



SEC 25/2014

1st August 2014

National Stock Exchange of India Ltd
Exchange Plaza,
Bandra-Kurla Complex,
Bandra East,
MUMBAI -400 051

By Courier

Kind Attn: Manager - Listing

Dear Sir,

Sub: Unaudited Financial Results (stand alone) for the first quarter ended 30th June 2014

At the Board Meeting of the Company held today, the Unaudited Financial Results (stand alone) for the first quarter ended 30th June 2014 was considered and approved.

A copy of the financial result is enclosed.

The Statutory Auditor of the Company, Deloitte Haskins & Sells have carried out a Limited Review for the quarter ended 30th June 2014 and a copy thereof is annexed therewith.

The above information is being furnished pursuant to Clause 41 of the Listing Agreement.

Thank you,

Yours faithfully,
For TITAN COMPANY LIMITED

A R Rajaram
Head - Legal & Company Secretary
Encl. As stated

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF TITAN COMPANY LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **TITAN COMPANY LIMITED** ("the Company") for the quarter ended 30 June 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/ encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter ended 30 June 2014 of the Statement, from the details furnished by the Management/Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.008072S)



V. Srikumar
Partner
(Membership No. 84494)



TITAN COMPANY LIMITED

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

CIN : L74999TZ1984PLC001456

UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2014

| | Rupees lakhs | | | |
|---|---|--|---|---|
| | Quarter ended 30-06-2014 (Unaudited) | Quarter ended 31-03-2014 (Audited) (Refer note 5 below) | Quarter ended 30-06-2013 (Unaudited) | Year ended 31-3-2014 (Audited) |
| PART I | | | | |
| Statement of Standalone Unaudited/Audited Results | | | | |
| 1 Income from operations | | | | |
| (a) Net sales / Income from operations (Net of excise duty) | 285,366 | 278,681 | 308,779 | 1,081,508 |
| (b) Other operating income | 3,778 | 1,657 | 1,988 | 10,071 |
| Total income from operations (Net) | 289,144 | 280,338 | 310,767 | 1,091,579 |
| 2 Expenses | | | | |
| (a) Cost of materials consumed | 181,045 | 164,630 | 178,956 | 655,878 |
| (b) Purchase of stock-in-trade | 30,795 | 23,360 | 48,473 | 159,142 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 4,084 | 17,861 | 14,692 | (9,957) |
| (d) Employee benefits expense | 14,619 | 13,076 | 13,057 | 53,449 |
| (e) Advertising | 9,925 | 8,737 | 10,467 | 40,443 |
| (f) Depreciation and amortisation expense | 2,434 | 2,043 | 1,461 | 6,559 |
| (g) Other expenses | 21,238 | 23,016 | 20,629 | 87,780 |
| Total expenses | 264,140 | 252,723 | 287,735 | 993,294 |
| 3 Profit from operations before other income and finance costs | 25,004 | 27,615 | 23,032 | 98,285 |
| 4 Other income | 2,540 | 2,550 | 3,824 | 12,019 |
| 5 Profit before finance costs | 27,544 | 30,165 | 26,856 | 110,304 |
| 6 Finance costs | 3,497 | 2,274 | 1,703 | 8,711 |
| 7 Profit before taxes | 24,047 | 27,891 | 25,153 | 101,593 |
| 8 Tax expense | | | | |
| - Current | 6,613 | 5,663 | 7,043 | 26,300 |
| - Deferred | (293) | 274 | (138) | (131) |
| - Taxes of earlier years | - | 1,310 | - | 1,310 |
| 9 Profit after taxes | 17,727 | 20,644 | 18,248 | 74,114 |
| 10 Paid-up equity share capital (face value: Re.1 per share) | 8,878 | 8,878 | 8,878 | 8,878 |
| 11 Reserves excluding revaluation reserves as per balance sheet of previous accounting year | | | | 243,518 |
| 12 Basic and diluted earnings per equity share (Rs.) (Not annualised) | 2.00 | 2.33 | 2.06 | 8.35 |

See accompanying note to the financial results

PART II

Select information for the quarter ended 30 June 2014

A PARTICULARS OF SHAREHOLDING

| | | | | |
|---|-------------|-------------|-------------|-------------|
| 1 Public shareholding | | | | |
| - Number of shares | 416,778,240 | 416,778,240 | 416,778,240 | 416,778,240 |
| - Percentage of shareholding | 46.9% | 46.9% | 46.9% | 46.9% |
| 2 Promoters and Promoter group shareholding | | | | |
| a) Pledged / Encumbered | | | | |
| - Number of shares | 2,559,589 | 2,559,589 | 2,559,589 | 2,559,589 |
| - % of shares (as a % of the total shareholding of promoter and promoter group) | 0.5% | 0.5% | 0.5% | 0.5% |
| - % of shares (as a % of the total share capital of the Company) | 0.3% | 0.3% | 0.3% | 0.3% |
| b) Non-encumbered | | | | |
| - Number of shares | 468,448,331 | 468,448,331 | 468,448,331 | 468,448,331 |
| - % of shares (as a % of the total shareholding of promoter and promoter group) | 99.5% | 99.5% | 99.5% | 99.5% |
| - % of shares (as a % of the total share capital of the Company) | 52.8% | 52.8% | 52.8% | 52.8% |

| Particulars | Quarter ended 30-06-2014 |
|--|-----------------------------|
| B INVESTOR COMPLAINTS | |
| Pending at the beginning of the quarter | 1 |
| Received during the quarter | 3 |
| Disposed of during the quarter | 3 |
| Remaining unresolved at the end of the quarter | 1 |





TITAN COMPANY LIMITED

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

UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2014

Rupees lakhs

| | Quarter ended 30-06-2014 (Unaudited) | Quarter ended 31-03-2014 (Audited) (Refer note 5 below) | Quarter ended 30-06-2013 (Unaudited) | Year ended 31-3-2014 (Audited) |
|---|--|--|--|--------------------------------------|
| Segment Results | | | | |
| Net sales / Income from segments | | | | |
| Watches | 43,995 | 50,176 | 39,868 | 179,080 |
| Jewellery | 232,527 | 215,733 | 258,661 | 863,203 |
| Others | 12,783 | 14,616 | 12,318 | 49,979 |
| Corporate(Unallocated) | 2,379 | 2,363 | 3,744 | 11,336 |
| Total | 291,684 | 282,888 | 314,591 | 1,103,598 |
| Profit / (Loss) from segments before interest and taxes | | | | |
| Watches | 4,821 | 6,022 | 3,845 | 18,892 |
| Jewellery | 21,776 | 22,935 | 20,304 | 85,353 |
| Others | 48 | 309 | 277 | 379 |
| Total | 26,645 | 29,266 | 24,426 | 104,624 |
| Less : Finance costs | 3,497 | 2,274 | 1,703 | 8,711 |
| Unallocable expenditure net of unallocable income | (899) | (899) | (2,430) | (5,680) |
| Profit before taxes | 24,047 | 27,891 | 25,153 | 101,593 |
| Capital employed | | | | |
| Watches | 61,787 | 58,157 | 58,747 | 58,157 |
| Jewellery | 134,399 | 164,664 | (68,931) | 164,664 |
| Others | 21,452 | 21,425 | 17,915 | 21,425 |
| Corporate(Unallocated) | 93,628 | 87,842 | 206,916 | 87,842 |
| Total | 311,266 | 332,088 | 214,647 | 332,088 |

Notes:

- The name of the Company was changed from Titan Industries Limited to Titan Company Limited with effect from 1 August 2013.
- The Company's primary segments consist of Watches, Jewellery and Others, where 'Others' include Eye wear, Precision Engineering, Machine Building, Clocks and Accessories.
Due to regulatory changes during 2013-14 in relation to purchase and funding of gold, the Company has reviewed the definition of operating assets and operating liabilities and as required by Accounting Standard (AS) 17 - Segment Reporting, has revised the allocation of certain assets to the business segments to reflect the current business practices.
- Consequent to the applicability of the Companies Act, 2013 with effect from 1st April 2014, depreciation for the quarter ended 30 June 2014 has been calculated based on the useful life as specified under Schedule II of the said Act, except for furniture & fixtures and vehicles.
On account of the above, the depreciation for the quarter ended 30 June 2014 debited to the statement of profit and loss is higher by Rs.740.21 lakhs.
In terms of Schedule II of the Companies Act, 2013 an amount of Rs 415.24 lakhs (net of tax) has been debited to the opening balance of the retained earnings as at 1st April 2014 towards the carrying amount of assets, where the remaining useful life of these assets are Nil.
- The figures of the previous period have been regrouped/recast, where necessary.
- The figures for the quarter ended 31 March 2014 are the balancing figures between audited figures in respect of full financial year and the year to date figures upto the third quarter of the previous financial year.
- The financial results were reviewed by the Board Audit Committee and were approved by the Board of Directors at their meeting on 1 August 2014.
- The Auditors have carried out a limited review of the financial results for the period ended on 30 June 2014, as required by the Listing Agreement.

For and on behalf of the Board of Directors


BHASKAR BHAT
Managing Director



Hosur, 1 August 2014