



SEC 6 / 2018-19

10<sup>th</sup> May 2018

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: Audited Financial Results, Audited Consolidated Financial Results and Recommendation of Dividend for year ended 31<sup>st</sup> March 2018**

We enclose the audited standalone and consolidated financial results for the quarter and year ended 31<sup>st</sup> March 2018, which have been approved and taken on record at a meeting of the Board of Directors of the Company held today. A copy of the Press Release issued in this regard is also attached.

We would like to state that BSR & Co., LLP, statutory auditors of the Company, have issued audit report with unmodified opinion on the above mentioned results.

Further, we would like to inform that at the meeting held today, the Directors have recommended a Dividend of ₹ 3.75 per Equity Share of ₹ 1 each of the Company which shall be paid / dispatched on the seventh day from the conclusion of the 34<sup>th</sup> Annual General meeting subject to approval of the shareholders of the Company.

The Stock Exchanges are also informed that the Board meeting commenced at 9:30 a.m. and the results were approved by 4:30 p.m. and the Board Meeting continued thereafter for other matters.

The above information is also available on the website of the Company: [www.titan.co.in](http://www.titan.co.in).

Kindly acknowledge receipt.

Thank you.

Yours truly,  
For TITAN COMPANY LIMITED

A R Rajaram  
Vice President - Legal & Company Secretary



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



10<sup>th</sup> May 2018

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

Dear Sirs,

**Sub: Declaration pursuant to Regulation 33(3)(d) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2016**

**DECLARATION**

I, S. Subramaniam, Chief Financial Officer of Titan Company Limited having its registered office at 3, SIPCOT Industrial Complex, Hosur - 635 126, hereby declare that BSR & Co., LLP, Statutory Auditors of the Company, have issued an Audit Report with unmodified opinion on annual Audited Financial Results of the Company (Standalone and Consolidated) for the year ended 31<sup>st</sup> March 2018.

The declaration is given pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2016, vide notification no. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular no. CIR/CFD/CMD/56/2016 dated May 27, 2016.

Kindly take this declaration on your records.

Yours truly,  
For TITAN COMPANY LIMITED

S. Subramaniam  
Chief Financial Officer





May 10, 2018

PRESS RELEASE

**Titan Company's profit grows 52.6% in FY 2017-18**

For Titan Company Limited the FY 2017-18 was a remarkable year in terms of overall business performance. The financial year 2017-18 recorded a topline growth of 20.5% on a standalone basis. Titan Company Ltd reported an income of Rs.15,655 crores for the year ended March 2018. This performance came in the backdrop of a changing environment and regulatory moves like GST implementation. Income for Q4 stood at Rs.3,916 crores against Rs.3,538 crores last year, registering a growth of 10.72%.

Standalone profit before tax for the year 2017-18 was very encouraging and grew by 52.0% to Rs.1,571 crores. This is after extraordinary items of Rs.91 crores including impairment for investment in Favre Leuba amounting to Rs.75 crores. The standalone net profit for the year is Rs.1,163 crores, a growth of 52.6%.

The Jewellery business of the Company recorded a sale of Rs.13,036 crores, on the back of a very successful diamond activation as well as excellent reception to the revised gold exchange policy by customers. The income from Jewellery segment saw a growth of 24.3% in FY 2017-18. The year witnessed launch of many successful collections in jewellery as well as an effective wedding campaign. The Watches business of the Company recorded an income of Rs.2,126 crores for FY 2017-18, registering a much higher growth than the past few years. The growth of 3.6% being reported, appears muted due to the effect of GST on top line. The key highlights of the year were encouraging growth in the modern Large Format Stores and Ecommerce, successful launch of new Licensed brands as well as a resounding success to 'Reflex' Smart Band from Fastrack. The income from Eyewear business was Rs.415 crores. The year 2017-18 saw sales in Eyewear almost flat over previous year as the Sunglass business continued to face challenges in the new GST regime. Other businesses of the company comprising accessories, fragrances and sarees recorded a sale of Rs.95 crores, a growth of 45.9%.

The year witnessed aggressive expansion of its retail network with a net addition of 114 stores by Watches, Jewellery and Eyewear businesses. As on 31<sup>st</sup> March 2018, the Company had 1480 stores, with over 1.9 million sq.ft of retail space.

Mr. Bhaskar Bhat, Managing Director of the Company stated that "The Company achieved excellent topline and bottom line growth in the Jewellery and Watches business. The Jewellery business scaled new heights in terms of revenue growth and profitability. The business gained from tailwinds provided by regulatory developments like GST. The Watches business had a great year too with the recrafting strategy resulting in the highest topline growth in recent years, a jump in margins and the highest ever profit. The Eyewear business went through a tough period, especially in the Sunglass segment. I am also proud of the fact that through our CSR Program we have made a difference to the lives of three lakh and fifty thousand Indians. Many steps are being taken to prepare the Company for the future and set a foundation for healthy growth in the years to come."

Considering the performance of the Company, a dividend of Rs.3.75 per share (375%) was announced after the Board Meeting held on 10<sup>th</sup> May 2018.

S. Ravi Kant  
Executive Vice President  
(Corporate Communications)



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  
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www.titan.co.in

A TATA Enterprise

# B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre  
11-12/1, B Block, 2nd Floor  
Inner Ring Road, Koramangala  
Bangalore 560 071 India

Telephone +91 80 7134 7000  
Fax +91 80 7134 7999

## **Auditors' Report on Standalone Annual Financial Results of Titan Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To the Board of Directors of Titan Company Limited**

We have audited the accompanying Statement of standalone annual financial results of Titan Company Limited ('the Company') for the year ended 31 March 2018 ('standalone financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these standalone financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These standalone financial results have been prepared on the basis of the standalone annual Ind AS financial statements and reviewed quarterly standalone financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone annual financial results based on our audit of such annual standalone Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS'), prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder, as applicable and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

Corresponding figures for the period/year ended 31 March 2017 included in the standalone financial results were audited by another auditor who expressed an unmodified opinion dated 12 May 2017.

**Auditors' Report on Standalone Financial Results of Titan Company Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

**Opinion**

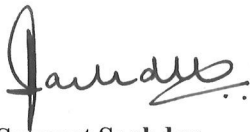
In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the standalone net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm Registration Number: 101248W/W-100022



**Supreet Sachdev**

*Partner*

Membership Number: 205385

Place: Bengaluru

Date: 10 May 2018





# TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

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

PART I

₹ in lakhs

Particulars	3 months ended			Year ended	
	31-03-2018 (Audited) <sup>6</sup>	31-12-2017 (Unaudited)	31-03-2017 (Audited) <sup>7</sup>	31-03-2018 (Audited)	31-03-2017 (Audited) <sup>7</sup>
I. Revenue from operations (Refer note 3.4)					
- Sale of products/ services	386,933	417,359	351,054	1,548,345	1,292,568
- Other operating revenue	4,748	5,122	2,700	17,240	7,319
II. Other income	1,996	1,840	2,726	8,640	6,477
<b>III. Total income (I +II)</b>	<b>393,677</b>	<b>424,321</b>	<b>356,480</b>	<b>1,574,225</b>	<b>1,306,364</b>
IV. Expenses:					
Cost of materials and components consumed	289,299	169,739	263,791	1,024,021	844,938
Purchase of stock-in-trade	47,213	47,512	37,826	207,691	112,787
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(58,426)	96,332	(44,635)	(93,139)	(28,847)
Excise duty on sale of goods	-	-	3,003	3,455	10,235
Employee benefits expense	21,097	19,060	17,394	76,226	69,554
Finance costs	1,240	1,036	823	4,768	3,713
Depreciation and amortisation expense	3,006	2,945	2,242	10,967	9,323
Advertising	10,217	13,503	13,216	44,099	44,481
Other expenses	36,742	31,861	35,949	129,900	127,201
<b>IV. Total expenses</b>	<b>350,388</b>	<b>381,988</b>	<b>329,609</b>	<b>1,407,988</b>	<b>1,193,385</b>
V. Profit before exceptional item and tax (III - IV)	43,289	42,333	26,871	166,237	112,979
VI. Exceptional item (Refer note 2)	8,070	-	223	9,165	9,637
VII. Profit before tax (V - VI)	35,219	42,333	26,648	157,072	103,342
VIII. Tax expense:					
Current tax	11,232	10,350	7,887	44,643	30,000
Deferred tax	(4,225)	1,162	(1,310)	(3,858)	(2,844)
<b>VIII. Total tax</b>	<b>7,007</b>	<b>11,512</b>	<b>6,577</b>	<b>40,785</b>	<b>27,156</b>
IX. Profit for the period (VII-VIII)	28,212	30,821	20,071	116,287	76,186
X. Other comprehensive income					
(i) Items that will not be reclassified to the statement of profit and loss					
- Remeasurement of employee defined benefit plan	934	1,188	489	2,154	(1,232)
- Income-tax on (i) above	(276)	(333)	(142)	(618)	357
(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	(10,959)	(2,570)	3,411
- income-tax on (ii) above	(25)	(924)	3,177	724	(990)
<b>X. Total other comprehensive income</b>	<b>644</b>	<b>3,120</b>	<b>(7,435)</b>	<b>(310)</b>	<b>1,546</b>
<b>XI. Total comprehensive income (IX+X)</b>	<b>28,856</b>	<b>33,941</b>	<b>12,636</b>	<b>115,977</b>	<b>77,732</b>
XII. Paid up equity share capital (face value ₹ 1 per share):	8,878	8,878	8,878	8,878	8,878
XIII. Other equity:				510,521	422,323
XIV. Earnings per equity share of ₹ 1: (based on net profit for the period (IX)) Basic and diluted (not annualised)	3.18	3.47	2.26	13.10	8.58

See accompanying notes to the standalone financial results







# TITAN COMPANY LIMITED

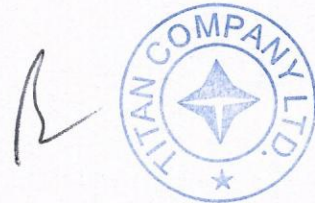
CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

## STATEMENT OF STANDALONE 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) <sup>7</sup>
<b>ASSETS</b>		
(1) Non-current assets		
(a) Property, plant and equipment	92,107	68,715
(b) Capital work-in-progress	4,081	14,027
(c) Investment property	2,268	1,065
(d) Intangible assets	3,010	951
(e) Intangible assets under development	36	756
(f) Financial assets		
(i) Investments	73,375	51,160
(ii) Other financial assets	11,560	8,265
(g) Deferred tax asset (net)	4,805	224
(h) Other non-current assets	10,600	9,341
(i) Income tax assets (net)	10,067	8,142
	<b>211,909</b>	<b>162,646</b>
(2) Current assets		
(a) Inventories	574,920	480,649
(b) Financial assets		
(i) Investments	-	37,453
(ii) Trade receivables	19,299	11,536
(iii) Cash and cash equivalents	46,644	67,181
(iv) Bank balances other than (iii) above	14,584	10,093
(v) Other financial assets	35,378	51,218
(c) Other current assets	36,907	10,977
	<b>727,732</b>	<b>669,107</b>
<b>TOTAL ASSETS</b>	<b>939,641</b>	<b>831,753</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
(a) Equity share capital	8,878	8,878
(b) Other equity	510,521	422,323
<b>TOTAL EQUITY</b>	<b>519,399</b>	<b>431,201</b>
Liabilities		
(1) Non-current liabilities		
(a) Provisions	10,394	10,943
	<b>10,394</b>	<b>10,943</b>
(2) Current liabilities		
(a) Financial liabilities		
(i) Gold on loan	160,386	106,649
(ii) Trade payables	78,632	151,126
(ii) Other financial liabilities	25,125	23,487
(b) Other current liabilities	141,410	106,549
(c) Provisions	2,125	1,798
(d) Current tax liabilities (net)	2,170	-
	<b>409,848</b>	<b>389,609</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>939,641</b>	<b>831,753</b>







# TITAN COMPANY LIMITED

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

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

## SEGMENT INFORMATION

₹ in lakhs

	3 months ended			Year ended	
	31-03-2018 (Audited) <sup>6</sup>	31-12-2017 (Unaudited)	31-03-2017 (Audited) <sup>7</sup>	31-03-2018 (Audited)	31-03-2017 (Audited) <sup>7</sup>
<b>Segment revenues and profit and loss</b>					
<b>a) Sales / Income from segments</b>					
Watches	49,403	53,949	50,263	212,643	205,316
Jewellery	329,206	357,556	291,307	1,303,587	1,048,498
Eyewear	10,866	9,270	11,155	41,498	41,403
Others	2,654	2,193	1,655	9,501	6,514
Corporate (unallocated)	1,548	1,353	2,100	6,996	4,633
<b>Total</b>	<b>393,677</b>	<b>424,321</b>	<b>356,480</b>	<b>1,574,225</b>	<b>1,306,364</b>
<b>b) Profit / (Loss) from segments before finance costs and taxes</b>					
Watches	3,514	8,258	1,210	25,788	13,843
Jewellery	45,192	38,472	28,240	154,298	103,872
Eyewear	230	(442)	1,076	240	1,278
Others	(1,273)	(1,230)	(1,538)	(4,429)	(4,080)
Corporate (unallocated)	(11,204)	(1,689)	(1,517)	(14,057)	(7,858)
	36,459	43,369	27,471	161,840	107,055
Finance costs	1,240	1,036	823	4,768	3,713
<b>Profit before taxes</b>	<b>35,219</b>	<b>42,333</b>	<b>26,648</b>	<b>157,072</b>	<b>103,342</b>
<b>c) Segment assets and liabilities</b>					
<b>Segment assets</b>					
Watches	135,424	138,031	120,752	135,424	120,752
Jewellery	561,126	489,566	455,362	561,126	455,362
Eyewear	28,695	28,351	22,150	28,695	22,150
Others	5,171	5,690	4,662	5,171	4,662
Corporate(Unallocated)	209,225	245,256	228,827	209,225	228,827
<b>Total</b>	<b>939,641</b>	<b>906,894</b>	<b>831,753</b>	<b>939,641</b>	<b>831,753</b>
<b>Segment liabilities</b>					
Watches	44,802	50,803	50,646	44,802	50,646
Jewellery	353,553	344,556	337,795	353,553	337,795
Eyewear	8,122	8,147	8,254	8,122	8,254
Others	1,907	2,328	1,613	1,907	1,613
Corporate(Unallocated)	11,858	10,519	2,244	11,858	2,244
<b>Total</b>	<b>420,242</b>	<b>416,353</b>	<b>400,552</b>	<b>420,242</b>	<b>400,552</b>







# TITAN COMPANY LIMITED

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

## Notes:

1 The financial results of Titan Company Limited ("the Company") 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.

## 2 Exceptional items includes:

(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 quarters ended 30 June 2017 is Rs 1,030 lakhs, for the quarter ended 30 September 2017 is Rs 65 lakhs and for the quarter ended 31 March 2018 is Rs 570 lakhs.

(b) Provision for impairment of investment in a subsidiary (Favre Leuba AG, Switzerland) made during the quarter and year ended 31 March 2018 amounting to Rs 7,500 lakhs (Previous quarter and year end: Rs. Nil).

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 :

₹ in lakhs

Segment	3 months ended 31-03-2018	3 months ended 31-12-2017	Year ended 31-03-2018
	(Audited) <sup>8</sup>	(Unaudited)	(Audited)
Watches	3,932	8,258	27,201
Jewellery	45,344	38,472	154,550
Eyewear	230	(442)	240
Others	(1,273)	(1,230)	(4,429)
	48,233	45,058	177,562
Corporate (Unallocated)	(3,704)	(1,689)	(6,557)
	44,529	43,369	171,005

(c) The Company 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:

₹ in lakhs

Segment	3 months ended 31-03-2017	Year ended 31-03-2017
	(Audited) <sup>7</sup>	(Audited) <sup>7</sup>
Watches	1,330	20,441
Jewellery	28,323	105,305
Eyewear	1,097	1,687
Others	(1,538)	(4,080)
	29,212	123,353
Corporate (Unallocated)	(1,518)	(6,661)
	27,694	116,692

3 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.

4 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.

5 The Company is structured into four verticals namely Watches, Jewellery, Eyewear and Others where "Others" include Accessories, Fragrances and Sarees. Accordingly, the Company has presented its segment results under these business segments.

6 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 recognised as expense in the Statement of profit and loss.

7 The financial results for the period up to the quarter ended 30 June 2017 were reviewed/ audited by the then statutory auditors. The figure for quarter ended 31 March 2017 is a balancing figure between the audited figure in respect of the full financial year and the year to date figures up to the third quarter.

8 The above results of the Company 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 figures 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 not subjected to audit.

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

10 The audited financial results of the Company 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.

11 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



# B S R & Co. LLP

Chartered Accountants

Maruthi Info-Tech Centre  
11-12/1, B Block, 2nd Floor  
Inner Ring Road, Koramangala  
Bangalore 560 071 India

Telephone +91 80 7134 7000  
Fax +91 80 7134 7999

## **Auditor's Report on Consolidated Annual Financial Results of Titan Company Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of Titan Company Limited

We have audited the accompanying statement of consolidated annual financial results of Titan Company Limited ('the Company') and its subsidiaries, (collectively referred to as 'the group'), its associate and its joint venture (listed in Annexure I) for the year ended 31 March 2018 ('consolidated financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified ('Listing Regulations'). Attention is drawn to the fact that the figures for the quarter ended 31 March 2018 and the corresponding quarter ended in the previous year as reported in these consolidated financial results are the balancing figures between consolidated audited figures in respect of the full financial year and the published year to date consolidated figures upto the end of the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

These consolidated annual financial results have been prepared from consolidated annual Ind AS financial statements and reviewed quarterly consolidated financial results upto the end of the third quarter which are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of such consolidated annual Ind AS financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion



**Auditor's Report on Consolidated Financial Results of Titan Company Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (continued)**

The consolidated annual financial results include the Group's share of net loss (and other comprehensive income) of Rs. 277 Lakhs for the year ended 31 March 2018 in respect of one associate and one joint venture. These annual financials statements are unaudited and have been furnished to us by Management and our opinion in so far as it relates to the amounts included in respect of this joint venture and associate, is based solely on such unaudited annual financial statements. Our opinion is not modified in respect of this matter.

Corresponding figures for the year ended 31 March 2017 included in the consolidated financial results were audited by another auditor who expressed an unmodified opinion dated 12 May 2017.

**Opinion**

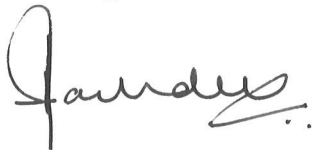
In our opinion and to the best of our information and according to the explanations given to us these consolidated annual financial results:

- (i) include the annual financial results of the following entities (list of entities included in consolidation);
- (ii) have been presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view of the consolidated net profit and other comprehensive income and other financial information for the year ended 31 March 2018.

*for B S R & Co. LLP*

*Chartered Accountants*

Firm Registration Number: 101248W/W-100022



**Supreet Sachdev**

*Partner*

Membership Number: 205385

Place: Bengaluru

Date: 10 May 2018

**Titan Company Limited**

**Annexure I: List of entities consolidated as at 31 March 2018**

<b>Entity</b>	<b>Relationship</b>
Titan Company Limited	Holding Company
Titan TimeProducts Limited	Subsidiary
Titan Engineering & Automation Limited	Subsidiary
Carat Lane Trading Private Limited	Subsidiary
Favre Leuba AG, Switzerland	Subsidiary
Titan Watch Company Limited, Hong Kong	Subsidiary of Favre Leuba AG, Switzerland
Green Infra Wind Power Theni Limited	Associate
Montblanc India Retail Private Limited	Joint Venture

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# 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) <sup>10</sup>	31-12-2017 (Unaudited)	31-03-2017 (Audited) <sup>9</sup>	31-03-2018 (Audited)	31-03-2017 (Audited) <sup>9</sup>
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
<b>III. Total income (I + II)</b>	<b>412,569</b>	<b>438,440</b>	<b>369,282</b>	<b>1,624,481</b>	<b>1,345,262</b>
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
<b>IV. Total expenses</b>	<b>372,441</b>	<b>398,650</b>	<b>344,373</b>	<b>1,469,561</b>	<b>1,237,491</b>
V. Profit before exceptional item and tax (III - IV)	<b>40,128</b>	<b>39,790</b>	<b>24,909</b>	<b>154,920</b>	<b>107,771</b>
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)
<b>VIII. Total tax</b>	<b>8,929</b>	<b>11,592</b>	<b>6,796</b>	<b>42,787</b>	<b>27,597</b>
IX. Profit for the period (VII-VIII)	<b>30,629</b>	<b>28,198</b>	<b>17,890</b>	<b>110,468</b>	<b>69,905</b>
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)	<b>30,441</b>	<b>28,161</b>	<b>17,816</b>	<b>110,191</b>	<b>69,728</b>
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)
<b>XII. Total other comprehensive income</b>	<b>1,116</b>	<b>3,102</b>	<b>(7,495)</b>	<b>172</b>	<b>1,361</b>
XIII. Total comprehensive income (XI+XII)	<b>31,557</b>	<b>31,263</b>	<b>10,321</b>	<b>110,363</b>	<b>71,089</b>
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)
<b>Other comprehensive income for the period attributable to:</b>	<b>30,441</b>	<b>28,161</b>	<b>17,816</b>	<b>110,191</b>	<b>69,728</b>
- Owners of the Company	1,135	3,102	(7,486)	191	1,370
- Non-controlling interest	(19)	-	(9)	(19)	(9)
<b>Total comprehensive income for the period attributable to:</b>	<b>1,116</b>	<b>3,102</b>	<b>(7,495)</b>	<b>172</b>	<b>1,361</b>
- 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)
<b>XIV. Paid up equity share capital (face value ₹ 1 per share):</b>	<b>8,878</b>	<b>8,878</b>	<b>8,878</b>	<b>8,878</b>	<b>8,878</b>
<b>XV. Other equity:</b>	<b>500,110</b>	<b>500,110</b>	<b>500,110</b>	<b>500,110</b>	<b>414,360</b>
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







# 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 BALANCE SHEET

₹ in lakhs

Particulars	As at 31-03-2018 (Audited)	As at 31-03-2017 (Audited) <sup>9</sup>
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(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
	<b>192,320</b>	<b>167,220</b>
<b>(2) Current assets</b>		
(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
	<b>760,101</b>	<b>673,570</b>
<b>TOTAL ASSETS</b>	<b>952,421</b>	<b>840,790</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(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
<b>Total Equity</b>	<b>508,806</b>	<b>425,874</b>
<b>Liabilities</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Other financial liabilities	126	-
(b) Provisions	11,634	12,108
(c) Deferred tax liability (net)	317	33
	<b>12,077</b>	<b>12,141</b>
<b>(2) Current liabilities</b>		
(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
	<b>431,538</b>	<b>402,775</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>952,421</b>	<b>840,790</b>







# 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  
SEGMENT INFORMATION

₹ in lakhs

Particulars	3 months ended			Year ended	
	31-03-2018 (Audited) <sup>10</sup>	31-12-2017 (Unaudited)	31-03-2017 (Audited) <sup>9</sup>	31-03-2018 (Audited)	31-03-2017 (Audited) <sup>9</sup>
<b>Segment revenues and profit and loss</b>					
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
<b>Total</b>	<b>412,569</b>	<b>438,440</b>	<b>369,282</b>	<b>1,624,481</b>	<b>1,345,262</b>
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
<b>c) Segment assets and liabilities</b>					
<b>Segment assets</b>					
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
<b>Total</b>	<b>952,421</b>	<b>914,216</b>	<b>840,790</b>	<b>952,421</b>	<b>840,790</b>
<b>Segment liabilities</b>					
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)
<b>Total</b>	<b>443,615</b>	<b>437,394</b>	<b>414,916</b>	<b>443,615</b>	<b>414,916</b>







# TITAN COMPANY LIMITED

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

## 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) <sup>10</sup>	31-12-2017 (Unaudited)	31-03-2017 (Audited) <sup>9</sup>	31-03-2018 (Audited)	31-03-2017 (Audited) <sup>9</sup>
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) <sup>10</sup>	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)
	<b>41,611</b>	<b>40,845</b>	<b>159,935</b>

(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) <sup>9</sup>	Year ended 31-03-2017 (Audited) <sup>9</sup>
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)
	<b>25,730</b>	<b>111,368</b>

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.

Place: Bengaluru  
Date: 10 May 2018

for and on behalf of the Board of Directors



BHASKAR BHAT  
Managing Director

