

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 (the "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 behavior. 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 stakeholder value without compromising on integrity, societal obligations, environment and regulatory compliances. Effective corporate governance practices constitute the strong foundation, on which successful commercial enterprises are built to last. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.

The Company's corporate governance philosophy has been further strengthened through the Tata Code of Conduct and Codes of Fair Disclosure and Conduct.

The Tata Code of Conduct, which articulates the values, ethics and business principles, serves as a guide to the Company, its directors and employees and is supplemented with an appropriate mechanism to report any concerns pertaining to non-adherence to the said Code. 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 also a journey to constantly improve sustainable value creation. The Company has over the years, followed best practices of Corporate Governance. The Company's overall governance framework, systems and processes reflect and support our Mission, Vision and Values. 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 is promoted by the Tamilnadu Industrial Development Corporation Limited (TIDCO) and the Tata Group. As on 31st March 2021, 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 of the Board of Directors as at 31st March 2021 was as follows:

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

- Ms. Sindhu Gangadharan was appointed on the Board effective 8th June 2020 and her appointment was approved by the Shareholders at the 36th Annual General Meeting of the Company held on 11th August 2020.*
- Mr. Sandeep Singhal was appointed on the Board effective 11th November 2020 as an Additional Independent Director subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.*

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 were independent. The composition of the Board is in conformity with Regulation 17 of the SEBI LODR read with Section 149 of the Companies Act, 2013 (the "Act").

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 being paid to Mr. Bhaskar Bhat, as approved by the Board, consequent upon his retirement as Managing Director on 30th September 2019.

As on the date of this report, none of the Directors serve as a Director or as an Independent Director in more than 7 listed entities, and the Managing Director does not serve as an Independent Director on any listed company. Further, none of the Independent Directors serve as a

Non-Independent Director of any company on the board of which any of our Non-Independent Directors are an Independent Director. During the Financial Year 2020-21, none of the Directors acted as a Member in more than 10 committees or as a Chairperson in more than 5 committees (committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI LODR) across all listed entities where they serve as a Director.

The Board of Directors met seven times during the Financial Year 2020-21. The Board meetings were held on 29th April, 22nd May, 8th June, 10th August, 28th October and 7th December in 2020 and on 10th February in 2021.

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 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 2021 are as indicated below:

Name of Director	No. of Board Meetings attended during the year 2020-21	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	2	No	7	2	Nil	Nil
Mr. V Arun Roy	3	No	3	7	1	2
Ms. Kakarla Usha	7	Yes	3	6	1	2
Mr. N.N. Tata	7	Yes	3	3	1	2
Mr. Bhaskar Bhat	7	Yes	1	4	Nil	4
Ms. Hema Ravichandar ¹	3	NA	Not Applicable			
Ms. Ireena Vittal ²	4	Yes	Not Applicable			
Mr. Ashwani Puri	7	Yes	Nil	3	3	Nil
Mr. B Santhanam	7	Yes	Nil	3	1	4
Mr. Pradyumna Vyas	7	Yes	Nil	5	1	2
Dr. Mohanasankar Sivaprakasam	7	Yes	Nil	1	Nil	1
Ms. Sindhu Gangadharan ³	5	Yes	Nil	1	Nil	1
Mr. Sandeep Singhal ³	2	NA	Nil	1	Nil	Nil
Mr. C. K. Venkataraman	7	Yes	Nil	3	Nil	2

excludes Committees other than Audit and Stakeholders Relationship Committee.

1 Ms. Hema Ravichandar ceased to be a Director effective 1st August 2020.

2 Ms. Ireena Vittal ceased to be a Director effective 1st October 2020.

3 Ms. Sindhu Gangadharan & Mr. Sandeep Singhal were appointed on the Board effective 8th June 2020 and 11th November 2020 respectively.

During the year, Ms. Hema Ravichandar ceased to be an Independent Director on 31st July 2020 upon completion of her second term. Ms. Ireena Vittal resigned as an Independent Director effective 1st October 2020 due to increased pre-occupation with her professional commitments and Ms. Vittal had confirmed that there were no other material reasons for stepping down from the Board.

The names of other listed entities where the person is a director and category of directorship as on 31st March 2021 are as follows:

SI 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 Director, Chairman
		Voltas Limited	Non-Executive, Non Independent Director, Chairman
		Tata Investments Corporation Limited	Non- Executive, Non Independent Director, Chairman
5	Mr. Bhaskar Bhat	Trent Limited	Non-Executive, Non Independent Director
		Rallis India Limited	Non-Executive, Non Independent Director, Chairman
		Bosch Limited	Non-Executive, Independent Director
6	Mr. Ashwani Puri	Coforge Limited	Non-Executive, Independent Director
7	Mr. B Santhanam	Saint-Gobain Sekurit India Limited	Non-Executive, Non Independent Director
		Grindwell Norton Limited	Executive, Managing Director
8	Mr. Pradyumna Vyas	Dynamatic Technologies Limited	Non-Executive, Independent Director
		Kirloskar Brothers Limited	Non-Executive, Independent Director
9	Dr. Mohanasankar Sivaprakasam	Nil	NA
10	Ms. Sindhu Gangadharan	Nil	NA
11	Mr. Sandeep Singhal	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 Act.

The Board confirms that the Independent Directors fulfill 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 2021.

In terms of Regulation 25(8) of the SEBI LODR, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended by MCA Notification dated 22nd October 2019 regarding the requirement relating to the enrolment in the Data Bank for Independent Directors, has been received from all the Independent Directors.

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 2021 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
Mr. Ashwani Puri	Nil
Mr. B. Santhanam	Nil
Mr. Pradyumna Vyas	Nil
Dr. Mohanasankar Sivaprakasam	Nil
Ms. Sindhu Gangadharan	Nil
Mr. Sandeep Singhal	24

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

The details of familiarisation programmes for Independent Directors 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:

- i. **Financial Expertise-** Proficiency in complex financial management and experience and expertise in accounting principles, auditing and reporting.
- ii. **Mergers and Acquisitions-** Ability to assess "make or buy" decisions, evaluate business combinations and operational integration plans, expertise in analysing and valuing transactions.
- iii. **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.
- iv. **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.
- v. **People Management and Leadership-** Expertise in developing talent, planning succession, furthering representation and diversity and other strategic human resource advisory.
- vi. **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. Expertise or experience in information technology business, technology consulting and operations, areas of integration and innovation technologies, digital, cloud and cyber security, technology domain and knowledge of technology trends.

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.
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 - Expertise in healthcare related technology
Ms. Sindhu Gangadharan	Technological Expertise – Information Technology related and People Management and Leadership.
Mr. Sandeep Singhal	Business Strategy, Mergers and Acquisitions, Governance & Risk Management and 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 2021. 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 25th March 2021, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the SEBI LODR. 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. 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 and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

INSIDER TRADING CODE

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), as

amended from time to time, the Board of Directors of the Company had adopted the Codes of Fair Disclosure and Conduct ("the Code") which in turn contains the Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Fair Disclosure Practices. This Code is applicable to all Directors, Promoters, such identified Designated Persons and their Immediate Relatives and other Connected 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 and 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 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 Prohibition of Insider Trading, 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 also oversees 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 11th August 2020.

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 2020-21. The Audit Committee meetings were held on 8th June, 10th August and 27th October in 2020 and on 9th February and 3rd March in 2021.

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. B. Santhanam (Non-Executive) (Independent)	5
Dr. Mohanasankar Sivaprakasam ¹ (Non-Executive) (Independent)	4
Ms. Sindhu Gangadharan ² (Non-Executive) (Independent)	3
Mr. Bhaskar Bhat (Non-Executive) (Non-Independent)	5
Ms. Ireena Vittal ³ (Non-Executive) (Independent)	2
Ms. Hema Ravichandar ⁴ (Non-Executive) (Independent)	1

¹ Dr. Mohanasankar Sivaprakasam was appointed on the Board Audit Committee effective from 1st August 2020.

² Ms. Sindhu Gangadharan was appointed on the Board Audit Committee effective from 1st October 2020.

³ Consequent upon her resignation effective 1st October 2020, Ms. Ireena Vittal ceased to be a member of the Committee.

⁴ Consequent upon her cessation effective 1st August 2020, Ms. Hema Ravichandar ceased to be a member of the Committee.

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 Board 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. 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 is also 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 also supports the Board and IDs in evaluating the performance of the Board, its committees and individual directors which include “Formulation of criteria for evaluation of Independent Directors and the Board”. It also decides 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 includes 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 oversees 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 provides guidelines for remuneration of directors on material subsidiaries, recommend to the Board how the Company votes on resolutions for appointment and remuneration of directors on the Boards of its material subsidiary companies, endeavours 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 performs 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 2020-21 is based on attendance at the meetings of the Board and the Committees thereof, and Chairmanships held by the directors on various Committees. However, for the Financial Year 2020-21, aligning with the performance of the Company, the Board approved payment of Commission to the non-executive Directors at 60% of the commission as eligible as per the criteria adopted by the Board. The Remuneration Policy is annexed as **Annexure-A**.

The Committee met three times during the Financial Year 2020-21. Meetings were held on 29th April, 5th June and 30th July in 2020.

The following Directors are the members of the Nomination and Remuneration Committee and their attendance in the meetings held during the FY 2020-21:

Name of Director& Category	No. of Meetings attended out of three meetings
Mr. B Santhanam, Chairman (Non-Executive) (Independent)	3
Mr. N. N. Tata (Non-Executive) (Non-Independent)	3
Ms. Kakarla Usha (Non-Executive) (Non-Independent)	2
Ms. Sindhu Gangadharan ¹ (Non-Executive) (Independent)	1
Ms. Ireena Vittal ² (Non-Executive) (Independent)	2
Ms. Hema Ravichandar ³ (Non-Executive) (Independent)	3

¹ Ms. Sindhu Gangadharan was appointed on the Board Nomination and Remuneration Committee effective from 8th June 2020.

² Consequent upon her resignation effective 1st October 2020, Ms. Ireena Vittal ceased to be a member of the Committee.

³ Consequent upon her cessation effective 1st August 2020, Ms. Hema Ravichandar ceased to be a member of the Committee.

5. REMUNERATION OF DIRECTORS

MANAGING DIRECTOR

The Company has during the year paid remuneration to its Managing Director by way of salary, perquisites and commission within the limits approved by 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 to the Managing Director during 2020-21 are as under:

(in ₹)

Name	Salary	Perquisites & Allowance	Commission**
Mr. C. K. Venkataraman	1,20,00,000	1,95,54,606	3,84,00,000

** *Aligning with the performance of the Company for 2020-21 and based on the on the recommendations of the Board Nomination and Remuneration Committee and approved by the Board, a commission at 80% of eligible commission for the Managing Director is payable in Financial Year 2021-22 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. However, for the FY 2020-21, no increment was recommended/approved as it was quite evident then that the sales and profits in Financial Year 2020-21 will certainly be significantly lower than the Financial Year 2019-20 levels due to the COVID-19 pandemic.

The broad terms of agreement of appointment of Mr. C. K. Venkataraman, Managing Director, are as under:

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

Salary: Up to a maximum of ₹ 20,00,000/- per month with authority to the Board to fix the salary within the maximum amount from time to time.

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 Board 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. Currently, the overall ceiling determined by the Board for Commission is at 400% of the yearly Salary.

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.

Severance Fees: Nil

There are no stock options issued to the Managing Director.

NON-EXECUTIVE DIRECTORS

The remuneration paid/payable to Non-Executive Directors for the year 2020-21 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 11th August 2020 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 2020-21, 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* (In ₹)	Commission** (In ₹)
1	Mr. N Muruganandam - Chairman (nominee of TIDCO)	50,000	21,12,000
2	Mr. V Arun Roy (nominee of TIDCO)	1,10,000	24,42,000
3	Ms. Kakarla Usha (nominee of TIDCO)	2,05,000	19,14,000
4	Mr. Bhaskar Bhat	3,05,000	24,75,000
5	Mr. N N Tata^	2,20,000	Refer Note below
6	Ms. Hema Ravichandar	1,55,000	15,18,000
7	Ms. Ireena Vittal	1,85,000	22,93,500
8	Mr. Ashwani Puri	3,25,000	36,74,000
9	Mr. B. Santhanam	3,40,000	33,55,000
10	Mr. Pradyumna Vyas	2,15,000	21,34,000
11	Dr. Mohanasankar Sivaprakasam	3,00,000	29,81,000

Sl No	Name of the Director	Sitting fee* (In ₹)	Commission** (In ₹)
12	Ms. Sindhu Gangadharan	2,00,000	18,64,500
13	Mr. Sandeep Singhal	90,000	8,47,000

* Gross amount, excluding service tax, paid during Financial Year 2020-21.

** Gross amount, subject to tax and payable in Financial Year 2021-22. Further, aligning with the performance of the Company, the Board approved payment of Commission to the non-executive Directors at 60% of the commission as eligible as per the criteria adopted by the Board.

^ In line with the internal guidelines, no payment will be made towards commission to Mr. N N Tata, Non –Executive Director of the Company, as he is in full-time employment with another Tata Group Company.

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 pays monthly pension as approved by the Board of Directors consequent upon his retirement as Managing Director of the Company in the month of September 2019.

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

Number of complaints from shareholders during the year ended 31st March 2021

The status of Investor Complaints as on March 31, 2021 as reported under Regulation 13(3) of the SEBI LODR is as under:

Complaints outstanding as on 1 st April 2020	Nil
Complaints received during the year ended 31 st March 2021	23
Complaints resolved during the year ended 31 st March 2021	22
Complaints not solved to the satisfaction of shareholders during the year ended 31 st March 2021	1
Complaints pending as on 31 st March 2021*	1

*The above mentioned figures include complaints received through SCORES as well as other Regulatory Bodies. ATR for the complaint received from the Complainant through SCORES was uploaded on 1st April 2021 and the same is pending for review by SEBI.

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 2020-21. The meetings were held on 8th June 2020 and 10th February 2021.

The members of the Stakeholders Relationship Committee and their attendance in the meetings held during the FY 2020-21:

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

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

The position of queries / other correspondence received and attended to during 2020-21 in respect of equity shares apart from those received through SCORES are given below:

	Received	Resolved	Pending
For non-receipt of interests / dividend warrants	801	759	42
Loss of shares	689	679	10
Signature Cases	393	388	5
ECS/ Mandate Requests	102	102	0
Change of address requests	207	207	0
Transmission of securities	154	154	0
Document Registration	230	230	0
Exchange/ Sub-division of old shares/ Conversion	91	91	0
Split/ Consolidation/ Renewal/ Duplicate issue of shares	10	10	0
Name/ status correction	82	71	11
General Inquiries	133	133	0
Transfer of securities	20	19	1
Nomination requests	12	12	0
Depository System	2	2	0
Dematerialisation of securities	19	19	0
Correspondence related to legal matters	12	12	0
Securities/ Warrants enclosure letters	29	29	0
Change of address queries	207	207	0
Annual Report	9	9	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
2017-18	At the Registered Office of	3 rd August 2018	2:30 p.m	Nil
2018-19	the Company located at 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. ii) Re-appointment of Ms. Ireena Vittal as an Independent Director
2019-20	Video Conference / Other Audio Visual Means	11 th August 2020	2:30 p.m	Nil

b) No Extraordinary General Meeting of the shareholders was held during the financial year 2020-21.

c) No Postal Ballot was conducted during the financial year 2020-21.

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 Sections 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 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. The audited financial results for the year ended 31 st March 2021 were published in Business Standard and Dina Thanthi.
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 and 13 th January 2021, 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 37 th Annual General Meeting scheduled to be held on 2 nd August 2021 will be conducted through video conference or other audio visual means and the requirements as stated in the above said circulars will be fulfilled. Details of the procedure of conduct of the 37 th AGM is provided in the Notice of the AGM . 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	Monday, 2nd August 2021, 2:30 p.m. In accordance with the General Circular issued by the MCA on 5 th May 2020 and 13 th January 2021, the AGM will be held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') only
Financial Year	1 st April 2020 to 31 st March 2021
Book Closure Date	24 th July 2021 to 2 nd August 2021 (both days inclusive)
Dividend payment date	On or after 6 th August 2021 (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 2021.
Share Registrar and Transfer Agents	TSR Darashaw Consultants Private Limited, C 101, 1 st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 mail: csg-unit@tcplindia.co.in , Website: www.tcplindia.co.in 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	TSR Darashaw Consultants Private Limited
503, Barton Centre, 5 th Floor, 84, M.G. Road, Bengaluru – 560 001 Tel: 080-26509004 Email: tsrdlbang@tcplindia.co.in Contact Person: Mr. Shivanand M	C/o Link Intime India Private Limited Noble Heights, 1 st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 Tel: 011 – 49411030 Email: tsrdldel@tcplindia.co.in Contact Person: Mr. Shyamalendu Shome
TSR Darashaw Consultants Private Limited	TSR Darashaw Consultants Private Limited
C/o Link Intime India Private Limited Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre Nr. St. Xavier's College Corner Off. C.G. Road, Ellisbridge, Ahmedabad – 380006 Telefax: 079 - 26465179, Email: csg-unit@tcplindia.co.in Contact Person: Ms. Preeti Madhu	C/o Link Intime India Private Limited, Vaishno Chamber, Flat No. 502 & 503, 5 th Floor, 6, Brabourne Road, Kolkata – 700001 Tel: 033 - 40081986 Email: tsrdlcal@tcplindia.co.in Contact Person: Mr. Rijit Mukherjee
TSR Darashaw Consultants Private Limited	
Bungalow No.1, 'E' Road, Northern Town, Bistupur, Jamshedpur – 831 001 Tel: 0657 – 2426616 Fax: 0657 – 2426937 Email: tsrdljsr@tcplindia.co.in Contact Person: Mr. Subrato Das	

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 (India) 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 2021 is as shown below:

Number of Shares : 41,81,84,240

Percentage to total holding : 47.10%

STOCK PERFORMANCE

Month	BSE		NSE		Index Close Price	
	High (₹)	Low (₹)	High (₹)	Low (₹)	Sensex	Nifty
Apr-20	1,040.35	856.60	1,044.00	855.95	33,717.62	9,859.90
May-20	945.00	809.85	929.00	810.00	32,424.10	9,580.30
Jun-20	1,065.00	896.00	1,050.00	945.00	34,915.80	10,302.10
Jul-20	1,082.15	941.80	1,083.00	941.80	37,606.89	11,073.45
Aug-20	1,158.25	1,043.05	1,159.00	1,043.00	38,628.29	11,387.50
Sep-20	1,220.50	1,076.00	1,220.00	1,076.00	38,067.93	11,247.55
Oct-20	1,281.60	1,155.50	1,281.90	1,155.55	39,614.07	11,642.40
Nov-20	1,375.85	1,154.00	1,375.00	1,154.00	44,149.72	12,968.95
Dec-20	1,571.65	1,335.00	1,571.00	1,335.00	47,751.33	13,981.75
Jan-21	1,620.95	1,415.50	1,621.35	1,415.25	46,285.77	13,634.60
Feb-21	1,589.00	1,396.25	1,588.00	1,396.00	49,099.99	14,529.15
Mar-21	1,566.95	1,416.75	1,567.40	1,416.60	49,509.15	14,690.70

DISTRIBUTION OF SHARES ACCORDING TO SIZE, CLASS AND CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH 2021

No. of Equity Shares Held	No. of Shareholders*	Percentage	No. of Shares	Percentage
1-5,000	3,67,467	98.99	5,80,52,047	6.54
5,001-20,000	2,751	0.74	2,45,32,095	2.76
20,001-30,000	206	0.06	50,24,961	0.57
30,001-40,000	119	0.03	42,00,833	0.47
40,001-50,000	84	0.02	38,01,912	0.43
50,001-1,00,000	179	0.05	1,30,07,939	1.47
1,00,001- 10,00,000	342	0.09	11,02,06,996	12.41
10,00,001 and above	67	0.02	66,89,59,377	75.35
TOTAL	371,215	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 2021

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	22,21,25,200	25.02
FFI / FIs / OCBs	723	16,06,90,381	18.10
Bodies Corporate	2,791	1,88,79,388	2.13
Institutional Investors	157	5,64,57,275	6.36
Mutual Funds	237	3,86,87,678	4.36
Banks	19	3,90,427	0.04
Others	3,67,276	14,30,79,091	16.12
Total	3,71,215	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.

DEMATERIALIZATION OF SHARES AND LIQUIDITY

As on 31st March 2021, 98.93% 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, Pantnagar and Sikkim

Prescription Eyewear : Chikkaballapur, Kolkata and Noida

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 2020-21 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 15th March 2021

Instrument	Previous Rated Amount (₹ crore)	Current Rated Amount (₹ crore)	Rating Action
Fixed Deposit Programme	2,500	2,500	MAAA (Stable) reaffirmed
Fund Based / Non-fund based limits	1,700	1,700	[ICRA]AAA (Stable) upgraded from [ICRA] AA+(positive); [ICRA] A1+ reaffirmed
Commercial Paper Programme	1,500	1,500	[ICRA]A1+ reaffirmed

(b) Ratings and its revision given by CRISIL dated 6th July 2020

Instrument	Previous Rated Amount (₹ crore)	Current Rated Amount (₹ crore)	Rating Action
Total Bank Loan Facilities Rated	2,850	2,850	Long Term Rating CRISIL AAA/Stable (Reaffirmed) Short Term Rating CRISIL A1+ (Reaffirmed)
Commercial Paper	500	--	CRISIL A1+ (Withdrawn on Company's request)

(c) Ratings and revisions given by Brickwork Ratings India Pvt. Ltd dated 6th May2020

Instrument	Previous Rated Amount (₹ crore)	Current Rated Amount (₹ crore)	Rating Action
Commercial Paper	900	600.00 (in addition to existing 900 crore)	[BWR] A1+ assigned

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 2021 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 venture. 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 2021, 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) **Subsidiary Companies:** The Audit Committee reviews the consolidated financial statements of the Company and the investments made by the unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted Indian subsidiary company.
- (h) **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.
- (i) **Compliance of non-mandatory requirements:** The information pertaining to compliance of discretionary requirements made, may be referred to Item No.12 below.
- (j) **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.

- (k) **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>
- (l) **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 the purchase.
 - Purchase of gold from customers (on exchange, outright jewellery) or spot gold where the risk is managed by way of taking a sell future position in the commodity exchanges. On a later date when this is sold in the stores, the positions are squared-off through Buy future contracts. Thus, there is no exposure to gold prices for this portion of gold purchase also. The Mark-to-Market of outstanding Sell Future Contracts is done on a daily basis, based on the 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:

- Total exposure of the listed entity to commodities in (as of 31st March 2021): ₹ 1089.382 crore
- Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Gold – 1 Kg June'21 Contract	₹ 1,062.246 crore	2,327 kgs	100%				100%
Gold – 1 Kg August'21 Contract	₹ 24.647 crore	55 kgs	100%				100%
Sub Total (A)	₹ 1,086.893 crore	2,382 kgs	100%				100%
Silver – 30 kgs May'21 Contract	₹ 2.489 crore	360 kgs	100%				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.

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

- 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.

- Disclosure of non-acceptance of any recommendation of any committee by the Board in the financial year 2020-21 and its reason:** There was no such instance during the FY 2020-21 when the Board had not accepted any recommendation of any Committee of the Board.

- 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	150.00
Taxation matters	18.00
Audit of consolidated accounts	12.00
Other services	83.00
Reimbursement of levies and expenses	21.00
Total	284.00

- Disclosures 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	4
Number of complaints disposed-off during the financial year	3
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 2020 to 31st March 2021 is as provided below:

Particulars	No. of Shareholders	No. of equity shares (₹ 1 each)
Aggregate number of shareholders and the Outstanding unclaimed shares in the suspense account lying at the beginning of the year	263	4,93,460
Shareholders who approached listed entity for transfer of shares from suspense account during the year	1	2,460
Shareholders to whom shares were transferred from suspense account during the year	1	2,460
Shareholders whose shares were transferred from suspense account to IEPF	25	33,300
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	237	4,57,700
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	237	4,57,700

The voting rights on the shares outstanding in the suspense account as on 31st March 2021 shall remain frozen till the rightful owner of such shares claims the shares.

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 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 2021:

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
 29th April 2021

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 2021.

for **TITAN COMPANY LIMITED**

Place: Bengaluru
 Date: 29th April 2021

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, 2021 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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 Listing Regulations.

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: 29.04.2021

Vijayakrishna K T
Company Secretary
FCS:1788 CP:980
UDIN: F001788C000208049



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 and 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, 2021 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 the Company
1.	Mr. Noel Naval Tata	00024713	07.08.2003
2.	Mr. Bhaskar Bhat	00148778	01.04.2002
3.	Mr. Ashwani Kumar Puri	00160662	06.05.2016
4.	Mr. Sandeep Singhal	00422796	11.11.2020
5.	Mr. Santhanam	00494806	10.05.2018
6.	Mr. Muruganandam Narayanaswamy	00540135	14.03.2019
7.	Mr. Arun Roy Vijaykrishnan	01726117	26.11.2018
8.	Mr. Pradyumna Rameshchandra Vyas	02359563	25.03.2019
9.	Mr. Venkataraman Krishnamurthy Coimbatore	05228157	01.10.2019
10.	Ms. Kakarla Usha	07283218	21.11.2019
11.	Dr. Mohanasankar Sivaprakasam	08497296	03.07.2019
12.	Ms. Sindhu Gangadharan	08572868	08.06.2020

Ensuring the eligibility 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: 29.04.2021

Vijaykrishna K T
Company Secretary
FCS: 1788 CP: 980
UDIN: F001788C000207994

Annexure A

Remuneration Policy

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(IV)(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**
 - o 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.
 - o Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
 - o 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).

- o 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.
- o Overall remuneration practices should be consistent with recognized best practices.
- o Quantum of sitting fees may be subject to review on a periodic basis, as required.
- o 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.
- o 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.
- o 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**

- o 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.
- o 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-imbursing 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.
 - o 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.