



TITAN COMPANY LIMITED

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

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

₹ lakh

PART I

Particulars	3 months ended			9 months ended		Year ended
	31-12-2017 (Unaudited)	30-09-2017 (Unaudited)	31-12-2016 (Not subjected to review/ audit) (Refer note 9)	31-12-2017 (Unaudited)	31-12-2016 (Not subjected to review/ audit) (Refer note 9)	31-03-2017 (Audited)
I. Revenue from operations (Refer note 5.6)						
- Sale of products/ services	422,341	344,806	396,465	1,166,741	946,736	1,302,507
- Other operating revenue	5,143	4,881	1,882	12,562	4,757	7,509
II. Other income	2,132	2,083	1,661	7,040	4,069	7,049
III. Total income (I + II)	429,616	351,770	400,008	1,186,343	955,562	1,317,065
IV. Expenses:						
Cost of materials and components consumed	173,226	342,784	218,097	753,213	592,199	857,271
Purchase of stock-in-trade	52,830	57,899	29,747	165,964	77,487	117,016
Changes in inventories of finished goods, stock-in-trade and work-in-progress	95,535	(144,095)	54,264	(41,876)	15,072	(31,371)
Excise duty on sale of goods	-	-	3,511	3,618	8,406	12,130
Employee benefits expense	22,387	21,243	20,435	64,696	59,159	79,386
Finance costs	1,092	1,452	794	3,621	2,878	3,774
Depreciation and amortisation expense	3,492	3,103	2,890	9,548	8,303	11,053
Advertising	15,760	11,416	13,230	39,149	34,012	46,295
Other expenses	25,504	18,252	24,208	73,617	75,184	113,740
IV. Total expenses	389,826	312,054	367,176	1,071,550	872,700	1,209,294
V. Profit before exceptional item and tax (III - IV)	39,790	39,716	32,832	114,793	82,862	107,771
VI. Exceptional item (Refer note 4)	-	65	60	1,095	10,046	10,269
VII. Profit before tax (V - VI)	39,790	39,651	32,772	113,698	72,816	97,502
VIII. Tax expense:						
Current tax	10,431	12,311	10,131	33,492	22,215	30,211
Deferred tax (asset)/liability	1,161	(424)	(610)	366	(1,412)	(2,614)
VIII. Total tax	11,592	11,887	9,521	33,858	20,803	27,597
IX. Profit for the period (VII-VIII)	28,198	27,764	23,251	79,840	52,013	69,905
X. Share of Profit/ (Loss)						
- Associate	(1)	(2)	7	(5)	21	28
- Jointly controlled entity	(36)	31	(35)	(84)	(124)	(205)
XI. Net profit for the period (X+X)	28,161	27,793	23,223	79,751	51,910	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	1,273	699	97	1,192	(1,761)	(1,316)
- Income-tax on (i) above	(333)	(193)	(184)	(342)	503	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	3,189	(5,125)	9,434	(2,581)	14,369	3,411
- Exchange differences in translating the financial statements of foreign operations	(103)	43	(77)	38	(88)	(117)
- income-tax on (ii) above	(924)	1,486	(2,736)	749	(4,167)	(982)
XII. Total other comprehensive income	3,102	(3,090)	6,534	(944)	8,856	1,361
XIII. Total comprehensive income (XI+XII)	31,263	24,703	29,757	78,807	60,766	71,089
Profit for the period attributable to:						
- Owners of the Company	28,796	28,385	23,693	81,506	52,713	71,147
- Non-controlling interest	(635)	(592)	(470)	(1,755)	(803)	(1,419)
28,161	27,793	23,223	79,751	51,910	69,728	
Other comprehensive income for the period attributable to:						
- Owners of the Company	3,102	(3,090)	6,534	(944)	8,856	1,370
- Non-controlling interest	-	-	-	-	-	(9)
3,102	(3,090)	6,534	(944)	8,856	1,361	
Total comprehensive income for the period attributable to:						
- Owners of the Company	31,898	25,295	30,227	80,562	61,569	72,517
- Non-controlling interest	(635)	(592)	(470)	(1,755)	(803)	(1,428)
31,263	24,703	29,757	78,807	60,766	71,089	
XIV. Paid up equity share capital (face value ₹ 1 per share):	8,878	8,878	8,878	8,878	8,878	8,878
XV. Other equity:						
XVI. Earnings per equity share of ₹ 1: (based on net profit for the period (XI) Basic and diluted (not annualised) in ₹	3.17	3.13	2.62	8.98	5.85	7.85

See accompanying notes to the consolidated financial results



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TITAN COMPANY LIMITED

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3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

SEGMENT INFORMATION

₹ lakh

Particulars	3 months ended			9 months ended		Year ended
	31-12-2017 (Unaudited)	30-09-2017 (Unaudited)	31-12-2016 (Unaudited) (Refer note 9)	31-12-2017 (Unaudited)	31-12-2016 (Unaudited) (Refer note 9)	31-03-2017 (Audited)
Segment revenues and profit and loss						
a) Sales / Income from segments (including other income)						
Watches	53,546	57,175	51,254	161,901	153,699	203,551
Jewellery	356,986	274,820	330,417	967,027	746,218	1,034,874
Eyewear	9,037	9,854	9,065	29,958	29,633	40,580
Others	8,695	8,212	8,390	22,008	23,479	33,431
Corporate (unallocated)	1,352	1,709	882	5,449	2,533	4,629
Total	429,616	351,770	400,008	1,186,343	955,562	1,317,065
b) Profit / (Loss) from segments before finance costs and taxes						
Watches	6,864	8,263	4,356	19,117	10,487	11,035
Jewellery	36,630	34,846	32,009	103,801	73,331	99,796
Eyewear	(442)	135	(294)	10	201	1,278
Others	(480)	(1,308)	(340)	(2,755)	(1,985)	(2,971)
Corporate (unallocated)	(1,727)	(804)	(1,993)	(2,943)	(6,443)	(8,039)
Total	40,845	41,132	33,538	117,230	75,591	101,099
Finance costs	1,092	1,452	794	3,621	2,878	3,774
Profit before taxes including share from Associate and Jointly controlled entity	39,753	39,680	32,744	113,609	72,713	97,325
c) Segment assets and liabilities						
Segment assets						
Watches	143,854	135,578	132,970	143,854	132,970	124,118
Jewellery	590,742	668,404	442,985	530,742	442,985	498,973
Eyewear	28,351	29,311	20,229	28,351	20,229	22,150
Others	42,476	40,323	33,878	42,476	33,878	36,612
Corporate(Unallocated)	168,051	92,693	135,929	168,051	135,929	158,561
Total	913,474	966,309	765,991	913,474	765,991	840,414
Segment liabilities						
Watches	51,207	50,511	53,572	51,207	53,572	51,129
Jewellery	353,616	399,387	267,399	353,616	267,399	343,464
Eyewear	8,147	8,126	8,383	8,147	8,383	8,254
Others	13,872	12,877	30,586	13,872	30,586	9,773
Corporate(Unallocated)	10,519	52,570	2,211	10,519	2,211	2,246
Total	437,361	523,471	362,151	437,361	362,151	414,866



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TITAN COMPANY LIMITED

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3, SIFCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

Notes:

- 1 Standalone unaudited financial results for the quarter and nine months ended December 31, 2017 can be viewed on the website of the Company, National Stock Exchange of India Limited (NSE) and BSE Ltd. Information of standalone unaudited 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			9 months ended		Year ended
	31-12-2017 (Unaudited)	30-09-2017 (Unaudited)	31-12-2016 (Unaudited)	31-12-2017 (Unaudited)	31-12-2016 (Unaudited)	31-03-2017 (Audited)
Revenue from operations	413,657	340,228	386,746	1,148,334	925,716	1,271,689
Profit before tax	42,333	42,450	34,664	121,853	76,694	103,342
Net profit for the period (after tax)	30,821	30,564	25,306	88,075	56,115	76,186
Total comprehensive income	33,941	27,399	32,004	87,121	65,180	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 above consolidated financial statements 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 Theri Limited

- 4 Exceptional items:

- (a) The Group had announced Early Retirement Scheme-Uttarakhand Units, 2017 (ERS) to its employees during the quarter ended June 30, 2017. The expenses relating to the same being exceptional are classified accordingly and accounted for in the respective periods. Profit / (Loss) from segments before exceptional items, finance costs and taxes are as below for the quarter ended December 31, 2017, September 30, 2017 and nine months ended December 31, 2017:

Segment	3 months ended		
	31-12-2017	30-09-2017	31-12-2017
Watches	6,864	8,263	20,112
Jewellery	36,630	34,911	103,901
Eyewear	(442)	135	10
Others	(480)	(1,308)	(2,755)
	42,572	42,001	121,268
	(1,727)	(804)	(2,943)
Corporate (Unallocated)	40,845	41,197	118,325

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

Segment	3 months ended		
	31-12-2016	31-12-2016	Year ended 31-03-2017
Watches	4,388	16,965	17,633
Jewellery	32,009	74,681	101,229
Eyewear	(267)	589	1,687
Others	(540)	(1,383)	(2,339)
	35,590	90,882	118,210
	(1,992)	(5,245)	(6,842)
Corporate (Unallocated)	33,598	85,637	111,368

- 5 Revenue from operations for the periods up to June 30, 2017 includes excise duty on goods sold. With the implementation of Goods and Service Tax (GST) in India w.e.f. July 01, 2017, excise duty has subsumed into GST and hence, revenue from operations for the period from July 01, 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 in to 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 statutory auditors have carried out limited review of the financial results for the quarter and nine months ended December 31, 2017. The consolidated financial results for the year ended March 31, 2017 and the consolidated financial results for the quarter ended June 30, 2017 were audited/ reviewed earlier by the then statutory auditors of the Company. The Company has opted to submit the unaudited consolidated financial results. The financial results of the Group for the quarter and period ended December 31, 2016 have been drawn up for the first time in accordance with the SEBI Regulations. Therefore, the unaudited results for the quarter and period ended December 31, 2016 were not subject to either review or audit.
- 10 The comparative figures have been regrouped/reclassified, where necessary to confirm to the current period's presentation.
- 11 The unaudited financial results of the Group for the quarter and nine months ended December 31, 2017 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting on February 1, 2018.

for and on behalf of the Board of Directors

BHASKAR BHAT
Managing Director

Place: Bengaluru
Date: February 1, 2018





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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

₹ lakh

PART I

Particulars	3 months ended			9 months ended		Year ended
	31-12-2017 (Unaudited)	30-09-2017 (Unaudited)	31-12-2016 (Unaudited) (Refer note 2)	31-12-2017 (Unaudited)	31-12-2016 (Unaudited) (Refer note 2)	31-03-2017 (Audited)
I. Revenue from operations (Refer note 4,5)						
- Sale of products/ services	408,535	335,365	384,893	1,135,842	921,097	1,264,370
- Other operating revenue:	5,122	4,863	1,853	12,492	4,619	7,319
II. Other income	1,840	2,045	1,265	6,644	3,751	6,477
III. Total income (I +II)	415,497	342,273	388,011	1,154,978	929,467	1,278,166
IV. Expenses:						
Cost of materials and components consumed	169,290	332,007	212,669	733,432	579,640	843,457
Purchase of stock-in-trade	47,512	57,813	28,143	160,478	74,961	112,787
Changes in inventories of finished goods, stock-in-trade and work-in-progress	96,332	(141,522)	54,238	(34,713)	15,788	(28,847)
Excise duty on sale of goods	-	-	3,031	3,455	7,232	10,235
Employee benefits expense	19,284	18,327	17,792	55,771	52,545	70,095
Finance costs	1,036	1,434	840	3,528	2,890	3,713
Depreciation and amortisation expense	2,945	2,538	2,383	7,961	7,081	9,323
Advertising	13,644	10,543	11,934	34,779	32,008	45,041
Other expenses	23,121	18,618	22,257	67,339	71,214	99,383
IV. Total expenses	373,164	299,758	353,287	1,032,030	843,359	1,165,187
V. Profit before exceptional item and tax (III - IV)	42,333	42,515	34,724	122,948	86,108	112,979
VI. Exceptional item (Refer note 3)	-	65	60	1,095	9,414	9,637
VII. Profit before tax (V - VI)	42,333	42,450	34,664	121,853	76,694	103,342
VIII. Tax expense:						
Current tax	10,350	12,311	10,052	33,411	22,113	30,000
Deferred tax (asset)/liability	1,162	(425)	(694)	367	(1,534)	(2,844)
VIII. Total tax	11,512	11,886	9,358	33,778	20,579	27,156
IX. Profit for the period (VII-VIII)	30,821	30,564	25,306	88,075	56,115	76,186
X. Other comprehensive income						
(i) Items that will not be reclassified to the statement of profit and						
- Remeasurement of employee defined benefit plan	1,188	667	-	1,220	(1,821)	(1,232)
- Income-tax on (i) above	(333)	(193)	-	(342)	683	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	3,189	(5,125)	9,434	(2,581)	14,370	3,411
- income-tax on (ii) above	(924)	1,486	(2,736)	749	(4,167)	(990)
X. Total other comprehensive income	3,120	(3,165)	6,698	(954)	9,065	1,546
XI. Total comprehensive income (IX+X)	33,941	27,399	32,004	87,121	65,180	77,732
XII. Paid up equity share capital (face value ₹ 1 per share):	8,878	8,878	8,878	8,878	8,878	8,878
XIII. Other equity:						422,323
XIV. Earnings per equity share of ₹ 1: (based on net profit for the period (IX)) Basic and diluted (not annualised) in ₹	3.47	3.44	2.85	9.92	6.32	8.58

See accompanying notes to the standalone financial results



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TITAN COMPANY LIMITED

CIN : L74999TZ1984PLC001456

3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

SEGMENT INFORMATION

₹ lakh

	3 months ended			9 months ended		Year
	31-12-2017 (Unaudited)	30-09-2017 (Unaudited)	31-12-2016 (Unaudited) (Refer note 2, 3)	31-12-2017 (Unaudited)	31-12-2016 (Unaudited) (Refer note 2, 3)	31-03-2017 (Audited)
Segment revenues and profit and loss						
a) Sales / Income from segments (including other income)						
Watches	53,235	57,002	50,826	161,229	153,167	202,756
Jewellery	349,678	271,076	325,500	951,525	739,310	1,023,728
Eyewear	9,037	9,854	9,065	29,958	29,633	40,580
Others	2,194	2,633	1,738	6,817	4,824	6,469
Corporate (unallocated)	1,353	1,708	882	5,449	2,533	4,633
Total	415,497	342,273	388,011	1,154,978	929,467	1,278,166
b) Profit / (Loss) from segments before finance costs and taxes						
Watches	8,258	9,140	5,287	22,274	12,633	13,843
Jewellery	38,472	36,758	33,428	109,107	75,632	103,872
Eyewear	(442)	135	(294)	10	202	1,278
Others	(1,230)	(1,315)	(1,028)	(3,156)	(2,542)	(4,080)
Corporate (unallocated)	(1,689)	(834)	(1,889)	(2,853)	(6,340)	(7,858)
	43,369	43,884	35,504	125,381	79,585	107,055
Finance costs	1,036	1,434	840	3,528	2,890	3,713
Profit before taxes	42,333	42,450	34,664	121,853	76,695	103,342
c) Segment assets and liabilities						
Segment assets						
Watches	138,031	129,538	131,280	138,031	131,280	120,752
Jewellery	489,566	628,295	429,442	489,566	429,442	455,356
Eyewear	28,351	29,311	20,229	28,351	20,229	22,150
Others	5,690	6,323	6,011	5,690	6,011	4,668
Corporate(Unallocated)	244,649	167,928	143,336	244,649	143,336	228,603
Total	906,287	961,395	730,298	906,287	730,298	831,529
Segment liabilities						
Watches	50,803	50,095	53,225	50,803	53,225	50,646
Jewellery	344,556	393,274	262,735	344,556	262,735	337,789
Eyewear	8,147	8,126	8,383	8,147	8,383	8,254
Others	2,328	3,411	3,532	2,328	3,532	1,619
Corporate(Unallocated)	10,519	52,571	2,254	10,519	2,254	2,244
Total	416,353	507,477	330,129	416,353	330,129	400,552



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TITAN COMPANY LIMITED

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3, SIPCOT INDUSTRIAL COMPLEX, HOSUR 635 126.

Notes:

- 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.
- The Honorable High Court of Madras vide its order dated February 13, 2017 has approved the scheme of arrangement between Titan Engineering & Automation Limited (transferee), a Wholly Owned Subsidiary of the Company and the Company to transfer all assets and liabilities of Precision Engineering Division (PED) of the Company to the transferee effective April 1, 2015. Consequently, all assets and liabilities of the PED have been transferred to the transferee on the date of transition after giving effect to adjustments as required under Ind AS 101. Profits and losses for all periods from April 1, 2015 are also transferred to the transferee. Hence, figures for the quarter and nine months ended December 31, 2016 excludes the results of PED.

3 Exceptional items:

(a) The Company had announced Early Retirement Scheme-Uttarakhand Units, 2017 (ERS) to its employees during the quarter ended June 30, 2017. The expenses relating to the same being exceptional are classified accordingly and accounted for in the respective periods. Profit / (Loss) from segments before exceptional items, finance costs and taxes are as below for the quarter ended December 31, 2017, September 30, 2017 and nine months ended December 31, 2017:

Segment	₹ lakh		
	3 months ended 31-12-2017	3 months ended 30-09-2017	9 months ended 31-12-2017
Watches	8,258	9,140	23,269
Jewellery	38,472	36,823	109,207
Eyewear	(442)	135	10
Others	(1,230)	(1,315)	(3,156)
	45,058	44,783	129,329
Corporate (Unallocated)	(1,689)	(834)	(2,853)
	43,369	43,949	126,476

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

Segment	₹ lakh		
	3 months ended 31-12-2016	9 months ended 31-12-2016	Year ended 31-03-2017
Watches	5,319	19,111	20,441
Jewellery	33,428	76,982	105,305
Eyewear	(267)	590	1,687
Others	(1,028)	(2,542)	(4,080)
	37,452	94,141	123,353
Corporate (Unallocated)	(1,888)	(5,142)	(6,661)
	35,564	88,999	116,692

- Revenue from operations for the periods up to June 30, 2017 includes excise duty on goods sold. With the implementation of Goods and Service Tax (GST) in India w.e.f. July 01, 2017, excise duty has subsumed into GST and hence, revenue from operations for the period from July 01, 2017 does not include excise duty.
- 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.
- 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 in the manner consistent with the internal reporting to the chief operating decision maker (CODM).
- 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 an expense in the Statement of profit and loss.
- The statutory auditors have carried out limited review of the unaudited financial results for the quarter and nine months ended December 31, 2017 and have issued an unqualified review report. The unaudited financial results for the periods prior to the quarter ended September 30, 2017 were reviewed/ audited (as applicable) by the then statutory auditors.
- The comparative figures have been regrouped/reclassified, where necessary to confirm to the current period's presentation.
- The unaudited financial results of the Company for the quarter and nine months ended December 31, 2017 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting on February 1, 2018.

For and on behalf of the Board of Directors


BHASKAR BHAT
Managing Director

Place: Bengaluru
Date: February 1, 2018

