TITAN INDUSTRIES LIMITED

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2010

(Rs. in lakhs)

	Year ended 31-3-2010 (Audited)	Year ended 31-3-2009 (Audited)	**Consolidated Year ended 31-3-2010 (Audited)**	Consolidated Year ended 31-3-2009 (Audited)
Sales / Income from operations	**470,312**	384,772	**470,690**	387,866
Less : Excise Duty	**2,870**	4,434	**2,974**	4,602
Net sales / Income from operations	**467,442**	380,338	**467,716**	383,264
Other operating income	**58**	90	**72**	91
Expenditure				
Decrease / (increase) in stock in trade and work in progress (refer note 2)	**(11,166)**	(17,867)	**(11,512)**	(15,751)
Consumption of raw materials	**314,890**	259,129	**314,592**	258,645
Purchase of traded goods	**41,215**	34,957	**41,215**	34,957
Employee cost	**27,449**	23,340	**27,785**	23,645
Advertising	**21,115**	18,136	**21,115**	18,136
Depreciation / Amortisation (refer note 3)	**6,008**	4,176	**6,069**	4,235
Other expenditure	**34,443**	32,994	**34,924**	33,243
Total expenditure	**433,954**	354,865	**434,188**	357,110
Profit from operations before other income and interest	**33,546**	25,563	**33,600**	26,245
Other income	**1,128**	436	**1,201**	440
Profit before interest	**34,674**	25,999	**34,801**	26,685
Interest	**2,542**	2,943	**2,540**	2,879
Profit before taxes	**32,132**	23,056	**32,261**	23,806
Income taxes - Current	**8,150**	6,300	**8,176**	6,549
- Deferred	**(1,342)**	(653)	**(1,337)**	(651)
- Fringe Benefit	**-**	421	**-**	424
Profit after taxes	**25,324**	16,988	**25,422**	17,484
Less: Income tax of earlier years	**292**	1,092	**292**	1,092
Net Profit	**25,032**	15,896	**25,130**	16,392
Paid-up equity share capital (face value: Rs.10 per share)	**4,439**	4,439	**4,439**	4,439
Paid-up Debt Capital (6.75% non convertible debentures of Rs.250 each)	**5,283**			
Reserves excluding revaluation reserves	**67,999**	50,685	**68,752**	51,348
Debenture Redemption Reserve	**2,069**			
Basic and diluted earnings per equity share (Rs.)	**56.39**	35.81	**56.61**	36.93
Debt Equity Ratio	**0.10**			
Debt Service Coverage Ratio	**5.64**			
Interest Service Coverage Ratio	**13.64**			
Aggregate of Public shareholding				
- Number of shares	**20,809,943**	20,838,912	**20,809,943**	20,838,912
- Percentage of shareholding	**46.9%**	46.9%	**46.9%**	46.9%
Promotors and Promotor group shareholding				
a) Pledged / Encumbered				
- Number of shares	**-**	-	**-**	-
- % of shares (as a % of the total shareholding of the group)	**-**	-	**-**	-
- % of shares (as a % of the total share capital of the Company)	**-**	-	**-**	-
b) Non-encumbered				
- Number of shares	**23,579,365**	23,550,396	**23,579,365**	23,550,396
- % of shares (as a % of the total shareholding of the group)	**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%
Segment Results				
Net sales / Income from segments				
Watches	**102,678**	90,849	**102,966**	91,086
Jewellery	**350,419**	276,320	**350,419**	276,320
Others	**15,176**	13,629	**15,176**	13,629
Corporate(Unallocated)	**355**	66	**428**	2,760
Total	**468,628**	380,864	**468,989**	383,795
Profit / (Loss) from segments before interest and taxes				
Watches	**14,473**	13,786	**14,529**	13,922
Jewellery	**25,468**	16,440	**25,468**	16,440
Others	**(3,889)**	(2,411)	**(3,889)**	(2,411)
Total	**36,052**	27,815	**36,108**	27,951
Less : Interest	**2,542**	2,943	**2,540**	2,879
Unallocable expenditure net of unallocable income	**1,378**	1,816	**1,307**	1,266
Profit before taxes	**32,132**	23,056	**32,261**	23,806
Capital Employed				
Watches	**22,709**	35,969	**23,393**	36,572
Jewellery	**37,180**	33,643	**37,180**	33,643
Others	**7,802**	9,059	**7,802**	9,059
Corporate(Unallocated)	**12,502**	(4,188)	**12,650**	(4,959)
Total	**80,193**	74,483	**81,025**	74,315

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. Consequent to this change in accounting the impact on profit before tax for the year ended 31 March 2010 is nil and reserves and surplus is higher by Rs.46 lakhs.

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 from 1 April 2009 as against weighted average method adopted up to 31 March 2009. This change has resulted in a higher profit before taxes of Rs.1341 lakhs for the year ended 31 March 2010.

3. During the year, the Company has reviewed the expected pattern of economic benefits from the use of trademarks. Consequent to this review, a further amount of Rs.2404 lakhs has been amortised.

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

5. The Directors have recommended a dividend of 150%, viz. Rs.15 per share (previous year : 100%).

6. The Debt Equity ratio, Debt Service Coverage and Interest Service Coverage ratios have been calculated as under
   Debt Equity Ratio = Total Debt / (Total Equity + Reserves - Intangible Assets)
   Debt Service Coverage Ratio = Profit before Interest and Tax / (Interest Expense + Principal Repayment)
   Interest Service Coverage Ratio = Profit before Interest and Tax / Interest Expense

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

8. There were no investor complaints pending at the beginning of the quarter. 1 complaint was received during the quarter which is lying unresolved at the end of the quarter.

9. The above statement of Financial results for the year ended 31 March 2010 of the Company, and the Consolidated Financial results of the Company with its subsidiaries prepared as per the Accounting Standards AS-21 were approved by the Board of Directors at their meeting held on 30th April 2010.

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

Mumbai, 30 April 2010