



SEC 62 / 2019-20

13<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: CLSA Conference - Investor Presentation**

Further to our communication dated on 11<sup>th</sup> November 2019 regarding Investor Conference, attached herewith a copy of the investor presentation to be presented to the CLSA Conference in Gurgaon, as required under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Kindly take the same on record and acknowledge receipt.

Thank you.

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: L74999T21984PLC001456

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

A **TATA** Enterprise

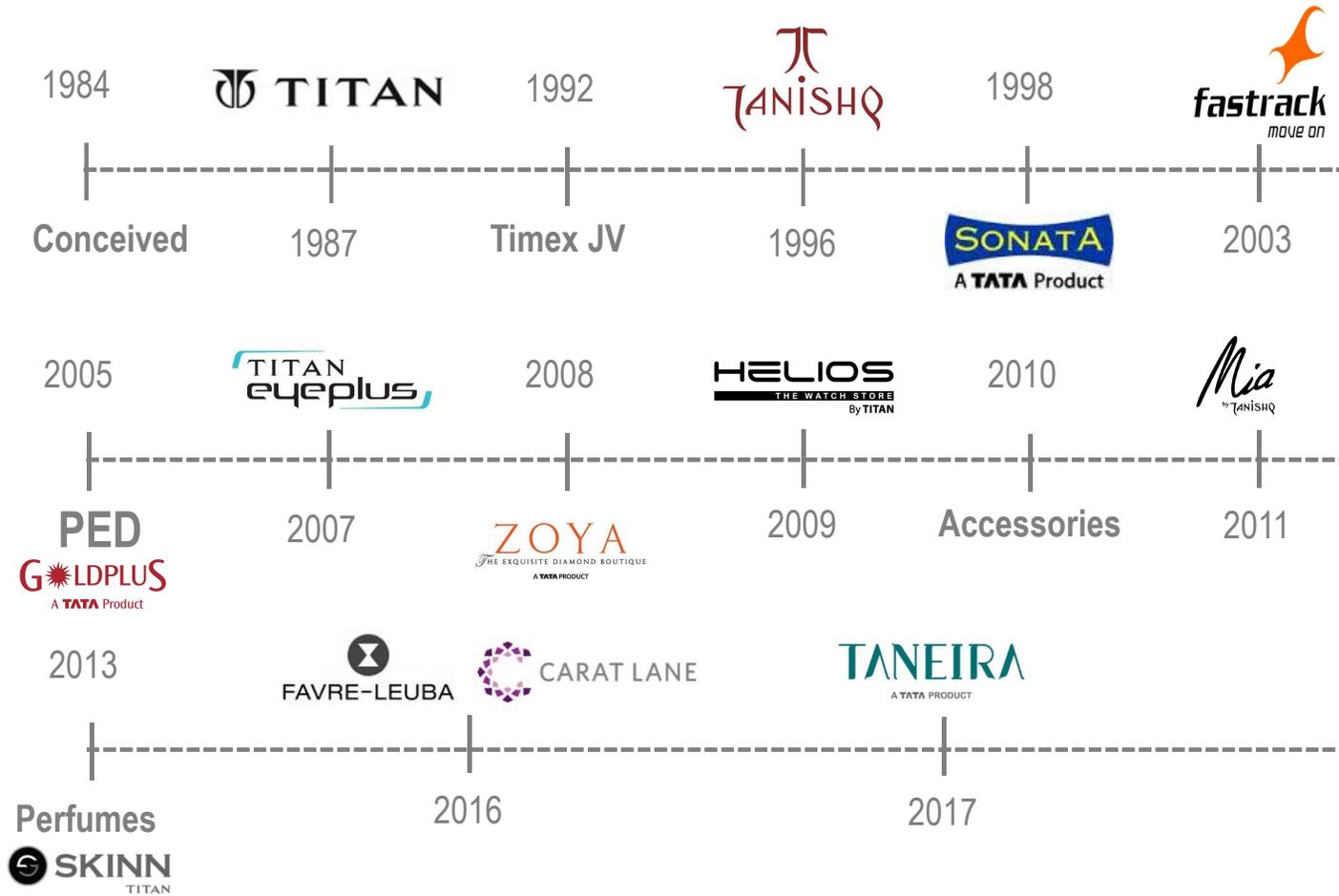
# Investor Presentation – CLSA Conference

13<sup>th</sup> Nov., 2019

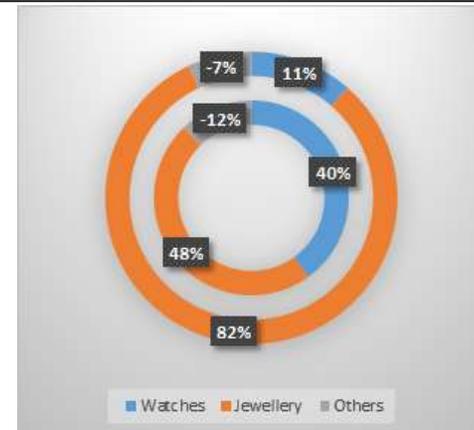
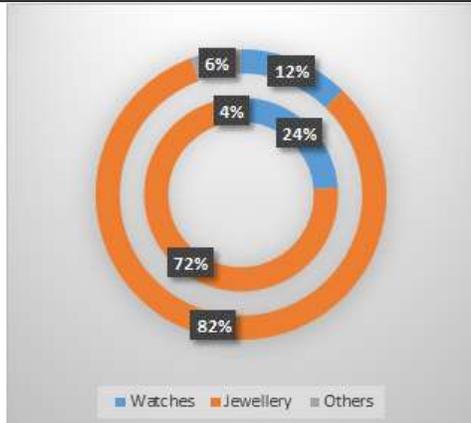
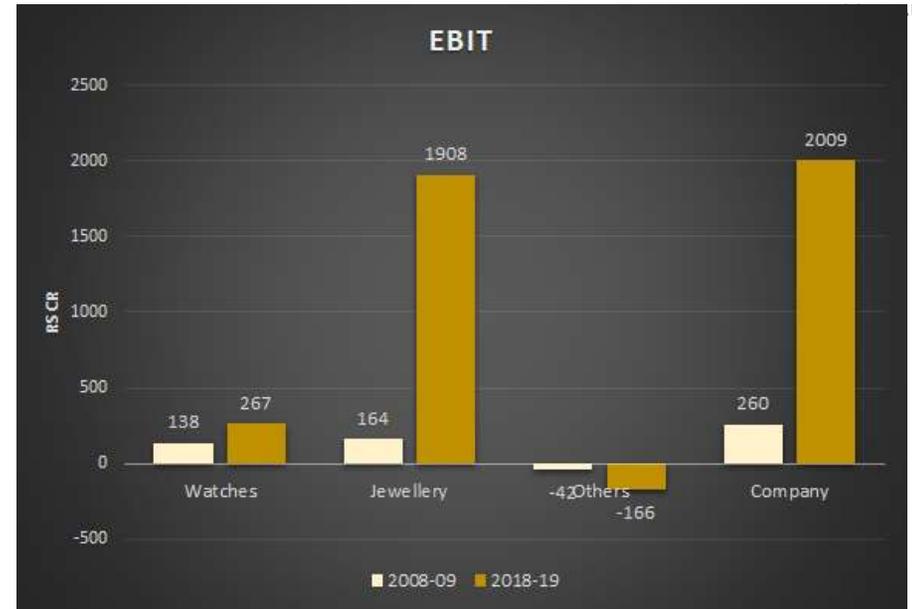




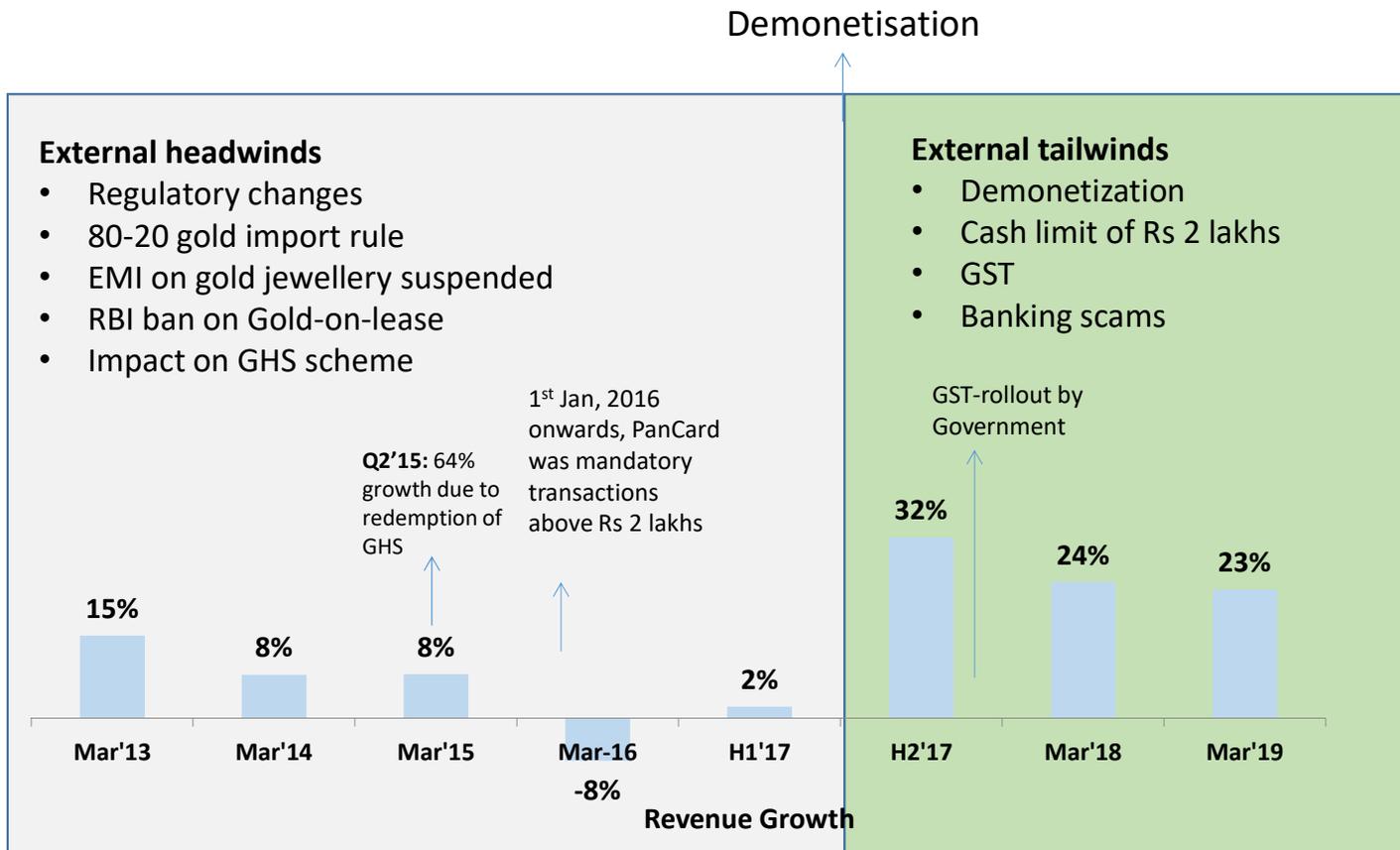
# The Journey so far



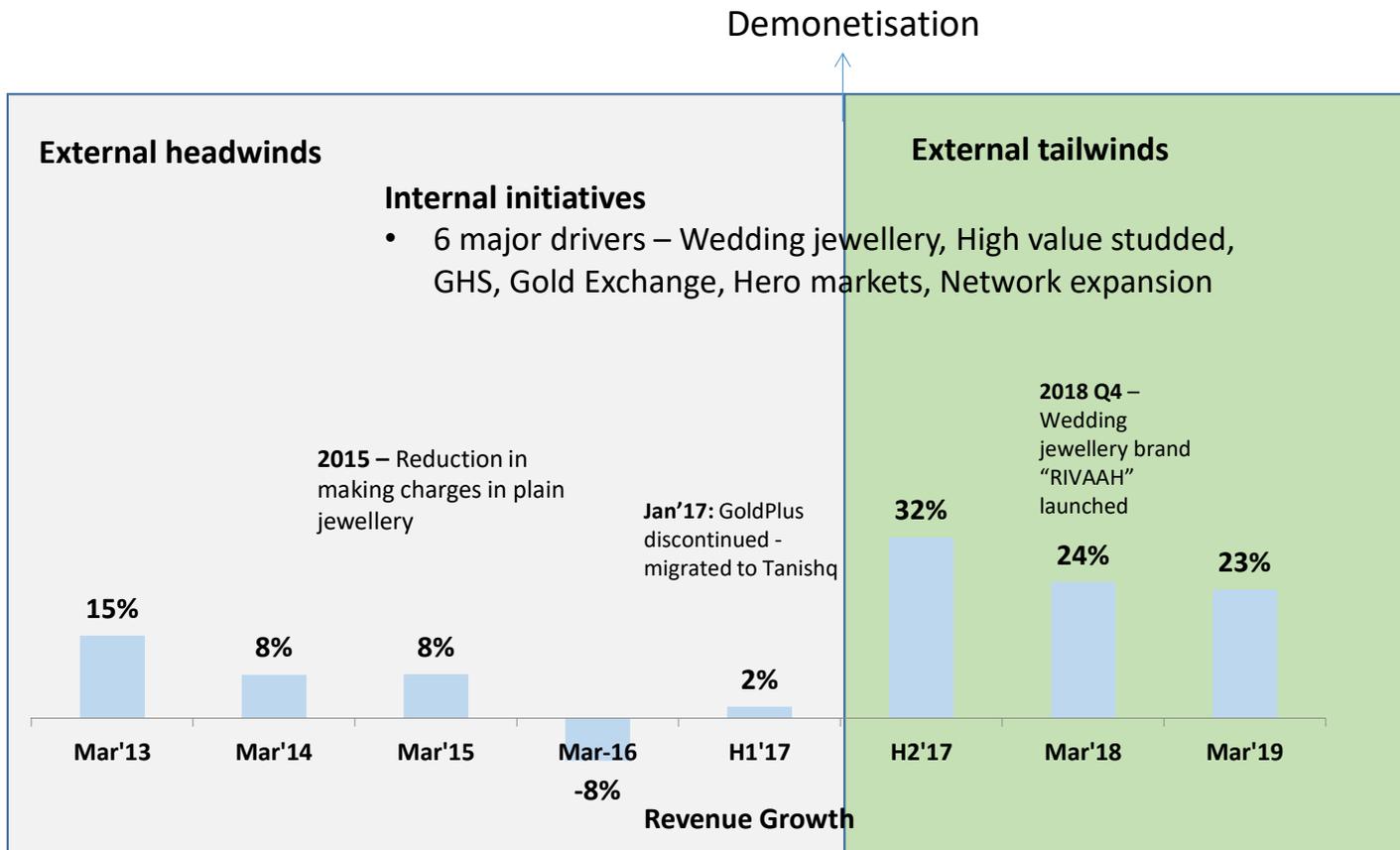
# The Last 10 years



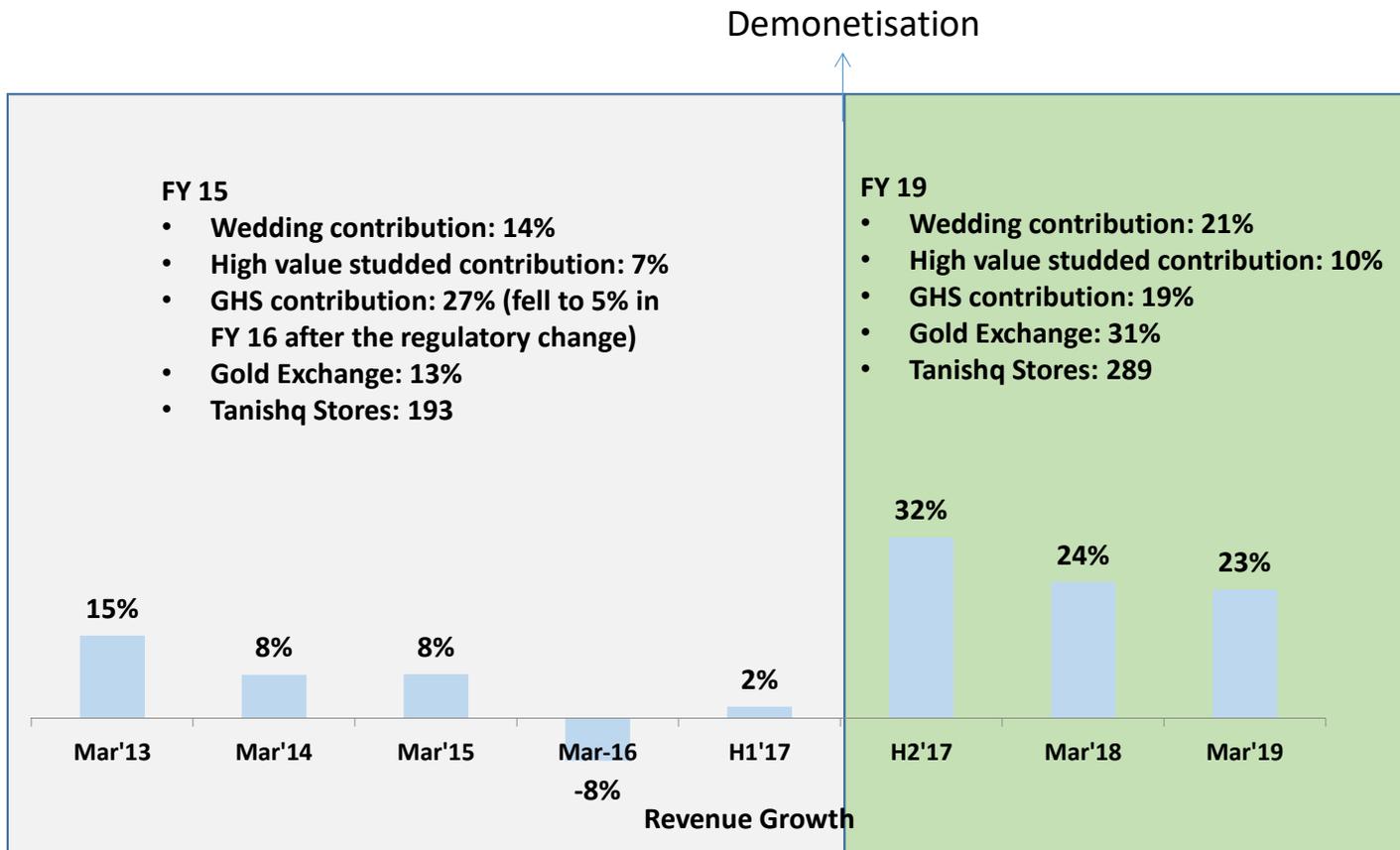
# Jewellery Division – Regulatory environment



# Jewellery Division – Internal initiatives

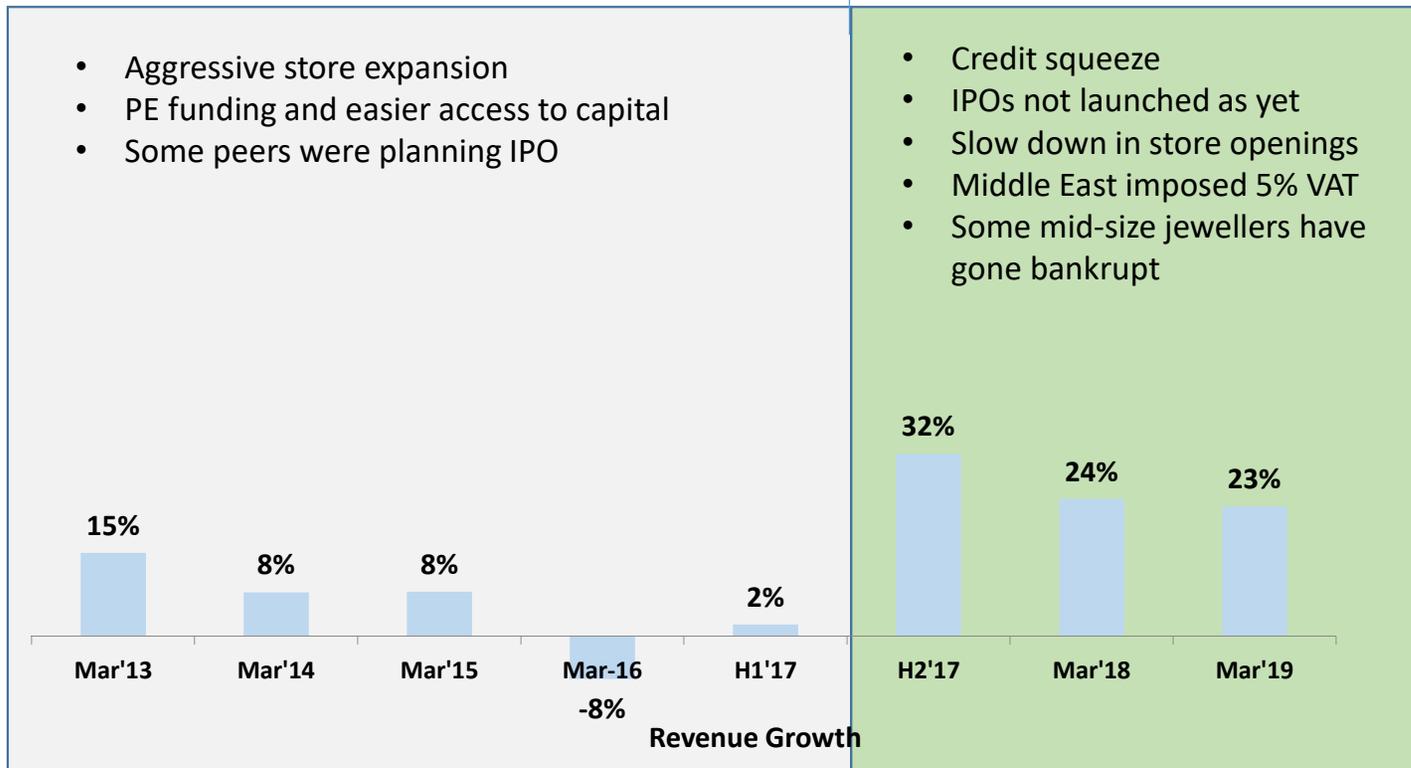


# Jewellery Division – Performance of drivers



# Jewellery Division – Competitive scenario

Demonetisation



- Aggressive store expansion
- PE funding and easier access to capital
- Some peers were planning IPO

- Credit squeeze
- IPOs not launched as yet
- Slow down in store openings
- Middle East imposed 5% VAT
- Some mid-size jewellers have gone bankrupt

## Jewellery Division – 5 year ambition



**Initially planned to grow 2.5x on base of FY'17 revenue.**

**After 20%+ growth in FY'18, further expanded the ambition to grow 2.5x on base of FY'18 revenue, by doubling the market share to 10%.**

**Same store growth targeted is 14-15% to achieve 20%+ CAGR**

## Jewellery Division – The current year

Retail growth at around 22% till mid June

Sharp increase in gold prices mid June

Decline in revenues from mid June till end July

Growth of around 14% between August and September

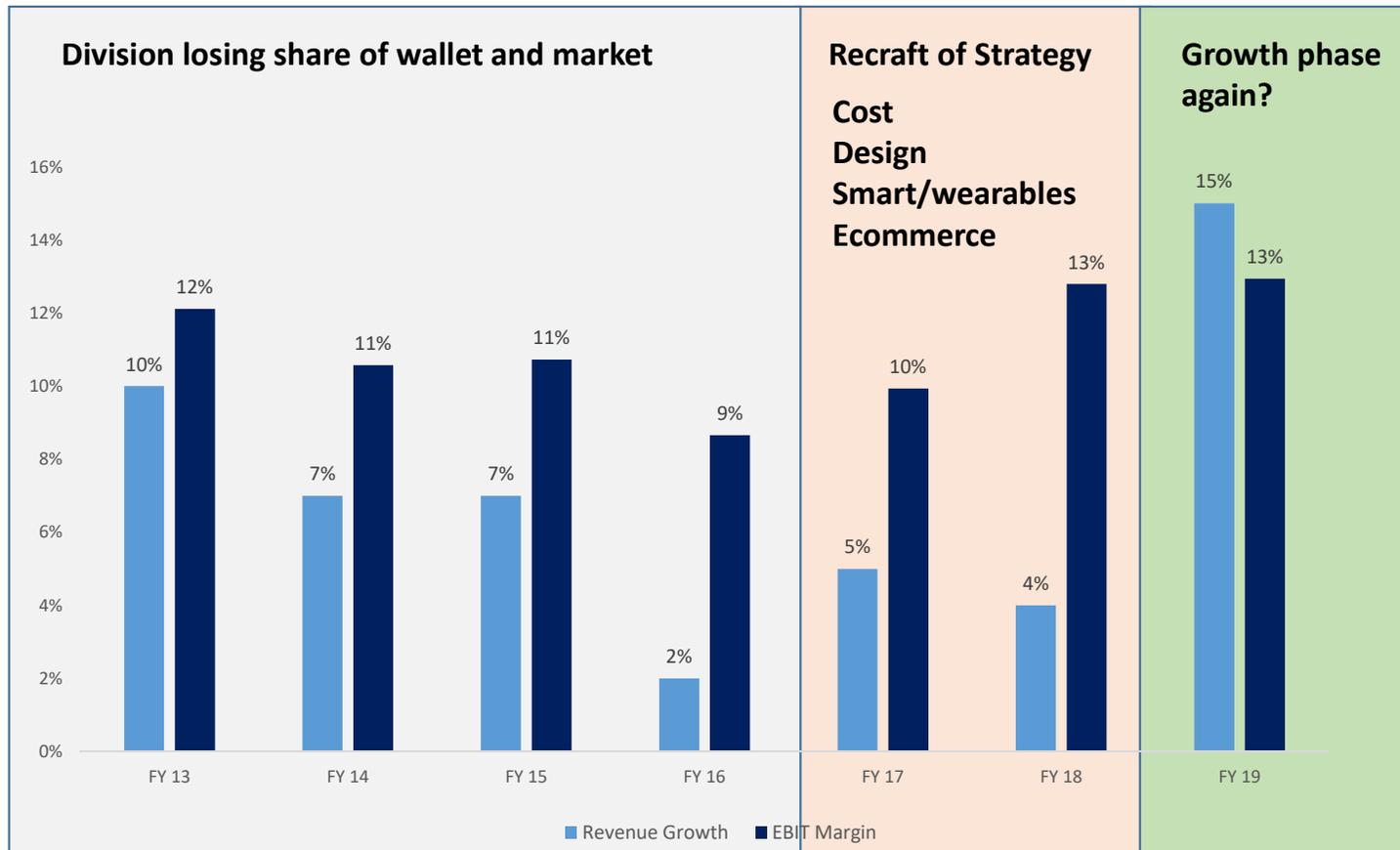
Retail growth for first half year – 12%;

However accounted revenue had growth of only 6% - big impact of hedging

Festive season (Dussera to Diwali) growth of 10%

Competition across the country estimated to have declined in double digits across the country

# Watches Division – Trends in the recent past



# Watches Division – Current position



Recraft strategy working evidenced by top line and margin growth

Smart products launched with Titan 'Juxt', Sonata Act, Fastrack Reflex (activity tracker bands)

Titan becomes number 2 in wearables in Indian market by volume as per IDC

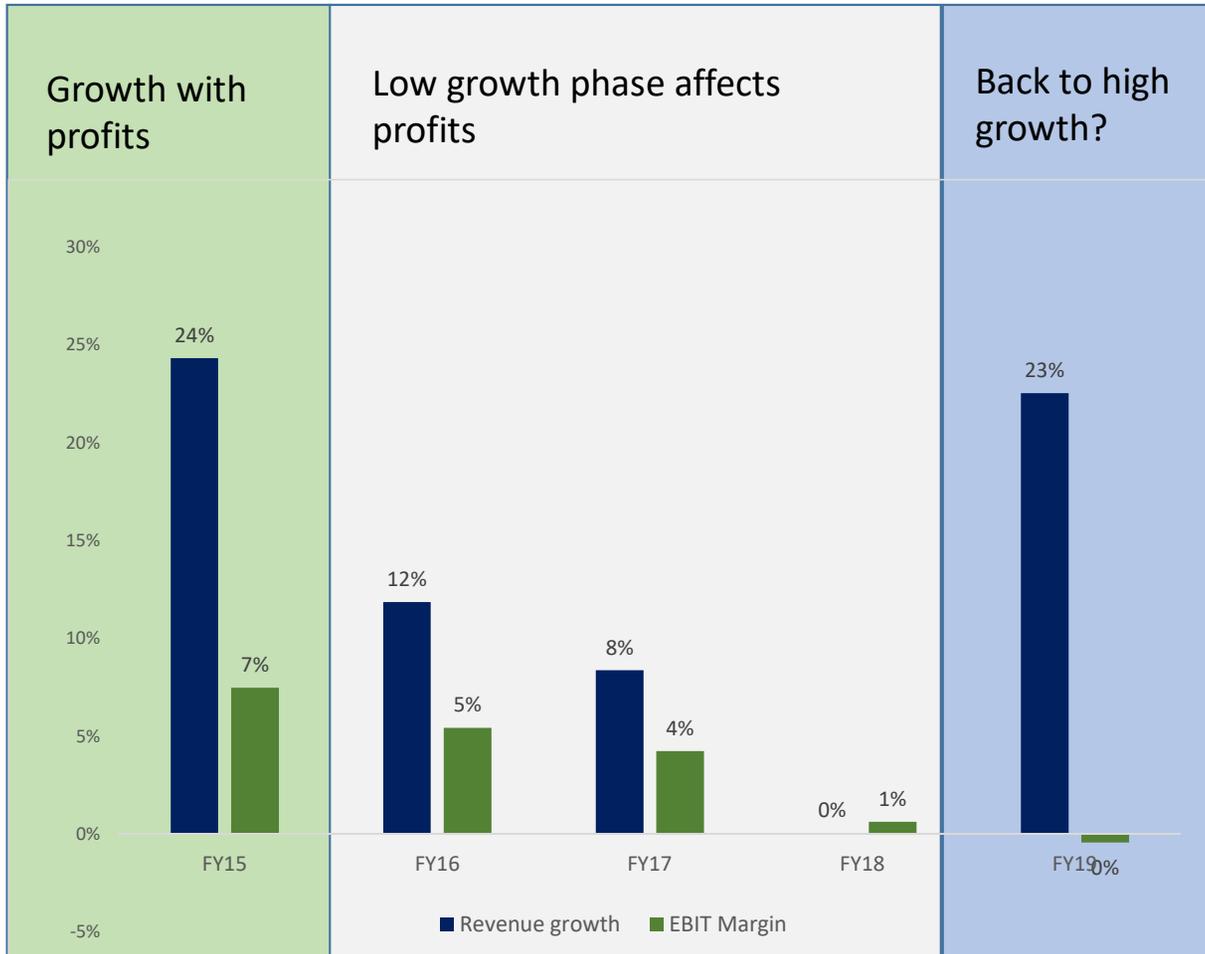
Premiumisation journey continues with higher priced Titan Edge ceramics being best sellers

E-commerce focus – today 10% of revenues come from online channels. Helps boost Fastrack growth

Relook at costs in 2016-17 – VRS and other initiatives bring cost escalations to manageable levels

Top line growth and cost focus help grow margins over the last 2 years

# Eyewear Division – Trends & Way forward



Low growth phase from FY16 affects profits

Decision to focus on growth from FY19 - initiatives

- Invest in brand building
- NPS Score
- Right selling
- Price-value equation
- Setting up of Satellite lens
- Started Frame manufacturing

Growth in FY20 till date is 29%. Profits expected from next fiscal



## Fragrances – Progress



Topline has crossed Rs 120 cr (in consumer price) with over a million pieces sold in FY19

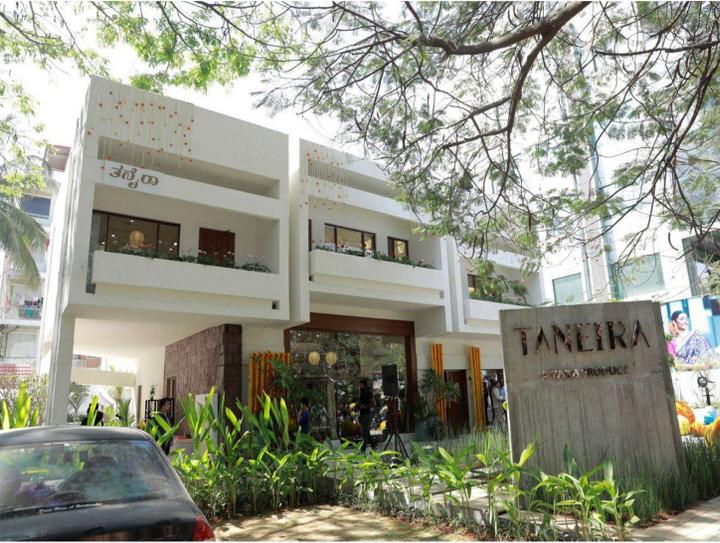
SKINN distribution reach has crossed 3300 outlets in the last 3 years.

Skinn continues to be the best selling brand in its category in the Large Format Stores for past few years

Profitability has improved with cost focus. Indigenisation has increased to over 85% with much larger share being bottled in India.

New products recently launched – Body Mists and Deodorants

## Taneira – Progress



Taneira launched in 2017 as ‘special occasion ethnic wear for women’ with opening of 2 stores in Bangalore.

Addressable market is INR 40,000 crores

Competition - big regional players, but no significant national player.

Concept is ‘India under one roof’ with promise of authenticity

Store format is unique and non-traditional - customer friendly with opportunity for customers to experience themselves

Customer feedback very positive with many repeat customers and strong referrals

After successful pilot, currently the business is in network rollout phase with plan of over 10 stores to be rolled out in FY20.



# New Verticals

Accessories have been under the management of Watches division till recently

To bring in sharper focus and grow this part of the business rapidly, separate division carved with a Chief Operating Officer in charge

Division will handle bags, belts, wallets and fragrances (Skinn)

To expand markets for Titan's brands outside India, a new geographical region has been created – the International Business division

Managed by a Chief Operating Officer, the focus is to consider taking some of the existing businesses outside India, while continuing to expand the Watch business



# Design Excellence Centre

Integrated team of 75 Designers, Engineers & Design Researchers

## Design Innovation



## Design Philosophy

'Design that Inspires'

### Purpose:

- Design Leadership across all brands
- Excellence in Design
- Product Innovation
- Leveraging the potential of cross-category knowledge and resources

TITAN

EDGE



reddot design award  
winner 2013

DESIGN: MAHENDRA CHAUHAN  
TITAN DESIGN STUDIO



TITAN

EDGE



reddot design award  
HONORABLE MENTION



reddot award

## Best of the Best

### Product - Innovative Laser-Cut Tube Jewellery

This unique technique combination of laser cutting with tubing resulted in extremely unique and differentiated and never seen before 18k Fine Jewellery. Intricate patterns were created with superior quality and finish and precision on thin tubes using laser cut machine, giving this range an edge over regular tube jewellery available in the market. These complex machined products will also remain novel to Titan as they would be very difficult for the competition to replicate.



TANISHQ

Designer - Saloni Kaushik

Mentor - Pooja Kabra

Manufacturing - InHouse



TITAN  
MARITIME



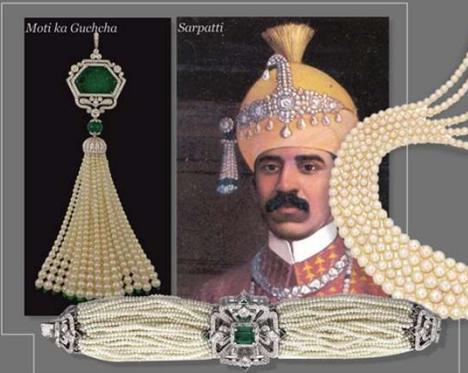
# NEBULA

## Deccan Pearl



**Deccan Pearl**

The pearl is the ultimate gem in defining femininity. Its characteristics of soft mellow glowing exterior exude what the divine feminine is all about. In fact it is very difficult for any gemstone to even begin to fit in place of the pearl - the texture, colour, appeal and look are incredibly different from other gemstones.



*Moti ka Guecha*      *Sarpatti*

  
**fastrack**  
SPACE-AGE

  
**TITAN**  
COMPANY





# ZOYA

A TATA PRODUCT



SONATA  
KARO PAKI WAGHEN

TITAN

fastrack

Introduces

## OMNI CHANNEL



Connecting Titan Estore with  
a **physical store** near you in real-time



Order online  
and collect  
from store



Reserve online,  
try on in-store



Browse & ship  
from nearest store  
while at home

#YourTimeYourWay

EXPERIENCE IT NOW →

## Digital transformation - progress



All Brand Sites are Commerce enabled

Online Customers – 1.8 Million - 3.5 Million Visitors a month with 14 Million Page views

Website have generated around 20K Customer Leads to retail stores

Omni Launched in Q2 at Bangalore City

Extending Omni to other cities in Q3 – Mumbai, Delhi, Chennai and Hyderabad

Encircle base grown from 5.7 million in FY 15 to over 18 million nnow

Analytics – leveraging Encircle base – generated revenue of over Rs 500 cr in FY 19



  
**TANISHQ**  
 PRESENTS  
**RIVAĀH**  
 WEDDING JEWELLERY  
 FOR EVERY INDIAN BRIDE



**EDGE**  
by TITAN

**WATCHES CRAFTED FOR THE DISCERNING MAN**

Titan's Edge collection flaunts designs that come with classic elegance of the original vintage watch, coupled with the convenience of new-age technology.

Titan Edge watches are crafted with a remarkably slim profile – a trademark feature of these watches. The understated refinement of the dial and hands of the watch, highlight the purity of this collection.

Experience modern classics with a timeless look, specially curated for the suave man of today.

# Titan Edge

## Product Content on Website

**WHAT'S INSIDE THE BOX?**

**Satin-finish meets appliqué**  
The splendid finish of satin with four ring appliqués that are easy on the eyes

**Slim hands**  
Differentiated plating for easily identifying the minute and second hand

**Satin dial with hour markings**  
For better visibility

**Genuine leather**  
The classic choice for a true watch connoisseur

**EXPLORE THE COLLECTION!**

		
<p>Silver white dial with RG highlights and dark brown strap</p>	<p>Black dial with RG highlights and dark Tan strap</p>	<p>Anthracite dial with RG highlights and black strap</p>
<p>1595SL03 ₹8495</p>	<p>1595NL03 ₹8995</p>	<p>1595WL09 ₹9495</p>
<p>BUY NOW</p>	<p>BUY NOW</p>	<p>BUY NOW</p>

TITAN  
MECHANICAL

FOR MEN  
WITH A  
FINER TASTE  
IN LIFE



#### KNOW MORE

For the man who appreciates the little gestures, For the man who goes a little bit more in his passion. For the man who adores the beauty in the details. Introducing the new collection of Mechanical Watches from Titan. Powered by You.



Cambered dial with  
K1 Crystal on top

Genuine  
Leather strap

Miyota 8250 Japanese  
movement

Lume hands

#### THE MOVEMENT

The watches in the Titan Automatic collection are powered by Japanese Miyota Caliber 8250 movement which comes with 21 jewels, making it extremely durable. These finely-crafted works of art are powered by your wrist movement and are crafted for longevity.



## Titan Automatics

### Product Content on Website



#### THE DESIGN

Inspired by the soft edges of a luxury automobile and the timeless sophistication of a well-fitted blazer, the Titan Automatic featured an intricate yet modern design aesthetic which can hold its own at a business meeting or a night-out with friends.

#### THE LOOK

Ideal for the men who have acquired the taste for precision and appreciate the detail, this watch is perfectly matched for the pace of the busy life. As a very versatile design, pair them with denims or when you suit up, they fit the look just like clockwork.



#### ABOUT TITAN

Titan Industries is the world's fifth largest watch manufacturer and India's leading producer of watches under Titan, Raga, Onon, Nebula, Octane, etc. The indigenous watch-maker addresses men with this collection of Automatic watches. Titan's Automatic Collection caters to the needs of someone who appreciates the art in automatic designs that make life simpler and more efficient.

#### AVAILABLE IN



90110WL01

₹ 13,995/-



90110SL02

₹ 12,995/-



90110SL01

₹ 12,995/-

# People and Talent management

Employee strength exceeds 8000 - around 20% blue collared, around 35% in retail stores

18% females and 2% with disability

Significant investment in learning and talent development through well



5 cross divisional projects undertaken and 4 projects on culture

Succession planning for top management largely executed

# Subsidiaries

TITAN ENGINEERING & AUTOMATION LTD

Automation Solution



Aerospace & Defence



**TEAL provides TURNKEY ASSEMBLY & TESTING SOLUTIONS**

Transportation



Energy



Life science



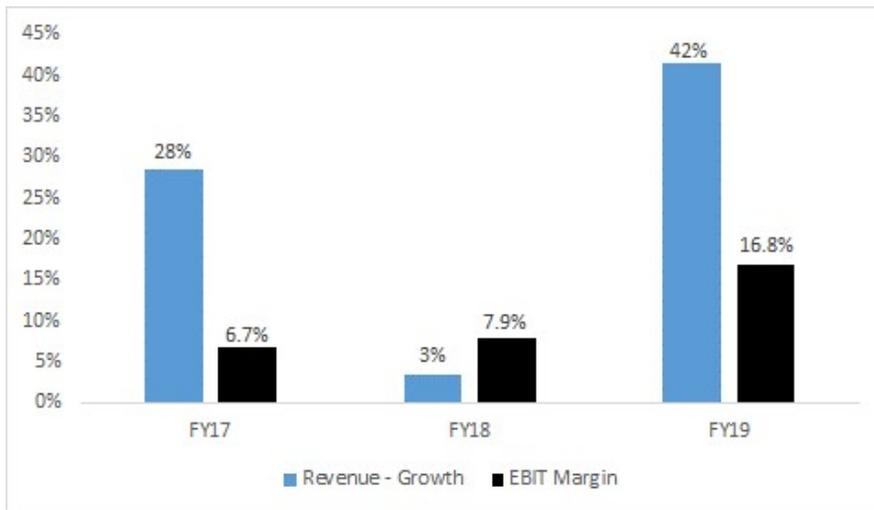
Engineering



CPG



# TEAL



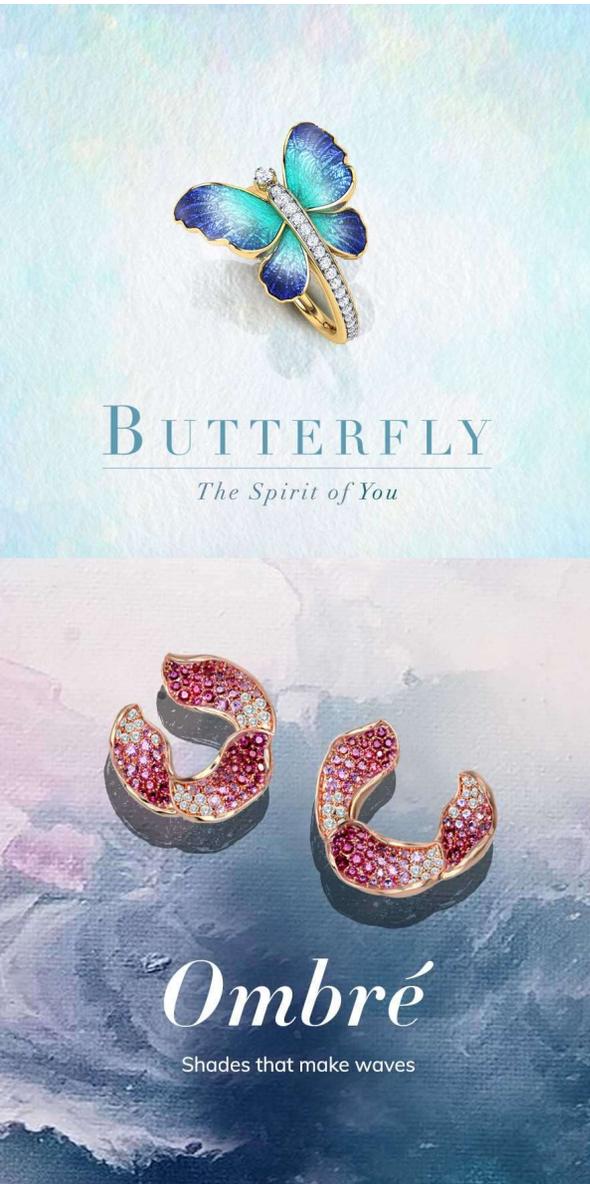
TEAL hived off as a subsidiary in 2016

Growth in FY19 and FY20 has been excellent

Growth in FY20 for H1 is 33% with EBIT margin of 15%

ROCE healthy at over 20% in the current year

Order pipeline in Aerospace business very healthy



## CaratLane



India's Number one born-digital Omni-channel jewellery player

Titan acquired 62% stake in August 2016 for Rs 357 cr. Titan's current shareholding at 72% after primary and secondary stake increase

Rapid network expansion - 71 stores at present

Significant revenue growth in the last few years

Current year growth at 67% for first half of the year

Aiming for break even in H2 of FY20

# Favre Leuba



**1737**  
Abraham Favre was officially registered as a watchmaker in Le Locle, Switzerland

**1820: 1899**  
Henry-Auguste Favre joins forces with the Leuba family. He also travels the world to establish the brand: Germany, Russia, New-York, Cuba, Brazil, Chile

**1946: 1969**  
In 1955 Favre-Leuba introduces the manufacture caliber FL101 for a power reserve of 50 hours

**1962**  
The first mechanical wristwatch to measure altitude and forecast the air pressure change with the help of the aneroid barometer

**1968**  
Bathy – the first mechanical watch in the world to show current dive depth in addition to the dive time

**1975**  
With Bivouac on her wrist, Junko Tabei becomes the first female climber to stand on the top of Mount Everest

**2011: 2016**  
The brand was acquired by the Tata conglomerate and represented in the global market with the new line of Raider and Chief watches in 2016.

**2017**  
The launch of Raider Bivouac 9000, the only wristwatch capable of measuring altitudes up to 9000 m

**2018**  
Innovative Bathy 120 MemoDepth is presented in the 50th anniversary of its legendary predecessor. The only watch to measure and record a dive depth down to 120 m

**FAVRE-LEUBA**  
CONQUERING FRONTIERS

**RAIDER HARPOON**  
INDISPENSABLE COMPANION TO ARCTIC MISSION

Favre Leuba is the 2<sup>nd</sup> Oldest Swiss brand with a fascinating, genuine history and legacy.

Acquired by Titan in 2012, this brand is on a comeback journey, with commercial launch in 2016

Watches being sold in Switzerland, Japan, Hong Kong, Taiwan, UAE and India

Use of Blockchain for warranty

Raider Bivouac 9000 wins the Watchstars award in the category New Stars for being the best new watch in 2018



Two primary design families -  
Raiders & Chiefs – over 25 SKUs



In house calibres - Automatic  
movements; functionalities of  
altimeter, barometer, depth  
gauge, chrono



**Raider Bivouac 9000**, summited Mt.  
Everest – only wristwatch capable of  
measuring altitude, pressure at an  
altitude of 8848m



**Raider Bathy 120 MemoDepth**, the only watch  
capable of measuring and recording depth as  
deep as 120m

# Sustainability



## Transforming businesses in the un organized sectors

- Watches , Jewellery , Eyewear, Sarees

## Local Employment opportunities from the under privileged sections of society across manufacturing locations

## Creating sustainable livelihoods

- Women Self Help Groups at Hosur – over past two decades
  - Involved in Watch , Jewellery and PED related contract operations
  - About 450 women are employed

## Transforming lives

- Karigar park / karigar center for artisans

## Responsible sourcing

# Karigar Centres



Thank You

