

TITAN INDUSTRIES LIMITED

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.
UNAUDITED FINANCIAL RESULTS (STAND-ALONE) FOR THE PERIOD ENDED 31 DECEMBER 2009

(Rs. in lakhs)

	Quarter ended 31-12-2009 (Unaudited)	Quarter ended 31-12-2008 (Unaudited)	Nine months ended 31-12-2009 (Unaudited)	Nine months ended 31-12-2008 (Unaudited)	Year ended 31-3-2009 (Audited)
Sales / Income from operations	133,977	103,488	338,478	295,879	384,772
Less : Excise Duty	617	1,107	2,158	3,614	4,434
Net sales / Income from operations	133,360	102,381	336,320	292,265	380,338
Other operating income	21	22	41	59	90
Expenditure					
Decrease / (increase) in stock in trade and work in progress (refer note 2)	6,351	1,142	(10,303)	(21,874)	(17,867)
Consumption of raw materials	85,223	64,845	228,618	208,573	259,129
Purchase of traded goods	10,121	12,247	28,254	28,425	34,957
Employee cost	6,788	7,570	19,470	18,335	23,340
Advertising	6,047	4,969	15,650	14,450	18,136
Depreciation / Amortisation	911	789	2,697	2,348	4,176
Other expenditure	8,105	5,697	25,166	20,229	32,994
Total expenditure	123,546	97,259	309,552	270,486	354,865
Profit from operations before other income and interest	9,835	5,144	26,809	21,838	25,563
Other income	283	115	680	315	436
Profit before interest	10,118	5,259	27,489	22,153	25,999
Interest (refer note 4)	290	1,158	1,552	2,193	2,943
Profit before taxes	9,828	4,101	25,937	19,960	23,056
Income taxes - Current	2,215	1,536	6,322	4,942	6,300
- Deferred	(222)	109	(584)	281	(653)
- Fringe Benefit	-	104	-	336	421
Profit after taxes	7,835	2,352	20,199	14,401	16,988
Less: Income tax of earlier years	292	1,092	292	1,092	1,092
Net Profit	7,543	1,260	19,907	13,309	15,896
Paid-up equity share capital (face value: Rs.10 per share)	4,439	4,439	4,439	4,439	4,439
Reserves excluding revaluation reserves					50,685
Basic and diluted earnings per equity share (Rs.) (Not annualised)	16.99	2.84	44.84	29.98	35.81
Aggregate of Public shareholding					
- Number of shares	20,838,912	20,838,912	20,838,912	20,838,912	20,838,912
- Percentage of shareholding	46.9%	46.9%	46.9%	46.9%	46.9%
Promoters and Promoter group shareholding					
a) Pledged / Encumbered					
- Number of shares	-	-	-	-	-
- % of shares (as a % of the total shareholding of the Promoter and Promoter group)	-	-	-	-	-
- % of shares (as a % of the total share capital of the Company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	23,550,396	23,550,396	23,550,396	23,550,396	23,550,396
- % of shares (as a % of the total shareholding of the Promoter and Promoter group)	100.0%	100.0%	100.0%	100.0%	100.0%
- % of shares (as a % of the total share capital of the Company)	53.1%	53.1%	53.1%	53.1%	53.1%
Segment Results					
Net sales / Income from segments					
Watches	24,094	19,311	74,503	66,845	90,849
Jewellery	105,452	78,869	251,269	215,659	276,320
Others	4,025	4,318	11,042	10,081	13,629
Corporate(Unallocated)	93	20	227	54	66
Total	133,664	102,518	337,041	292,639	380,864
Profit / (Loss) from segments before interest and taxes					
Watches	3,539	1,446	12,300	9,192	13,786
Jewellery	7,418	5,062	18,333	15,376	16,440
Others	(605)	(690)	(2,598)	(1,402)	(2,411)
Total	10,352	5,818	28,035	23,166	27,815
Less : Interest	290	1,158	1,552	2,193	2,943
Unallocable expenditure net of unallocable income	234	559	546	1,013	1,816
Profit before taxes	9,828	4,101	25,937	19,960	23,056
Capital Employed					
Watches	32,096	38,816	32,096	38,816	35,969
Jewellery	24,850	25,163	24,850	25,163	33,643
Others	8,779	9,471	8,779	9,471	9,059
Corporate(Unallocated)	12,791	284	12,791	284	(4,188)
Total	78,516	73,734	78,516	73,734	74,483

1. With effect from 1 April 2009, the Company has adopted the principles of hedge and derivative accounting as set out in Accounting Standard 30, "Financial Instruments : Recognition and Measurement" issued by the Institute of Chartered Accountants of India. However, this change in accounting has not resulted in any change in the profit before tax for the quarter ended and the nine months ended 31 December 2009.

2. Consequent to the adoption of hedge accounting for gold, for a more accurate reflection of the operational performance and appropriate presentation of the financial statements, the Company has adopted First-in-First-Out (FIFO) method of valuing gold inventory from 1 April 2009 as against weighted average method adopted up to 31 March 2009. This change has resulted in a lower profit before taxes of Rs.230 lakhs during the quarter ended 31 December 2009 and higher profit of Rs.296.2 lakhs for the nine months ended 31 December 2009.

3. Pursuant to the Scheme of Amalgamation of Samrat Holdings Ltd., Questar Investments Ltd., and Titan Holdings Ltd. (wholly owned subsidiaries of the Company) with the Company as sanctioned by the High Court of Bombay and Karnataka, and which came into effect on 30 March 2009, all assets and liabilities have been transferred to and vested in the Company retrospectively with effect from 1 April 2007. Accordingly, the figures for the quarter ended 31 December 2008 and nine months ended 31 December 2008 have been appropriately recast to give effect to the Scheme of Amalgamation and to incorporate therein the profitability of the merged entities for the period.

4. Interest expense for the quarter ended 31 December 2008 and the nine months ended 31 December 2008 include an amount of Rs. 666 lakhs relating to interest on income tax of earlier years.

5. During the quarter ended 31 December 2008, due to reduction in the discount rate for actuarial valuation of Gratuity and Leave salary, there was an additional charge of Rs.1278 lakhs to Employee cost.

6. The Company's primary segments consist of Watches, Jewellery and Others, where the 'Others' include Eye wear, Precision Engineering, Machine Building and Clocks.

7. The figures of the previous period have been regrouped/recast, where necessary.

8. There were 4 investor complaints pending at the beginning of the quarter. 9 complaints were received and 13 were resolved during the quarter and there were thus no complaints lying unresolved at the end of the quarter.

9. The Auditors have carried out a limited review of the financial results for the quarter ended on 31 December 2009, as required by the Listing Agreement.

10. The financial results were reviewed by the Board Audit Committee and were approved by the Board of Directors at their meeting on 29 January 2010.

For and on behalf of the Board of Directors
BHASKAR BHAT
Managing Director

Chennai, 29 January 2010