



4th February 2020

PRESS RELEASE

Titan Company Ltd.: reported a growth of 12.9% in profits for Q3

Titan Company reported a growth of 12.9% in profit after tax for the quarter ending December 2019. Sales income during the same period grew by 9.4% while sales income for the nine-month period ending December 2019 grew by 8.2%. The overall standalone income from operations in the third quarter, October to December 2019, was Rs.6206 crores, as compared to last year's income of Rs.5672 crores during the same period. The income from operations for April to December 2019, the nine-month period, stands at Rs.15,581 crores. These are standalone Company figures. The consolidated income for the same nine-month period was Rs.16,340 crores and Rs.6527 crores for the third quarter.

The profit before tax for Q3, October to December 2019, was Rs.637 crores. The net profit for the same period was Rs.470 crores and Rs.1161 crores for the nine-months ended December 2019. The profit before tax for the nine-month period ending December 2019 grew by 3.7%, to Rs.1589 crores. Profit before tax for Q3 grew by 6.3%.

The Jewellery business recorded a growth of 10.6% in Q3 over last year and had an income of Rs.5409 crores this year in Q3 as compared to Rs.4890 crores last year. For the nine-month ended December 2019, the jewellery business recorded a growth of 7.8%. The income from watches was Rs.625 crores in Q3, registering a marginal decline over last year on account of a poor December month for sales. However, the income growth of watches business for the nine month period stands at 7.8%. The eyewear business grew by 2.9% in Q3, to Rs.133 crores and crossed the Rs.400 crores mark for nine months, at Rs.436 crores. Other businesses of the company registered a growth of 32.6% in Q3, at Rs.49 crores. The nine-month income for this segment grew by 34.3% to Rs.130 crores.

The Titan Company (TCL) retail chain is 1709 stores strong, as on 31st December 2019 with the retail area touching 2.22 million sq.ft. nationally for all its brands.

Mr. C. K. Venkataraman, Managing Director of the company stated that "The growth we saw during the festival period of October and November was very encouraging. The month of December 2019 witnessed a drop in footfall across all our retail formats compared to the previous two months and hence the sales were muted. The retail growth for our jewellery business was healthy in Q3 on account of a good wedding season. Many new products are lined up for launch in the last quarter and we will continue to invest in our brands and delight our customers with fascinating products coupled with memorable advertising."

S. Ravi Kant
Executive Vice President
(Corporate Communications)

Titan Company Limited

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B S R & Co. LLP

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Limited Review Report on unaudited quarterly standalone financial results and standalone year-to-date results of Titan Company Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

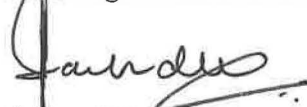
The Board of Directors of Titan Company Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Titan Company Limited ('the Company') for the quarter ended 31 December 2019 and year to date results for the period from 1 April 2019 to 31 December 2019 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022



Supreet Sachdev

Partner

Membership Number: 205385

UDIN: 20205385AAAAAA9054

Place: Bengaluru

Date: 04 February 2020



TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456
3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

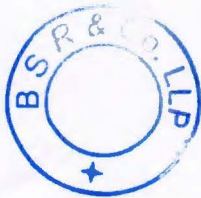
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

₹ in lakhs

PART I

Particulars	3 months ended			9 months ended		Year ended
	31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
I. Revenue from operations						
- Sale of products/ services	610,596	437,082	563,245	1,536,216	1,425,441	1,888,534
- Other operating revenue	10,027	6,418	3,977	21,873	14,350	18,463
II. Other income	1,966	3,068	6,093	10,632	12,338	17,850
III. Total income (I +II)	622,589	446,568	573,315	1,568,721	1,452,129	1,924,847
IV. Expenses:						
Cost of materials and components consumed	272,420	383,044	282,145	960,834	838,078	1,182,204
Purchase of stock-in-trade	78,283	90,237	91,724	228,975	231,092	282,892
Changes in inventories of finished goods, stock-in-trade and work-in-progress	115,571	(159,501)	50,893	(48,407)	(10,495)	(66,378)
Employee benefits expense	28,505	26,565	21,427	79,611	62,656	87,879
Finance costs	4,049	4,075	1,287	11,154	3,223	4,445
Depreciation and amortisation expense	7,770	7,370	3,280	21,952	10,542	13,889
Advertising	14,124	12,543	13,792	40,071	41,008	52,260
Other expenses	38,160	39,293	48,817	115,597	122,788	167,919
IV. Total expenses	558,882	403,626	513,365	1,409,787	1,298,892	1,725,110
V. Profit before exceptional item and tax (III - IV)	63,707	42,942	59,950	158,934	153,237	199,737
VI. Exceptional item (Refer note 6)	-	-	-	-	-	7,000
VII. Profit before tax (V - VI)	63,707	42,942	59,950	158,934	153,237	192,737
VIII. Tax expense:						
Current tax	15,903	9,243	18,070	39,892	44,713	60,201
Deferred tax	809	1,683	257	2,958	546	(4,900)
VIII. Total tax	16,712	10,926	18,327	42,850	45,259	55,301
IX. Profit for the period (VII-VIII)	46,995	32,016	41,623	116,084	107,978	137,436
X. Other comprehensive income						
(i) Items that will not be reclassified to the statement of profit and loss						
- Remeasurement of employee defined benefit plan	(2,578)	(3,478)	(890)	(6,703)	(2,559)	(2,587)
- Income-tax on (i) above	651	847	288	1,682	750	792
(ii) Items that will be reclassified to the statement of profit and loss						
- Effective portion of gain or (loss) on designated portion of hedging instruments in a cash flow hedge	(12,413)	13,178	(10,636)	(10,340)	(361)	4,498
- income-tax on (ii) above	3,103	(3,616)	3,003	2,684	126	(1,230)
X. Total other comprehensive income	(11,237)	6,931	(8,235)	(12,677)	(2,044)	1,473
XI. Total comprehensive income (IX+X)	35,758	38,947	33,388	103,407	105,934	138,909
XII. Paid up equity share capital (face value ₹ 1 per share):	8,878	8,878	8,878	8,878	8,878	8,878
XIII. Other equity:						609,294
XIV. Earnings per equity share of ₹ 1: {based on net profit for the period (IX)} Basic and diluted (not annualised)	5.29	3.61	4.69	13.08	12.16	15.48

See accompanying notes to the standalone unaudited financial results



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TITAN COMPANY LIMITED

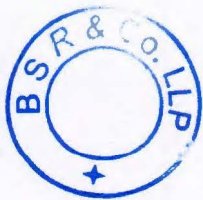
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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

SEGMENT INFORMATION (Refer note 8)

₹ in lakhs

Particulars	3 months ended			9 months ended		Year ended
	31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
Segment revenues and profit and loss						
a) Sales / Income from segments						
Watches	62,533	71,874	64,066	205,866	190,988	244,093
Jewellery	540,866	352,777	489,034	1,298,387	1,204,408	1,602,958
Eyewear	13,330	15,422	12,949	43,630	38,106	51,141
Others	4,937	4,397	3,723	12,962	9,654	13,343
Corporate (unallocated)	923	2,098	3,543	7,876	8,973	13,312
Total	622,589	446,568	573,315	1,568,721	1,452,129	1,924,847
b) Profit / (Loss) from segments before finance costs and taxes						
Watches	5,212	11,335	5,435	29,313	28,743	31,638
Jewellery	70,130	38,413	65,052	152,744	143,588	194,800
Eyewear	(670)	199	(146)	(1,614)	(72)	(238)
Others	(918)	(982)	(1,138)	(3,753)	(4,099)	(5,811)
Corporate (unallocated)	(5,998)	(1,948)	(7,966)	(6,602)	(11,700)	(23,207)
	67,756	47,017	61,237	170,088	156,460	197,182
Finance costs	4,049	4,075	1,287	11,154	3,223	4,445
Profit before taxes	63,707	42,942	59,950	158,934	153,237	192,737
c) Segment assets and liabilities						
Segment assets						
Watches	204,926	213,015	153,192	204,926	153,192	150,204
Jewellery	746,851	923,604	596,048	746,851	596,048	674,225
Eyewear	50,500	49,012	36,647	50,500	36,647	39,447
Others	22,071	18,964	9,875	22,071	9,875	10,656
Corporate (unallocated)	208,696	205,769	369,535	208,696	369,535	272,450
Total	1,233,044	1,410,364	1,165,297	1,233,044	1,165,297	1,146,982
Segment liabilities						
Watches	80,143	79,380	43,508	80,143	43,508	45,348
Jewellery	444,729	554,113	503,527	444,729	503,527	457,048
Eyewear	25,599	23,605	11,680	25,599	11,680	12,705
Others	7,148	8,300	2,719	7,148	2,719	2,514
Corporate (unallocated)	17,453	122,747	18,666	17,453	18,666	11,195
Total	575,072	788,145	580,100	575,072	580,100	528,810



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Notes:

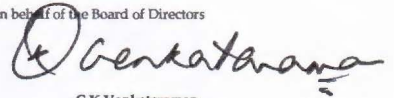
- The unaudited financial results of Titan Company Limited ("the Company") have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- Effective 1 April 2019, the Company adopted Ind AS 116 "Leases", applied to its lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustments to retained earnings, on the date of initial application. Accordingly the Company has not restated the comparative information. The cumulative effect of application of the standard has reduced the retained earnings by ₹ 10,081 lakhs, net of taxes. The implementation of Ind AS 116 resulted in lower Profit before tax by ₹ 384 lakhs and ₹ 533 lakhs for the quarters ended 30 September 2019 and 31 December 2019 respectively and ₹ 1,151 lakhs for the nine months ended 31 December 2019 on account of higher interest cost and depreciation which was offset by reduction in rent expenses. In the statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the "Right-of-Use" asset and finance cost for interest accrued on "Lease Liability".
- During the quarter ended 30 September 2019, the Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the quarters ended 31 December 2019, 30 September 2019 and for the nine months ended 31 December 2019 and computed deferred tax based on the rate prescribed in the said section. The full impact of this change has been recognised in the statement of profit and loss for the quarter ended 30 September 2019.
- During the quarter, the Company incorporated Titan Holdings International FZCO ("Titan Holdings") as a subsidiary in October 2019 and Titan Holdings incorporated a subsidiary, Titan Global Retail L.L.C ("Titan Global") in December 2019, both based out of Dubai.
- During the quarter ended 31 December 2019, the Board of Directors approved the special retiral benefits payable to the Managing Director who retired in September 2019, as per the policy of the Company. Accordingly, the Company has accrued ₹ 2,528 lakhs based on actuarial valuation by giving corresponding charge to employee benefit expense in the statement of profit and loss.
- Exceptional item includes provision for impairment of investment in a subsidiary (Favre Leuba AG, Switzerland) made for the year ended 31 March 2019 amounting to ₹ 7,000 lakhs.

Profit / (loss) from segments before exceptional items, finance costs and taxes are as below for the year ended 31 March 2019:
₹ in lakhs

Segment	Year ended 31-03-2019 (Audited)
Watches	31,638
Jewellery	194,800
Eyewear	(238)
Others	(5,811)
	220,389
Corporate (Unallocated)	(16,207)
	204,182

- The Company disposed off its entire shareholding in Titan TimeProducts Limited to Danlaw Technologies India Limited on 18 June 2018 at a consideration of ₹ 1,850 lakhs. Consequently, the Company has recognised profit on sale of investment amounting to ₹ 487 lakhs under the head "Other income" during the nine months ended 31 December 2018 and year ended 31 March 2019.
- The Company is structured into four verticals namely Watches, Jewellery, Eyewear and Others where "Others" include Accessories, Fragrances and Indian dress wear. Accordingly, the Company has presented its segment results under these business segments.
- The statutory auditors have carried out limited review of the unaudited financial results for the quarter and nine months ended 31 December 2019 and have issued an unmodified review report.
- The Company, as part of its Treasury operations, invested in intercorporate deposit aggregating ₹ 14,500 lakhs with Infrastructure Leasing & Financial Services Limited and its subsidiary (IL&FS Group), which were due for maturity in November 2018 and December 2018. The aforesaid amounts and the interest thereon have however not been received as on date. As a result of increased credit risk in relation to outstanding balances from IL&FS Group and the uncertainty prevailing on IL&FS Group due to the proceedings pending with the NCLT, Management has provided for full amount of ₹ 14,500 lakhs for impairment in value of deposit for the year ended 31 March 2019 (₹ 7,000 lakhs and ₹ 9,900 lakhs for the quarter and nine months ended 31 December 2018 respectively). The provision currently reflects the exposure that may arise given the uncertainty. The Company, however, continues to monitor developments in this matter and the necessary actions are being taken in this regard.
- The unaudited financial results of the Company for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting on 4 February 2020.

for and on behalf of the Board of Directors


C K Venkataraman
Managing Director



Place: Chennai
Date: 4 February 2020



Limited Review Report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Titan Company Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Titan Company Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Titan Company Limited (“the Parent”), its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) and its share of the net loss after tax and total comprehensive loss of its associate and joint venture for the quarter ended 31 December 2019 and year to date results for the period from 1 April 2019 to 31 December 2019 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I.



B S R & Co. LLP

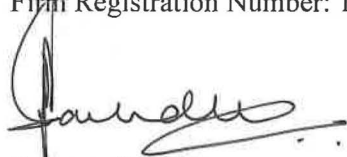
Limited Review Report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Titan Company Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)

5. Based on our review conducted and procedures performed as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022



Supreet Sachdev

Partner

Membership Number: 205385

UDIN: 20205385AAAAAB2616

Place: Bengaluru

Date: 04 February 2020

Annexure I to the Limited Review Report

List of Subsidiaries, Associate and Joint Venture included in the unaudited consolidated financial results:

Entity	Relationship
Titan Engineering & Automation Limited	Subsidiary
Carat Lane Trading Private Limited	Subsidiary
Favre Leuba AG, Switzerland	Subsidiary
Titan Holdings International FZCO	Subsidiary (Incorporated on 15 October 2019)
Titan Global Retail L.L.C.	Subsidiary (Incorporated on 15 December 2019)
Titan TimeProducts Limited	Subsidiary (Till 18 June 2018)
Titan Watch Company Limited, Hong Kong	Subsidiary of Favre Leuba AG, Switzerland
Green Infra Wind Power Theni Limited	Associate
Montblanc India Retail Private Limited	Joint Venture





TITAN COMPANY LIMITED

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

₹ in lakhs

PART I

Particulars	3 months ended			9 months ended		Year ended
	31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
I. Revenue from operations						
- Sale of products/ services	645,458	460,071	583,982	1,615,039	1,476,857	1,959,206
- Other operating revenues	7,278	6,088	3,167	18,965	12,118	18,646
II. Other income	2,269	3,175	6,262	11,152	12,665	18,294
III. Total income (I +II)	655,005	469,334	593,411	1,645,156	1,501,640	1,996,146
IV. Expenses:						
Cost of materials and components consumed	287,887	399,055	294,049	1,002,900	863,854	1,223,063
Purchase of stock-in-trade	81,053	93,032	94,458	239,375	239,089	294,003
Changes in inventories of finished goods, stock-in-trade and work-in-progress	117,250	(164,602)	48,096	(54,560)	(16,089)	(77,641)
Employee benefits expense	32,674	30,512	24,912	91,469	73,272	101,927
Finance costs	4,472	4,486	1,567	12,343	4,005	5,254
Depreciation and amortisation expense	8,773	8,220	3,847	24,588	12,200	16,284
Advertising	16,794	14,280	15,616	46,257	46,093	59,920
Other expenses	41,237	41,652	50,898	123,150	128,457	177,431
IV. Total expenses	590,140	426,635	533,443	1,485,522	1,350,881	1,800,241
V. Profit before share of profit/(loss) of an associate and a joint venture and exceptional item and tax (III - IV)	64,865	42,699	59,968	159,634	150,759	195,905
VI. Share of profit/ (loss) of:						
- Associate	(13)	39	(18)	43	9	7
- Joint Venture	(28)	(300)	12	(437)	(232)	(223)
VII. Profit before exceptional item and tax (V - VI)	64,824	42,438	59,962	159,240	150,536	195,689
VIII. Exceptional item	-	-	-	-	-	-
IX. Profit before tax (VII - VIII)	64,824	42,438	59,962	159,240	150,536	195,689
X. Tax expense:						
Current tax	16,493	9,534	18,538	41,135	45,835	61,750
Deferred tax	911	1,739	315	3,146	666	(4,926)
X. Total tax	17,404	11,273	18,853	44,281	46,501	56,824
XI. Profit for the year (IX-X)	47,420	31,165	41,109	114,959	104,035	138,865
XII. Other comprehensive income						
(i) Items that will not be reclassified to the statement of profit and loss						
- Remeasurement of employee defined benefit plans	(2,548)	(3,908)	(939)	(7,103)	(2,747)	(2,857)
- Income-tax on (i) above	653	921	303	1,758	810	836
(ii) Items that will be reclassified to the statement of profit and loss						
- Effective portion of gain or (loss) on designated portion of hedging instruments in a cash flow hedge	(12,413)	13,178	(10,636)	(10,340)	(361)	4,498
- Exchange differences in translating the financial statements of foreign operations	224	91	(232)	414	165	(5)
- income-tax on (ii) above	3,103	(3,616)	3,003	2,684	126	(1,230)
XII. Total other comprehensive income	(10,981)	6,666	(8,501)	(12,587)	(2,007)	1,242
XIII. Total comprehensive income (XI+XII)	36,439	37,831	32,608	102,372	102,028	140,107
Profit for the period attributable to:						
- Owners of the Company	47,462	31,433	41,319	115,514	105,056	140,415
- Non-controlling interest	(42)	(268)	(210)	(555)	(1,021)	(1,550)
Other comprehensive income for the period attributable to:						
- Owners of the Company	(10,989)	6,688	(8,501)	(12,573)	(2,007)	1,259
- Non-controlling interest	8	(22)	-	(14)	-	(17)
Total comprehensive income for the period attributable to:						
- Owners of the Company	36,473	38,121	32,818	102,941	103,049	141,674
- Non-controlling interest	(34)	(290)	(210)	(569)	(1,021)	(1,567)
	36,439	37,831	32,608	102,372	102,028	140,107
XIV. Paid up equity share capital (face value ₹ 1 per share):	8,878	8,878	8,878	8,878	8,878	8,878
XV. Other equity:						598,137
XVI. Earnings per equity share of ₹ 1: (based on profit for the period attributable to Owners of the Company (XIII))						
Basic and diluted (not annualised)	5.35	3.54	4.65	13.01	11.83	15.82

See accompanying notes to the unaudited consolidated financial results



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TITAN COMPANY LIMITED

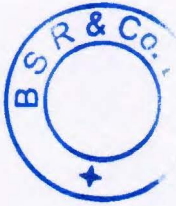
CIN : L74999TZ1984PLC001456
3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2019

SEGMENT INFORMATION (Refer note 9)

₹ in lakhs

Particulars	3 months ended			9 months ended		Year ended
	31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
Segment revenues and profit and loss						
a) Sales / Income from segments						
Watches	62,723	72,013	64,119	206,347	191,630	244,749
Jewellery	560,579	364,997	499,703	1,341,986	1,228,469	1,639,006
Eyewear	13,330	15,422	12,949	43,630	38,106	50,879
Others	17,483	14,804	13,096	45,350	34,462	48,335
Corporate (unallocated)	890	2,098	3,544	7,843	8,973	13,177
Total	655,005	469,334	593,411	1,645,156	1,501,640	1,996,146
b) Profit / (Loss) from segments before finance costs and taxes						
Watches	3,902	10,369	4,341	26,186	25,443	26,675
Jewellery	70,435	37,941	64,658	152,072	140,910	190,804
Eyewear	(670)	199	(13)	(1,614)	211	(238)
Others	1,668	624	515	1,935	(100)	125
Corporate (unallocated)	(6,039)	(2,209)	(7,972)	(6,996)	(11,923)	(16,423)
Total	69,296	46,924	61,529	171,583	154,541	200,943
Finance costs	4,472	4,486	1,567	12,343	4,005	5,254
Profit before taxes including share from Associate and Joint Venture.	64,824	42,438	59,962	159,240	150,536	195,689
c) Segment assets and liabilities						
Segment assets						
Watches	213,175	219,515	159,901	213,175	159,901	155,956
Jewellery	810,651	988,060	639,745	810,651	639,745	731,507
Eyewear	50,500	49,012	36,647	50,500	36,647	39,447
Others	68,294	65,250	48,657	68,294	48,657	50,226
Corporate(Unallocated)	121,830	121,827	295,041	121,830	295,041	194,389
Total	1,264,450	1,443,664	1,179,991	1,264,450	1,179,991	1,171,525
Segment liabilities						
Watches	81,538	80,444	44,295	81,538	44,295	46,462
Jewellery	475,912	585,913	520,875	475,912	520,875	479,574
Eyewear	25,599	23,605	11,680	25,599	11,680	12,705
Others	20,124	23,592	14,236	20,124	14,236	13,166
Corporate(Unallocated)	17,453	122,747	18,666	17,453	18,666	11,195
Total	620,626	836,301	609,752	620,626	609,752	563,102



V. R.



TITAN COMPANY LIMITED

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Notes:

- 1 Unaudited standalone financial results for the quarter and nine months ended 31 December 2019 can be viewed on the website of the Company, National Stock Exchange of India Limited (NSE) and BSE Ltd. Information of unaudited standalone financial results of the Company in terms of Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") is as under:

Particulars	3 months ended			9 months ended		Year ended
	31-12-2019 (Unaudited)	30-09-2019 (Unaudited)	31-12-2018 (Unaudited)	31-12-2019 (Unaudited)	31-12-2018 (Unaudited)	31-03-2019 (Audited)
Revenue from operations	620,623	443,500	567,222	1,558,089	1,439,791	1,906,997
Profit before tax	63,707	42,942	59,950	158,934	153,237	192,737
Net profit for the period (after tax)	46,995	32,016	41,623	116,084	107,978	137,436
Total comprehensive income	35,758	38,947	33,388	103,407	105,934	138,909

- 2 The unaudited consolidated financial results of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- 3 Effective 1 April 2019, the Group adopted Ind AS 116 "Leases", applied to its lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustments to retained earnings, on the date of initial application. Accordingly the Group has not restated the comparative information. The cumulative effect of application of the standard has reduced the retained earnings by ₹ 10,384 lakhs, net of taxes. The implementation of Ind AS 116 resulted in lower Profit before tax by ₹ 426 lakhs and ₹ 574 lakhs for the quarters ended 30 September 2019 and 31 December 2019 respectively and ₹ 1,242 lakhs for the nine months ended 31 December 2019 on account of higher interest cost and depreciation which was offset by reduction in rent expenses. In the consolidated statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the "Right-of-Use" asset and finance cost for interest accrued on "Lease Liability".
- 4 The unaudited consolidated financial results includes results of:
Subsidiaries
Caratlane Trading Private Limited
Titan Engineering & Automation Limited
Favre Leuba A G, Switzerland
Titan Holdings International FZCO (since 15 October 2019)
Titan Global Retail L.L.C (since 15 December 2019)
(Subsidiary of Titan Holdings International FZCO)
Titan TimeProducts Limited (till 18 June 2018)
Titan Watch Company Limited, Hong Kong
(Subsidiary of Favre Leuba A G)
Jointly controlled entity
Montblanc India Retail Private Limited
Associate Company
Green Infra Wind Power Theni Limited
- 5 During the quarter ended 30 September 2019, the Standalone Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 ("the Act") as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Standalone Company has recognised provision for income tax for the quarters ended 31 December 2019, 30 September 2019 and for the nine months ended 31 December 2019 and computed deferred tax based on the rate prescribed in the said section. The full impact of this change has been recognised in the statement of profit and loss for the quarter ended 30 September 2019. The management is currently in the process of evaluating the option permitted under section 115BAA of the Act for its Indian subsidiaries.
- 6 During the quarter, the Group incorporated Titan Holdings International FZCO ("Titan Holdings") as a subsidiary in October 2019 and Titan Holdings incorporated a subsidiary, Titan Global Retail L.L.C ("Titan Global") in December 2019, both based out of Dubai. Both the entities are consolidated for the quarter ended 31 December 2019.
- 7 During the quarter ended 31 December 2019, the Board of Directors approved the special retiral benefits payable to the Managing Director who retired in September 2019, as per the policy of the Group. Accordingly, the Group has accrued ₹ 2,528 lakhs based on actuarial valuation by giving corresponding charge to employee benefit expense in the statement of profit and loss.
- 8 The Group disposed off its entire shareholding in Titan TimeProducts Limited to Danlaw Technologies India Limited on 18 June 2018 at a consideration of ₹ 1,850 lakhs. Consequently, the Group has recognised profit on sale of investment amounting to ₹ 487 lakhs under the head "Other income" during nine months ended 31 December 2018 and year ended 31 March 2019.
- 9 The Group is structured into four verticals namely Watches, Jewellery, Eyewear and Others where "Others" include Aerospace & Defence, Automation Solutions, Accessories, Fragrances and Indian dress wear. Accordingly, the Group has presented its segment results under these business segments in the manner consistent with the internal reporting to the chief operating decision maker (CODM).
- 10 The statutory auditors have carried out limited review of the unaudited consolidated financial results for the quarter and nine months ended 31 December 2019 and have issued an unmodified review report.
- 11 The Group, as part of its Treasury operations, invested in intercorporate deposit aggregating ₹ 14,500 lakhs with Infrastructure Leasing & Financial Services Limited and its subsidiary (IL&FS Group), which were due for maturity in November 2018 and December 2018. The aforesaid amounts and the interest thereon have however not been received as on date. As a result of increased credit risk in relation to outstanding balances from IL&FS Group and the uncertainty prevailing on IL&FS Group due to the proceedings pending with the NCLT, Management has provided for full amount of ₹ 14,500 lakhs for impairment in value of deposit for the year ended 31 March 2019 (₹ 7,000 lakhs and ₹ 9,900 lakhs for the quarter and nine months ended 31 December 2018 respectively). The provision currently reflects the exposure that may arise given the uncertainty. The Group, however, continues to monitor developments in this matter and the necessary actions are being taken in this regard.
- 12 The unaudited consolidated financial results of the Group for the quarter and nine months ended 31 December 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting on 4 February 2020.

for and on behalf of the Board of Directors

C K Venkataraman
Managing Director



Place: Chennai
Date: 4 February 2020

