



SEC 57 / 2019-20

5<sup>th</sup> November 2019

The General Manager, DCS – CRD  
BSE Limited  
Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Ring  
Rotunda Building, P J Towers  
Dalal Street, Fort,  
MUMBAI - 400 001  
Scrip Code: **500114**

The General Manager, DCS – CRD  
National Stock Exchange of India Ltd  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (East),  
MUMBAI - 400 051  
Symbol: **TITAN**

Dear Sirs,

**Sub: Unaudited Financial Results (standalone & consolidated) for the second quarter and half year ended 30<sup>th</sup> September 2019**

At the Board Meeting of the Company held today, the Unaudited Financial Results (standalone and consolidated) for the second quarter and half year ended 30<sup>th</sup> September 2019 was considered and approved. We submit herewith the unaudited financial results for the second quarter and half year ended 30<sup>th</sup> September 2019 together with the press release.

Also enclosed herewith is the Limited Review Report of the Financial Results for the second quarter and half year ended 30<sup>th</sup> September 2019 issued by the Company's statutory auditors M/s B S R & Co. LLP, Chartered Accountants.

The Board meeting commenced at 10:00 a.m. and concluded at 03:15 p.m.

The above information is also available on the website of the Company: [www.titancompany.in](http://www.titancompany.in)

Please acknowledge receipt of the same.

Yours truly,  
For TITAN COMPANY LIMITED

Dinesh Shetty  
General Counsel & Company Secretary

Encl. As stated

Titan Company Limited

'INTEGRITY' No.193, Veerasandra, Electronics City P.O Off Hosur Main Road, Bengaluru - 560 100 India, Tel : 91 80 - 67047000, Fax : 91 80 - 67046262  
Registered Office No. 3, SIPCOT Industrial Complex Hosur 635 126 TN India, Tel 91 4344 664 199, Fax 91 4344 276037, CIN: L74999TZ1984PLC001456  
[www.titan.co.in](http://www.titan.co.in)

A **TATA** Enterprise



5<sup>th</sup> November 2019

PRESS RELEASE

**Titan Company Ltd reports a growth of 1.8% in net profit for Q2.**

Titan Company Ltd announced a growth in income of 0.6% for the second quarter. The income from operations in the second quarter, July to September 2019, was Rs.4435 crores, against last year's income of Rs.4407 crores during the same period. The income for April to September 2019, the first half of this financial year, stands at Rs.9375 crores, registering a growth of 7.4% over last year.

The Standalone PBT for Q2 is Rs.429 crores, against Rs.446 crores last year. The growth in the profit before tax for the quarter was impacted due to the flat growth in revenues compounded by increase in certain overheads.

The Jewellery business had a subdued quarter on the back of very high gold prices, recording an income of Rs.3528 crores as compared to Rs.3582 crores last year. The Watches business recorded an income of Rs.719 crores against Rs.676 crores in the previous year, a growth of 6.4%. The Jewellery division continues to gain market share registering a growth of 5.9% in revenue for the first half of this year and the Watches business is growing at a healthy 12.9% for the same period. The Eyewear business grew well, by 28.5% in the quarter, recording an income of Rs.154 crores as against Rs.120 crores last year. Other segments of the Company comprising accessories, fragrances and Indian dress wear grew by 33.2% in Q2 recording an income of Rs.44 crores. The previous year income for this segment in Q2 was Rs.33 crores.

The Company's retail chain stands at 1668 stores, as on 30<sup>th</sup> September 2019 with a retail area crossing 2.1 million sq.ft. nationally for all its brands.

Mr. C K Venkataraman, Managing Director of the Company stated that "The Company has done well across all its businesses in the second quarter given the subdued market and consumer sentiments. The Jewellery business has done better than most players in the industry. Both the Watches as well as Eyewear business have recorded good growth. For the second half of FY 20 we are gearing up on all fronts to stimulate demand with innovative campaigns for new exclusive collections that are lined up for launch across all our brands".

S. Ravi Kant  
Executive Vice President  
(Corporate Communications)

Titan Company Limited

'INTEGRITY' No.193, Veerasandra, Electronics City P.O Off Hosur Main Road, Bengaluru - 560 100 India, Tel : 91 80 - 67047000, Fax : 91 80 - 67046262  
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www.titan.co.in

A **TATA** Enterprise

# B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park  
Pebble Beach, B Block, 3rd Floor  
Off Intermediate Ring Road  
Bengaluru 560 071 India

Telephone +91 80 4682 3000  
Fax +91 80 4682 3999

## 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

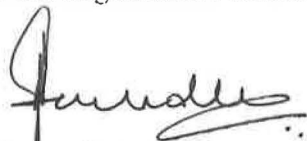
### To the Board of Directors of Titan Company Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Titan Company Limited ('the Company') for the quarter ended 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 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: 19205385AAAAAW9010

Place: Bengaluru

Date: 5 November 2019



# TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

PART I

₹ in lakhs

Particulars	3 months ended			6 months ended		Year ended
	30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
I. Revenue from operations (Refer note 5)						
- Sale of products/ services	437,082	488,538	435,339	925,620	862,195	1,888,534
- Other operating revenue	6,418	5,428	5,345	11,846	10,374	18,463
II. Other income	3,068	5,598	2,678	8,666	6,245	17,850
<b>III. Total income (I +II)</b>	<b>446,568</b>	<b>499,564</b>	<b>443,362</b>	<b>946,132</b>	<b>878,814</b>	<b>1,924,847</b>
IV. Expenses:						
Cost of materials and components consumed	383,044	305,370	343,104	688,414	555,933	1,182,204
Purchase of stock-in-trade	90,237	60,455	83,474	150,692	139,368	282,892
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(159,501)	(4,477)	(108,534)	(163,978)	(61,388)	(66,378)
Employee benefits expense	26,565	24,541	20,575	51,106	41,229	87,879
Finance costs	4,075	3,030	1,053	7,105	1,936	4,445
Depreciation and amortisation expense	7,370	6,812	3,748	14,182	7,262	13,889
Advertising	12,543	13,404	13,595	25,947	27,216	52,260
Other expenses	39,293	38,144	41,758	77,437	73,971	167,919
<b>IV. Total expenses</b>	<b>403,626</b>	<b>447,279</b>	<b>398,773</b>	<b>850,905</b>	<b>785,527</b>	<b>1,725,110</b>
V. Profit before exceptional item and tax (III - IV)	42,942	52,285	44,589	95,227	93,287	199,737
VI. Exceptional item (Refer note 4)	-	-	-	-	-	7,000
VII. Profit before tax (V - VI)	42,942	52,285	44,589	95,227	93,287	192,737
VIII. Tax expense:						
Current tax	9,243	14,746	13,203	23,989	26,643	60,201
Deferred tax	1,683	466	(52)	2,149	289	(4,900)
<b>VIII. Total tax</b>	<b>10,926</b>	<b>15,212</b>	<b>13,151</b>	<b>26,138</b>	<b>26,932</b>	<b>55,301</b>
IX. Profit for the period (VII-VIII)	32,016	37,073	31,438	69,089	66,355	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	(3,478)	(647)	(270)	(4,125)	(1,669)	(2,587)
- Income-tax on (i) above	847	184	76	1,031	462	792
(ii) Items that will be reclassified to the statement of profit						
- Effective portion of gain or (loss) on designated portion of hedging instruments in a cash flow hedge	13,178	(11,105)	825	2,073	10,275	4,498
- income-tax on (ii) above	(3,616)	3,197	(219)	(419)	(2,877)	(1,230)
<b>X. Total other comprehensive income</b>	<b>6,981</b>	<b>(8,371)</b>	<b>412</b>	<b>(1,440)</b>	<b>6,191</b>	<b>1,473</b>
XI. Total comprehensive income (IX+X)	38,947	28,702	31,850	67,649	72,546	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)	3.61	4.18	3.54	7.78	7.47	15.48

See accompanying notes to the standalone unaudited financial results





# TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019  
BALANCE SHEET

₹ in lakhs

Particulars	As at 30-09-2019 (Unaudited)	As at 31-03-2019 (Audited)
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	105,303	100,704
(b) Capital work-in-progress	2,930	2,511
(c) Right-of-use asset	79,662	-
(d) Investment property	2,402	2,402
(e) Intangible assets	4,662	3,829
(f) Intangible assets under development	343	52
(g) Financial assets		
(i) Investments	86,973	80,670
(ii) Loans receivable	13,957	11,897
(iii) Other financial assets	11,700	704
(h) Deferred tax asset (net)	11,385	8,476
(i) Income tax assets (net)	23,961	12,068
(j) Other non-current assets	9,754	15,143
	<b>353,032</b>	<b>238,456</b>
<b>(2) Current assets</b>		
(a) Inventories	870,403	671,918
(b) Financial assets		
(i) Investments	-	6,922
(ii) Trade receivables	47,797	35,823
(iii) Cash and cash equivalents	10,837	36,405
(iv) Bank balances other than (iii) above	29,798	63,695
(v) Loans receivable	9,261	24,404
(vi) Other financial assets	16,598	9,896
(c) Other current assets	72,638	59,463
	<b>1,057,332</b>	<b>908,526</b>
<b>TOTAL ASSETS</b>	<b>1,410,364</b>	<b>1,146,982</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	8,878	8,878
(b) Other equity	613,341	609,294
<b>TOTAL EQUITY</b>	<b>622,219</b>	<b>618,172</b>
<b>Liabilities</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Lease liability	91,835	-
(b) Provisions	14,392	11,885
	<b>106,227</b>	<b>11,885</b>
<b>(2) Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	110,244	-
(ii) Gold on loan	242,710	228,763
(iii) Lease liability	14,867	-
(iv) Trade payables		
- Total outstanding dues of Micro and small enterprises	9,298	1,483
- Total outstanding dues of creditors other than micro and small enterprises	79,643	75,751
(v) Other financial liabilities	14,474	21,401
(b) Other current liabilities	202,066	182,842
(c) Provisions	7,765	5,834
(d) Current tax liabilities (net)	851	851
	<b>681,918</b>	<b>516,925</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,410,364</b>	<b>1,146,982</b>





# TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

## STATEMENT OF STANDALONE UNAUDITED CASH FLOWS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

₹ in lakhs

Particulars	6 months ended		Year ended
	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
<b>A. Cash flow from operating activities</b>			
Net profit before tax	95,227	93,287	192,737
Adjustments for :			
- Depreciation and amortisation expense	14,182	7,262	13,889
- Net unrealised exchange gain	(78)	(396)	(173)
- Loss on sale/ disposal/ scrapping of property, plant and equipment (net)	74	272	422
- Provision for doubtful trade receivables (net) and bad trade receivables written off	22	(73)	(140)
- Interest income	(5,503)	(4,490)	(10,278)
- Gain on investments carried at fair value through profit and loss	(2,946)	(1,657)	(4,459)
- Impairment of investment in subsidiary/Inter-corporate deposits (ICDs)	-	2,900	21,500
- Finance costs	7,105	1,936	4,445
Operating profit before working capital changes	<b>108,083</b>	<b>99,041</b>	<b>217,943</b>
Adjustments for :			
- (increase)/ decrease in trade receivables	(11,959)	(20,814)	(16,384)
- (increase)/ decrease in inventories	(198,485)	(90,801)	(96,998)
- (increase)/ decrease in financial assets-loans receivable	(1,917)	(808)	(2,147)
- (increase)/ decrease in other financial assets	(6,816)	(8,808)	515
- (increase)/ decrease in other assets	(9,309)	(19,907)	(27,347)
- (increase)/ decrease in other bank balances	(98)	(221)	(390)
- increase/ (decrease) in gold on loan	13,947	83,604	68,377
- increase/ (decrease) in trade payables	11,693	13,058	(1,398)
- increase/ (decrease) in other financial liabilities	(4,894)	2,042	861
- increase/ (decrease) in other liabilities	19,224	32,746	41,432
- increase/ (decrease) in provisions	313	1,052	2,613
Cash (used in)/ generated from operating activities before taxes	<b>(80,218)</b>	<b>90,184</b>	<b>187,077</b>
- Direct taxes paid	(33,142)	(26,418)	(62,178)
Net cash (used in)/ generated from operating activities (A)	<b>(113,360)</b>	<b>63,766</b>	<b>124,899</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment, intangible assets and investment property	(14,049)	(10,548)	(22,647)
Proceeds from sale of property, plant and equipment	69	-	103
Purchase of investments in subsidiaries, joint venture and other equity instruments	(6,303)	(2,420)	(14,959)
Proceeds from sale of investment in subsidiaries	-	1,850	1,850
Inter-corporate deposits placed	(5,000)	(71,000)	(91,000)
Proceeds from inter-corporate deposits	20,000	34,500	79,500
Bank deposits matured/ placed, net	33,995	(7,200)	(48,721)
Purchase/ sale of mutual funds, net	9,868	1,170	(3,649)
Lease payments received from sub-lease	1,419	-	-
Interest received	5,102	4,013	8,395
Net cash from/ (used in) investing activities (B)	<b>45,101</b>	<b>(49,635)</b>	<b>(91,128)</b>
<b>C. Cash flow from financing activities</b>			
Borrowings taken/ (repayment), net	110,244	4,958	-
Dividends paid including dividend distribution tax	(53,482)	(39,908)	(39,738)
Payment of lease liabilities	(11,457)	-	-
Finance costs	(2,648)	(1,936)	(4,445)
Net cash from/ (used in) financing activities (C)	<b>42,657</b>	<b>(36,886)</b>	<b>(44,183)</b>
Net decrease in cash and cash equivalents during the year (A+B+C)	<b>(25,602)</b>	<b>(22,755)</b>	<b>(10,412)</b>
Cash and cash equivalents (opening balance)	36,405	46,644	46,644
Add: Unrealised exchange gain	34	130	173
Cash and cash equivalents (closing balance)	<b>10,837</b>	<b>24,019</b>	<b>36,405</b>
<b>Debt reconciliation statement in accordance with Ind AS 7</b>			
Current borrowings			
Opening balance	-	-	-
(Repayment) of / proceeds from borrowings, net	110,244	4,958	-
Closing balance	110,244	4,958	-



A.



# TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

SEGMENT INFORMATION (Refer note 6)

₹ in lakhs

Particulars	3 months ended			6 months ended		Year ended
	30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
<b>Segment revenues and profit and loss</b>						
a) Sales / Income from segments						
Watches	71,874	71,459	67,570	143,333	126,922	244,093
Jewellery	352,777	404,744	358,208	757,521	715,374	1,602,958
Eyewear	15,422	14,878	12,000	30,300	25,157	51,141
Others	4,397	3,628	3,301	8,025	5,931	13,343
Corporate (unallocated)	2,098	4,855	2,283	6,953	5,430	13,312
<b>Total</b>	<b>446,568</b>	<b>499,564</b>	<b>443,362</b>	<b>946,132</b>	<b>878,814</b>	<b>1,924,847</b>
b) Profit / (Loss) from segments before finance costs and taxes						
Watches	11,335	12,766	12,176	24,101	23,308	31,638
Jewellery	38,413	44,201	39,198	82,614	78,536	194,800
Eyewear	199	(1,143)	(100)	(944)	74	(238)
Others	(982)	(1,853)	(1,650)	(2,835)	(2,961)	(5,811)
Corporate (unallocated)	(1,948)	1,344	(3,982)	(604)	(3,734)	(23,207)
	<b>47,017</b>	<b>55,315</b>	<b>45,642</b>	<b>102,332</b>	<b>95,223</b>	<b>197,182</b>
Finance costs	4,075	3,030	1,053	7,105	1,936	4,445
<b>Profit before taxes</b>	<b>42,942</b>	<b>52,285</b>	<b>44,589</b>	<b>95,227</b>	<b>93,287</b>	<b>192,737</b>
c) Segment assets and liabilities						
Segment assets						
Watches	213,015	181,664	162,028	213,015	162,028	150,204
Jewellery	923,604	709,646	674,798	923,604	674,798	674,225
Eyewear	49,012	50,058	32,205	49,012	32,205	39,447
Others	18,964	14,973	6,509	18,964	6,509	10,656
Corporate(Unallocated)	205,769	374,213	224,930	205,769	224,930	272,450
<b>Total</b>	<b>1,410,364</b>	<b>1,330,554</b>	<b>1,100,470</b>	<b>1,410,364</b>	<b>1,100,470</b>	<b>1,146,982</b>
Segment liabilities						
Watches	79,380	72,025	47,548	79,380	47,548	45,348
Jewellery	554,113	573,830	473,957	554,113	473,957	457,048
Eyewear	23,605	25,492	9,361	23,605	9,361	12,705
Others	8,300	6,386	3,110	8,300	3,110	2,514
Corporate(Unallocated)	122,747	16,029	14,684	122,747	14,684	11,195
<b>Total</b>	<b>788,145</b>	<b>693,762</b>	<b>548,660</b>	<b>788,145</b>	<b>548,660</b>	<b>528,810</b>





# TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

## Notes:

- 1 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.
- 2 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 ₹ 234 lakhs and ₹ 384 lakhs for the quarter ended 30 June 2019 and 30 September 2019 respectively and ₹ 618 lakhs for the six months ended 30 September 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".
- 3 During the quarter, 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 six months ended 30 September 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.
- 4 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)
Corporate (Unallocated)	(16,207)
	204,182

- 5 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 six months ended 30 September 2018 and year ended 31 March 2019.
- 6 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.
- 7 The statutory auditors have carried out limited review of the unaudited financial results for the quarter and six months ended 30 September 2019 and have issued an unmodified review report.
- 8 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 (₹ 2,900 lakhs for the quarter and six months ended 30 September 2018). The provision currently reflects the exposure that may arise given the uncertainty. The Company, however, continues to monitor developments in this matter and is committed to take steps including legal actions that may be necessary to ensure full recoverability.
- 9 The unaudited financial results of the Company for the quarter and six months ended 30 September 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting on 5 November 2019.

Place: Bengaluru  
Date: 5 November 2019

for and on behalf of the Board of Directors



C K Venkataraman  
Managing Director





# B S R & Co. LLP

Chartered Accountants

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Pebble Beach, B Block, 3rd Floor  
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Bengaluru 560 071 India

Telephone +91 80 4682 3000  
Fax +91 80 4682 3999

## 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 30 September 2019 and year to date results for the period from 1 April 2019 to 30 September 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

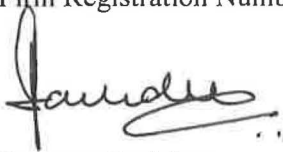
**Limited Review Report on unaudited quarterly consolidated financial results and consolidated year-to-date results of Titan Company Limited under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

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: 19205385AAAAAX6393

Place: Bengaluru

Date: 5 November 2019

**Annexure I to the Limited Review Report**

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

<b>Entity</b>	<b>Relationship</b>
Titan Engineering & Automation Limited	Subsidiary
Carat Lane Trading Private Limited	Subsidiary
Favre Leuba AG, Switzerland	Subsidiary
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

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

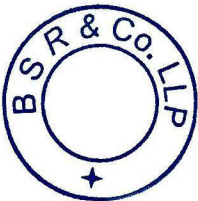
## STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

PART I

₹ in lakhs

Particulars	3 months ended			6 months ended		Year ended
	30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
I. Revenue from operations (Refer note 6)						
- Sale of products/ services	460,071	509,510	452,218	969,581	892,875	1,959,206
- Other operating revenues	6,088	5,599	4,505	11,687	8,951	18,646
II. Other income	3,175	5,708	2,790	8,883	6,403	18,294
<b>III. Total income (I +II)</b>	<b>469,334</b>	<b>520,817</b>	<b>459,513</b>	<b>990,151</b>	<b>908,229</b>	<b>1,996,146</b>
IV. Expenses:						
Cost of materials and components consumed	399,055	315,958	351,004	715,013	569,805	1,223,063
Purchase of stock-in-trade	93,032	65,290	85,538	158,322	144,631	294,003
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(164,602)	(7,208)	(109,622)	(171,810)	(64,185)	(77,641)
Employee benefits expense	30,512	28,283	24,428	58,795	48,360	101,927
Finance costs	4,486	3,385	1,349	7,871	2,438	5,254
Depreciation and amortisation expense	8,220	7,595	4,279	15,815	8,353	16,284
Advertising	14,280	15,183	14,933	29,463	30,477	59,920
Other expenses	41,652	40,261	43,550	81,913	77,559	177,431
<b>IV. Total expenses</b>	<b>426,635</b>	<b>468,747</b>	<b>415,459</b>	<b>895,382</b>	<b>817,438</b>	<b>1,800,241</b>
V. Profit before share of profit/(loss) of an associate and a joint venture and exceptional item and tax (III - IV)	42,699	52,070	44,054	94,769	90,791	195,905
VI. Share of profit/ (loss) of:						
- Associate	39	17	38	56	27	7
- Joint Venture	(300)	(109)	(208)	(409)	(244)	(223)
VII. Profit before exceptional item and tax (V - VI)	42,438	51,978	43,884	94,416	90,574	195,689
VIII. Exceptional item	-	-	-	-	-	-
IX. Profit before tax (VII - VIII)	42,438	51,978	43,884	94,416	90,574	195,689
X. Tax expense:						
Current tax	9,534	15,108	13,790	24,642	27,297	61,750
Deferred tax	1,739	496	(17)	2,235	351	(4,926)
<b>X. Total tax</b>	<b>11,273</b>	<b>15,604</b>	<b>13,773</b>	<b>26,877</b>	<b>27,648</b>	<b>56,824</b>
XI. Profit for the year (IX-X)	31,165	36,374	30,111	67,539	62,926	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	(3,908)	(647)	(298)	(4,555)	(1,808)	(2,857)
- Income-tax on (i) above	921	184	86	1,105	507	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	13,178	(11,105)	825	2,073	10,275	4,498
- Exchange differences in translating the financial statements of foreign operations	91	99	350	190	397	(5)
- income-tax on (ii) above	(3,616)	3,197	(219)	(419)	(2,877)	(1,230)
<b>XII. Total other comprehensive income</b>	<b>6,666</b>	<b>(8,272)</b>	<b>744</b>	<b>(1,606)</b>	<b>6,494</b>	<b>1,242</b>
XIII. Total comprehensive income (XI+XII)	37,831	28,102	30,855	65,933	69,420	140,107
Profit for the period attributable to:						
- Owners of the Company	30,279	36,619	30,591	66,898	63,737	140,415
- Non-controlling interest	886	(245)	(480)	641	(811)	(1,550)
Other comprehensive income for the period attributable to:						
- Owners of the Company	6,688	(8,272)	744	(1,584)	6,494	1,259
- Non-controlling interest	(22)	-	(22)	(22)	-	(17)
Total comprehensive income for the period attributable to:						
- Owners of the Company	36,967	28,347	31,335	65,314	70,231	141,674
- Non-controlling interest	864	(245)	(480)	619	(811)	(1,567)
	37,831	28,102	30,855	65,933	69,420	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 net profit for the period (XI)) Basic and diluted (not annualised)	3.41	4.12	3.45	7.53	7.18	15.82

See accompanying notes to the unaudited consolidated financial results



# TITAN COMPANY LIMITED

CIN : L74999T21984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

BALANCE SHEET

₹ in lakhs

Particulars	As at 30-09-2019 (Unaudited)	As at 31-03-2019 (Audited)
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	125,030	118,231
(b) Capital work-in-progress	3,252	2,895
(c) Right-of-use asset	82,974	-
(d) Investment property	2,402	2,402
(e) Goodwill	12,301	12,301
(f) Other intangible assets	24,767	23,729
(g) Intangible assets under development	775	282
<b>(h) Financial assets</b>		
(i) Investments	4,342	3,920
(ii) Loans receivable	15,128	12,913
(iii) Other financial assets	14,564	812
(i) Deferred tax asset (net)	10,327	7,418
(j) Income tax assets (net)	24,256	12,171
(k) Other non-current assets	10,318	15,721
	<b>330,436</b>	<b>212,795</b>
<b>(2) Current assets</b>		
(a) Inventories	910,624	703,882
<b>(b) Financial assets</b>		
(i) Investments	-	6,922
(ii) Trade receivables	54,818	42,045
(iii) Cash and cash equivalents	11,635	42,953
(iv) Bank balances other than (iii) above	29,832	63,695
(v) Loans receivable	9,455	24,660
(vi) Other financial assets	16,984	9,898
(c) Other current assets	79,880	64,675
	<b>1,113,228</b>	<b>958,730</b>
<b>TOTAL ASSETS</b>	<b>1,443,664</b>	<b>1,171,525</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	8,878	8,878
(b) Other equity	597,809	598,137
Equity attributable to the equity holders of the Company	606,687	607,015
Non-controlling interest	676	1,408
	<b>607,363</b>	<b>608,423</b>
<b>Liabilities</b>		
<b>(1) Non-current liabilities</b>		
<b>(a) Financial liabilities</b>		
(i) Borrowings	2,750	3,167
(ii) Lease liability	97,592	-
(iii) Other financial liabilities	197	133
(b) Provisions	15,835	13,068
(c) Deferred tax liability (net)	627	541
	<b>117,001</b>	<b>16,909</b>
<b>(2) Current liabilities</b>		
<b>(a) Financial liabilities</b>		
(i) Borrowings	116,669	8
(ii) Gold on loan	247,580	235,290
(iii) Lease liability	15,954	-
(iv) Trade payables		
- Total outstanding dues of micro and small enterprises	11,447	1,573
- Total outstanding dues of creditors other than micro and small enterprises	89,531	89,025
(iv) Other financial liabilities	17,386	23,843
(b) Other current liabilities	211,108	188,950
(c) Provisions	8,774	6,534
(d) Current tax liabilities (net)	851	970
	<b>719,300</b>	<b>546,193</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,443,664</b>	<b>1,171,525</b>



# TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF CONSOLIDATED UNAUDITED CASH FLOWS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

₹ in lakhs

Particulars	6 months ended		Year ended
	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
<b>A. Cash flow from operating activities</b>			
Net profit before tax	94,416	90,573	195,689
Adjustments for :			
- Depreciation and amortisation expense	15,815	8,353	16,284
- Net unrealised exchange gain	(163)	(533)	(144)
- Share of profit/(loss) of the associate and joint venture	353	217	216
- Employee stock compensation expense	9	9	107
- Loss on sale/ disposal/ scrapping of property, plant and equipment (net)	78	273	446
- Provision for doubtful trade receivables (net) and bad trade receivables written off	14	54	729
- Interest income	(5,691)	(4,504)	(10,369)
- Gain on investments carried at fair value through profit and loss	(2,946)	(1,657)	(4,459)
- Impairment of investment in inter-corporate deposits	-	2,900	14,500
- Finance costs	7,871	2,438	5,254
<b>Operating profit before working capital changes</b>	<b>109,756</b>	<b>98,123</b>	<b>218,253</b>
Adjustments for :			
- (increase)/ decrease in trade receivables	(12,636)	(19,924)	(13,908)
- (increase)/ decrease in inventories	(206,636)	(95,913)	(111,986)
- (increase)/ decrease in financial assets-loans receivable	(2,010)	(197)	(2,351)
- (increase)/ decrease in other financial assets	(6,928)	(11,188)	(1,153)
- (increase)/ decrease in other assets	(11,419)	(20,079)	(27,621)
- (increase)/ decrease in other bank balances	(98)	(221)	(390)
- increase/ (decrease) in gold on loan	12,290	85,059	74,088
- increase/ (decrease) in trade payables	10,426	15,580	3,232
- increase/ (decrease) in other financial liabilities	(5,375)	1,834	2,093
- increase/ (decrease) in other liabilities	22,158	35,121	44,642
- increase/ (decrease) in provisions	452	1,285	2,997
<b>Cash (used in)/ generated from operating activities before taxes</b>	<b>(90,020)</b>	<b>89,480</b>	<b>187,896</b>
- Direct taxes paid	(34,032)	(26,789)	(63,604)
<b>Net cash (used in)/generated from operating activities</b>	<b>(124,052)</b>	<b>62,691</b>	<b>124,292</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment, intangible assets and investment property	(16,901)	(11,939)	(26,472)
Proceeds from sale of property, plant and equipment	96	-	137
Inter-corporate deposits placed	(5,000)	(71,000)	(91,000)
Proceeds from inter-corporate deposits	20,000	34,500	79,500
Bank deposits matured/placed, net	33,961	(7,203)	(48,719)
Purchase/sale of investments, net	9,094	1,232	(3,587)
Investment in subsidiary through share purchase from Non-controlling owners	(3,100)	-	-
Proceeds from sale of investment in subsidiaries net of related expenses and cash	-	1,821	1,821
Lease payments received from sub-leases	1,728	-	-
Interest received	5,145	4,027	8,486
<b>Net cash from/ (used in) investing activities</b>	<b>45,023</b>	<b>(48,562)</b>	<b>(79,834)</b>
<b>C. Cash flow from financing activities</b>			
Borrowings taken/ (repayment), net	116,411	6,125	(3,891)
Dividends paid including dividend distribution tax	(53,482)	(39,908)	(39,738)
Payment of lease liabilities	(12,174)	-	-
Finance costs	(3,076)	(2,438)	(5,254)
<b>Net cash from/(used in) financing activities</b>	<b>47,679</b>	<b>(36,221)</b>	<b>(48,883)</b>
<b>Net cash (used in)/generated during the year (A+B+C)</b>	<b>(31,350)</b>	<b>(22,092)</b>	<b>(4,425)</b>
Cash and cash equivalents (opening balance)	42,953	47,205	47,205
Add: Unrealised exchange gain	32	140	173
Cash and cash equivalents (closing balance)	<b>11,635</b>	<b>25,253</b>	<b>42,953</b>
<b>Debt reconciliation statement in accordance with Ind AS 7</b>			
<b>Current borrowings</b>			
Opening balance	8	7,899	7,899
(Repayment) of / proceeds from borrowings	2,742	6,125	(7,891)
Closing balance	2,750	14,024	8
<b>Non current borrowings and current maturities of long term borrowings</b>			
Opening balance	4,000	-	-
Proceeds from borrowings	113,669	-	4,000
Closing balance	117,669	-	4,000





# TITAN COMPANY LIMITED

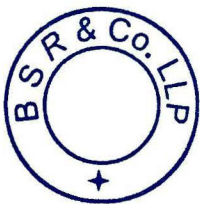
CIN : L74999TZ1984PLC001456  
3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2019

SEGMENT INFORMATION (Refer note 7)

₹ in lakhs

Particulars	3 months ended			6 months ended		Year ended
	30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
Segment revenues and profit and loss						
a) Sales / Income from segments						
Watches	72,013	71,611	67,884	143,624	127,510	244,749
Jewellery	364,997	416,410	364,507	781,407	728,766	1,639,006
Eyewear	15,422	14,878	12,000	30,300	25,157	50,879
Others	14,804	13,063	12,839	27,867	21,366	48,335
Corporate (unallocated)	2,098	4,855	2,283	6,953	5,430	13,177
<b>Total</b>	<b>469,334</b>	<b>520,817</b>	<b>459,513</b>	<b>990,151</b>	<b>908,229</b>	<b>1,996,146</b>
b) Profit / (Loss) from segments before finance costs and taxes						
Watches	10,369	11,915	11,146	22,284	21,101	26,675
Jewellery	37,941	43,697	37,837	81,638	76,253	190,804
Eyewear	199	(1,143)	50	(944)	224	(238)
Others	624	(358)	350	266	(615)	125
Corporate (unallocated)	(2,209)	1,252	(4,150)	(957)	(3,951)	(16,423)
	46,924	55,363	45,233	102,287	93,012	200,943
Finance costs	4,486	3,385	1,349	7,871	2,438	5,254
<b>Profit before taxes including share from Associate and Joint Venture.</b>	<b>42,438</b>	<b>51,978</b>	<b>43,884</b>	<b>94,416</b>	<b>90,574</b>	<b>195,689</b>
c) Segment assets and liabilities						
Segment assets						
Watches	219,515	188,219	168,923	219,515	168,923	155,956
Jewellery	988,060	771,418	718,344	988,060	718,344	731,507
Eyewear	49,012	50,058	32,205	49,012	32,205	39,447
Others	65,250	59,226	44,482	65,250	44,482	50,226
Corporate(Unallocated)	121,827	294,676	152,407	121,827	152,407	194,389
<b>Total</b>	<b>1,443,664</b>	<b>1,363,597</b>	<b>1,116,361</b>	<b>1,443,664</b>	<b>1,116,361</b>	<b>1,171,525</b>
Segment liabilities						
Watches	80,444	73,253	49,160	80,444	49,160	46,462
Jewellery	585,913	601,976	490,645	585,913	490,645	479,574
Eyewear	23,605	25,492	9,361	23,605	9,361	12,705
Others	23,592	20,615	14,875	23,592	14,875	13,166
Corporate(Unallocated)	122,747	16,029	14,684	122,747	14,684	11,195
<b>Total</b>	<b>836,301</b>	<b>737,365</b>	<b>578,725</b>	<b>836,301</b>	<b>578,725</b>	<b>563,102</b>





# TITAN COMPANY LIMITED

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

## Notes:

1 Unaudited standalone financial results for the quarter and six months ended 30 September 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			6 months ended		Year ended
	30-09-2019 (Unaudited)	30-06-2019 (Unaudited)	30-09-2018 (Unaudited)	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)	31-03-2019 (Audited)
Revenue from operations	443,500	493,966	440,684	937,466	872,569	1,906,997
Profit before tax	42,942	52,285	44,589	95,227	93,287	192,737
Net profit for the period (after tax)	32,016	37,073	31,438	69,089	66,355	137,436
Total comprehensive income	38,947	28,702	31,850	67,649	72,546	138,909

₹ in lakhs

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. For the quarter ended 30 June 2019, the implementation of Ind AS 116 resulted in lower Profit before tax by ₹ 244 lakhs and ₹ 426 lakhs for the quarter ended 30 June 2019 and 30 September 2019 respectively and ₹ 670 lakhs for the six months ended 30 September 2019 on account of higher interest cost and depreciation which was offset by reduction in rent expense. 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".

4 The unaudited consolidated financial results includes results of:

### Subsidiaries

Carat Lane Trading Private Limited  
Titan Engineering & Automation Limited  
Favre Leuba A G, Switzerland  
Titan TimeProducts Limited (till 18 June 2018)  
Titan Watch Company Limited, Hong Kong  
(100% 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, the 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 Company has recognised provision for income tax for the six months ended 30 September 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 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 six months ended 30 September 2018 and year ended 31 March 2019.

7 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).

8 The statutory auditors have carried out limited review of the unaudited consolidated financial results for the quarter and six months ended 30 September 2019 and have issued an unmodified review report.

9 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 (₹ 2,900 lakhs for the quarter and six months ended 30 September 2018). The provision currently reflects the exposure that may arise given the uncertainty. The Group, however, continues to monitor developments in this matter and is committed to take steps including legal actions that may be necessary to ensure full recoverability.

10 The unaudited consolidated financial results of the Group for the quarter and six months ended 30 September 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting on 5 November 2019.

Place: Bengaluru  
Date: 5 November 2019



for and on behalf of the Board of Directors

C K Venkataraman  
Managing Director

