

# Deloitte Haskins & Sells

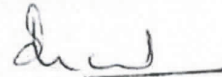
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## INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF TITAN COMPANY LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **TITAN COMPANY LIMITED** ("the Company") for the quarter and six months ended September 30, 2015 ("the Statement"), being submitted by the Company pursuant to 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 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 and the particulars relating to investor complaints disclosed in Part II - Select information for the quarter and six months ended September 30, 2015 of the Statement, from the details furnished by the Management/ Registrars.

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



**V. Srikumar**  
Partner  
(Membership No. 84494)

MUMBAI, October 30, 2015  
VS/MNB/ UB/ 2015



**TITAN COMPANY LIMITED**  
(formerly known as TITAN INDUSTRIES LIMITED)

CIN L74999TZ1884PLC001456  
3, SIFCO INDUSTRIAL COMPLEX, HOSUR 535 126

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2015**

	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
	30-09-2015	30-06-2015	30-09-2014	30-09-2014	31-03-2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Public shareholding	416,778,240	416,778,240	416,778,240	416,778,240	416,778,240
Number of shares	46.9%	46.9%	46.9%	46.8%	46.8%
Percentage of shareholding					
Pledged / Encumbered	-	2,559,589	-	2,559,589	-
Number of shares	-	0.5%	-	0.5%	-
% of shares (as a % of the total shareholding of promoter and promoter group)	-	0.3%	-	0.3%	-
% of shares (as a % of the total shareholding of promoter and promoter group)	471,007,920	468,448,331	471,007,920	468,448,331	471,007,920
Number of shares	100.0%	99.5%	100.0%	99.5%	100.0%
% of shares (as a % of the total shareholding of promoter and promoter group)	53.1%	52.8%	53.1%	52.8%	53.1%
% of shares (as a % of the total share capital of the Company)					

**PART II**

Select information for the quarter and six months ended 30 September 2015

**A. PARTICULARS OF SHAREHOLDING**

- Public shareholding
  - Number of shares
  - Percentage of shareholding
- Promoters and Promoter group shareholding
  - Pledged / Encumbered
    - Number of shares
    - % of shares (as a % of the total shareholding of promoter and promoter group)
    - % of shares (as a % of the total share capital of the Company)
  - Non-encumbered
    - Number of shares
    - % of shares (as a % of the total shareholding of promoter and promoter group)
    - % of shares (as a % of the total share capital of the Company)

Particulars	Quarter ended
	30-09-2015
<b>INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	1
Received during the quarter	13
Disposed of during the quarter	6
Remaining unresolved at the end of the quarter	6

**Segment Results**

	Quarter ended	Quarter ended	Half year ended	Half year ended	Year ended
	30-09-2015	30-06-2015	30-09-2014	30-09-2014	31-03-2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Net sales / income from segments</b>					
Watches	54,649	48,454	103,103	96,763	192,104
Jewellery	195,173	207,200	402,376	525,465	542,997
Eyewear	8,846	10,677	19,523	16,592	33,225
Others	5,862	4,685	10,547	9,959	23,206
Corporate(Unallocated)	958	1,394	2,352	3,992	5,847
<b>Total</b>	<b>265,488</b>	<b>272,413</b>	<b>540,901</b>	<b>652,771</b>	<b>1,197,379</b>
<b>Profit / (Loss) from segments before interest and taxes and other share of losses of associate</b>					
Watches	8,377	4,613	13,190	11,489	20,648
Jewellery	11,912	18,027	29,939	45,394	94,419
Eyewear	409	196	604	1,369	2,464
Others	(959)	(1,068)	(1,638)	(2,256)	(2,492)
<b>Total</b>	<b>20,129</b>	<b>21,968</b>	<b>42,096</b>	<b>60,204</b>	<b>115,068</b>
<b>Less Finance costs</b>	871	1,163	2,054	4,358	8,068
Unallocable expenditure net of unallocable income	1,109	422	1,531	(439)	1,413
<b>Profit before taxes</b>	<b>16,149</b>	<b>20,381</b>	<b>38,510</b>	<b>56,056</b>	<b>105,559</b>
<b>Capital Employed</b>					
Watches	84,014	69,772	87,817	84,014	87,817
Jewellery	211,460	173,783	248,844	248,844	182,107
Eyewear	7,651	7,270	7,651	6,903	8,551
Others	16,280	18,078	16,469	16,280	16,408
Corporate(Unallocated)	49,809	52,163	47,874	49,809	47,874
<b>Total</b>	<b>371,220</b>	<b>331,072</b>	<b>371,220</b>	<b>371,220</b>	<b>371,213</b>







# TITAN COMPANY LIMITED

(formerly known as TITAN INDUSTRIES LIMITED)

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2015

Notes :

### 1 STANDALONE STATEMENT OF ASSETS AND LIABILITIES

Particulars	As at	As at
	30-9-2015 (Unaudited)	31-3-2015 (Audited)
₹ lakhs		
<b>A EQUITY AND LIABILITIES</b>		
1 Shareholders' Funds	8,878	8,878
(a) Share Capital	328,502	300,323
(b) Reserves and Surplus	337,380	309,201
Sub-total - Shareholders' funds		
2 Non-Current Liabilities	10,221	8,745
Long-term provisions	10,221	8,745
Sub-total - Non-current liabilities		
3 Current Liabilities	36,184	9,979
(a) Short-term borrowings	156,708	193,931
(b) Trade payables	65,780	30,895
(c) Other current liabilities	7,986	34,473
(d) Short-term provisions	266,658	269,273
Sub-total - Current liabilities		
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>614,259</b>	<b>587,224</b>
<b>B ASSETS</b>		
1 Non-current assets	78,728	73,816
(a) Fixed assets	5,367	3,263
(b) Non-current investments	2,344	1,967
(c) Deferred tax asset ( net)	28,532	24,283
(d) Long-term loans and advances		
2 Current assets	114,971	103,329
(a) Inventories	421,175	404,743
(b) Trade receivables	20,349	16,735
(c) Cash and cash equivalents	19,778	21,020
(d) Short-term loans and advances	37,772	38,961
(e) Other current assets	214	456
Sub-total - Current assets	499,288	483,895
<b>TOTAL - ASSETS</b>	<b>614,259</b>	<b>587,224</b>





## TITAN COMPANY LIMITED

(formerly known as TITAN INDUSTRIES LIMITED)

CIN : L74999TZ1964PLC001456

3. SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30 SEPTEMBER 2015

2 The Company's primary segments consist of Watches, Jewellery, Eyewear and Others, where 'Others' include Precision Engineering, Machine Building, Clocks and Accessories.

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

4 The financial results were reviewed by the Board Audit Committee and were approved by the Board of Directors at their meeting on 30 October 2015.

5 The Auditors have carried out a limited review of the financial results for the period ended on 30 September 2015, as required by the Listing Agreement.

Bangalore, 30 October 2015

For and on behalf of the Board of Directors



BHASKAR BHAT  
Managing Director





30<sup>th</sup> October 2015

PRESS RELEASE

**Titan Company Ltd reports a decline of 25% in Q2 income.**

Titan Company Ltd announced a decline of 25% in net income in the second quarter over last year. The income from operations in the second quarter, July to September 2015, was Rs.2654 crores, against last year's income of Rs.3564 crores during the same period. The income for April to September 2015, the first half of this financial year, stands at Rs.5341 crores, registering a decline of 16.8% over last year.

The net profit for Q2 is Rs.145.39 crores, against Rs.239.98 crores last year. The net profit for the six months ended September 2015 is Rs.296.45 crores, a decline of 29% over last year. The profit before tax is Rs.181.49 crores for Q2 and Rs.385.10 crores for the first half.

The retail sentiment has been extremely poor in this quarter and the Watches division, backed by activations for both Titan and Fastrack brands grew in income by 4.4%. A new sub-brand "SF" by Sonata was launched during the quarter, in the adventure sports segment. The income for watches was Rs.546 crores in Q2 as compared to Rs.523 crores last year. The jewellery business recorded an income of Rs.1981 crores this year in Q2 as compared to Rs.2929 crores last year. The sharp drop is largely due to the premature redemption of the Golden Harvest scheme that the Company had to do in the previous year in view of the changes to the Companies Act 2013 that brought such schemes under the ambit of public deposits. It may be noted that these redemptions contributed to 54% of the revenue this quarter last year. The Eyewear business grew by 15.3% in the quarter, recording an income of Rs.88 crores as against Rs.76 crores last year. Other businesses of the Company comprising Precision Engineering, a B2B business and accessories declined by 10% in Q2. The combined income of these businesses was Rs.58 crores in Q2. Their last year income for Q2 was Rs.65 crores.

The Titan Company retail chain is 1246 stores strong, as on 30th September 2015 with a retail area crossing 1.65 million sq.ft. nationally for all its brands

Mr. Bhaskar Bhat, Managing Director of the Company stated that "This was an extremely challenging quarter for the company and we witnessed an income decline of 25%. While our watches business witnessed a growth of low single digit at 4.4% the jewellery business had a difficult quarter with a decline over last year. The industry saw a tough period with gold imports declining significantly. The decline in jewellery sales was also on account of discontinuation of our Golden Harvest Scheme. The Eyewear business continues to register double digit growth. All our brands are working on new product and marketing campaigns for the festive season ahead."

S. Ravi Kant  
Executive Vice President  
(Corporate Communications)

Titan Company Limited  
(formerly Titan Industries Limited)

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