

**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 ended June 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 ended June 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)

**BENGALURU**, July 31, 2015  
VS/ MNB/ UB/ 2015



# TITAN COMPANY LIMITED

(formerly known as TITAN INDUSTRIES LIMITED)

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2015

	₹ lakh			
	Quarter ended 30-06-2015 (Unaudited)	Quarter ended 31-03-2015 (Audited) (Refer note 4 below)	Quarter ended 30-06-2014 (Unaudited)	Year ended 31-3-2015 (Audited)
<b>PART I</b>				
<b>Statement of Standalone Unaudited/Audited Results</b>				
<b>1 Income from operations</b>				
(a) Net sales / Income from operations ( Net of excise duty)	268,671	247,443	285,366	1,179,104
(b) Other operating income	2,188	2,176	3,778	11,217
<b>Total income from operations (Net)</b>	<b>270,859</b>	<b>249,619</b>	<b>289,144</b>	<b>1,190,321</b>
<b>2 Expenses</b>				
(a) Cost of materials consumed	136,597	162,885	181,045	783,399
(b) Purchase of stock-in-trade	29,771	19,506	30,795	112,394
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26,402	(10,481)	4,084	(20,432)
(d) Employee benefits expense	17,561	16,121	14,619	62,565
(e) Advertising	12,384	8,030	9,925	38,213
(f) Depreciation and amortisation expense	2,282	1,998	2,434	8,739
(g) Other expenses	25,372	26,547	21,238	98,848
<b>Total expenses</b>	<b>250,869</b>	<b>224,806</b>	<b>284,140</b>	<b>1,083,724</b>
<b>3 Profit from operations before other income and finance costs</b>	<b>19,990</b>	<b>25,013</b>	<b>25,004</b>	<b>106,597</b>
4 Other income	1,554	1,586	2,540	7,058
5 Profit before finance costs	21,544	26,599	27,544	113,655
6 Finance costs	1,183	1,373	3,497	8,066
7 Profit before taxes	20,361	25,226	24,047	105,589
8 Tax expense				
- Current	5,300	4,281	6,613	24,100
- Deferred	(45)	(564)	(293)	(818)
9 Profit after taxes	15,106	21,509	17,227	82,307
10 Paid-up equity share capital (face value ₹ 1 per share)	8,878	8,878	8,878	8,878
11 Reserves excluding revaluation reserves as per balance sheet of previous accounting year				300,323
12 Basic and diluted earnings per equity share (₹) (Not annualised)	1.70	2.42	2.00	9.27

See accompanying note to the financial results

## PART II

Select information for the quarter ended June 30, 2015

### A PARTICULARS OF SHAREHOLDING

<b>1 Public shareholding</b>				
- 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%
<b>2 Promoters and Promoter group shareholding</b>				
<b>a) Pledged / Encumbered</b>				
- Number of shares	-	-	2,559,589	-
- % of shares (as a % of the total shareholding of promoter and promoter group)	-	-	0.5%	-
- % of shares (as a % of the total share capital of the Company)	-	-	0.3%	-
<b>b) Non-encumbered</b>				
- Number of shares	471,007,920	471,007,920	468,448,331	471,007,920
- % of shares (as a % of the total shareholding of promoter and promoter group)	100.0%	100.0%	99.5%	100.0%
- % of shares (as a % of the total share capital of the Company)	53.1%	53.1%	52.8%	53.1%

Particulars	Quarter ended 30-06-2015
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	-
Received during the quarter	7
Disposed of during the quarter	6
Remaining unresolved at the end of the quarter	1





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UNAUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED JUNE 30, 2015

₹ lakh

	Quarter ended 30-06-2015 (Unaudited)	Quarter ended 31-03-2015 (Audited) (Refer note 4 below)	Quarter ended 30-06-2014 (Unaudited)	Year ended 31-3-2015 (Audited)
<b>Segment Results</b>				
Net sales / Income from segments				
Watches	48,454	51,100	44,419	192,104
Jewellery	207,203	182,793	232,527	942,967
Eyewear	10,677	8,820	8,921	33,225
Others	4,685	7,671	3,438	23,206
Corporate(Unallocated)	1,394	821	2,379	5,847
Total	272,413	251,205	291,684	1,197,379
Profit / (Loss) from segments before finance costs and taxes				
Watches	4,813	4,891	4,486	20,648
Jewellery	18,027	23,212	21,776	94,419
Eyewear	195	954	1,343	2,493
Others	(1,089)	(1,106)	(960)	(2,492)
Total	21,956	27,951	26,645	115,068
Loss Finance costs	1,183	1,373	3,497	8,066
Unallocable expenditure net of unallocable income	422	1,352	(899)	1,413
Profit before taxes	20,351	25,226	24,047	105,589
Capital employed				
Watches	69,772	67,093	61,787	67,093
Jewellery	173,783	182,107	134,399	192,107
Eyewear	7,276	8,551	6,181	8,551
Others	18,678	18,408	15,271	18,408
Corporate(Unallocated)	62,183	31,054	93,628	31,054
Total	331,672	317,213	311,266	317,213

## Notes

- The name of the Company was changed from Titan Industries Limited to Titan Company Limited with effect from August 1, 2013.
- The Company's primary segments consist of Watches, Jewellery, Eyewear and Others, where 'Others' include Precision Engineering, Machine Building, Clocks and Accessories.
- The figures of the previous period have been regrouped/recast, where necessary.
- The figures for the quarter ended March 31, 2015 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 July 31, 2015.
- The Auditors have carried out a limited review of the financial results for the period ended on June 30, 2015, as required by the Listing Agreement.

For and on behalf of the Board of Directors

**BHASKAR BHAT**  
Managing Director

Hosur, 31 July 2015





31<sup>st</sup> July 2015

PRESS RELEASE

**Titan Company Ltd faces revenue drop of 6% in Q1.**

Sales income for Titan Company in Q1 dropped by 5.9% largely on account of an extremely weak consumer sentiment and absence of the Golden Harvest scheme in jewellery this year. The sales income declined from Rs.2853.66 crores last year to Rs.2686.71 crores in Q1 and the profit after tax for the same period dropped by 14.8% to Rs.151.06 crores this year. The Company's PBT stands at Rs.203.61 crores in Q1 as against Rs.240.47 crores during the same period last year, registering a drop of 15.3%.

The watches business in Q1 this year recorded a growth of 9.1%. The income of watches business grew from Rs.444.19 crores to Rs.484.54 crores. The Jewellery income in Q1 was Rs.2072.03 crores as against Rs.2325.27 crores, a decline of 10.9%. The jewellery business continues to face regulatory pressures that have an adverse impact on sales. The Company's Eyewear business grew by a healthy 19.7% from Rs.89.21 crores last year to Rs.106.77 crores in Q1 this year. The Company's other businesses including Precision Engineering grew by 36.3%, to Rs.46.85 crores this year.

The Company has put together plans to stimulate demand for all its product categories through innovative advertising campaigns and new product launches in the coming quarters.

Retail expansion continued with a net addition of 22 stores across all its businesses in the first quarter, ending the period with a retail area of over 1.62 mn sq.ft nationally. The Company's retail chain is 1223 stores strong, as on 30<sup>th</sup> June 2015 and is expanding with growth plans in place for all its retail businesses – watches, jewellery and eyewear.

Mr. Bhaskar Bhat, Managing Director of the Company stated that "The first quarter this year has been an extremely challenging one. Retail sales for both our core businesses watches & jewellery, have been below expectations due to reduced walk-ins. May and June, in particular were poor months. Rural demand too was affected due to lower realizations and monsoon conditions. With good monsoon in sight and festive season ahead, we look forward to a better year ahead. "

S. Ravi Kant  
Executive Vice President

(Corporate Communications)

Titan Company Limited  
(formerly Titan Industries Limited)

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