



**TITAN**  
COMPANY

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30<sup>th</sup> SEPTEMBER 2020**

₹ In crores

**TITAN COMPANY LIMITED**  
Registered Office: 3, SIPCOT Industrial Complex, Hosur - 635 126, Tamil Nadu.  
E-mail: investor@titan.co.in Website: www.titancompany.in  
Tel.: +91-80-6704 7000  
CIN: L74999TZ1984PLC001456  
A **TATA** Enterprise

Particulars	Standalone						Consolidated						
	3 months ended			6 months ended			3 months ended			6 months ended			Year ended
	30-09-2020 (Unaudited)	30-06-2020 (Unaudited)	30-09-2019 (Unaudited)	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)	31-03-2020 (Audited)	30-09-2020 (Unaudited)	30-06-2020 (Unaudited)	30-09-2019 (Unaudited)	30-09-2020 (Unaudited)	30-09-2019 (Unaudited)	31-03-2020 (Audited)	
1 Total income from operations (including other income)	4,389	1,901	4,466	6,290	9,461	20,156	4,601	2,020	4,693	6,621	9,902	21,205	
2 Profit/ (loss) for the period (before tax and exceptional item)	238	(335)	429	(97)	952	2,105	217	(361)	424	(144)	944	2,102	
3 Profit/ (loss) for the period before tax (after exceptional item)	238	(335)	429	(97)	952	2,105	217	(361)	424	(144)	944	2,102	
4 Net profit/ (loss) for the period after tax (after exceptional item)	199	(270)	320	(71)	691	1,517	173	(297)	312	(124)	675	1,493	
5 Total comprehensive income for the period (after tax)	512	(420)	389	92	677	1,279	489	(448)	379	41	659	1,259	
6 Equity share capital	89	89	89	89	89	89	89	89	89	89	89	89	
7 Other equity				6,472		6,736				6,275		6,580	
8 Earnings/(loss) per equity share (of ₹1/- each)													
Basic *	2.24	(3.04)	3.61	(0.80)	7.78	17.09	1.97	(3.27)	3.54	(1.30)	7.53	16.91	
Diluted*	2.24	(3.04)	3.61	(0.80)	7.78	17.09	1.97	(3.27)	3.54	(1.30)	7.53	16.91	
* Not annualised													

**Notes:**

- Consolidated unaudited financial results for the quarter and six months ended 30<sup>th</sup> September 2020 can be viewed on the website of the Company, National Stock Exchange of India Limited (NSE) and BSE Ltd. Information of unaudited standalone 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:
- The above consolidated financial results includes results of:
 

<p><b>Subsidiaries</b> Carattane Trading Private Limited (Formerly known as Carat Lane Trading Private Limited) Favre Leuba A G, Switzerland Titan Engineering &amp; Automation Limited Titan Holdings International FZCO (since 15<sup>th</sup> Oct 2019) "Titan Global Retail L.L.C (since 15<sup>th</sup> Dec 2019) (Subsidiary of Titan Holdings International FZCO)" "Titan Watch Company Limited, Hong Kong (Subsidiary of Favre Leuba A G)" Titan Commodity Trading Limited (from 10<sup>th</sup> August 2020)</p>	<p><b>Jointly controlled entity</b> Montblanc India Retail Private Limited <b>Associate Company</b> Green Infra Wind Power Theni Limited</p>
---	--
- From the quarter ended June 20<sup>th</sup>, the Group has decided to report all the financial results in ₹ crores in lieu of ₹ lakhs reported earlier. Accordingly, comparable numbers which were reported in ₹ lakhs previously converted to ₹ crores in this report.
- The statutory auditors have carried out limited review of the unaudited financial results for the quarter ended 30<sup>th</sup> September 2020 and have issued an unmodified review report.
- During the quarter, Titan Commodity Trading Limited was incorporated as a wholly owned subsidiary of Titan Company Limited in August 2020.
- In line with the Group's strategy to focus on primary business and proprietary brands, and as mutually agreed with Montblanc Services B.V., the Group would be divesting its stake in the Montblanc India Retail Private Limited and the requisite formalities will be completed in December 2020 as per the terms of the joint venture agreement. The Group has accordingly, regrouped the investments in Montblanc India Retail Private Limited as "Asset held for sale" in the balance sheet.
- During the quarter ended 30<sup>th</sup> September 2020, the Group has renegotiated with certain landlords on the rent reduction/ waiver due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions in accordance with the notification issued by the Central Government in consultation with National Financial Reporting Authority dated 24<sup>th</sup> July 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from 1<sup>st</sup> April 2020. Thus, in accordance with the said notification, the Group has elected to apply the practical expedient available and the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard. Accordingly, the Group has recognised ₹28 crores in the statement of profit and loss for the quarter ended 30<sup>th</sup> September 2020.
- Further to the declaration of COVID-19 as a pandemic by the World Health Organisation in March 2020 and the nationwide lockdown announced by the Government of India on 24<sup>th</sup> March 2020, the operations of the Group were severely disrupted resulting in significant loss of revenue as retail operations were closed in April. The Group had resumed its operations across the country from the first week of May in a phased manner once the Government of India had progressively relaxed the lockdown. The Group continues to consider the possible effects that may result from the pandemic relating to COVID-19 on the financial results of the Group. The Group has performed a detailed analysis on the various assumptions used and based on current estimates expects that the carrying amount of its assets will be recovered. As on date, the Group has re-opened a significant part of its stores across all its businesses.
- The Group has recognized a loss of ₹485 crores during the quarter (₹690 crores for the six months period) as a result of change in the cash flow hedging relationship due to increase in sales compared to the original sales forecast and availment of the moratorium offered on the Gold on Loan (GOL). This has led to pre-closures of hedge contracts originally designated against sales in the subsequent quarters and redesignation of certain open contracts. Consequently, these hedging contracts have been accounted as ineffective hedges as required under Ind AS 109 – Financial Instruments. If the hedge contracts utilised during the period had been concluded to be effective as per the principles contained in Ind AS 109, these losses would have to be disclosed as a reduction of revenues.
- Based on its assessment of recoverability, the Group has made a provision of ₹34 crores against receivables from one of the brokers with whom the Group was transacting. The Group, however, continues to monitor the developments in this matter and necessary legal action is being taken in this regard to recover the amount deposited.
- During the quarter, the Group sold gold-ingots aggregating ₹391 crores (year to date ₹992 crores) to various customers dealing in bullion, which is disclosed as other operating revenues.
- The Consolidated unaudited financial results of the Group for the quarter ended 30<sup>th</sup> September 2020 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting on 28<sup>th</sup> October 2020.

Place: Bengaluru  
Date: 28<sup>th</sup> October 2020

**C K Venkataraman**  
Managing Director

