



TITAN COMPANY LIMITED

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

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018

₹ in lakhs

PART I Particulars	3 months ended			Year ended	
	31-03-2018 (Audited) ¹⁰	31-12-2017 (Unaudited)	31-03-2017 (Audited) ⁹	31-03-2018 (Audited)	31-03-2017 (Audited) ⁹
I. Revenue from operations (Refer note 5, 6)					
- Sale of products/ services	405,956	431,165	363,655	1,598,267	1,330,808
- Other operating revenues	4,766	5,143	2,647	17,328	7,405
II. Other income	1,847	2,132	2,980	8,886	7,049
III. Total income (I + II)	412,569	438,440	369,282	1,624,481	1,345,262
IV. Expenses:					
Cost of materials and components consumed	290,779	173,675	266,370	1,045,282	864,664
Purchase of stock-in-trade	55,237	52,830	39,963	221,201	117,450
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(55,985)	95,535	(46,443)	(97,861)	(31,371)
Excise duty on sale of goods	-	-	3,724	3,618	12,130
Employee benefits expense	24,627	22,095	20,030	88,508	78,747
Finance costs	1,671	1,092	896	5,292	3,774
Depreciation and amortisation expense	3,595	3,492	2,750	13,143	11,053
Advertising	11,147	15,619	14,841	49,399	48,116
Other expenses	41,370	34,312	42,242	140,979	132,928
IV. Total expenses	372,441	398,650	344,373	1,469,561	1,237,491
V. Profit before exceptional item and tax (III - IV)	40,128	39,790	24,909	154,920	107,771
VI. Exceptional item (Refer note 4)	570	-	223	1,665	10,269
VII. Profit before tax (V - VI)	39,558	39,790	24,686	153,255	97,502
VIII. Tax expense:					
Current tax	11,504	10,431	7,996	44,996	30,211
Deferred tax	(2,575)	1,161	(1,200)	(2,209)	(2,614)
VIII. Total tax	8,929	11,592	6,796	42,787	27,597
IX. Profit for the period (VII-VIII)	30,629	28,198	17,890	110,468	69,905
X. Share of Profit/ (Loss)					
- Associate	(32)	(1)	7	(37)	28
- Jointly controlled entity	(156)	(36)	(81)	(240)	(205)
XI. Net profit for the period (IX-X)	30,441	28,161	17,816	110,191	69,728
XII. Other comprehensive income					
(i) Items that will not be reclassified to the statement of profit and loss					
- Remeasurement of employee defined benefit plans	1,081	1,273	445	2,273	(1,316)
- Income-tax on (i) above	(323)	(333)	(138)	(665)	365
(ii) Items that will be reclassified to the statement of profit and loss					
- Effective portion of gain or loss on designated portion of hedging instruments in a cash flow hedge	11	3,189	(10,958)	(2,570)	3,411
- Exchange differences in translating the financial statements of foreign operations	372	(103)	(29)	410	(117)
- Income-tax on (ii) above	(25)	(924)	3,185	724	(982)
XII. Total other comprehensive income	1,116	3,102	(7,495)	172	1,361
XIII. Total comprehensive income (XI+XII)	31,557	31,263	10,321	110,363	71,089
Profit for the period attributable to:					
- Owners of the Company	31,504	28,796	18,432	113,009	71,147
- Non-controlling interest	(1,063)	(635)	(616)	(2,818)	(1,419)
Other comprehensive income for the period attributable to:	30,441	28,161	17,816	110,191	69,728
- Owners of the Company	1,135	3,102	(7,486)	191	1,370
- Non-controlling interest	(19)	-	(9)	(19)	(9)
Total comprehensive income for the period attributable to:	1,116	3,102	(7,495)	172	1,361
- Owners of the Company	32,639	31,898	10,946	113,200	72,517
- Non-controlling interest	(1,082)	(635)	(625)	(2,837)	(1,428)
XIV. Paid up equity share capital (face value ₹ 1 per share):	8,878	8,878	8,878	8,878	8,878
XV. Other equity:	500,110	414,360	500,110	500,110	414,360
XVI. Earnings per equity share of ₹ 1: (based on net profit for the period (XI))					
Basic and diluted (not annualised)	3.43	3.17	2.01	12.41	7.85

See accompanying notes to the consolidated financial results



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STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018**BALANCE SHEET**

₹ in lakhs

Particulars	As at 31-03-2018 (Audited)	As at 31-03-2017 (Audited) ⁹
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	110,204	85,316
(b) Capital work-in-progress	4,301	14,324
(c) Investment property	2,268	1,065
(d) Intangible assets	22,608	20,190
(e) Intangible assets under development	36	883
(f) Goodwill on consolidation	12,301	12,301
(g) Financial assets		
(i) Investments	3,438	3,701
(ii) Other financial assets	12,505	11,312
(h) Deferred tax assets (net)	3,606	359
(i) Other non-current assets	10,834	9,485
(j) Income tax assets (net)	10,219	8,284
	192,320	167,220
(2) Current assets		
(a) Inventories	592,484	492,574
(b) Financial assets		
(i) Investments	161	39,372
(ii) Trade receivables	29,569	20,760
(iii) Cash and cash equivalents	47,205	67,800
(iv) Bank balances other than (iii) above	14,586	10,093
(v) Other financial assets	33,966	28,729
(c) Other current assets	42,130	14,242
	760,101	673,570
TOTAL ASSETS	952,421	840,790
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	8,878	8,878
(b) Other equity	500,110	414,360
Equity attributable to the equity holders	508,988	423,238
Non-controlling interest	(182)	2,636
Total Equity	508,806	425,874
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	126	-
(b) Provisions	11,634	12,108
(c) Deferred tax liability (net)	317	33
	12,077	12,141
(2) Current liabilities		
(a) Financial liabilities		
(i) Borrowings	7,899	-
(ii) Gold on loan	161,202	188,243
(iii) Trade payables	87,774	78,276
(iv) Other financial liabilities	25,462	23,813
(b) Provisions	2,473	2,009
(c) Other current liabilities	144,529	110,223
(d) Current tax liabilities (net)	2,199	211
	431,538	402,775
TOTAL EQUITY AND LIABILITIES	952,421	840,790



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STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2018
SEGMENT INFORMATION

₹ in lakhs

Particulars	3 months ended			Year ended	
	31-03-2018 (Audited) ¹⁰	31-12-2017 (Unaudited)	31-03-2017 (Audited) ⁹	31-03-2018 (Audited)	31-03-2017 (Audited) ⁹
Segment revenues and profit and loss					
a) Sales / Income from segments					
Watches	49,241	54,260	50,527	213,153	206,111
Jewellery	335,805	364,864	295,542	1,325,685	1,059,642
Eyewear	10,866	9,270	11,155	41,498	41,403
Others	15,156	8,694	9,962	37,194	33,477
Corporate (unallocated)	1,501	1,352	2,096	6,951	4,629
Total	412,569	438,440	369,282	1,624,481	1,345,262
b) Profit / (Loss) from segments before finance costs and taxes					
Watches	1,744	6,864	548	20,861	11,035
Jewellery	42,468	36,630	26,466	146,267	99,796
Eyewear	230	(442)	1,076	240	1,278
Others	211	(480)	(986)	(2,544)	(2,971)
Corporate (unallocated)	(3,612)	(1,727)	(1,596)	(6,554)	(8,039)
Finance costs	41,041	40,845	25,508	158,270	101,099
Profit before taxes including share from Associate and Jointly controlled entity	1,671	1,092	896	5,292	3,774
	39,370	39,753	24,612	152,978	97,325
c) Segment assets and liabilities					
Segment assets					
Watches	139,796	143,854	124,118	139,796	124,118
Jewellery	602,453	530,742	498,979	602,453	498,979
Eyewear	28,695	28,351	22,150	28,695	22,150
Others	43,499	42,611	36,623	43,499	36,623
Corporate(Unallocated)	137,978	168,658	158,920	137,978	158,920
Total	952,421	914,216	840,790	952,421	840,790
Segment liabilities					
Watches	46,035	51,207	51,129	46,035	51,129
Jewellery	365,515	353,616	343,470	365,515	343,470
Eyewear	8,122	8,147	8,254	8,122	8,254
Others	12,085	13,905	32,400	12,085	32,400
Corporate(Unallocated)	11,858	10,519	(20,337)	11,858	(20,337)
Total	443,615	437,394	414,916	443,615	414,916





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Notes:

1 Standalone audited financial results for the quarter and year ended 31 March 2018 can be viewed on the website of the Company, National Stock Exchange of India Limited (NSE) and BSE Ltd. Information of standalone audited financial results of the Company in terms of Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") is as under:

Particulars	3 months ended			Year ended	
	31-03-2018 (Audited) ¹⁰	31-12-2017 (Unaudited)	31-03-2017 (Audited) ⁹	31-03-2018 (Audited)	31-03-2017 (Audited) ⁹
Revenue from operations	391,681	422,481	353,754	1,565,585	1,299,887
Profit before tax	35,219	42,333	26,648	157,072	103,342
Net profit for the period (after tax)	28,212	30,821	20,071	116,287	76,186
Total comprehensive income	28,856	33,941	12,636	115,977	77,732

2 The financial results of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016.

3 The consolidated financial results includes results of:

Subsidiaries

Titan TimeProducts Limited
 Favre Leuba A G, Switzerland
 Titan Engineering & Automation Limited
 Titan Watch Company Limited, Hong Kong
 (100% subsidiary of Favre Leuba A G)
 Carat Lane Trading Private Limited (w.e.f. August 3, 2016)
Jointly controlled entity
 Montblanc India Retail Private Limited
Associate Company
 Green Infra Wind Power Theni Limited

4 Exceptional items include:

(a) The Company had announced Early Retirement Scheme to its employees during the quarters ended 30 June 2017 and 31 March 2018. The expenses incurred for the quarter ended 30 June 2017 is ₹ 1030 lakhs, for the quarter ended 30 September 2017 is ₹ 65 lakhs and for the quarter ended 31 March 2018 is ₹ 570 lakhs.

Profit / (Loss) from segments before exceptional items, finance costs and taxes are as below for the quarters ended 31 March 2018, 31 December 2017 and year ended 31 March 2018 :

Segment	₹ in lakhs		
	3 months ended 31-03-2018 (Audited) ¹⁰	3 months ended 31-12-2017 (Unaudited)	Year ended 31-03-2018 (Audited)
Watches	2,163	6,864	22,275
Jewellery	42,620	36,630	146,519
Eyewear	230	(442)	240
Others	211	(480)	(2,544)
Corporate (Unallocated)	45,224	42,572	166,490
	(3,613)	(1,727)	(6,555)
	41,611	40,845	159,935

(b) The Group had announced Voluntary Retirement Scheme (VRS) to its employees during the quarter ended 30 June 2016. The expenses relating to the same being exceptional are classified accordingly and accounted for in the period. Profit / (Loss) from segments before exceptional items, finance costs and taxes are as below for the quarter and year ended 31 March 2017:

Segment	₹ in lakhs	
	3 months ended 31-03-2017 (Audited) ⁹	Year ended 31-03-2017 (Audited) ⁹
Watches	668	17,633
Jewellery	26,549	101,229
Eyewear	1,097	1,687
Others	(986)	(2,339)
Corporate (Unallocated)	27,328	118,210
	(1,597)	(6,842)
	25,730	111,368

5 Revenue from operations for the periods up to 30 June 2017 includes excise duty on goods sold. With the implementation of Goods and Service Tax (GST) in India w.e.f. 1 July 2017, excise duty has subsumed into GST and hence, revenue from operations for the period from 1 July 2017 does not include excise duty.

6 Other operating revenue includes a) Sale of precious / semi-precious stones, b) Sale of gold / platinum, c) Government grant and d) Scrap sales. Government grant pertains to the budgetary support under Goods and Service Tax (GST refund) for the existing eligible units under the different industrial promotion schemes.

7 The Group is structured into four verticals namely Watches, Jewellery, Eyewear and Others where "Others" include Precision Engineering, Machine Building, Accessories, Fragrances and Sarees. Accordingly, the Company has presented its segment results under these business segments in the manner consistent with the internal reporting to the chief operating decision maker (CODM).

8 The Company uses derivative financial instruments (hedging instruments) to manage risks associated with gold price fluctuations relating to certain highly probable forecasted transactions (sales). The hedging instruments are initially measured at fair value and are remeasured at subsequent reporting dates. Changes in the fair value of these hedging instruments designated and effective as hedges of future cash flows are routed through Other Comprehensive Income. On occurrence of the forecast transaction (sales), the effective portion of these derivatives are adjusted against the sales (underlying hedged item) and ineffective portion is recognized as expense in the Statement of profit and loss.

9 The financial results up to the quarter ended 30 June 2017 were reviewed/ audited by the then statutory auditors.

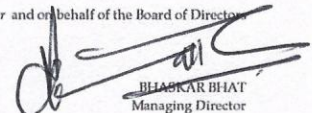
10 The above results of the Group have been audited by the statutory auditors and have issued an unqualified audit opinion on the same. The figure for the quarter ended 31 March 2018 is a balancing figure between the audited figure of the full financial year and the unaudited year to date figure upto the third quarter of the financial year. Also, the figures upto the end of the third quarter were only reviewed and

11 The comparative figures have been regrouped/reclassified, where necessary to conform to the current period's presentation.

12 The audited financial results of the Group for the quarter and year ended 31 March 2018 have been reviewed by the Audit Committee of the Board on 9 May 2018 and approved by the Board of Directors at their meeting on 10 May 2018.

13 The Board of Directors at its meeting held on 10 May 2018, has declared a final dividend of ₹ 3.75 per equity share.

for and on behalf of the Board of Directors


 BHASKAR BHAT
 Managing Director

Place: Bengaluru
Date: 10 May 2018

