



SEC 58 / 2019-20

5<sup>th</sup> November 2019

The General Manager, DCS – CRD  
BSE Limited  
Corporate Relationship Department  
1st Floor, New Trading Ring  
Rotunda Building, P J Towers  
Dalal Street, Fort,  
MUMBAI - 400 001  
Scrip Code: **500114**

The General Manager, DCS – CRD  
National Stock Exchange of India Ltd  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (East),  
MUMBAI - 400 051  
Symbol: **TITAN**

Dear Sirs,

**Sub: Second quarter and half year earnings call for Q2 FY 2019-20 – Investors Presentation**

Further to our communication dated on 4<sup>th</sup> November 2019, attached is a copy of the investor presentation regarding second quarter and half year earnings as required under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Kindly take the same on record and acknowledge receipt.

Yours truly,  
For TITAN COMPANY LIMITED

Dinesh Shetty  
General Counsel & Company Secretary

Encl. As stated

Titan Company Limited

'INTEGRITY' No.193, Veerasandra, Electronics City P.O Off Hosur Main Road, Bengaluru - 560 100 India, Tel : 91 80 - 67047000, Fax : 91 80 - 67046262  
Registered Office No. 3, SIPCOT Industrial Complex Hosur 635 126 TN India, Tel 91 4344 664 199, Fax 91 4344 276037, CIN: L74999TZ1984PLC001456  
[www.titan.co.in](http://www.titan.co.in)

A **TATA** Enterprise



# Titan Company Limited

*Earnings Presentation – Q2 FY '20 and H1 FY'20  
(For quarter and half year, ended 30<sup>th</sup> September 2019)*

*05<sup>th</sup> November, 2019*

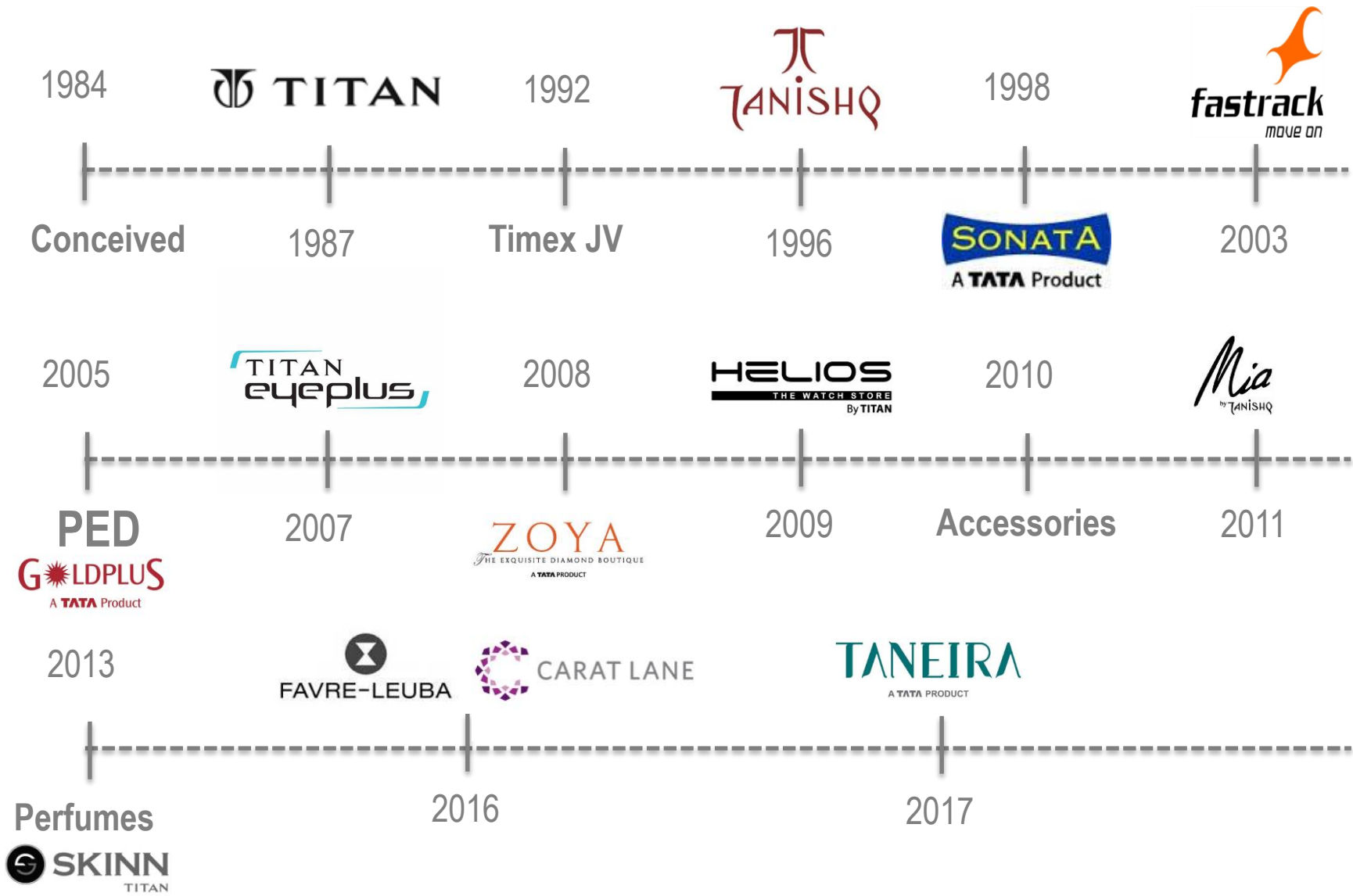
# Disclaimer

*This document, which has been prepared by Titan Company Limited (the “Company”/“we”/“our”), are solely for information purpose and do not constitute any offer, invitation, recommendation, invitation to purchase or subscribe for any of the securities, and shall not form the basis of or be relied on in connection with any contract or binding commitment whatsoever.*

*Certain statements are included in this release which contain words or phrases such as “will,” “aim,” “will likely result,” “believe,” “expect,” “will continue,” “anticipate,” “estimate,” “intend,” “plan,” “contemplate,” “seek to,” “future,” “objective,” “goal,” “project,” “should,” “will pursue” and similar expressions or variations of these expressions that are “forward-looking statements”. Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for our products, our growth and expansion, the adequacy of our allowance for credit to franchisees, dealers and distributors, technological changes, volatility in income, cash flow projections and our exposure to market and operational risks. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated.*

*In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this document include, but are not limited to: general economic and political conditions in India and the other countries which have an impact on our business activities; inflation, unanticipated turbulence in interest rates, foreign exchange rates, the prices of raw material including gold and diamonds, or other rates or prices; changes in Indian and foreign laws and regulations, including tax and accounting regulations; and changes in competition and the pricing environment in India. The Company may, from time to time make additional written and oral forward-looking statements, including statements contained in the Company’s filings with SEBI and the Stock Exchanges and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company, to reflect events or circumstances after the date thereof.*

# The Journey



# Titan Today

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**5<sup>th</sup>**

largest watch  
maker globally

**~\$16 bn**

market cap

**~\$2.8 bn**

annual revenue

**4**

times in Forbes  
Asia Fab Fifty

**1,739**

stores with 2.2mn+  
sq.ft. retail space

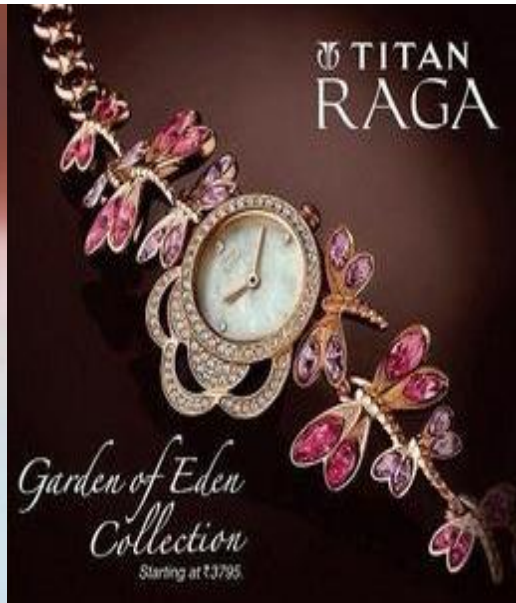
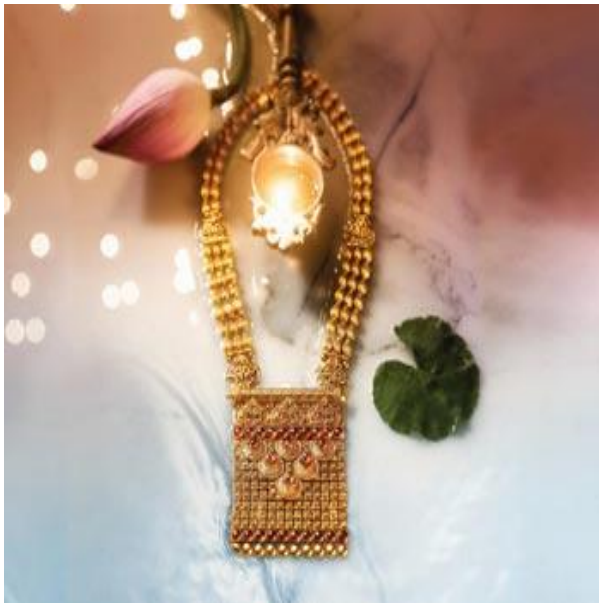
**~8 k**

employees on rolls

**11k+**

multi-brand outlets  
that sells our watches

# Our Strengths



## Design and Development

- 800+ New time products every year
- reddot Award to 2 Edge watches
- Differentiated Jewellery Collections
- Customized lenses with 3D visual mapping

## Manufacturing

- 12 Manufacturing and assembly facilities
- State of the art Karigar Centres for Jewellery
- Components exported to Swiss watch makers
- 3600+ employees engaged in factories

## Brand Building

- Tanishq:** India's leading Jewellery brand
- Titan:** Our flagship watch brand
- Raga:** Exclusive women's watch brand
- Fastrack:** India's largest youth brand
- Sonata:** India's largest selling watch brand

## Retail and Customer Service

- Exceptional Customer Experience
- Merchandising Effectiveness
- Impactful Retail Identities
- Engagement of store staff
- Extensive After Sales Service network

# Our Brands



Luxury



ZOYA

Premium



TANEIRA  
A TATA PRODUCT

Mid Market



TITAN  
eyeplus

GLARES  
by TITAN

fastrack

SKINN  
TITAN

Mass Market



# Our Retail Network



Luxury

ZOYA

(3)

Premium

**HELIOS**  
THE WATCH STORE  
By TITAN

(86)

(308)

**TANISHQ**

Mid Market

**WORLD of TITAN**  
THE EXCLUSIVE TITAN SHOWROOM

(489)

**fastrack**

(180)

*Mia* **CARAT LANE**

(34)

(71)

**TITAN eyeplus**

(561)

**TANEIRA**

A TATA PRODUCT  
(7)

**1,739 Exclusive Stores**

**285 Towns**

**~2.2 mn sq. ft. of retail space**

- Note:** 1. We also have a service network of 653 'Watch Care Centres'  
 2. Helios is our own Multi Brand Outlet (MBO) and rest others are our Exclusive Business Outlets (EBO)  
 3. Store count comprises of both company owned and franchisee stores.



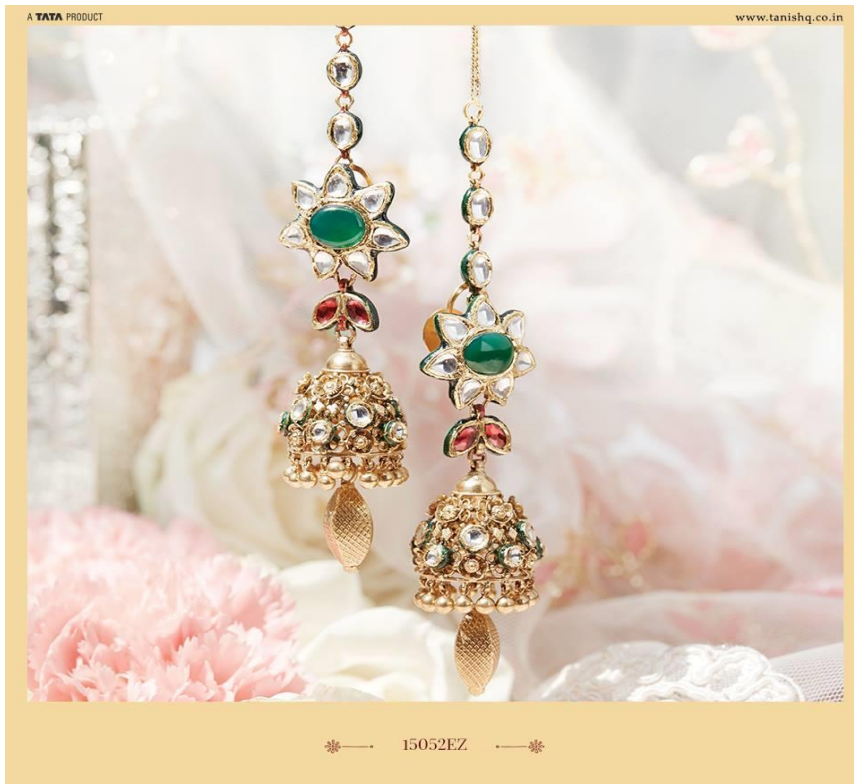
# Jewellery Division

TANISHQ

Mia

ZOYA

CARAT LANE



## Brands

TANISHQ: flagship brand

ZOYA: luxury segment play

MIA: Tanishq sub-brand for fashionable fine jewellery

CARATLANE: a Tanishq partnership, omni-channel

## Manufacturing

Studded jewellery manufactures mostly in-house

Plain gold jewellery mostly outsourced

3 manufacturing facilities

4 state of the art karigar centers: Industry best practice

## Points of Sale

Largest jewellery retailer in the country

Jewellery sales through EBO and ecommerce

EBO: Tanishq, Mia, Caratlane

Ecommerce: [www.titan.co.in](http://www.titan.co.in) and [www.caratlane.com](http://www.caratlane.com)

## Design Excellence

Key product differentiator

Capability for in-house design of many collections

π  
TANISHQ  
HUM  
HAR SHAADI  
— KE LIYE —  
TAYAAR HAIN!



# Jewellery

## Karigar Center, Hosur





Tanishq Boutique

# ZOYA

A TATA PRODUCT

ZOYA

ZOYA

Zoya Boutique



Mia Store



# CARAT LANE

TIS'  
The Season to show  
SOME LOVE

*Bee  
jewelled*  
Coming soon



Jewellery that you will  
LOVE TO WEAR EVERYDAY

## STREAMLANE™

A Beautiful Way to start a Jewellery Business

With over 100 years behind our Streamlane™ system, it will set you up with a combination of design and choice in a way that allows you to approach the best, most exclusive pieces available in the industry. Streamlane™ system gives you the opportunity to start your own business with a low investment and a high return.

**GET IT NOW**

There are currently limited stock ready for you to begin

**GET IT SOON**

There are currently limited stock ready for you to begin



THE PERFECT PAIR FEST

30% 10%

NO PURCHASE NECESSARY. ONLY TILL 31ST DECEMBER

*Bee  
jewelled*  
Coming soon



CaratLane Store



[www.tanishq.co.in](http://www.tanishq.co.in)

A TATA PRODUCT

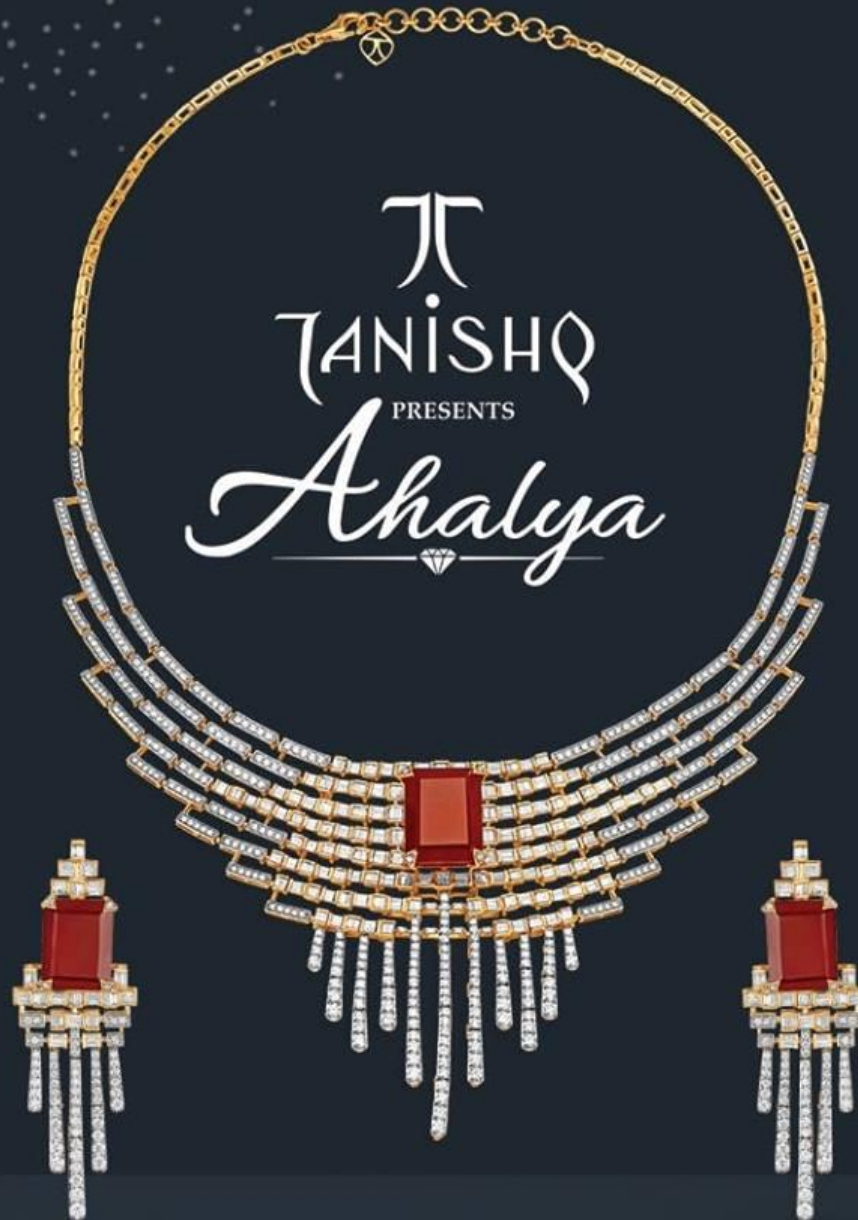
π  
TANISHQ  
PRESENTS  
VIRASAT

Inspired by  
Rivaaz and Royalty.

[www.tanishq.co.in](http://www.tanishq.co.in)

A TATA PRODUCT





27192AC

Mia  
Me In Action  
FACETS

This contemporary collection is designed to reflect the diverse facets that make you the person you are. The Facets Series allows you to express your every mood - happy, goofy, bored, flirty - which facet of yourself will you revel in today?



Mia  
Me In Action

FACETS  
For Every #Mood



Because your first funding just came through.



Celebrate every milestone in your life.  
#MyFirstSolitaire

Electrify  
Mia  
Me In Action

Celebrate. Dance. Shimmy all night. And make the festival even more memorable in your vibrant, unique way. Amp up the revelry with Electrify from Mia; designed for the season with facets, stones and cuts that catch the light, and help you razzle your dazzle. While you transform every party into a sparkling affair.




UP TO 10% OFF  
GET A FREE GOLD PENDANT

Electrify  
Mia  
Me In Action

# Watches Division

# Watches - Overview



## Brands

6 major in-house brands & 7 licensed brands

## Manufacturing

6, state of the art, watch and component manufacturing/assembly plants

## Points of Sale

**EBO:** World of Titan, Fastrack Stores

**OWN MBO:** Helios

**MBO:** present across 11k+ dealers/ MBOs

**LFS:** Large format departmental stores

**ECOM:** [www.titan.co.in](http://www.titan.co.in) , [www.fastrack.in](http://www.fastrack.in),  
[www.sonatawatches.in](http://www.sonatawatches.in), [www.helioswatchstore.com](http://www.helioswatchstore.com)

and market places

**EXPORTS:** 1,800 POS in 31 countries

## Customer Service

Largest network of exclusive service centers

653 watch care centers in 275 towns

## Sophisticated Design & Development

Core strength: Industrial, Retail and Graphic design

Numerous international award-winning designs

# Watches - Manufacturing



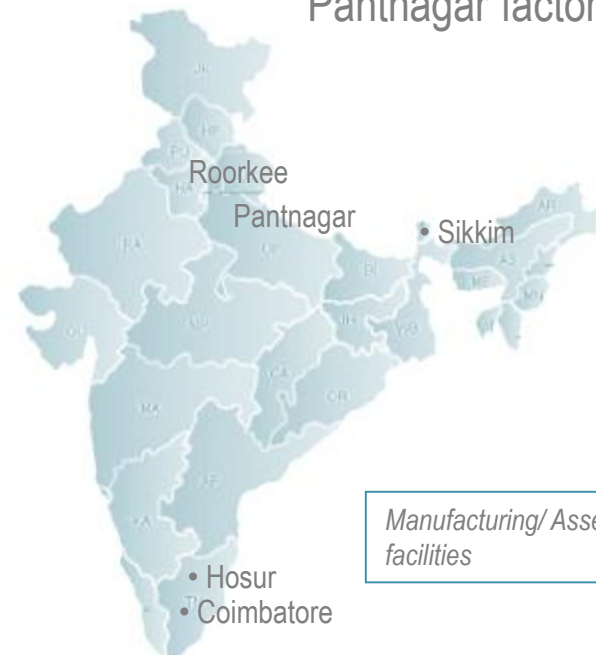
Watch factory, Hosur



Pantnagar factory



Watch Assembly, Hosur





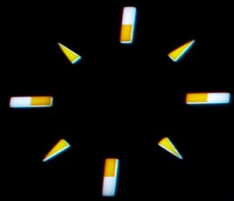
'World of Titan' Store



Fastrack Store



हिलिऑस



# HELIOS

THE WATCH STORE

BY TITAN



Helios Store

TITAN  
MARITIME



**Octane**  
by TITAN





RAGA  
by TITAN  
Facets

#CelebrateEveryFacet

SONATA

SF

INTRODUCING  
PLAY  
COLLECTION



PULSE

COLLECTION



MISSION  
MANGAL  
15<sup>TH</sup> AUGUST

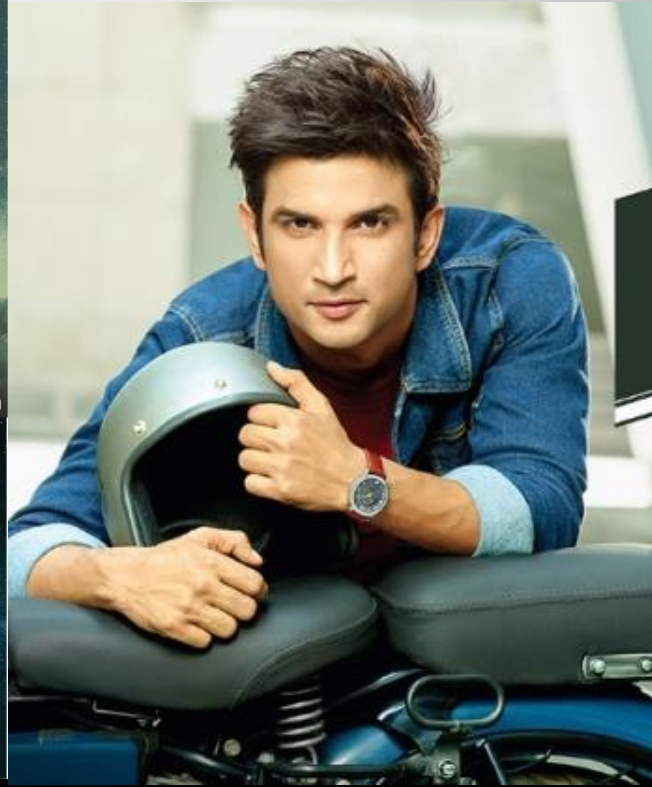
hope



SONATA  
MISSION  
MANGAL  
COLLECTION

KHUD PAR YAKEEN

FREE MISSION MANGAL BOOK MY SHOW VOUCHERS (₹250) ON ALL ORDERS ON THE WEBSITE



SONATA  
RPM



A TATA PRODUCT

# Eyewear Division

TITAN  
eyeplus

  
fastrack

GLARES  
by TITAN



## Brands

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TITAN EYE PLUS: Retail brand

TITAN: main in-house frames and lenses brand

FASTRACK and GLARES: in-house sunglasses brand

LICENSED BRANDS: for frames and lenses

## Manufacturing

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State of the art lens lab in Chikkaballapur

Satellite lens labs in major cities to improve turn around time

Frame and lens manufacturing facility

## Points of Sale

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TITAN EYE PLUS: India's largest optical retail chain

Sunglasses are sold through departmental store kiosks and MBO format also

## Differentiators

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Zero-error testing

Vision check online

Remote eye testing at stores

Tie-up with Sankar Nethralaya for training of store staff and optometrists

## In-house brands

### Frames



### Sunglasses



## Manufacturing

### Integrated Eyewear facility - Chikkaballapur



### Lens Labs







Titan EyePlus Store

Block harmful blue light with  
**Titan Blue Tech Lenses**



#BlueIsForEveryone

TITAN  
eyeplus

EXCLUSIVELY MARKETED IN INDIA BY

TITAN  
eyeplus



UV 400 PROTECTION  
NEAR-FIELD  
SURROUND SOUND  
HANDS FREE CALLING  
INBUILT MIC



SKYFLY | MUTRICS

**SMART AUDIO  
SUNGLASSES**  
MUSIG X

SMART AUDIO SUNGLASS – Exclusively marketed by TITAN

# Fragrances & Taneira



**SKINN**<sup>™</sup>  
by TITAN

**#BornFrench**

## Brands

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SKINN by Titan

Fine French perfumes at very attractive price points  
Entry into body mist category in FY 18- Skinn Kissed

## Manufacturing

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Manufactured in France by celebrated perfumers, and distilled from the finest ingredients  
Bottled in France and India

## Points of Sale

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Sold through World of Titan Channel, key departmental store chains and Ecommerce  
One of the highest selling perfumes in all departmental stores  
Plans to strengthen the distribution further in the coming year  
Packaging innovations for trial and gifting

## Differentiators

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Exceptional fragrances at a very attractive price point  
Similar products from international competition at very high price points  
Domestic branded competition almost non-existent

THE NEW COLOUR OF CLASS. AMALFI BLEU.



THE FRESH NEW FRAGRANCE FOR MEN AND WOMEN.


**SKINN**<sup>TM</sup>  
by TITAN

Fine French Perfumes

# Taneira



- This youngest brand of Titan Company Ltd was launched as pilot in Feb 2017 with 2 stores in Bangalore.
- Anchored in special occasion wear Sarees from across India.
- Evolved as a natural extension of Titan's proposition – self expression and design.
- Large, unorganized, deeply Indian 5,000 year old category (like Jewellery).
- 7 Stores as of 30<sup>th</sup> September'19.



Saraswathi Raman, Homemaker,  
Encyclopedia  
of folk tales.

FESTIVE  
COLLECTION  
NOW IN STORES

A TATA PRODUCT  
**TANEIRA**  
LIKE NO OTHER

# Our Stores





# Q2 Performance

## Q2 Performance – Standalone

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### Company

- Revenue for the company grew by only 0.6% in the quarter impacted substantially by the decline in the revenues of the jewellery division due to the sudden spike in gold prices in June 2019
- Flat top line and higher costs affect PBT growth and margin which, at 9.7%, was lower by 40bps YoY. Employee costs were much higher due to effect of wage settlement and higher provisions for leave pay arising out of lower interest rates.
- The Company added 73 stores with a retail space of 103k square feet in YTD'20, on net basis.
- Mr. Bhaskar Bhat retired after serving the company since inception with the 17 years as its Managing Director. Mr. C K Venkatraman, who has been in the role of CEO of Jewellery business since 2005, succeeds him from 1st Oct. Mr. Bhaskar Bhat has been re-appointed as a Non-Executive Non-Independent Director on Board effective 1st Oct, 2019.
- The company increased its stake from 69.5% to 72.3%.in CaratLane by purchasing 9,45,000 equity shares from one of the shareholders of CaratLane.

## Q2 Performance – Standalone

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### Jewellery

- Jewellery revenue declined by 1.5% in Q2. After a sudden surge in gold prices in mid-June, there was a considerable decline in sales in July. Higher level of promotion and schemes, led to strong growth in the months of August and September.
- Retail growth of 7% in the quarter (based on customer billing) declined to 1.5% for reported revenues largely due to gold hedge maturing during the quarter. Gold purchased before the price hike were hedged and therefore even though customers were billed at the daily gold rates which were higher, the company recognised revenue on the hedged value of the gold. This alone contributed close to 4.8% of the decline.
- EBIT margin of Q2'20 was at 10.9%, same as in Q2'19.
- Studded ratio was at 38%, higher than the previous year at 35%.
- Tanishq launched Ahalya, a high-value diamond necklaces collection, inspired by the inner fire and radiance of a woman. In early October, 'Virasat' collection, inspired by the rich heritage and artistry of the royal city of Udaipur, was launched in the plain gold category for the Diwali season.
- 'Mia Classics', a diamond intensive collection, 'Smolitaires' collection with designs of single stone finger rings, and 'Sassy Silver' collection with mother-of-pearl & colour stones were launched during the quarter by Mia brand.

## Q2 Performance – Standalone

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### Watches

- The division witnessed moderation in growth due to weak consumer sentiments leading to revenue growth of 6.4% for the quarter and 12.9% for first half.
- The trend of Multi brand outlets (MBO) growing at much faster clip compared to exclusive brand outlets continued. E-commerce sales also witnessed exceptionally strong growth during the quarter.
- EBIT margin was very healthy at 15.8% despite the moderation in growth.
- ‘Titan Maritime’ collection was launched inspired by sea voyages during medieval era, better known as Age of Discovery. It is an amalgamation of intricate craftsmanship and the best in movement technology.

### Eye Wear

- Division had strong revenue growth of 29%. However margins were affected due to adverse mix and higher level of customer promotions.
- Ayushmann Khurrana, a popular Bollywood actor, has been roped in as the brand ambassador for the division.

### Fragrances & Taneira

- Skinn continues to increase its distribution reach and witnessed good growth during the quarter. The brand opened a large new segment by launching premium deodorants which have been well received in the markets.
- ‘Taneira’ opened its third store in Bengaluru and its first store in Pune, taking the total store count for the business to seven in four metros.

## Q2 Performance – Subsidiaries and JV

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### **Titan Engineering and Automation Ltd (TEAL) - 100% owned Subsidiary**

- TEAL had an overall growth of 9% for Q2 and the growth has been at 33% for the six months. Business outlook for Second half of FY'20 looks positive with large orders that are expected to be executed and the Company expects to meet its plan for the year. The company received “Excellent cooperation” award from Collins, Aerospace – among 100 suppliers in Asia.

### **CaratLane (72.3% owned Subsidiary)**

- Caratlane recorded revenue growth of 76% in Q2'20, driven by strong growth in both offline and online channels. Gross Margins continue to be good despite the excellent top line growth.
- Caratlane added 16 stores to its network, in YTD'20, taking the total store count to 71.

|                   | Net Additions (in H1'20) |             |  | As on 30 <sup>th</sup> Sep'19 |       |         |
|-------------------|--------------------------|-------------|--|-------------------------------|-------|---------|
|                   | Stores                   | Square Feet |  | Stores                        | Towns | Sq. Ft. |
| <b>Tanishq</b>    | 21                       | 67K         |  | 308                           | 199   | 1.16mn  |
| <b>Zoya</b>       | 0                        | 0           |  | 3                             | 2     | 15K     |
| <b>CaratLane</b>  | 16                       | 16K         |  | 71                            | 27    | 55K     |
| <b>Mia</b>        | 4                        | 2K          |  | 34                            | 19    | 11K     |
| <b>WOT</b>        | 3                        | -1K         |  | 489                           | 221   | 402K    |
| <b>Fastrack</b>   | 8                        | 2K          |  | 180                           | 90    | 93K     |
| <b>Helios</b>     | 10                       | 5K          |  | 86                            | 41    | 74K     |
| <b>Titan Eye+</b> | 24                       | 16K         |  | 561                           | 228   | 371K    |

**Note:**

1. Above Mia store count is excluding 17 Shop-in-shops

# Retail Growth – Q2'20 and H1'20

|                          | Q2'20              |                     | H1'20              |                     |
|--------------------------|--------------------|---------------------|--------------------|---------------------|
|                          | Sales value growth | Like-to-Like growth | Sales value growth | Like-to-Like growth |
| <b>Tanishq</b>           | 7%                 | 2%                  | 12%                | 6%                  |
| <b>CaratLane</b>         | 87%                | 25%                 | 86%                | 31%                 |
| <b>World of Titan</b>    | -1%                | -3%                 | 3%                 | 3%                  |
| <b>Fastrack</b>          | -7%                | -12%                | -1%                | -5%                 |
| <b>Helios</b>            | 9%                 | 1%                  | 9%                 | 3%                  |
| <b>LFS (for Watches)</b> | 6%                 | 1%                  | 11%                | 7%                  |
| <b>Titan Eye+</b>        | 35%                | 28%                 | 27%                | 21%                 |

**Note:** 1. Above retail growth is based on secondary sales (at consumer prices) in Titan branded retail stores (including franchisee stores) and LFS only. Reported revenue is based on secondary sales to consumers in L1 and L2 stores and primary sales to L3 stores, distribution partners and institutional clients. Consumer discounts, franchisee pay-outs and GST is netted off from consumer prices for reported revenue.

2. Retail network shown above represent sales of almost 100%, ~45% and ~75% of Jewellery, Watches and Eyewear businesses respectively on consumer price basis. The remaining sales is to the distribution channels and institutional clients.

# Total Income – Q2'20 and H1'20

| Total Income <sup>(1)</sup><br>(in INR Crores) | Q2'19        | Q2'20        | Growth %  |
|--|--------------|--------------|-----------|
| Jewellery                                      | 3,582        | 3,528        | -2%       |
| Watches  | 676          | 719          | 6%        |
| Eyewear  | 120          | 154          | 29%       |
| Others / Corporate <sup>(2)</sup>              | 56           | 65           | 16%       |
| <b>Standalone</b>                              | <b>4,434</b> | <b>4,466</b> | <b>1%</b> |
| Caratlane                                      | 77           | 136          | 76%       |
| TEAL   | 96           | 104          | 9%        |
| Others/ Consol. Adj. <sup>(3)</sup>            | (11)         | (13)         |           |
| <b>Consolidated</b>                            | <b>4,595</b> | <b>4,693</b> | <b>2%</b> |

| H1'19        | H1'20        | Growth %  |
|--------------|--------------|-----------|
| 7,154        | 7,575        | 6%        |
| 1,269        | 1,433        | 13%       |
| 252          | 303          | 20%       |
| 114          | 150          | 32%       |
| <b>8,788</b> | <b>9,461</b> | <b>8%</b> |
| 161          | 268          | 67%       |
| 150          | 199          | 33%       |
| (16)         | (27)         |           |
| <b>9,082</b> | <b>9,902</b> | <b>9%</b> |

| Mix - H2'20 |
|-------------|
| 80%         |
| 15%         |
| 3%          |
| 2%          |
| <b>100%</b> |

**Note:**

1. Total Income also includes other income.
2. Others include Accessories, Fragrances and Taneira business
3. Others include TTPL (divested in June'18) and Favre Leuba.



# EBIT – Q1'20 and H1'20

| EBIT (in INR Crores)                 | Q2'19      | Q2'20      | Growth %  |
|--------------------------------------|------------|------------|-----------|
| Jewellery                            | 392        | 384        | -2%       |
| Watches                              | 122        | 113        | -7%       |
| Eyewear                              | (1)        | 2          |           |
| Others/ Corporate <sup>(1) (3)</sup> | (56)       | (29)       |           |
| <b>Standalone</b>                    | <b>456</b> | <b>470</b> | <b>3%</b> |
| Caratlane                            | (13)       | (4)        |           |
| TEAL                                 | 21         | 16         |           |
| Others/ Consol. Adj. <sup>(2)</sup>  | (13)       | (13)       |           |
| <b>Consolidated</b>                  | <b>452</b> | <b>469</b> | <b>4%</b> |

| H1'19      | H1'20        | Growth %   |
|------------|--------------|------------|
| 785        | 826          | 5%         |
| 233        | 241          | 3%         |
| 1          | (9)          |            |
| (67)       | (34)         |            |
| <b>952</b> | <b>1,023</b> | <b>7%</b>  |
| (21)       | (10)         |            |
| 23         | 31           |            |
| (24)       | (21)         |            |
| <b>930</b> | <b>1,023</b> | <b>10%</b> |

| EBIT Margin       | Q2'19        | Q2'20        |
|-------------------|--------------|--------------|
| Jewellery         | 10.9%        | 10.9%        |
| Watches           | 18.0%        | 15.8%        |
| Eyewear           | -0.8%        | 1.3%         |
| <b>Standalone</b> | <b>10.3%</b> | <b>10.5%</b> |

| H1'19        | H1'20        |
|--------------|--------------|
| 11.0%        | 10.9%        |
| 18.4%        | 16.8%        |
| 0.3%         | -3.1%        |
| <b>10.8%</b> | <b>10.8%</b> |

|                     |             |              |
|---------------------|-------------|--------------|
| <b>Consolidated</b> | <b>9.8%</b> | <b>10.0%</b> |
|---------------------|-------------|--------------|

|              |              |
|--------------|--------------|
| <b>10.2%</b> | <b>10.3%</b> |
|--------------|--------------|

**Note:** 1. Others include Accessories, Fragrances and Taneira business

2. Others include TTPL (divested in June'18) and Favre Leuba.

3. Provisions for investments in IL&FS group (Q2'19 & H1'19: INR 29 cr.) is part of Corporate expense.

# P&L – Q2'20 & H1'20

| in INR Crores               | Q2'19        | Q2'20        | YoY          |
|-----------------------------|--------------|--------------|--------------|
| Revenue from Operations     | 4,407        | 4,435        | 0.6%         |
| Other Income                | 27           | 31           |              |
| <b>Total Income</b>         | <b>4,434</b> | <b>4,466</b> | <b>0.7%</b>  |
| COGS                        | 3,180        | 3,138        |              |
| <b>Gross Contribution</b>   | <b>1,253</b> | <b>1,328</b> | <b>6.0%</b>  |
| Employee benefits expense   | 206          | 266          | 29.1%        |
| Advertising                 | 136          | 125          | -7.7%        |
| Other expenses              | 418          | 393          | -5.9%        |
| <b>Total Overheads</b>      | <b>759</b>   | <b>784</b>   | <b>3.3%</b>  |
| <b>EBITDA</b>               | <b>494</b>   | <b>544</b>   | <b>10.1%</b> |
| Depreciation & Amortization | 37           | 74           |              |
| <b>EBIT</b>                 | <b>456</b>   | <b>470</b>   | <b>3.0%</b>  |
| Less: Finance expense       | 11           | 41           |              |
| <b>PBT</b>                  | <b>446</b>   | <b>429</b>   | <b>-3.7%</b> |
| Less: Tax                   | 132          | 109          |              |
| <b>PAT</b>                  | <b>314</b>   | <b>320</b>   | <b>1.8%</b>  |

| H1'19        | H1'20        | YoY          |
|--------------|--------------|--------------|
| 8,726        | 9,375        | 7.4%         |
| 62           | 87           |              |
| <b>8,788</b> | <b>9,461</b> | <b>7.7%</b>  |
| 6,339        | 6,751        |              |
| <b>2,449</b> | <b>2,710</b> | <b>10.7%</b> |
| 412          | 511          | 24.0%        |
| 272          | 259          | -4.7%        |
| 740          | 774          | 4.7%         |
| <b>1,424</b> | <b>1,545</b> | <b>8.5%</b>  |
| <b>1,025</b> | <b>1,165</b> | <b>13.7%</b> |
| 73           | 142          |              |
| <b>952</b>   | <b>1,023</b> | <b>7.5%</b>  |
| 19           | 71           |              |
| <b>933</b>   | <b>952</b>   | <b>2.1%</b>  |
| 269          | 261          |              |
| <b>664</b>   | <b>691</b>   | <b>4.1%</b>  |

# Capital Employed - Standalone



| in INR Crores | Segment Assets |               |
|---------------|----------------|---------------|
|               | 31-Mar-19      | 30-Sep-19     |
| Watches       | 1,502          | 2,130         |
| Jewellery     | 6,742          | 9,236         |
| Eyewear       | 394            | 490           |
| Others        | 107            | 190           |
| Corporate     | 2,725          | 2,058         |
| <b>Total</b>  | <b>11,470</b>  | <b>14,104</b> |

| Segment Liabilities |              |
|---------------------|--------------|
| 31-Mar-19           | 30-Sep-19    |
| 453                 | 794          |
| 4,570               | 5,541        |
| 127                 | 236          |
| 25                  | 83           |
| 112                 | 1,227        |
| <b>5,288</b>        | <b>7,881</b> |

| Capital Employed |              |
|------------------|--------------|
| 31-Mar-19        | 30-Sep-19    |
| 1,049            | 1,336        |
| 2,172            | 3,695        |
| 267              | 254          |
| 81               | 107          |
| 2,613            | 830          |
| <b>6,182</b>     | <b>6,222</b> |

**Note:** 1. Others include Accessories, Fragrances and Taneira.

# Balance Sheet – Standalone Company

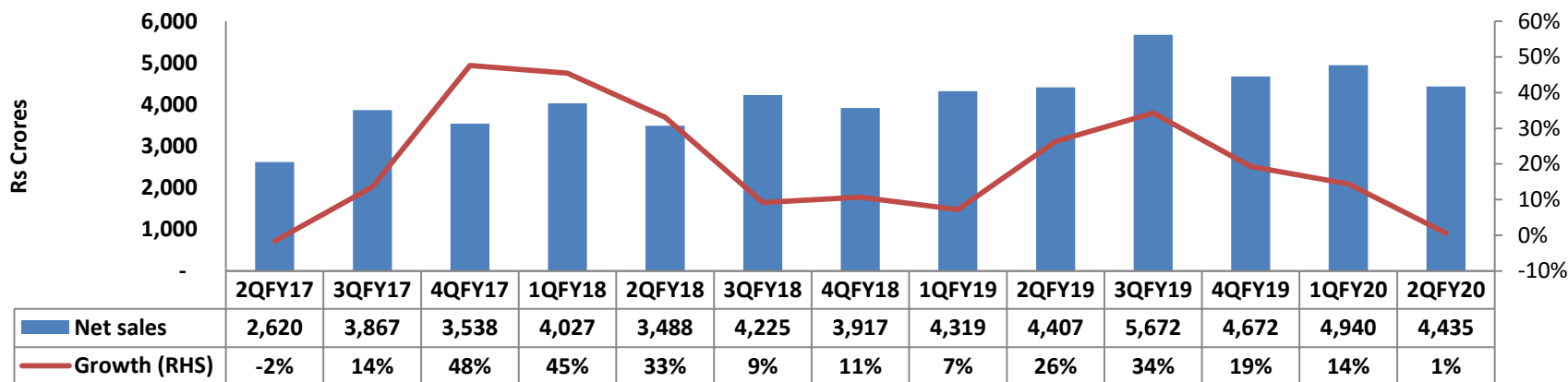
| in INR Crores             | 31-Mar-19     | 30-Sep-19     |
|---------------------------|---------------|---------------|
| Fixed Assets              | 1,056         | 1,106         |
| Right of use asset        | -             | 797           |
| Intangible Assets         | 39            | 50            |
| Investments               | 807           | 870           |
| Other non-current assets  | 483           | 708           |
| Inventories               | 6,719         | 8,704         |
| Trade Receivables         | 358           | 478           |
| Cash and Cash Equivalents | 364           | 108           |
| Other Bank Balances       | 637           | 298           |
| Other Current Assets      | 1,007         | 985           |
| <b>Total Assets</b>       | <b>11,470</b> | <b>14,104</b> |

|                                       |               |               |
|---------------------------------------|---------------|---------------|
| <b>Shareholders' Fund</b>             | <b>6,182</b>  | <b>6,222</b>  |
| Lease liability                       | -             | 918           |
| Other non-current liabilities         | 119           | 144           |
| Short-term borrowings                 | -             | 1,102         |
| Gold on Loan                          | 2,288         | 2,427         |
| Trade Payables                        | 772           | 889           |
| Lease liability                       | -             | 149           |
| Golden harvest scheme (deposit)       | 1,273         | 1,397         |
| Other Current Liabilities             | 836           | 854           |
| <b>Total Equity &amp; Liabilities</b> | <b>11,470</b> | <b>14,104</b> |

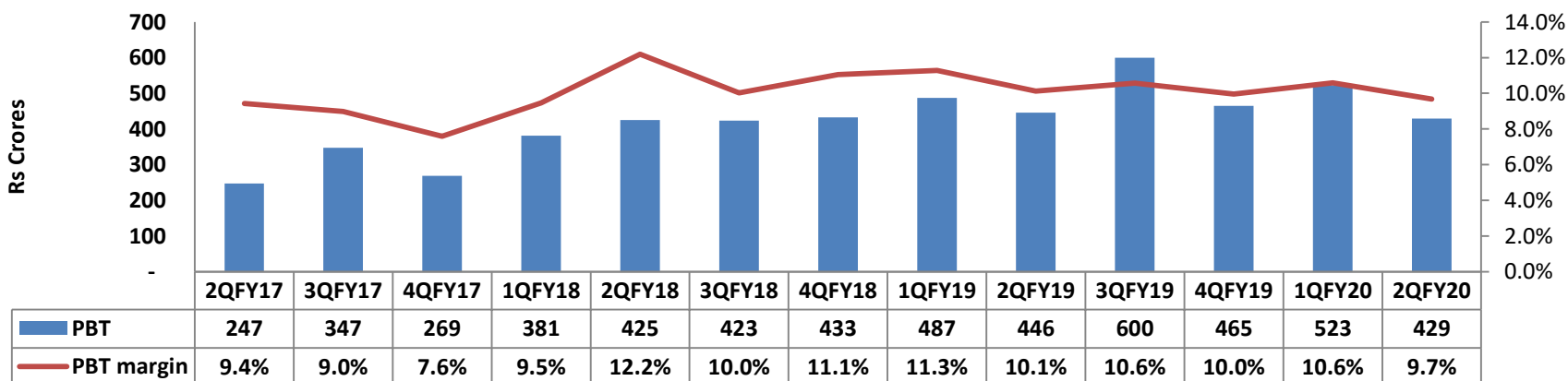
# Performance Trends

# Quarterly Performance Trends

## Company: Revenue



## Company: PBT & Margin

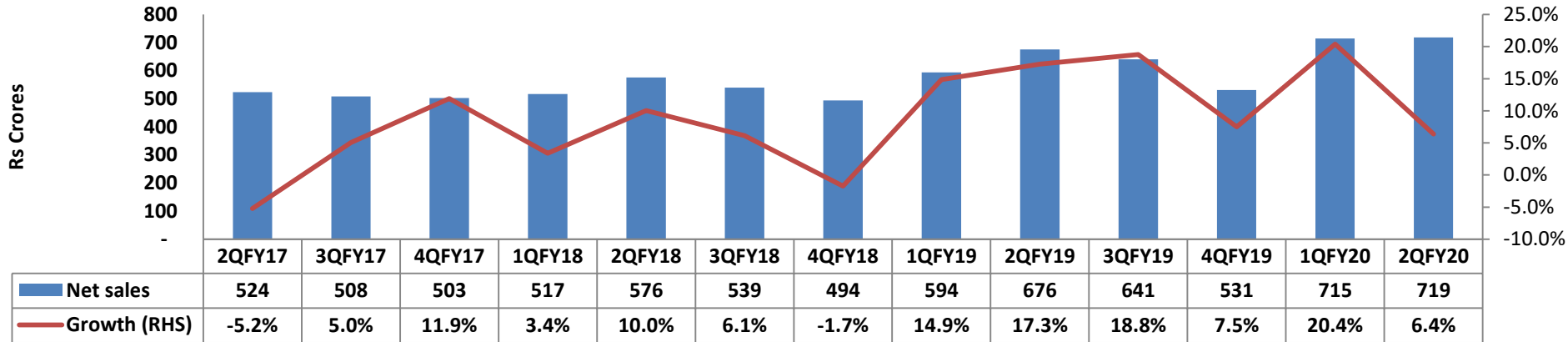


**Note:** 1. Financials of the Company do not include PED from Q1, FY '18 onwards due to its demerger into TEAL.  
2. PBT is before exceptional items.

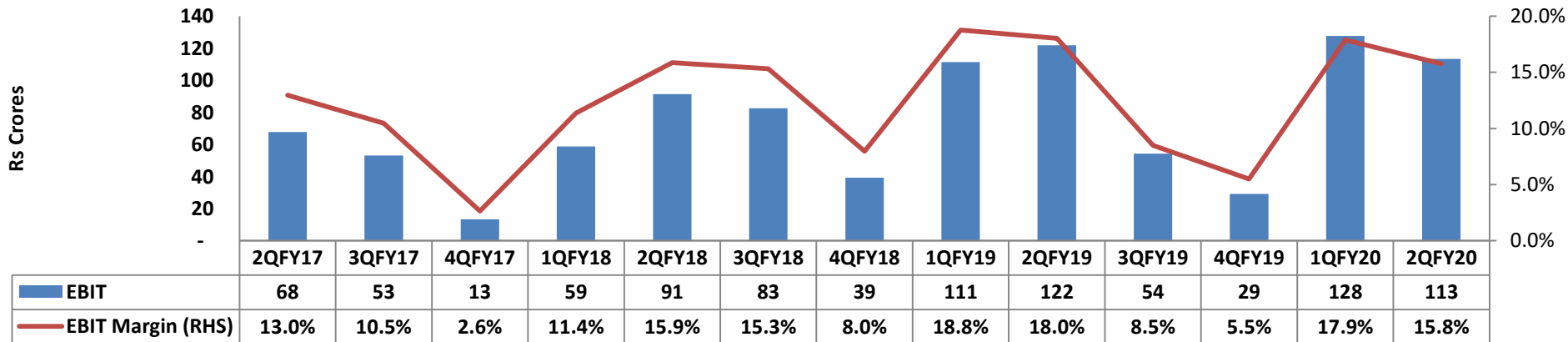
# Quarterly Performance Trends



## Watches: Total Income



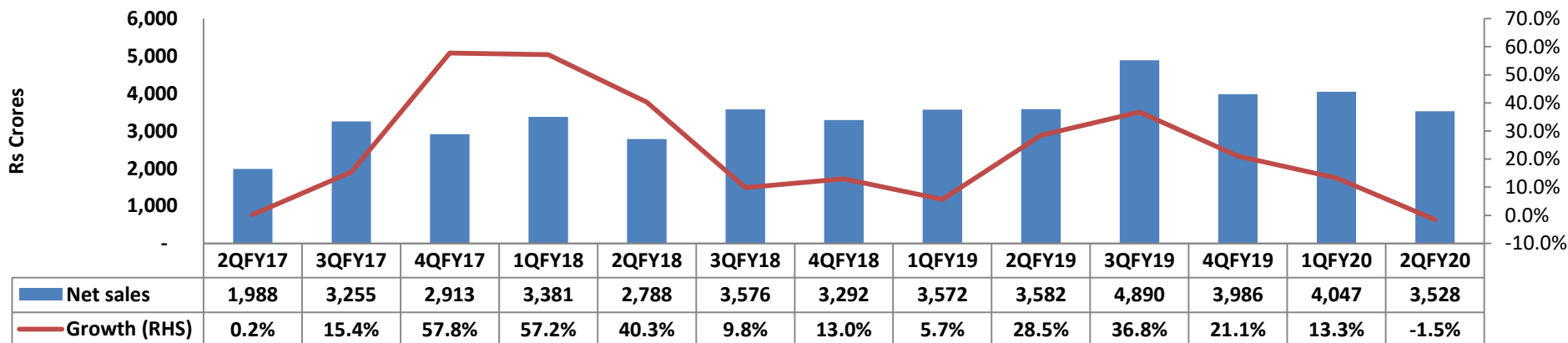
## Watches: EBIT & Margin



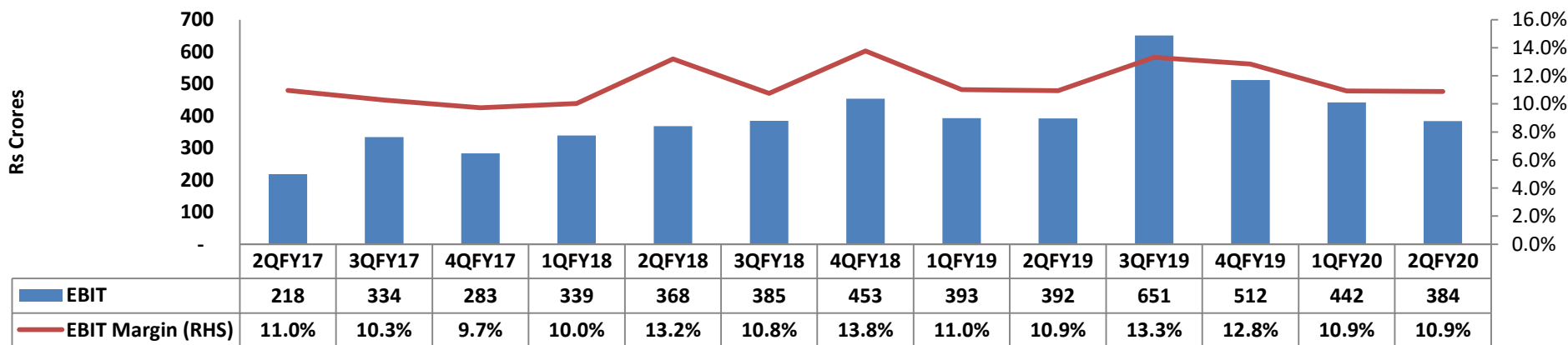
**Note:** 1. EBIT is before exceptional items.

# Quarterly Performance Trends

## Jewellery: Total Income



## Jewellery: EBIT & Margin



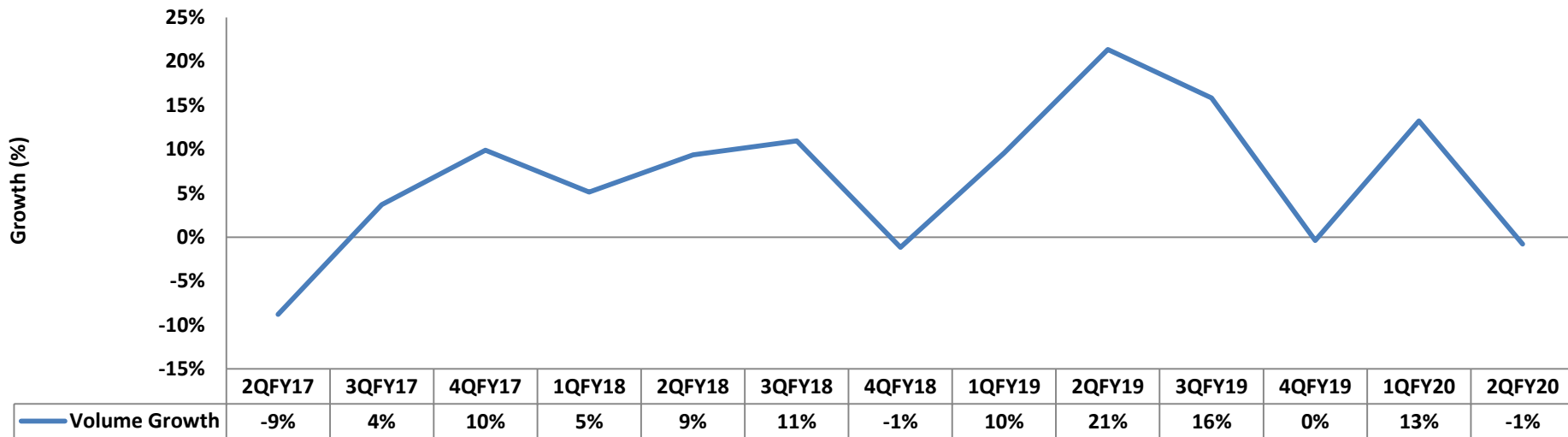
**Note:** 1. EBIT is before exceptional items.



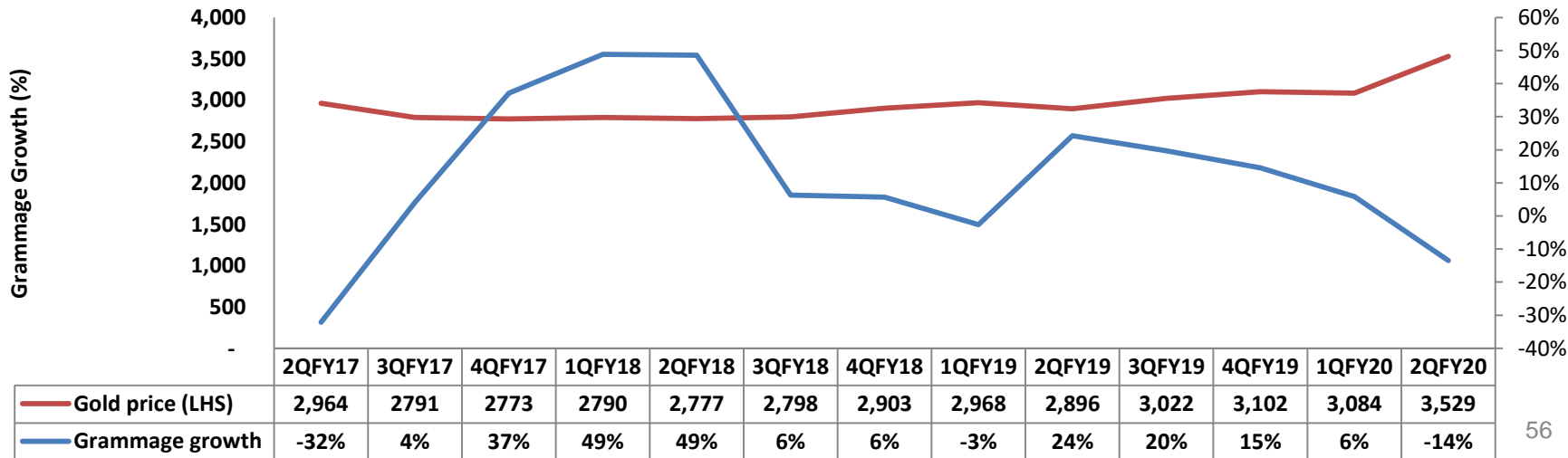
# Quarterly Performance Trends



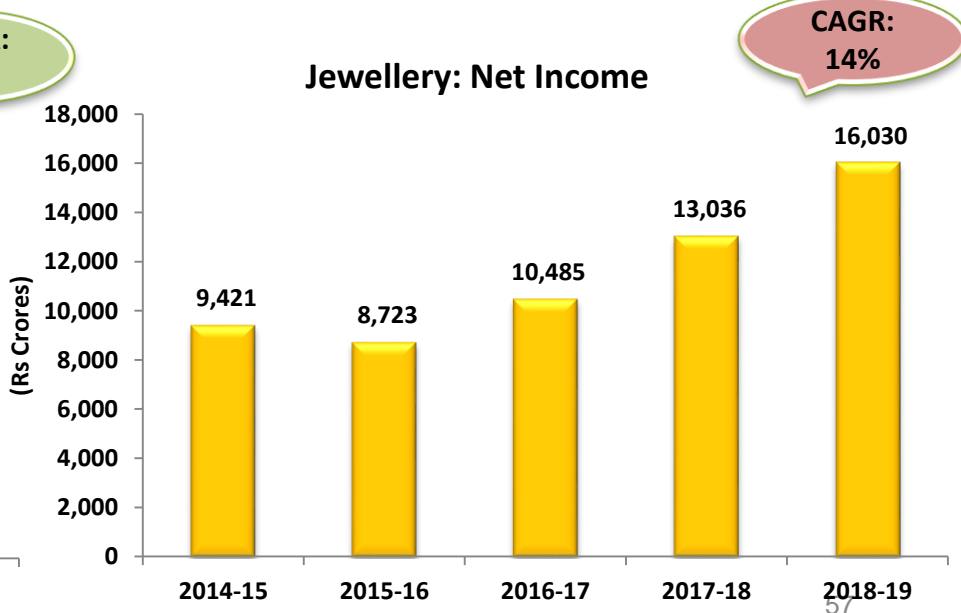
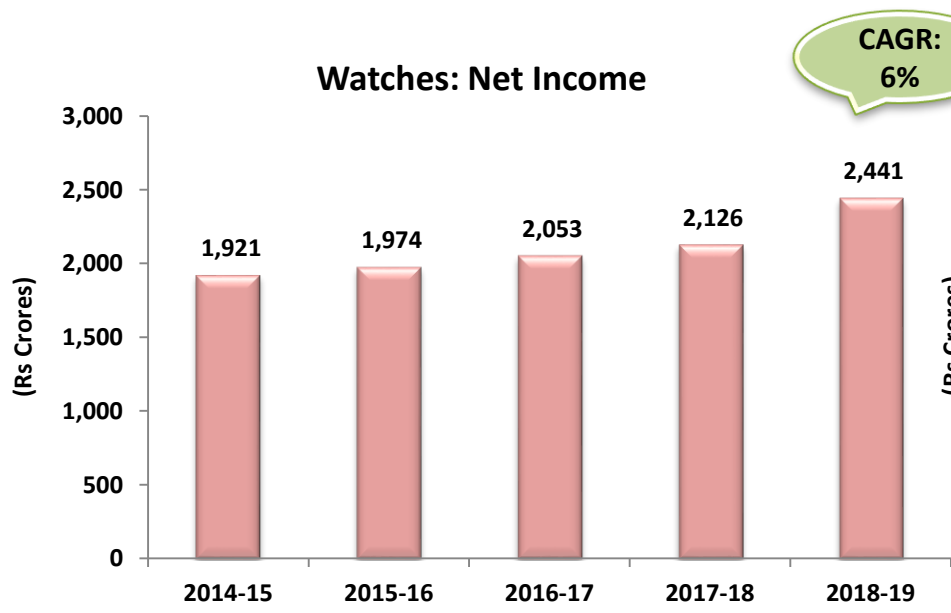
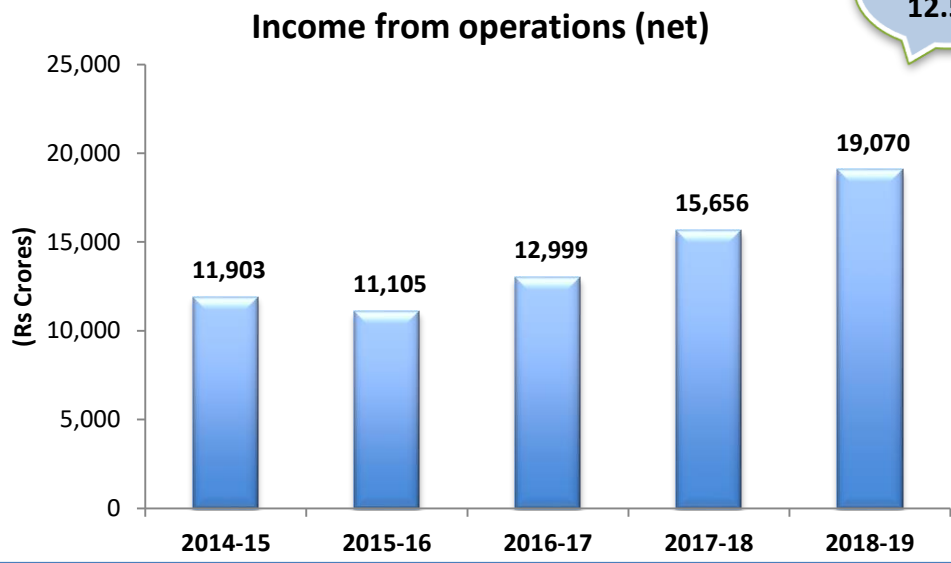
### Watches: Volume growth



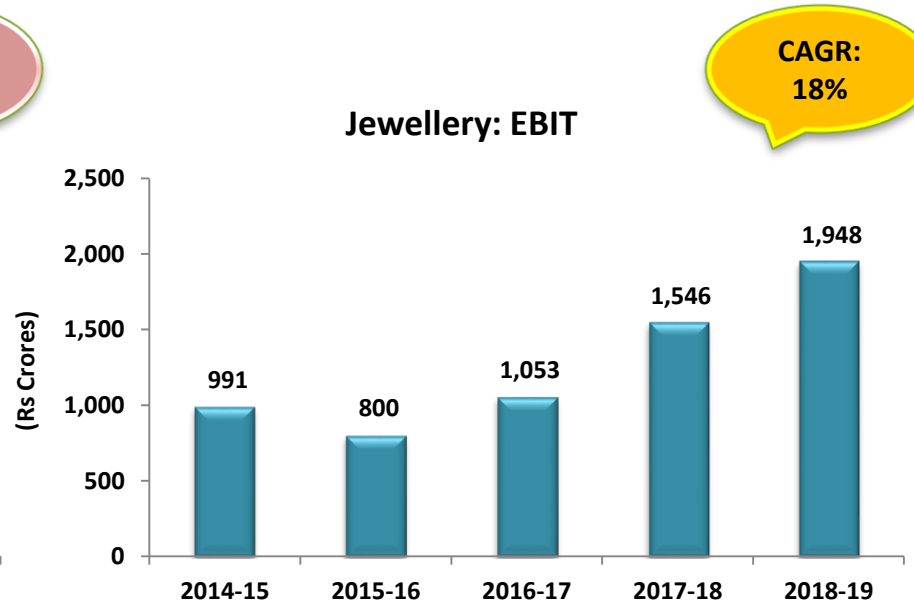
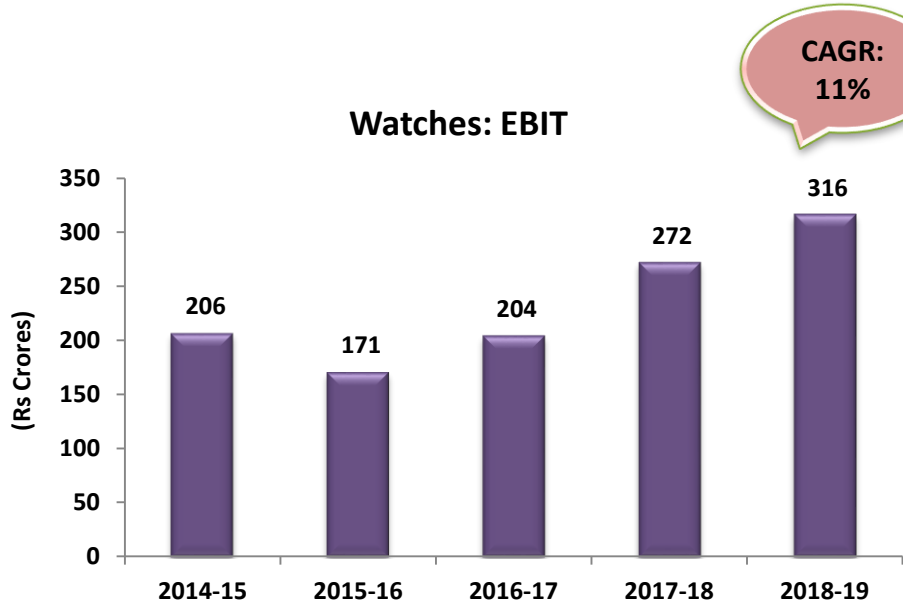
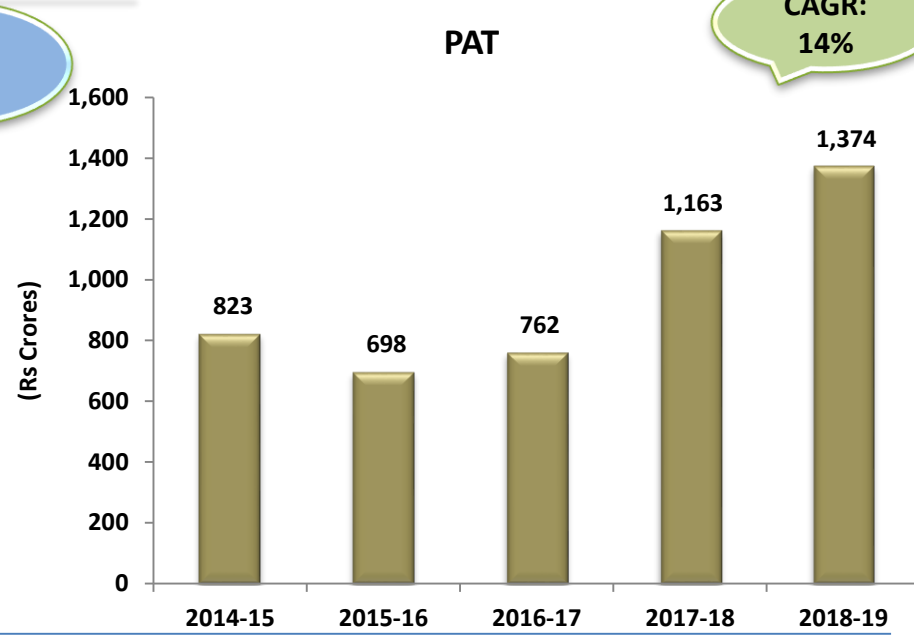
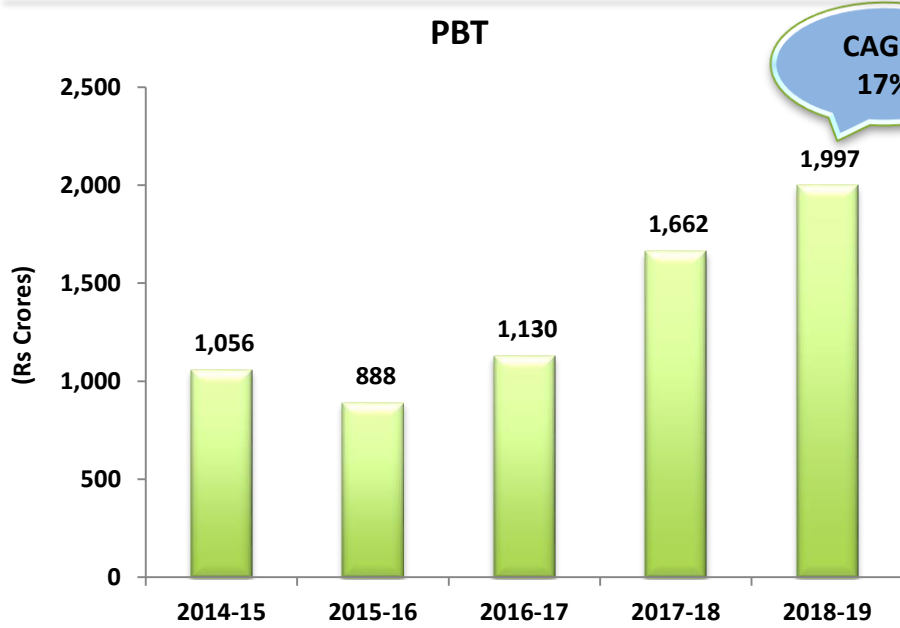
### Jewellery: Gold price (22kt) and Grammage growth



# Annual Performance Trends - Standalone



# Annual Performance Trends - Standalone

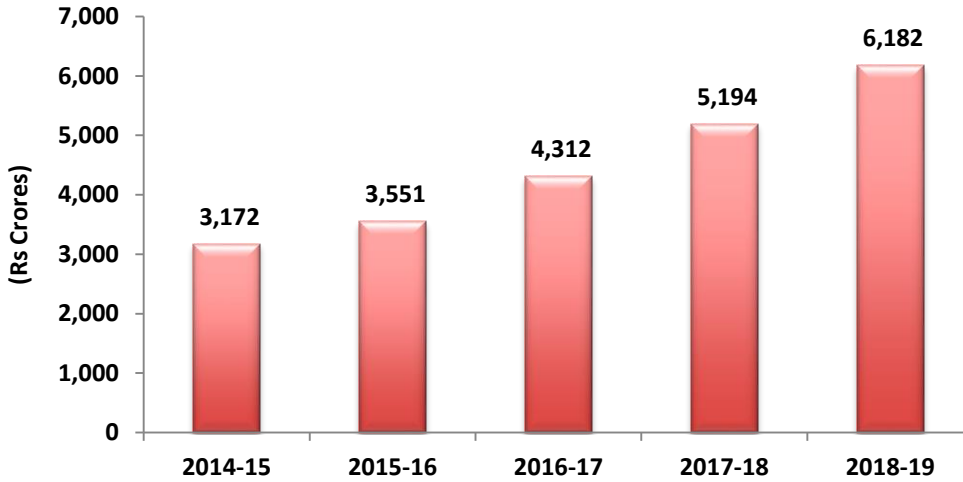


**Note:** 1. EBIT and PBT is before exceptional items.

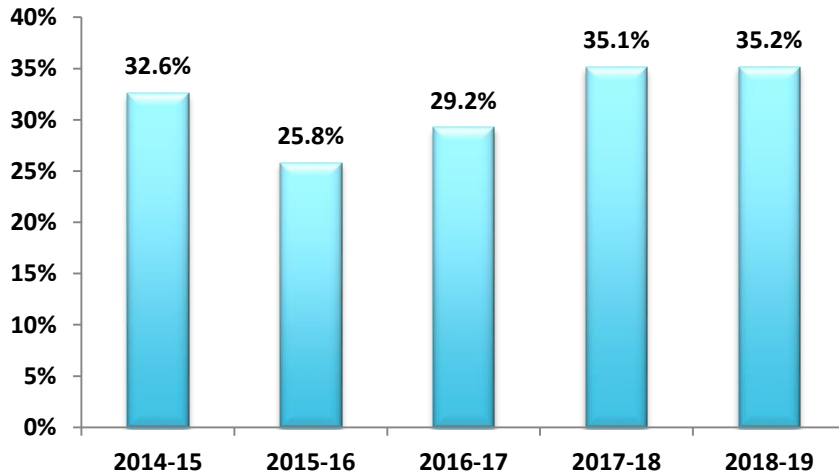
2. PAT is after exceptional item of INR 70 cr., INR 92 cr and INR 96 cr. for FY'19, FY'18 and FY'17 respectively.

# Annual Performance Trends – Standalone

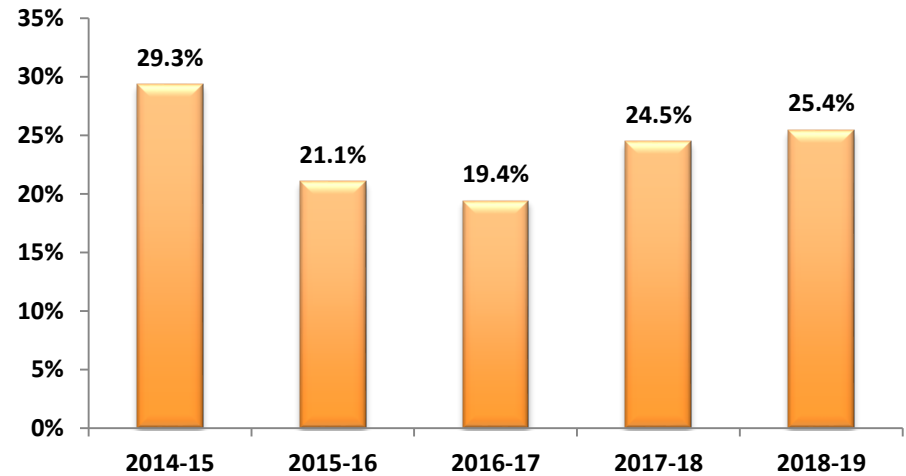
### Capital Employed



### ROCE



### ROE

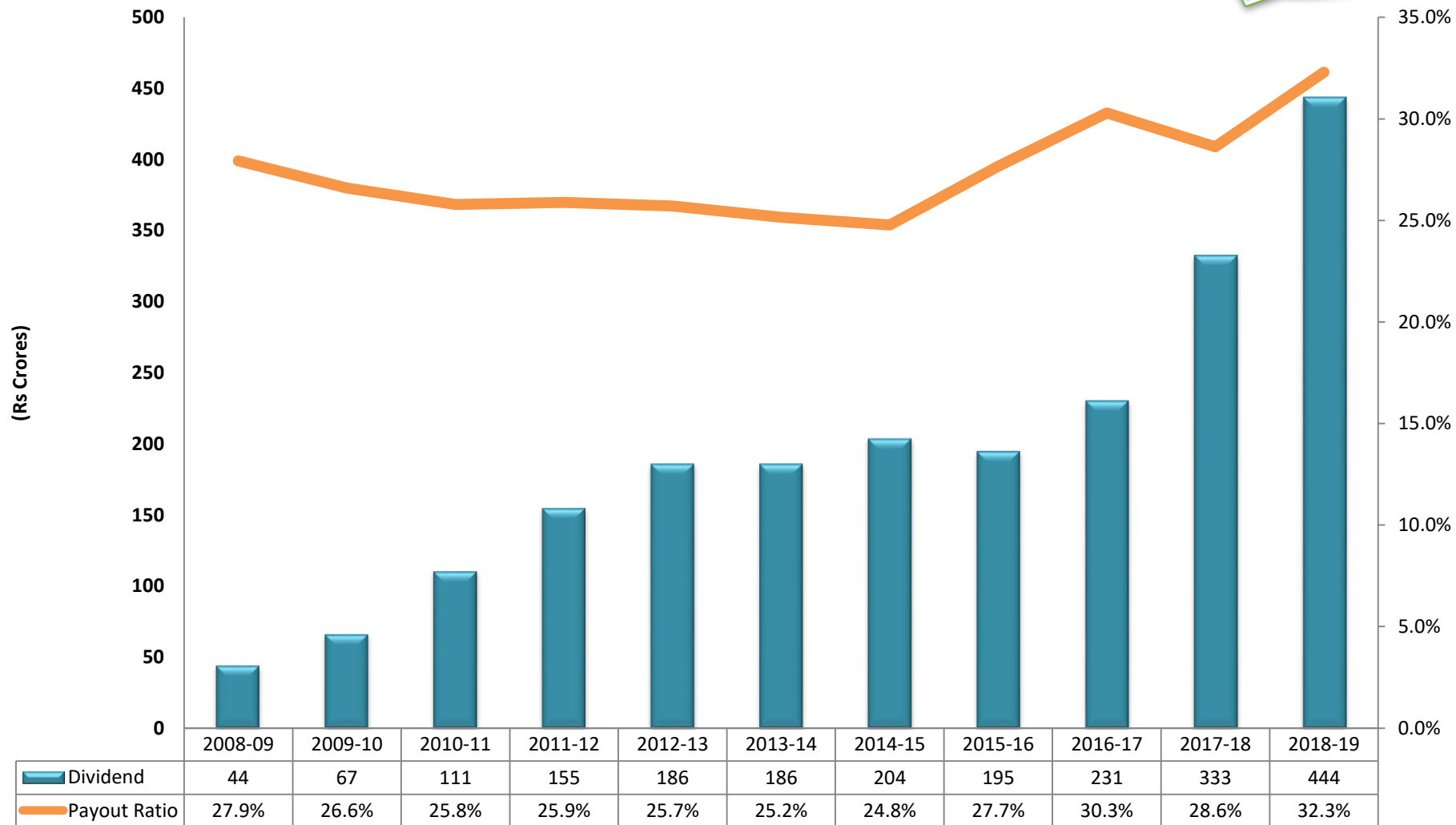


**Note:** 1. In above ROCE calculation, EBIT is before exceptional items.

2. In above ROE calculation, PAT is after exceptional item of INR 70 cr., INR 92 cr and INR 96 cr. for FY'19, FY'18 and FY'17 respectively.

# Dividend

**10 year  
CAGR: 25%**

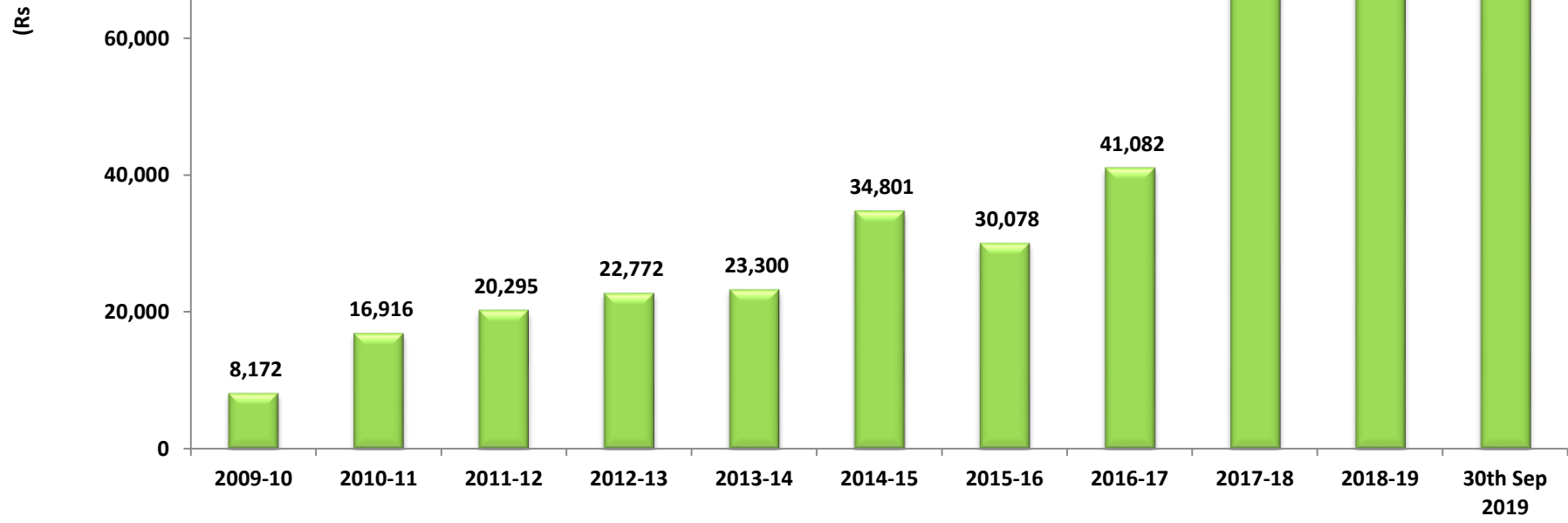
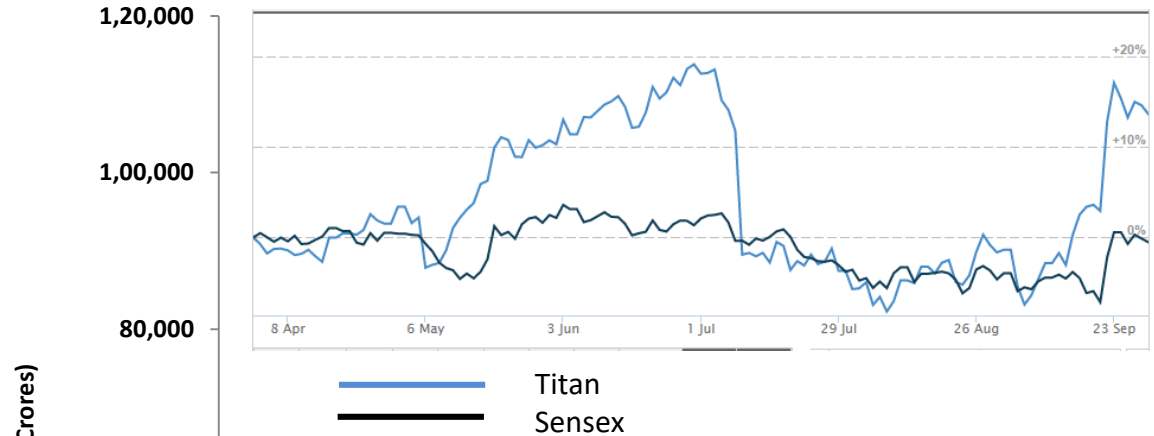


Note : Above dividend payout ratio is excluding the Dividend Distribution Tax

# Market Capitalisation

**10 year  
CAGR: 40%**

Stock Performance Vs Sensex (last 6 months)



Note: Based on NSE closing prices at the end of the period

# Awards and Recognitions

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- Titan Company wins the R K Swamy High Performance Brand Award by AIMA
- Titan Company accredited 'Best Employer Award' by Tamil Nadu Government under the category of 'Employing most number of differently abled personnel.'
- Tanishq received the "RedDot: Best of the Best" award for innovative laser cut tube jewellery. RedDot is the most prestigious and coveted award in the world in the field of Product Design and the "RedDot: Best of the Best" is the highest award in the competition and is awarded for groundbreaking Design Innovation.
- Tanishq Rivaah wins Gold in Effie Awards 2019
- Tanishq received the 'World Branding Award' in London at Kensington Palace. Tanishq was the only brand selected from India.
- Tanishq won 'Excellence in customer service and sales process initiative' at the 'Retail Jewellers Guild Awards'.
- Watches Ecommerce bags 3 awards at Digies 2019.
- Watches Ecommerce bags DMA ASIA ECHO Awards 2019 in the Best Customer Acquisition Campaign Category.
- 'Titan' Watches wins the Brand Equity Shark Awards
- Titan Eyeplus felicitated by NASSCOM in the Special Category – 'Best use of technology by an enterprise for Excellent Customer Service'.
- Titan Eyeplus wins Bronze in the prestigious ACEF Asian Leadership Awards.
- Titan Eyeplus won at the 'International Customer Experience Awards' in 'Best Customer Experience Strategy' category, hosted by CXInternational in Amsterdam and judged by 84 CEOs and global customer experience specialists. Jury was impressed with the brand's transforming NPS.

CSR focus at Titan will continue be driven by broad themes such as upliftment of the underprivileged girl child, Skill development for the under privileged and support for Indian Arts, Crafts and Heritage. We will also support local causes that are supportive of our neighborhood wherever we are present as part of our responsible citizenship initiative.

| Area                                       | Key Initiatives   |
|--|---|
| Girl Child / Education                     | Remedial Education and holistic engagement with Girl child in two most backward locations of TN and Karnataka . 300002 children supported through remedial education and close to 1.0 Lakh for multithematic engagement in kattumannar koil and Yadgir. 92% of girls pass class 10 last year. |
|  | Capacity building for teachers : Covered close to 300 teachers so far and will be covering 1800 teachers over a three year period.  |
|  | Enabling school education for the tribal child and capacity building through D.Ed program as part of Affirmative Action initiative. Adopted two ITI's in the tribal region.   |
| Skill development for underprivileged      | Titan LeAP skill for employment and employability continues at multiple centers. we have completed skilling of 3775 youth across employment and employability programs, including 233 differently abled.  |
| Support to Indian Arts Crafts and heritage | Working with two craft communities one in Benares, & one with the youth of Kashmir for revival & enable market linkages. A third tie up has been made this year with Charka for revival of crafts in the weaving space.   |
| Design Impact Awards for Social Change     | Capacity building, mentorship and engagement of Titan SME's are on with the grantees of DIA program   |
| Responsible citizenship                    | Titan-NABARD partnership for watershed program, at Cuddalore and Integrated village development program at Uttarakhand continues. Second phase of Water & Sanitation intervention in Uttarakhand for 15 villages started.   |
|  | Happy eyes – comprehensive eye care program going on.: Reached out to 115630 individuals (children and Adults) so far   |
| Others                                     | Both lakes in Bangalore and Hosur have completed first phase of execution. Its heartening to see water being filled in during the recent rains . Two more lakes for development have been taken up in Chennai.  |
|  | The Company led the one Tata efforts for relief work in North Karnataka that was repeatedly hit by floods this year, reached out to close to 1000 families  |
|  | There has been a significant focus on volunteering. In so far we have engaged a total of 759 volunteers across the company, and logged in 8144 volunteering hours.  |



**Thank You**



**TITAN**  
COMPANY