



SEC 26 / 2019-20

8<sup>th</sup> July 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: Quarterly Update – Q1 FY 2019-20**

This is to provide the quarterly update for Q1 of FY 2019-20 as furnished in the attached document.

Thank you.

Yours truly,  
For TITAN COMPANY LIMITED

Dinesh Shetty  
General Counsel & Company Secretary

Encl. As stated

Titan Company Limited

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

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**8th July, 2019**

**Quarterly Update: Q1 FY 20**

The quarter witnessed a tough macro-economic environment with consumption being hit. Very high gold prices particularly in June also impacted growth in the Jewellery industry. Against this background, the Company's growth particularly in the Jewellery segment was lower than planned even though the gains in market share were sustained.

The Company inaugurated its new "Design Excellence centre" at the corporate office to further foster the culture of experimentation and innovation and bring ideas to tangible real products. 'Corporate Business Group,' which was formed to explore and exploit the opportunity in institutional sales, has done well on adding corporates that buy our products for gifting purpose.

As part of the investments in digital, the new revamped Tanishq and SKINN websites have gone live during the quarter, considerably strengthening our online presence.

The biennial franchisee and dealer meets across all three divisions were held in a grand manner during the quarter and over 2,500 business associates participated in the same. Wage negotiations with unionized employees in the Hosur plants was also concluded in a cordial atmosphere during the quarter.

**Jewellery**

Revenue grew by a muted ~13% in Q1'19 as sharp increase in gold prices dented consumer demand significantly in the month of June. Wedding jewellery & studded group witnessed decent growth in the quarter. Sales on the auspicious occasion of 'Akshaya Tritiya' were robust.

Tanishq launched the well-received Swayahm collection of both plain and studded Jewellery, to give women elegant new reasons to indulge and celebrate her moments of successes. Mia launched 'Birthstone Pendant', 'Facets' and 'Florets' collections, which have all got a good response from our customers.

The division added 12 Tanishq stores on both gross and net basis during the quarter, with the retail space addition being approximately 34,000 sq. ft.

**Watches**

The division continued with good sales momentum with revenue growth of 19%, partly aided by execution of a large institutional order from Tata Consultancy Services (TCS). The division had its semi-annual activation in both 'Titan' and Fastrack brands. Tech-enabled wearable has been the new driver for the division. In channels, E-Commerce, Trade and LFS channel remain the growth drivers for Watches division for June quarter.

The division launched a new segment of mechanical watches, which takes back time pieces to an era of hand craftsmanship and precision.

Under the 'Titan Raga' brand for women, 'Raga Cocktails' collection with Swarovski crystals was launched at the premium end and 'Raga Viva III' at affordable prices. 'Light Leathers – II' collection, a contemporary classic wear watches for men and 'Purple PoP' collection for the fun loving millennial were also launched during the quarter.

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Fastrack has the exclusive rights in India to produce watches inspired by Game of Thrones and has launched the 'Game of Thrones' collection. Considering travel as one of the key trends that drive the youth, the brand has launched the 'Road Trip' collection.

The division added 10 WOT stores and closed 8, added 5 Fastrack stores while closing 2 and for Helios added 6 stores while closing 1 store during the quarter.

### **Eye Wear**

The division witnessed revenue growth of 13%, aided by the activation during the quarter. Trade channel grew faster than the overall division growth.

The division added 27 stores during the quarter and also closed 9 stores ending up with a net increase of about 12,000 sq. feet of retail space.

Fastrack Sunglasses launched lightweight collection called 'Floatables'.

### **New Businesses**

Skinn continues to increase its distribution reach and witnessed good growth during the quarter. There has been a focus on small packs to grow the category by bringing in the first time buyers. E-commerce channel is witnessing very strong growth rates.

'Taneira' opened flagship store in Hyderabad in villa format, taking the total store count for division to five. The brand launched '1000 Summer Memories' collection of cotton sarees at very affordable price points to drive customer walk-ins and building the right perception of the brand being affordable too. The division also added new collection of pure & all-natural unstitched suit sets.

### **Environmental, Social and Governance (ESG)**

The Watch Case Manufacturing Plant at Coimbatore, Tamil Nadu, achieved Gold rating in IGBC certification by CII. The Indian Green Building Council (IGBC) had launched the IGBC Green Factory Building Rating System to encourage green concepts and techniques in the industrial sector.

Pant Nagar Assembly unit achieved JUSE 5S Certification, which is one of the prestigious global recognitions. In India, so far only 28 establishments have obtained QCFI JUSE 5S Certification.

**For Titan Company Limited,**

**(S. Subramaniam)**

**Chief Financial Officer**

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