chennai, Chikkaballapur, Kolkata, Mumbai, Noida and Patna

ADDRESSES FOR CORRESPONDENCE

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, Karnataka.

LIST OF CREDIT RATINGS AND ITS REVISION

The Company has obtained the following credit ratings along with its revision in the financial year 2019-20 for all debt instruments or fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds in India or abroad.

(a) Ratings and its revisions given by ICRA dated 5th September 2019

Instrument	Previous Rated Amount (₹ crore)	Current Rated Amount (₹ crore)	Rating Action
Commercial paper	NA	900	[ICRA]A1+ assigned
Fund based/Non-fund based limits	1,700	1,700	[ICRA]AA+ (Positive)/[ICRA] A1+ outstanding
Fixed deposit programme	1,500	1,500	MAAA (Stable) outstanding
Total	3,200	4,100	



- (b) Ratings and its revision given by CRISIL dated 31st December 2019

Instrument	Rating Action
Total Bank Loan Facilities Rated	₹ 2,850 crore (Enhanced from ₹ 1350 crore)
Long Term Rating	CRISIL AAA/Stable (Upgraded from 'CRISIL AA+/Positive')
Short Term Rating	CRISIL A1+ (Reaffirmed)
₹ 500 crore Commercial Paper	CRISIL A1+(Reaffirmed)

- (c) Ratings and revisions given by Brickwork Ratings India Pvt. Ltd dated 3rd June 2019

Fund Based Facility	Amount (₹ crore)	Tenure	Rating
Proposed Cash Credit	1,000	Long Term	BWR AAA Outlook: Stable
Gold Metal Loan/Gold Loan (Clean)	4,000	Short Term	BWR A1+
Total	5,000		

10. DISCLOSURES

- (a) **Related Party Transactions:** During the year under review, besides the transactions reported in Note 34 forming part of the Financial Statements for the year ended 31st March 2020 in the Annual Report, there were no other material related party transactions of the Company with its Promoters, Directors or the Management or their relatives and subsidiaries, associate company and joint ventures. These transactions do not have any potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee of the Board periodically and placed for Board's information, if required. Further there are no material individual transactions that are not in normal course of business or not on an arm's length basis.
- (b) **Disclosure of Accounting Treatment:** The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.
- (c) **Disclosure by Senior Management:** Senior Management has made affirmations to the Board relating to all material financial and commercial transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.
- (d) **CEO/CFO Certification:** The Managing Director (MD) and Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17(8) of the SEBI LODR pertaining to CEO/CFO certification for the financial year ended 31st March 2020, which is annexed hereto.
- (e) **Details of Non-Compliance:** There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.
- (f) **Whistle Blower Policy:** The Company has a whistle blower mechanism wherein the directors/ employees/ associates can approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct, suspected leak of Unpublished Price Sensitive Information. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he/she becomes aware of that could affect the business or reputation of the Company. The disclosure reported are addressed in the manner and within the time frames prescribed in the policy. A mechanism is in place whereby any employee of the Company has access to the Chairman of the Audit Committee to report any concerns. No person has been denied access to the Chairman to report any concern. Further, the said policy has been disseminated

within the organisation and has also been posted on the Company's website.

- (g) **Share Transfer Compliance and Share Capital Reconciliation:** Pursuant to Regulation 40 (9) of the SEBI LODR, certificates on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in-Practice for timely dematerialisation of the shares of the Company and for conducting a share capital audit on a quarterly basis for reconciliation of the share capital of the Company.
- (h) **Compliance of discretionary requirements:** The information pertaining to compliance of discretionary requirements made, may be referred to Item No.12 below.
- (i) **Risk Management:** The Risk Management of the Company is overseen by the Senior Management, Risk Management Committee (RMC) and the Board at various levels:

Business/Strategic Risk: The Board oversees the risks which are inherent in the businesses pursued by the Company. The oversight is through review/ approval of business plans, projects and approvals for business strategy/policy.

Operational Risks: These are being mitigated by internal policies and procedures which are updated from time to time to address reviewed risks.

Cyber Security: The RMC oversees the risks pertaining to cyber security and mitigation measures taken by the Management and a periodic update is provided to the Board.

Financial Risks: These risks are addressed on an on-going basis by Treasury, Insurance and Forex Policies and Bullion Risk Management team. Due oversight on financial risks is exercised by the Audit Committee in its meetings.

The Company is actively engaged in assessing and monitoring the risks of each of the businesses and overall for the Company as a whole. The top tier of risks for the Company is captured by the operating management after serious deliberations on the nature of the risk being a

gross or a net risk and thereafter in a prioritized manner presented to the Board for their inputs on risk mitigation/ management efforts.

The RMC/Board engages in the Risk Management process and has set out a review process so as to report to the Board the progress on the initiatives for the major risks of each of the businesses that the Company is into.

The Risk registers of each of the Businesses gets updated on a bi-annual basis and is placed for due discussions at Board meetings and appropriateness of the mitigation measures to ensure that the risks remain relevant at any point in time and corresponding mitigation measures are optimized.

- (j) **Disclosure on website:** The Policy on Related Party Transactions is posted on the website of the Company and can be accessed at: <https://www.titancompany.in/investors/corporate-governance/policies>
- (k) **Disclosure of commodity price risks and commodity hedging activities:** The Company is exposed to price fluctuations on account of gold prices and this is managed by way of:
- Purchase of gold on lease from banks where the commodity price is only fixed when the corresponding sale happens to customers. Thus, the Company is not exposed to gold prices for this portion of purchase.
 - Purchase of gold from customers (on exchange) or spot gold where the risk is managed by way of taking a sell position either in the commodity futures in the commodity exchanges/banks. On a later date when this is sold in the stores, the positions are squared off. Thus, there is no exposure to gold prices for this portion of commodity purchase also. The Mark-to-Market of outstanding Sell Future Contracts, is done on a daily basis, based on gold rate fluctuation.

All the commodity hedging is done in adherence to the "Bullion Risk Management Policy" approved by the Board and the Company has hedging limits in place. The Company's Bullion Risk Management Committee consisting of senior management reviews the position and other actions and meets on a quarterly basis.

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

- a. Total exposure of the listed entity to commodities in (as of 31st March 2020): ₹ 3,573.94 crore
- b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure towards the particular commodity (in ₹ crore)	Exposure in quantity towards the particular commodity (in Kgs)	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Gold – 1 Kg June Contract	2,904.02	7,025	100%				
Gold – 1 Kg August Contract	669.09	1,582	100%				
Sub Total (A)	3,573.11	8,607	100%				
Silver – 30 kgs July Contract	0.82	180	100%				

The Company's exposure to market risks, credit risks and liquidity risks are detailed in Note 35.3 under "Financial Risk Management Objective" forming part of Notes to the Standalone Financial Statements.

- (l) **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A):** The Company has not raised any funds through preferential allotment or qualified institutional placement.

- (m) **Certificate from Company Secretary in Practice:** A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is attached as an annexure.

The Company has obtained compliance certificate from the Practising Company Secretary on corporate governance, and the same is attached as an annexure.

- (n) **Disclosure of non-acceptance of any recommendation of any committee by the Board in the financial year 2019-20 and its reason:** There was no such instance during the FY 2019-20 when the Board had not accepted any recommendation of any Committee of the Board.

- (o) **Fees paid to Statutory Auditor:** The details of the total fees for all services paid by the listed entity and its

subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

(₹ in lakh)	
Particulars	Amount
Audit of statutory accounts	162.00
Taxation matters	17.00
Audit of consolidated accounts	11.00
Other services	86.00
Reimbursement of levies and expenses	21.00
Total	297.00

- (p) **Disclosure of cases during the year in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Particulars	Number of Complaints
Number of complaints filed during the financial year	3
Number of complaints disposed-of during the financial year	2
Number of complaints pending as on the end of financial year	1

Compliance with Regulation 39(4) of the SEBI LODR
Pursuant to Regulation 39(4) read with Schedule VI of the SEBI LODR, for shares issued in physical form pursuant to a public issue, which remain unclaimed, the issuer Company has to comply with the following procedure:

- a) Send at least three reminders to the addresses given in the application form as well as the latest address available as per the Company's record asking for the correct particulars.
- b) If no response is received, the issuer Company shall transfer all the shares into one folio in the name of "Unclaimed Suspense Account"

The details of the number of shareholders and outstanding unclaimed shares for the period 1st April 2019 to 31st March 2020 is as provided below:

Particulars	No. of Shareholders	No. of equity shares (D 1 each)
Aggregate number of shareholders and the Outstanding unclaimed shares in the suspense account lying at the beginning of the year	330	6,27,480
Shareholders who approached listed entity for transfer of shares from suspense account during the year	22	44,640
Shareholders to whom shares were transferred from suspense account during the year	22	44,640
Shareholders whose shares were transferred from suspense account to IEPF	44	89,380
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	263	4,93,460
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	263	4,93,460

11. Non-Compliance of any Requirement of Corporate Governance Report

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the SEBI LODR.

12. Compliance of Discretionary Requirements

The Company has fulfilled the discretionary requirements relating to the financial statements and the same are unqualified.

13. Disclosure of Compliance with the SEBI LODR

The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Schedule V - Part C to F of the SEBI LODR.



CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION AS PER REGULATION 17 (8) OF THE SEBI LODR

The Board of Directors,
Titan Company Limited
 3, SIPCOT Industrial Complex,
 Hosur 635 126

CERTIFICATION TO THE BOARD PURSUANT TO REGULATION 17 (8) OF THE SEBI LODR

We, C. K. Venkataraman, Managing Director and S. Subramaniam, Chief Financial Officer, hereby certify that in respect of the Financial Year ended on 31st March 2020:

1. we have reviewed the financial statements and the cash flow statements for the year, and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
2. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
3. we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps taken or proposed to be taken to rectify the same;
4. we have indicated to the auditors and the Audit Committee:-
 - a) significant changes, if any, in internal control over financial reporting during the year;
 - b) significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

Bengaluru
 8th June 2020

C. K. Venkataraman
 Managing Director

S Subramaniam
 Chief Financial Officer

DECLARATION BY THE CEO UNDER REGULATION 17 (5) OF THE SEBI LODR REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Regulation 17 (5) of the SEBI LODR, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended 31st March 2020.

for **TITAN COMPANY LIMITED**

Place: Bengaluru
 Date: 8th June 2020

C. K. Venkataraman
 Managing Director

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members
Titan Company Limited
Hosur

I have examined all the relevant records of Titan Company Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company, for the year ended 31st March, 2020 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI LODR').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI LODR.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bengaluru
Date: 8th June 2020

Vijayakrishna K T
Company Secretary
FCS:1788 CP:980
UDIN: F001788B000324253

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Titan Company Limited
3, SIPCOT Industrial Complex
Hosur - 635126

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TITAN COMPANY LIMITED having CIN L74999TZ1984PLC001456 and having registered office at 3, SIPCOT Industrial Complex, Hosur, Tamil Nadu-635126 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	NOEL NAVAL TATA	0000024713	07/08/2003
2	HEMA RAVICHANDAR	0000032929	30/03/2009
3	BHASKAR BHAT	0000148778	01/10/2019
4	ASHWANI KUMAR PURI	0000160662	06/05/2016
5	SANTHANAM	0000494806	10/05/2018
6	MURUGANANDAM NARAYANASWAMY	0000540135	14/03/2019
7	ARUN ROY VIJAYAKRISHNAN	0001726117	26/11/2018
8	PRADYUMNA RAMESHCHANDRA VYAS	0002359563	25/03/2019
9	IREENA VITTAL	0005195656	30/01/2013
10	VENKATARAMAN KRISHNAMURTHY COIMBATORE	00005228157	01/10/2019
11	KAKARLA USHA	00007283218	21/11/2019
12	MOHANA SANKAR	00008497296	03/07/2019

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bengaluru
Date: 8th June 2020

Vijayakrishna K T
Company Secretary
FCS: 1788 CP: 980
UDIN: F001788B000324209

Remuneration Policy

Annexure A

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Titan Company Limited ("company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(V)(B)(1) of the Equity Listing Agreement ("Listing Agreement"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**

- Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.

- Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
- Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
- Overall remuneration practices should be consistent with recognized best practices.
- Quantum of sitting fees may be subject to review on a periodic basis, as required.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
- In addition to the sitting fees and commission, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.

• **Remuneration for Managing Director (“MD”)/ Executive Directors (“ED”)/ KMP/ rest of the employees**

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
 - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
 - Driven by the role played by the individual,
 - Reflective of size of the company, complexity of the sector/ industry/ company’s operations and the company’s capacity to pay,
 - Consistent with recognized best practices and
 - Aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
 - The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imburements or insurance cover and accidental death and dismemberment through personal accident insurance.
 - The company provides retirement benefits as applicable.
 - In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of commission, calculated with reference

to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.

- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
 - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
 - Industry benchmarks of remuneration,
 - Performance of the individual.
- The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

• **Remuneration payable to Director for services rendered in other capacity**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

- a) The services rendered are of a professional nature; and
- b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

• **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.