SEC 56 / 2022-23

7th July 2023

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 Sir/Madam,

Sub: **Submission of the Integrated Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).**

This is in furtherance to our letter dated 29th May 2023 wherein the Company had informed that the 39th Annual General Meeting ('AGM') of the Company will be held on **Tuesday, 1st August 2023 at 2.30 P.M. (IST)** through Video Conference / Other Audio Visual Means.

Pursuant to Regulation 34(1) of the Listing Regulations, as amended, please find enclosed the Integrated Annual Report of the Company along with the Notice of the 39th AGM and other Statutory Reports for the financial year 2022-23.

The said Integrated Annual Report is being sent through electronic mode to the Shareholders of the Company and is available on the website of the Company at https://www.titancompany.in/sites/default/files/Titan%20AR%202022-23.pdf .

This is for your information and records.

Yours Truly,
For TITAN COMPANY LIMITED

DINESH SHIVANNA SHETTY
Digitally signed by DINESH SHIVANNA SHETTY
Date: 2023.07.07 12:57:47 +05'30'

Dinesh Shetty
General Counsel & Company Secretary

Encl: As above

39th Annual Report

2022-23

TITAN COMPANY

Technology that *Matters*

Titan Company Limited

An electronic version of this report is available online at:

www.titancompany.in

Scan this QR code to navigate investor-related information:

INVESTOR INFORMATION

CIN	: L74999TZ1984PLC001456
BSE Code	: 500114
NSE Symbol	: TITAN
Dividend Declared	: ₹ 10 per equity share
AGM Date	: 1st August 2023
AGM Venue	: Video Conference/Other Audio Video Means

DISCLAIMER

This document contains statements about expected future events and financials of Titan Company Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

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Consolidated Financial Statements

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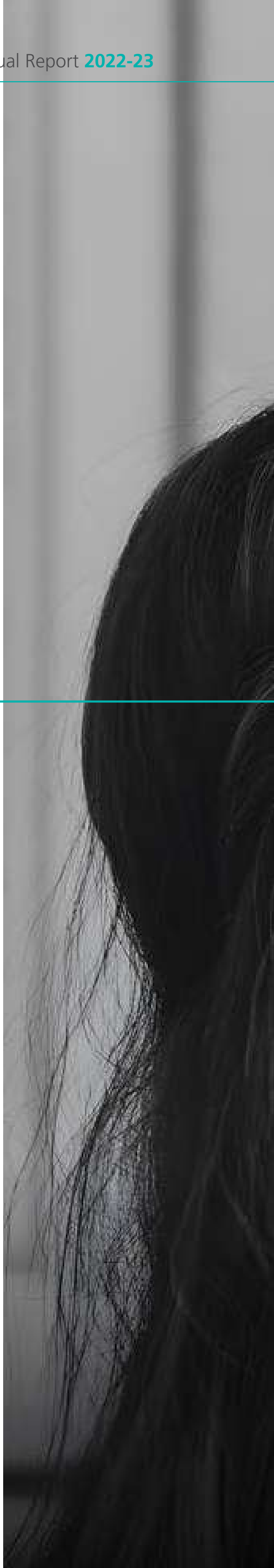
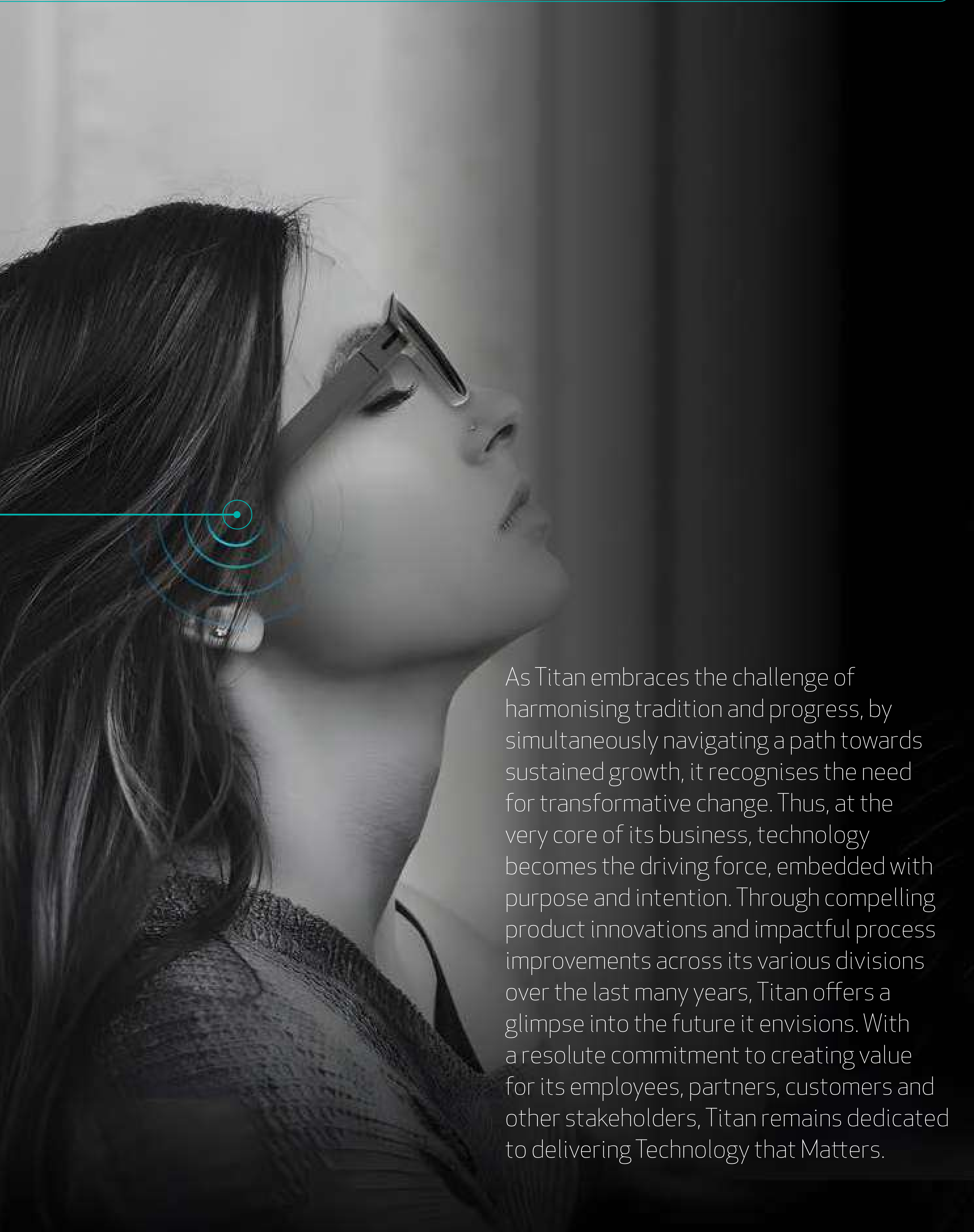
Technology that Matters

At the core of Titan's approach lies a resolute commitment to modernisation, driven by cutting-edge technology, underpinned by a profound understanding of the ever-evolving needs and preferences of its customers.





As Titan embraces the challenge of harmonising tradition and progress, by simultaneously navigating a path towards sustained growth, it recognises the need for transformative change. Thus, at the very core of its business, technology becomes the driving force, embedded with purpose and intention. Through compelling product innovations and impactful process improvements across its various divisions over the last many years, Titan offers a glimpse into the future it envisions. With a resolute commitment to creating value for its employees, partners, customers and other stakeholders, Titan remains dedicated to delivering Technology that Matters.

Exploring the World of Titan

Titan, a prominent player in the lifestyle industry, has earned a well-deserved reputation for its commitment to exceptional quality. With steadfast dedication, Titan has established itself as a leader with an extensive range of brands across diverse categories. Our offerings span various verticals such as Jewellery, Watches & Wearables, EyeCare, Fragrances & Fashion Accessories, and Indian Dress Wear. Through these, Titan closely caters to the ever-changing desires of a wide spectrum of customers.

In 1984, Titan launched its operations as a joint venture between the esteemed Tata Group and the Tamilnadu Industrial Development Corporation (TIDCO). Since then, the rich legacy that symbolises Titan, has been an outcome of a dedicated team, nurtured by a strong ecosystem.

Titan, despite its extensive scale, has continued its accelerated growth trajectory and has always proactively evolved to suit the dynamic needs of the industry. Titan's visionary approach of transforming the customer experience has presented it with an opportunity to reshape the way consumers interact with technology.

At the core of our foundation lies a strong connection to the values of the Tata Group. Our dedication to serving the community and creating value extends far beyond our business endeavours. With an unwavering commitment to shaping a brighter future, we remain steadfast in our pursuit of sustainable development for all.

OUR VISION

We create elevating experiences for the people we touch and significantly impact the world we work in.

OUR MISSION

We will do this through a pioneering spirit and a caring, value-driven culture that fosters innovation, drives performance, and ensures the highest global standards in everything we do.

OUR VALUES AND STANDARDS

Customer First
Customers take precedence over all else, always.

People Make the Brand
Titanians are at the heart of our success and that is why their dreams and aspirations are at the forefront of our brand policy.

Culture and Teamwork
High Performance is a way of life.

Creativity and Innovation
Driven by innovation and creativity, we focus on smarter approaches and newer technologies.

Passion for Excellence
In all our pursuits, we ceaselessly strive for excellence.

Corporate Citizenship
We ensure that a part of our resources is invested for the betterment of the environment and community.

Key Numbers

as on 31st March 2023

₹ 38,569 crore
Standalone Revenue for FY 2022-23

₹ 2,23,287 crore
Market Capitalisation

2,710
Number of stores

404
Town Presence

32%
Gender Diversity at Entry Levels

17%
Gender Diversity in Top Management

10
Manufacturing and Assembly Facilities

7,857
Employees on Roll

3.5 mn+
Retail Area in Sq. Ft.

₹ 42.08 crore
Total CSR Spend for 2022-23

7.50 lakh+
Shareholders

Brands that Inspire

Titan's brands represent the incredible diversity of its customer segments while serving as a testament to Titan's wide-reaching presence in all categories that reflect lifestyle. These exceptional brands embody the very essence of Titan's commitment to customer-centricity. Our dedication remains to offer a diverse range of unparalleled products and experiences, catering to the unique needs and preferences of each and every individual.

	Luxury	Premium	Mid-Market	Mass Market
Jewellery	ZOYA (A TATA PRODUCT)	TANISHQ (A TATA PRODUCT)	Mia by Tanishq; CARATLANE (A Tanishq Partnership)	
Watches & Wearables		XYLYS (Swiss made); NEBULA by TITAN	TITAN; ZOOP by TITAN; fastrack	SONATA (A TATA PRODUCT)
EyeCare			TITAN EYE+; GLARES by TITAN; fastrack	
Fragrances & Fashion Accessories			SKINN by TITAN; IRTH	fastrack PERFUME
Indian Dress Wear			TANEIRA (A TATA PRODUCT)	

Licensed Brands

- TOMMY HILFIGER
- POLICE WATCHES
- ANNE KLEIN
- KENNETH COLE
- COACH NEW YORK

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Financial Growth

Revenue from Operations

40.48%

₹ 38,569 crore

₹ 27,456 crore

EBITDA

43.80%

₹ 5,069 crore

₹ 3,525 crore

ROE

34.00%

25.80%

ROCE

48.00%

29.00%

PBT*

49.68%

₹ 4,465 crore

₹ 2,983 crore

PAT

52.89%

₹ 3,333 crore

₹ 2,180 crore

FY 2022-23 | FY 2021-22 | Growth

*Before Exceptional Items

Letter from the Managing Director

> At Titan Company, we never thought we will out-do the Edge movement and the Edge watch. It was never even thought possible. But with the Edge Mechanical, we have ended up doing just that.

Dear Shareholders,

Right from the beginning, your Company's approach has been to build the Expertise in every category and build an unassailable leadership position using that Expertise.

Central to that Expertise is the use of Technology, Engineering and Manufacturing for creating products that deliver exceptional performance and reliability.

Much has been spoken over the years about Titan's Design capabilities. In this Annual Report, we are happy to bring alive the role that Technology, Design, Engineering and Manufacturing have played in Titan's continued success.

I want to talk about three powerful examples of this, one in each of our mature businesses.

The Mechanical Marvel

It took 5 years for the Titan Watches team to design and engineer this sensational movement. This 2.2 mm Slim Mechanical Edge movement is one of the slimmest commercially produced mechanical movements in the world. It has 106 precision parts, 81 of which are manufactured in our Hosur factory. The other parts are made in the facilities of Titan's Swiss partners and the final movement is assembled and qualified in Switzerland. But not before some remarkable finishes like Côtes de Genève and Colimaçon are given to the bridge and wheel surfaces.

The final machine is an exquisite gem, with 18 jewels determining its overall balance and stability and its heart pulsing at 28,800 beats per hour, a global standard. An energetic winding of its crown gives it a 42-hour power reserve.

At Titan Company, we never thought we will out-do the Edge movement and watch. It was never even thought possible. But with the Edge Mechanical, we have ended up doing just that.

Titan Edge Mechanical, our slimmest mechanical watch ever!

The Ring Master

The AI-enabled Benzinger finger ring manufacturing system takes the manufacturing of finger rings to a level never seen before in India.

To start with, the input metal preparation involves alloying, compacting, sintering and blank rolling, ensuring very fine grain sizes, metal hardness, grain structure and flawless alloy colours.

The Benzinger machines themselves are solid 8-tonne systems with a 1,50,000 RPM spindle speed ensuring the creation of lustrous surface finish and creating very fine prongs that manage to secure every single diamond in its place, without affecting its brilliance. In addition, the system very precisely places every single diamond at the same level, maximising the overall dazzle. The synchronised twin-spindle and B-axis technology help in delivering exceptionally smooth rounding of the edges and a super smooth fit around your finger.

On top of all this, the system uses AI to load the blanks and itself does the programming, reducing manual intervention significantly.

Revolutionising Ring Making with Benzinger

The Best Device for the World of Virtual Meetings

The Titan EyeX is an exceptional substitute for headsets and ear-buds. The clear sound quality is amazing, even as you are all the time aware of the world around you and receptive to other sounds that seek your attention. The simple tap and swipe controls enable you to take calls on the go or play music from your phone effortlessly. Equipped with Alexa, Siri and OK Google and innovative features like a swipe that moves slides in your power point, Titan EyeX is a sensationally styled product that sits very comfortably on your face.

Sophisticated chips used for technologies like Clear Voice Capture (CVC) and Noise Dependent Voice Control (NDVC) to deliver an immersive experience that leaves you totally fresh even after a full day of virtual meetings.

No wonder the Titan EyeX won two Red Dot Awards in 2022 and the German Design Award in 2023.

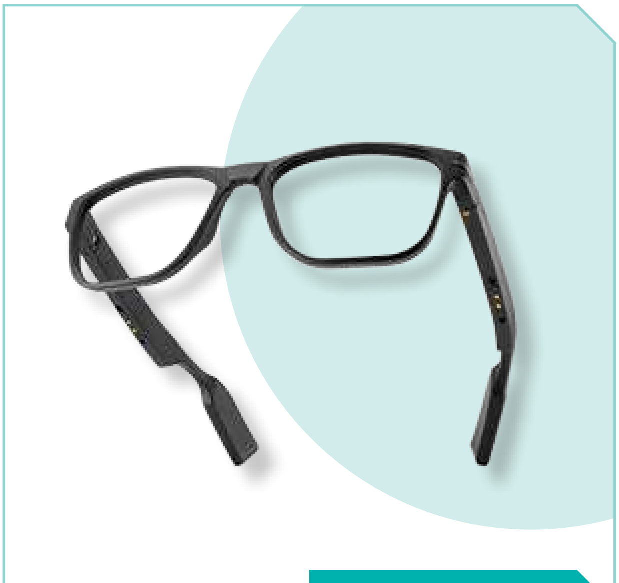
Expanding Possibilities with Titan EyeX

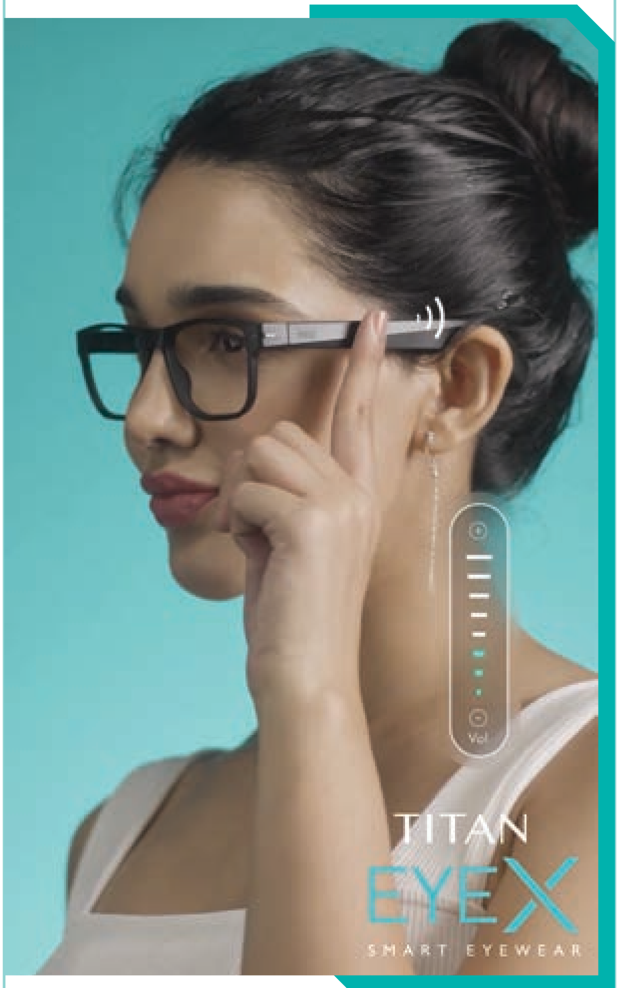
You would be happy to note that Titan Company uses multiple technologies across its value chain in creating products, improving processes and operations and delivering exceptional customer insights and experience. This Annual Report pays homage to those efforts and the technology leaders who drive those programmes.

C K Venkataraman
Managing Director

Titan Edge Mechanical- The simplicity of Edge, now with the complexity of Mechanical.

Ring Master





Fusing Technology with Business

With technology deeply ingrained in every aspect of Titan, we find ourselves compelled to embark on a transformative journey to revolutionise our products, processes, and services, ultimately redefining our entire approach to business. Harnessing the invaluable expertise of our technology leaders, we proudly advance with technology at the forefront and are well-prepared to meet the ever-evolving demands of the new-age customer.

We at Titan Company are leveraging technology to create experiences that seamlessly meld the physical and digital realms, offering Endless Aisles of choices with personalised interactions and frictionless convenience.

Mr. Krishnan Venkateswaran
Chief Digital and Information Officer

We synthesise multiple technologies in unique combinations to solve challenges in our business context and create a significant impact on multiple fronts.

Mr. R Rajagopalan
Chief Manufacturing Officer, Watches & Wearables

There is a constant focus to embrace new technologies in the jewellery manufacturing process to improve the product aesthetic, finish & the overall productivity.

Mr. Sanjay Ranawade
Chief Manufacturing Officer, Jewellery

TEAL has been in the forefront in using the state-of-the-art technologies in solving complex challenges of our customers from a wide array of industries.

N P Sridhar
Whole-time Director & CEO
Titan Engineering & Automation Limited (TEAL)

Leveraging Technology for Competitive Advantage

> At Tanishq, we endeavour to flourish in a dynamic market by harnessing technology to incessantly refine our value proposition.

Mr. Anikesh Nandy
Head of Manufacturing and Sourcing, Diamond Jewellery
Jewellery Division

Prototyping process in jewellery making

Thriving with Technology

To stay ahead in the highly competitive realm of organised jewellery retail, it is imperative that brands blend exclusivity, perceived value while creating a steady stream of freshness through new designs. The product development team has been at the forefront in leveraging technology to build a strong brand.

World's Best Quality (WBQ) Programme Incorporated Computer Aided Designing (CAD)

A pioneering design methodology

Desirous of benchmarking against the best jewellery brands in the world, we spearheaded a new design methodology – WBQ – which integrates diverse techniques and standards into a product's CAD model, delivering immense efficiencies.

We have pioneered the use of CAD for building operational efficiency at the source/design stage – an industry first.

Rapid Proto Typing 3D Printing Technology

Protecting design truth

Using 3D printing machines have opened many possibilities, including the creation of novel ultra lightweight designs.

Migrating from plastic based CAM mediums to Direct Mould Making Resin, supported by investments in cutting-edge equipment, the number of stages a design passes through prior to prototyping has been reduced – protecting the purity of design.

3D Printed Rapid Prototype

One Touch Inspections

Making it simpler

We invested in a customised 'Plug-in-one-touch' inspection software for automated inspections during the CAD stage, minimising manual intervention. This reduced inspection time at the master stage, ensuring validated stone placements and uniform pre-grooving.

3D Scanning

Transforming the realm of jewellery

3D scanning is commonly employed for reverse engineering. However, we have harnessed this technology to create distinctive design expressions, utilising abstract forms – such as the intricate patterns on a leaf or the grains on wood.

Intricate patterns inspired by a leaf

Casting Simulation

Enabling dynamic learning

Casting simulation software improved CAD designers' ability to create directional CADs, reducing rework, material removal and lead time in manufacturing. This award-winning intervention allowed dynamic learning during design.

Our Impact

- Enhanced customer satisfaction through improved product reliability.
- Higher diamond visibility and spread in jewellery.
- Reduced gold removal from products in the manufacturing process, improving yield.

Technology Transforming the Jewellery Value Chain

We provide novel and industry-first technology solutions to design, manufacture, validate and deliver high quality and authentic jewellery to our customers.

Dr. Laxmidhar Biswal
Head-CITE
Jewellery Division

Benchwork process in jewellery making

While the jewellery industry has traditionally relied on skilled craftsmen for its achievements, we are committed to driving transformation in jewellery making. This dedication adds value, reinforces our market position and enhances our brand reputation.

Center for Innovation and Technology Excellence (CITE) has three key functions: Diamond Pipeline Integrity, Automation Systems, and Jewellery Manufacturing Transformation. Through collaboration, we boost productivity, ensure authenticity and provide exceptional customer experiences. We have passionately delivered over 40 projects and our efforts have been acknowledged with a few notable awards.

Diamond Pipeline Integrity

We have taken a giant leap in ensuring diamond pipeline integrity with advanced AI/ML, image processing, optics, light and automation systems to:

- Segregate Lab Grown Diamonds from the natural ones
- Verify quality and grade diamonds as per 4Cs
- Measure the light performance (fire, brilliance and sparkle)
- Ensure traceability with finger printing and marking

These technologies enable our customers to experience the real quality and beauty of diamonds and understand its correct value proposition.

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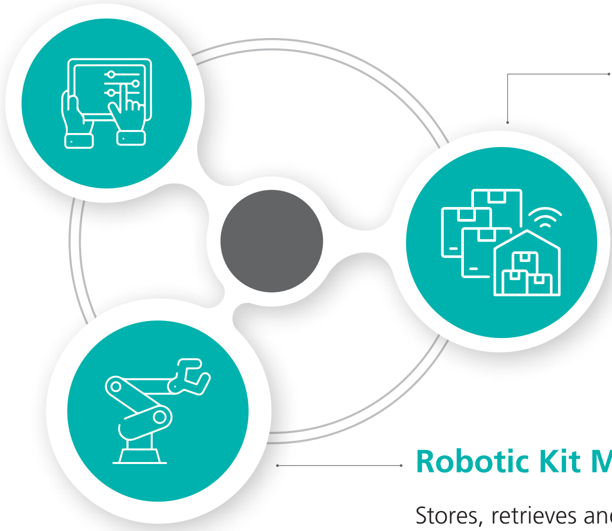
Automation Systems

Our advanced automation systems incorporate mechatronics, robotics, vision systems, AI/ML and industry 4.0 bringing efficiencies throughout the value chain. Some examples are:



Smart Casting System

Enhances operational safety and employee morale by reducing manual steps leading to defect-free casting that improves productivity by 25%.

Warehouse Automation System

This enables the shipment of the right products to the right stores, while reducing delivery time by 1 day.

Robotic Kit Marshal System

Stores, retrieves and bags casted components, gold child parts and diamonds for downstream operations with speed and accuracy.

Transformation of Jewellery Manufacturing

Our scientific solutions minimise material, energy and real estate consumption. Their transformative impact is seen in several examples as given below:

Our Solution	Impact
Hard gold for light-weight jewellery	Reduction in the weight of machine-made bangles by 10% to 25%
Stereo microscope for ergonomic benefits	Up to 3x improvement in diamond setting productivity
Mass soldering technique	Reduction of manufacturing lead time
Mechanised manufacturing of jewellery components	Up to 10x improvement in productivity

Breaking Technological Frontiers

By investing in dedicated R&D laboratories and cultivating a talented pool of experts, we are propelling our technological capabilities to new heights. Our upcoming 3D Gold Printing System will enable us to provide exquisite and customised jewellery to our customers. We actively file patent applications to secure the future of our business.

Building a Great Omni-channel Experience

> The omni-channel experience has emerged as a formidable business differentiator, setting CaratLane apart in the industry. We continue to fortify our unique value proposition through substantial investments in technology.

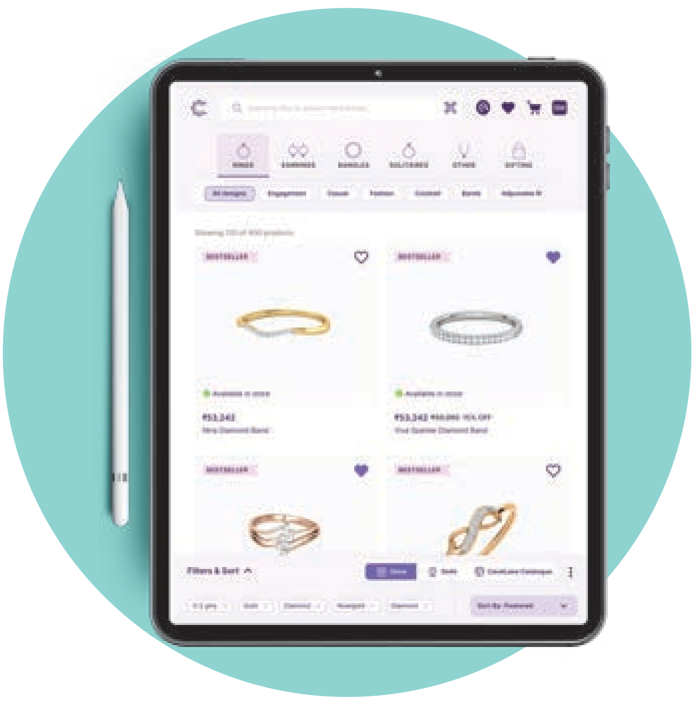
Mr. Gurukeerthi Gurunathan
Co-Founder & Chief Technology Officer
CaratLane

Since 2008, CaratLane has embraced technology, recognising the need for an omni-channel approach. Our website, app, and physical stores create an integrated experience, empowering customers to effortlessly engage with the CaratLane universe.

Our digital endeavours unlock the future of seamless connectivity and enable an unparalleled omni-channel experience for our customers:

Store Cards

This is an innovative online feature that delivers a seamless omni-channel experience. It allows customers to explore our entire inventory across all stores, effortlessly identifying their favourite designs and conveniently scheduling visits. It gives the freedom to try any product at any location.



OneView

This in-house solution empowers jewellery consultants with a holistic customer view, ensuring consistent service across all touchpoints. With intelligent machine learning algorithms predicting customer sentiment, any consultant can access OneView at any time to provide customised assistance and a tailored journey.

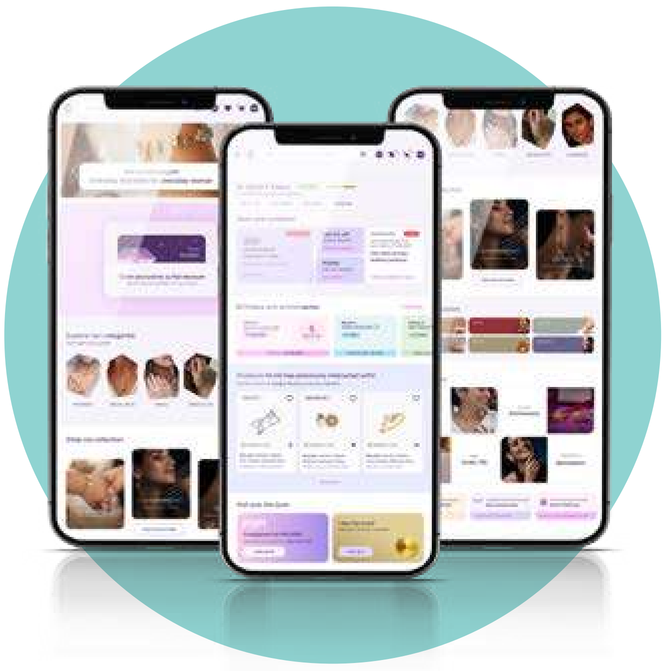
24-hour Delivery

Technology driven automation helps us with faster product delivery. Through accurate delivery date predictions and specific time slots in 95% of cases, we offer a 24-hour delivery service to customers in major Metros and Tier 1 cities.

EZ

Our mobile Point of Sale (POS) software is designed to seamlessly integrate online and in-store retail experiences. This app enables customers to filter and explore an extensive range of designs, with real-time information on product availability across CaratLane stores.

EZ equips our jewellery consultants with valuable insights, enabling meaningful conversations and enriching the overall experience.



A Seamless Future

CaratLane will continue to enhance features on the website, app, and retail POS. Initiatives like personalised marketing through AI, using technology to enhance gifting messages, and implementing generative AI for bettering customer interactions have already been deployed.

Reimagining Watch Manufacturing

> We are reimagining the future of manufacturing by leveraging digital, automation and technology to create an elevating experience on the shop floor and leapfrog impact in performance.

Mr. Manohar G
Head - Case Manufacturing & Plating
Watches & Wearables Division

At Titan Company, we continue our pioneering efforts in customising automation and technology for horology component manufacturing. We have consistently brought in innovations with automated processes, cutting edge technology and digitisation.

Pulsed Electrochemical Machining

Our eco-friendly technology combines chemical and electrical processes to efficiently remove material in watch case manufacturing. This approach enables the creation of complex and decorative watch case profiles helping bring unconventional designs to life.

Automation in Back Cover Forming

Our advanced indigenous automation system for watch case manufacturing combines energy-efficient technology, including a robot, vision systems, customised feeders, and servo-controlled actuators. Integrated with a user-friendly interface, it seamlessly operates with our 50-tonne press, enabling production of over 200 watch case varieties.

This system operates at very high speed enabling a single employee to efficiently manage multiple machines resulting in a 4-fold increase in productivity.

New-Age Multi-Axis Drilling Machine

We have developed a customised employee-friendly and innovatively designed two station, four stage, eleven axis CNC drilling machine by blending various technologies such as high precision touch switch probing, magic collet clamping, servo swivelling, tool monitoring and IoT.

With this we are able to perform five operations in one station at shorter cycle time which otherwise would be managed by five special purpose machines with five operators.

Multi-axis Drilling Machine

Green Laser Technology

Our pioneering use of green laser technology (500 nm) enables precision micro welding on reflective materials like brass and copper. Traditionally applied on large surfaces, we have innovatively harnessed it to create intricate quartz calibres, central to the acclaimed Sonata Unveil collection's award-winning designs.

Sonata Unveil Collection

Customised Manufacturing Execution System (MES)

Our in-house solution enables real-time monitoring of critical data across factory utilities, integrating machine-agnostic sensors, RFID tags, QR code scanners, and legacy systems. Customised algorithms capture and process energy, environment, weather, fire, asset, tooling, production, and quality data. With a 10x cost advantage and future adaptability, this IIoT system stands uniquely apart from standard industry packages.

Reimagining the Future

We continue to leapfrog by strengthening Digital, Automation and Technology (DATE) interventions and investing significantly on capabilities enabling us to remain upto DATE. Our emerging areas of work include hi-precision ceramics, plasma technologies, AI-powered automation solutions and connected factories.

Digital Driving Delightful Customer Experiences

> We redefine retail through digital transformation, crafting personalised customer experiences that delight, fuel a distinctive competitive edge and leave an indelible mark on the dynamic marketplace.

Mr. Soundararajan M N
Head - Digital
Watches & Wearables Division

As a B2C and D2C Company, we emphasise omni-commerce that is both engaging and efficient. We promote data democratisation and offer comprehensive insights for informed decision-making. We are deploying leading edge AI and ML capabilities to deliver personalised recommendations, optimise our merchandise and enhance enterprise agility.

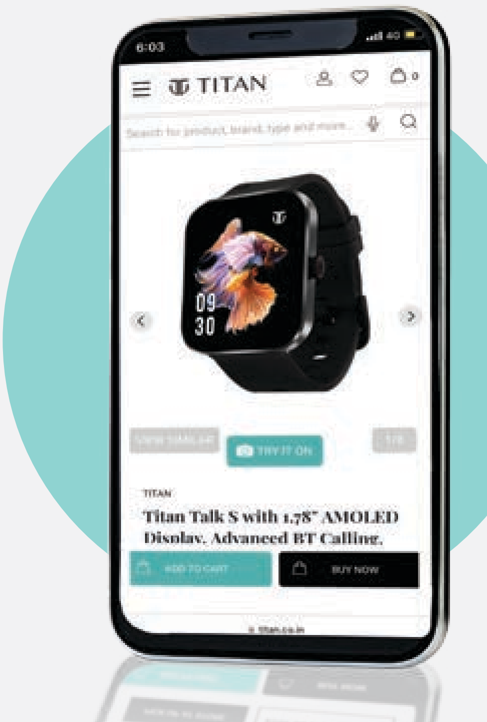
Some of our recent technology interventions that delighted customers are:

Ship From Store (SFS)

Our Omni-Channel Play for convenience and conversion

"Ms. Pooja realised she had forgotten to buy a gift for her husband's birthday which was on the morrow, but with our website's SFS option, we swiftly helped her choose a smartwatch from a nearby store. Delivered in time for the birthday, she was overjoyed!"

Our integrated architecture of e-commerce websites, POS systems and OMS makes Omni-channel possible. Customers have options of selecting products over the online and retail modes.



Prometheus

Our ML platform that enables targeted nudges

"Shruti, a loyal Tanishq customer, typically buys plain gold jewellery, not diamonds. However, our HiLo ML model revealed that customers similar to her purchase diamonds, indicating a potential interest. We suggested availing her anniversary gift voucher and informed the store manager to assist her. The deal was sealed!"

This is what Prometheus does – our ML model management platform, orchestrating the lifecycle of machine learning models. It helps our business users make informed decisions across a wide range of challenges.

Net Promoter Score

Our approach to enhance Customer Loyalty

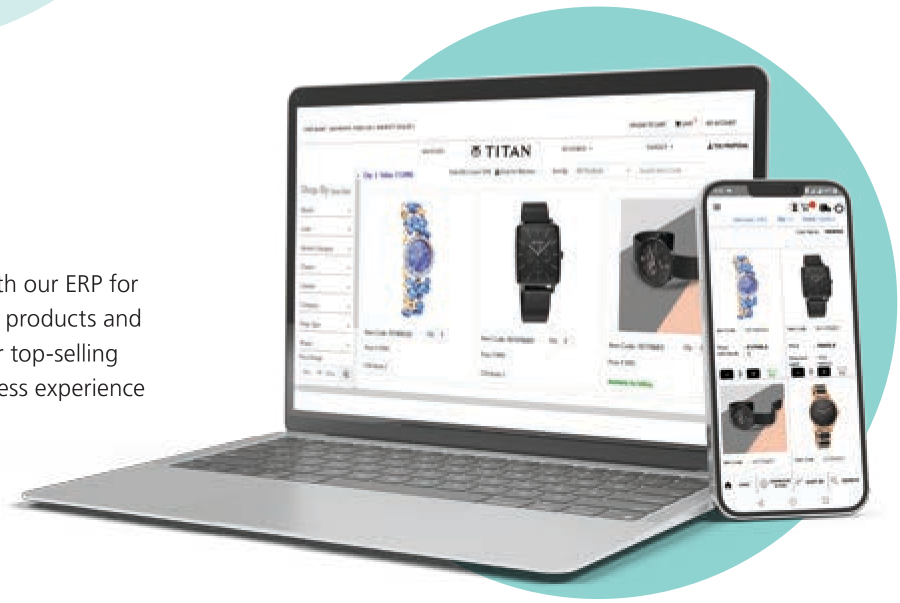
In the EyeCare Division, we prioritise measuring customer satisfaction during product usage. Our feedback system captures experiences, automatically feeding data to our CRM. We promptly address detractor responses.

"A dissatisfied customer at Titan Eye+ had lens clarity issues. We promptly engaged and resolved the problem. In the subsequent NPS survey, the customer transitioned from detractor to promoter, acknowledging exceptional customer service."

Digital Platform for Dealer Partnership

State-of-the-art interface

Our micro-services application connects with our ERP for real-time updates on prices, inventory, new products and schemes. Dealers can easily place orders for top-selling variants. Our mobile app ensures a frictionless experience for millions of orders.



Future

We are prioritising analytics-driven personalisation across brands and channels. We continue to merge physical and digital domains, bringing in-store experiences to customers' homes.

Engineering the Future of Smartwatches at Titan Smart Labs

> As technology shapes the future, Titan Smart Labs is at the forefront of building the next generation of smartwatches and audio devices, pioneering ground-breaking innovation and revolutionary models that connect with consumers.

Mr. Raja Neravati
Head-Titan Smart Labs

Titan Smart Labs, Hyderabad

Transforming Titan's Approach

Until three years ago, we relied on external partners for smartwatch technology. With the acqui-hire of Hug Innovations, Titan established the in-house Titan Smart Labs. Its state-of-the-art infrastructure and product engineering mindset has enabled Titan's rise to being among the top four smartwatch brands in India.

Engineering the Future

Pioneering Technological Advancements

The pandemic accelerated smartwatch adoption in India, making it the largest market in the world. Advancements over the past three years include AMOLED displays and features like Bluetooth calling and music storage. We have introduced sixteen diverse products in the past year, catering to different price points, styles, and features. Through technical partnerships with sensor and chipset manufacturers, we have prioritised delivering first-of-its-kind experiences to Indian consumers.

Reimagining Customer Experiences through Technology

The wearables industry has traditionally focused on device capabilities, limiting the overall user experience owing to device-alone strategy. Through ML and AI investments, our mobile apps offer hyper-personalisation, allowing users to set goals and earn Zeta points with personalised daily tasks. Titan also collaborated with an artist to create Sleep Music, known to have stress-reducing qualities.

Data & Privacy: Safeguarding Customer Information

At Titan, we prioritise data security and privacy. Through a partnership with Amazon Web Services (AWS), we ensure customer data protection. Storing data locally in India enhances data sovereignty and compliance. We invest in robust security infrastructure, conduct regular audits, and follow industry standards. Our commitment to responsible data handling builds trust with customers, assuring them that their information is secure.

First Movers

Titan leads the industry with innovative products like the Fastrack Revoltt FS1 Pro, the world's first 1.96 Super AMOLED watch with high resolution and Bluetooth calling and this is just the beginning. We will continue to pioneer ground-breaking consumer experiences in the coming year.

Forging the Path Ahead

Innovation nurturing creativity

Titan Smart Labs, with its state of the art infrastructure and skilled teams drives transformative innovations-blending the digital and physical realms. Our customer centric approach in designing smartwatches and audio devices enables deep consumer connect.

Technology Enabling In-House Creation of New Products

> We lead the way in creating consumer impact through innovative products built with expertise and empathy. Our products now define the eye care landscape in India.

Mr. Subrata Bhadra
Head - ISCM and Chief Manufacturing Officer
EyeCare Division

Transforming Eye Care with Titan's Vision!

At Titan we are pushing the boundaries of optical solutions. With our expertise in lens and frame manufacturing technologies, we have achieved ground-breaking product innovations, propelling us forward.

Our recent introductions have leveraged a range of technologies – including smart, image detection algorithms and anti-reflective coatings. Our products exceed customer expectations consistently.

Titan EyeX

Revolutionising eyewear beyond its definition

With this extraordinary product we have been able to combine earphones, glasses, and fitness bands, all into one power packed device. Powered by advanced Qualcomm chips with Clear Voice Capture and Noise Dependent Voice Control technologies, EyeX offers an unmatched immersive experience.

This product is feature loaded and stylish, winning compliments from customers.

Titan Ultima

Epitome of progressive lenses

With Ultima lenses, we have created a new benchmark in customer centric optical solutions. These ultra-thin lenses swiftly adapt, minimise distortions, and deliver precise vision correction, using a combination of cutting-edge technologies including Blend technology for flatter lenses, Eye-Gaze technology for wider fields of view and Stabilise technology for image stability.

Indie Fit

Perfect fit for diverse features

Most frames in India are not designed for Indian faces. We therefore created the Indie Fit range after a thorough research of Indian facial features.

We used precise measurements and advanced image detection algorithms to craft the Indie Fit frames. They provide the perfect fit to most Indian faces, offering optimal alignment and comfort.

ClearSightZ

Experience the world in HD

Created using advanced anti-reflective lens technology ClearSightZ combines eight extraordinary features that elevate visual experience. It offers an impressive 99.2% clarity over a broad spectrum of light with minimal colour distortion and an HD view that showcases colours in their truest form.

"With ClearSightZ I have clear vision and there are no scratches on my lenses. With my previous lenses, I had some adjustment issues during driving. I am definitely recommending them to my friends and family."

-Srimathi Vathsangam, Chennai

Our Impact

With our focus on delivering greater customer value through technology, we have been able to reduce lead times for new product introductions, providing greater choice to consumers, consistently.

The width of innovations helps us create products that differentiate us from the other players in the market – giving Titan Eye+ greater competitive advantage.

A Glimpse into Tomorrow

We continue to invest significantly in R&D – in key areas that encompass AI, IoT based order fulfillment, lens innovation and smart technologies.

Central Technology Services (CTS)

> Technology and Innovation help us solve wicked challenges and capitalise on opportunities to meet the needs of our rapidly evolving consumers.

Mr. Satish S
Head-Central Technology Services

Innovating For Tomorrow

The CTS function was set up a decade ago having discerned the need for a specialised unit that goes beyond the near-term aim of sustaining and expanding. We create remarkable, paradigm-shifting encounters and industry-first solutions for our customers across our business verticals.

From Insights to Ideas

We leverage consumer insights to anticipate future trends and behaviours, crafting a unique value proposition. Specialised centres of excellence drive our pursuit of Horizon 2 and Horizon 3 opportunities in areas like metals, smart sensors, non-invasive technologies, non-metals, specialty materials, mechanical engineering, and industrial design.

Open Innovation

We embrace the power of co-creation, collaborating with employees, vendors, franchisees, Tata Group companies, start-ups, universities, and research institutions. Notably, our partnership with IIT Madras has led to the establishment of the 'Titan Innovation Hub' in the IIT Madras Research Park.

Notable Innovations

Our diverse team comprising scientists, engineers, and design thinkers has constantly delivered innovative solutions in products, upstream and downstream processes.

Extending the sparkle of jewellery

Our patentable materials ensure the longevity of traditional Kundan and Polki jewellery, preserving its intricate beauty and exquisite hand craftsmanship for years to come.

Jewellery Finishing

We prioritise the well-being of our karigars, the environment, and our consumers. Our innovative surface finishing process for jewellery sets new industry standards in safety and eco-friendliness.

Kundan Polki Jewellery

Store-front Demonstration

Embodying the values of Trust and Transparency, we demonstrate our product's qualities through low-cost devices, showcasing features like water resistance in our watches.

Connected supply-chains

Through our Digitalisation efforts, we are connecting and revitalising the weaver-based supply chain of Taneira, bringing handloom crafts from remote Indian locations to our consumers, under one unified platform.

Sustainable eyewear frames

DID YOU KNOW ?

Our Naturewear frames have been crafted from castor seeds

Enabling Micro-Retail

Our unmanned devices with self-checkout enable seamless purchases of gold coins in under two minutes, enhancing the consumer experience.

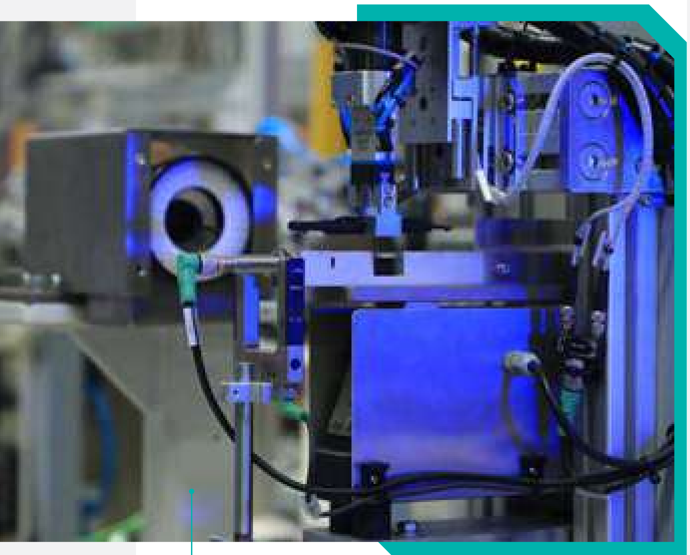
Building Technology Solutions for Global Reach

> TEAL marks a fresh chapter in Titan Company's narrative as we extend our advanced technology solutions to global markets.

Mr. Venkatesan M
Head-Automation Solutions
TEAL

Titan Engineering & Automation Limited (TEAL), earlier the in-house engineering team at Titan Company, now thrives as a specialised business. We have over 500 talented members in our two divisions – Manufacturing Services and Automation Solutions.

Our solutions span Aerospace, Defence, Transportation, Electrical & Electronics and Medical sectors. Driven by our ambition to be a significant global player, we now provide solutions in over eighteen countries, including Germany, France and USA.



Vision System

High-speed product assembly

Technology that Enhances

Empowering with cutting-edge technologies

Robotic Automation

Expertise in vision-guided robotic assembly technology, collaborative robots and advanced component feeding enables delivery of comprehensive turnkey assembly automation solutions for automotive products. We have delivered turnkey solutions for an automotive product by using over twenty Robots for a leading German MNC.

Machine Learning

By integrating machine learning into inspection, we have been able to significantly enhance output quality. The self-developing nature of machine learning algorithms ensures ongoing enhancements in accuracy and quality over time.

High-Speed Product Assembly

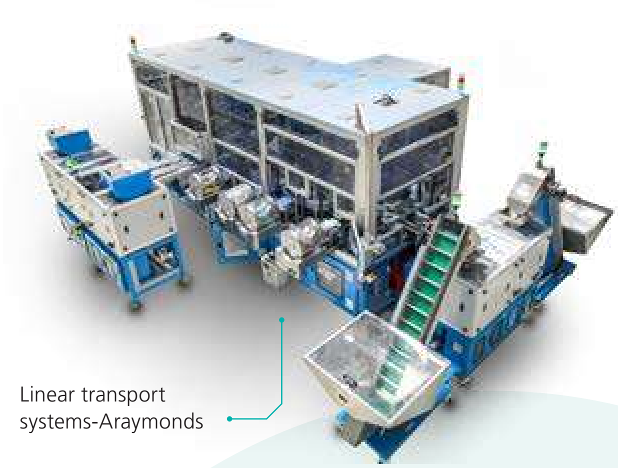
For blade tucking and packaging applications at a US MNC, we developed a very high-speed product line by combining CAM technology with servo-based motion technology.

3D Vision

Our latest breakthrough in automation technology integrates 3D vision in cameras for assembly operations. This enables our machines to understand and seamlessly place parts regardless of orientation, mimicking human capability.

Linear Transport System

Developed for a leading French MNC, our conveyor system features fully integrated motor modules that run at different speeds. This draws inspiration from magnetic levitation trains.



Linear transport systems-Araymonds

Projects delivered in over
18 countries

50%
orders for exports

Every car assembled in India has
at least one component from machine made by TEAL

Our Impact

By pursuing a variety of projects in Automation and Manufacturing Services we have successfully expanded our presence, both in India as well as in global markets. This strategy has also enabled our early entry into newer domains such as EVs and semiconductors.

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Jewellery Division

Where Dreams Sparkle and Intelligence Unfolds

Titan's Jewellery Division comprises an array of distinct brands, each with its own unique value proposition. **Zoya** – renowned for its unparalleled designs – embellishes our clients with the most alluring gemstones. Our flagship brand, **Tanishq**, stands tall as India's largest jewellery retailer. **CaratLane** embraces technology to redefine the customer experience, while **Mia by Tanishq** continues to grow in popularity among the female customer base. Moreover, technology has revolutionised the retail experience, allowing Titan to redefine excellence, while equipping our artisans with the latest tools, ensuring exceptional craftsmanship. Welcome to a world where each brand within Titan's Jewellery Division shines with its unique radiance, where the beauty of gemstones meets the innovation of technology.

Revenue*

₹ 31,897 crore

In FY 2022-23 | 37.08%

EBIT

₹ 4,363 crore

In FY 2022-23 | 43.52%

EBIT Margin

13.70%

In FY 2022-23

Growth

*Excluding Bullion Sales

Growing our Financial Performance

Titan successfully achieved a robust 37% increase in revenue for its Jewellery Division by skilfully navigating the volatile economic environment. Although the diamond supply chain faced disruptions due to geopolitical tensions and gold prices experienced fluctuations, the Company's revenue growth remained strong due to a favourable festive season. Both the growth in the number of buyers and an increase in ticket size contributed equally to the healthy financial performance, during the year.

Growing our Retail Network

The Jewellery Division continues rapidly expanding its network presence and successfully added 100 new stores to its network. Furthermore, our goals for FY 2023-24 include expanding space in 15 existing stores and opening over 40 new stores.

Our regionalisation strategy has yielded positive results with notable market share gains in the southern and eastern regions. We have also expanded our international presence with 6 new stores in the UAE and 1 store expansion undertaken in the US. The Company aspires to further strengthen its international presence to 25 international stores by the end of FY 2023-24, with growth primarily being driven by additions in the GCC region.

During FY 2022-23, Tanishq expanded its presence through 34 new store openings. Mia by Tanishq added 18 stores, Zoya added 1 store whereas CaratLane added 47 stores.

Growing our Customer Base

The Jewellery Division intends to deepen its presence into underpenetrated markets and offer a unique value proposition that has remained unexplored in such regions. The increasing digital orientation of the new-age customer has enabled Titan to reach a wider segment of the market. This has also provided us with an opportunity to further build our omni-channel brand that replicates the physical experience in a digital format.

The significant progress witnessed in the Zoya and Mia by Tanishq brands is very encouraging. These brands have established a loyal customer base in their specific niches, expanded their presence in the retail market, while they are expected to maintain their impressive growth trajectory.

Mia by Tanishq 2022 festive collection

Growing in our Strategic Market

As one of the largest jewellery markets in India, Tamil Nadu is an important strategic market for us. We have intensified our efforts in recent years to strengthen and expand the Tanishq brand in this region. Our initiatives include expanding our retail network, introducing regionally relevant products, and implementing culturally sensitive marketing strategies that are based on thorough customer insights. Through these efforts, we have achieved robust growth. Additionally, we are emphasising gold exchange programmes and diversifying our merchandise offerings to further drive growth in Tamil Nadu. We will continue to leverage these strategies to accelerate our momentum in this critical market.

Growing with Product Innovation

Our brands have continued to captivate customers with their exceptional product designs. Throughout the year, we launched various new collections with a special emphasis on introducing products for the wedding season and other celebratory events such as Diwali, Akshaya Tritiya, Women's Day, Valentine's Day, and so on. Tanishq and Zoya, known for their gold and studded jewellery, maintained their focus on traditional designs that blend ancient symbolism with contemporary aesthetics. Meanwhile, the Mia by Tanishq brand continued to offer stylish and affordable designs that appeal to young women. CaratLane also refreshed its product portfolio by introducing several attractive offerings at competitive prices.

Celeste collection

Growing by Driving Brand Engagement

Driving meaningful engagements with our customers have always been among our key priorities. The range of marketing campaigns initiated by our various brands are aimed at establishing deeper relationships with those we serve.

During the year, Tanishq's 'Every Woman a Diamond' campaign took centre stage, focusing on celebrating the small but significant moments in a woman's life that can be commemorated with a diamond. Additionally, the 'Superwoman' campaign by Tanishq was inspired by the stories of women all around us who balance multiple roles and are under the constant unsaid expectation of fulfilling these roles. CaratLane launched the #KhulKeKaroExpress campaign which aimed to inspire customers to express their emotions to their loved ones in unconventional ways.

Zoya's new brand film, Beyond – A Boundless Journey, is an ode to the feminine spirit as a force of nature. The film draws inspiration from the passage of the mighty Indus and uses it as a powerful analogy for the journey of the Zoya woman through life. It portrays her journey as a continuous, larger-than-life experience that navigates through genesis, conflict, and turbulence before culminating in a state of calm contentedness.

Growing by Reinforcing Trust

As a Company that is deeply committed to transparent operations and providing credible hallmarks to our customers, we ensure compliance with all relevant regulations governing the jewellery industry. With the trend of formalisation that the jewellery sector is undergoing, earning the valuable trust of our customers places us on a trajectory for sustained growth. The technological innovations in our processes have also ensured that we are able to deliver the quality we are renowned for with even greater consistency.

Growing by Leveraging Technology

Technology has proven to be a crucial enabler across various business domains, and the jewellery industry is no exception. Our dedicated innovation and technology centres like the Centre of Innovation and Technology Excellence (CITE) have leveraged a range of technologies to enhance the jewellery value chain. This has empowered our karigars with the latest tools and further enabled them to maintain their quality work.

Moreover, technology has also had a transformational impact on the customer front, allowing Titan to redefine the retail experience. For instance, CaratLane's omni-channel business model ensures a well-integrated experience for customers. The Endless Aisle, which provides instant access to a wide range of options, has significantly contributed to an even superior customer experience.

Additionally, our single code base allows us to create unique apps for each of our distinct brands, adding to our agility and ability to respond quickly to changing market conditions.

Focused on Growth in New Geographies

Tanishq aims to become the preferred jeweller in the NRI/PIO markets by leveraging the pride that Indians across the world take in their cultural heritage. As India emerges as an integral part of the global economic landscape, Titan sees an opportunity to strengthen its presence through its elegant products that symbolise the richness of Indian culture. The Company's international stores have received a positive response in global markets, as we plan to expand our presence further. The international websites, tanishq.ae and tanishq.com, which went live during the year, are performing well. Despite the operational complexities of opening stores in unfamiliar territories, the Division plans to aggressively expand in FY 2023-24 across the GCC Region and the US, given the evident consumer demand for Tanishq.

Growing our Presence on New Formats

The Jewellery Division, headed by brands such as Tanishq, CaratLane, Zoya and Mia by Tanishq, has been broadening its product offerings by upgrading and expanding its existing stores into larger format stores throughout India. These new stores provide customers with a diverse selection of superlative designs for various occasions that cater to different tastes and preferences.

Watches & Wearables Division

Where Time Transcends and Technology Embraces

At Titan, we present a symphony of offerings in the Watches & Wearables segment, embarking on a journey of timekeeping excellence. With our desire to serve our wide-ranging customer segment, we enjoy a considerable market share in the organised watch market through our flagship brand Titan. Among our other leading brands is Fastrack, which continues expanding its presence through its trendy range of offerings encompassing watches, bags, belts, and a lot more. Sonata too has immensely contributed to further enhancing the brand image of Titan, reflecting both style and functionality through its product range. And as we delve into the realm of wearables, innovation and technology seamlessly intertwine, leaving an indelible mark on our customers' lives. Join us in embracing the digital era where innovation reigns, and technology becomes an integral part of our story.

Revenue	EBIT	EBIT Margin
₹ 3,296 crore	₹ 413 crore	12.5%
In FY 2022-23 — 42.7%	In FY 2022-23 — 209%	In FY 2022-23

Growth

Growing our Financial Performance

In FY 2022-23, the Watches & Wearables Division exhibited an excellent financial performance, achieving a 43% growth in both Net Uniform Consumer Price (UCP) terms and Net Sales Value terms. This has helped the Division surpass the milestone of ₹ 5,000 crore of UCP sales during the year. The remarkable results can be credited to the growth in both the analogue and smart watches segment. Some of the factors that contributed towards the improving margin profile include the premiumisation across brands, improved channel mix, and increased domestic manufacturing over the course of the year.

Growing with Product Innovation

Innovation was a key driver in our efforts to refresh our portfolio across all our brands. We introduced a range of exciting new products in both the analogue watches and smart watches segments, reflecting the significant growth potential we see in these categories.

The Edge line by Titan has been synonymous with slim watches since 2002. However, by launching the Titan Edge Mechanical, we created our thinnest mechanical watch yet, also the slimmest by an Indian watchmaker. In September 2022, we introduced the second generation of the Edge Mechanical with two new models. The second generation watches use more colour base, but the core remains the same. Furthermore, Brand Titan stood out in the market by introducing exceptional and innovative products such as the 'Edge Ceramic Squircle' and 'Automatics'. One of Titan's recent launches in the wearables space was the 'Titan Talk' smart watch, equipped with a variety of features including Bluetooth calling with Crystal Voice Technology.

Under Fastrack, we also introduced a range of collections to induce an element of freshness in our ever-evolving portfolio. Some of the noteworthy collections launched during the year include 'Tick Tock 2.0', 'Style Up 3.0', 'Urban Camo' and 'Mixmatched'.

For Sonata, we launched the latest collection 'Unveil 2.0', which offers distinct and unique designs which will resonate with the young audience. Unveil has more than 10 variants each for men and women with a special look and premium style, different in their concepts and fit for all kind of occasions or festivities.

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Growth Across Channels

The shift in consumer behaviour and the accelerated pace of digital transformation have significantly changed the way people shop. Our omni-channel approach has allowed us to adapt with the evolving landscape. This includes exemplifying our presence through large format stores, modern trade, Exclusive Brand Outlets (EBOs), Multi-Brand Outlets (MBOs), as well as e-commerce channels and our own websites.

We are also working to integrate our physical stores with our online presence in order to meet the changing expectations of customers. Our presence across various channels enables us to cater to customers with different price points. We focus more on economy price points through our presence in multi-brand retail and e-commerce channels, while our presence in EBOs and large format stores drives growth for products from both Titan and international licensed brands.

With positive responses from customers across all our channels, we aspire to continue strengthening our distribution network through the enhancement of our phygital presence. The 52 new store expansions pan-India (net) were the fastest in the Division's history in a single quarter. These included 21 additions in Titan World, 16 in Helios and 15 in Fastrack.

Growing by Transforming Experiences

Titan Company's sustained success is a result of our ongoing efforts to ensure preparedness for the future. We have persistently striven to develop an agile organisation that is capable of capitalising on emerging opportunities.

Our strong conviction in the tremendous opportunities offered by the analogue watch category has led us to make strategic investments in enhancing the appeal to customers. These investments include retail transformation, expanding our product portfolio, and launching impactful marketing campaigns.

Our dedicated engineering centres have significantly enhanced our in-house capabilities and also fostered an innovative culture within the organisation. We have a promising product pipeline that is set to enthral our customers worldwide, and we are continually striving to provide impactful solutions that bring about positive changes. Furthermore, we are committed to exploring vertical-specific solutions that deliver a distinct value proposition, centred around identifying the unique requirements of each customer segment and catering to them more closely.

Opulence Rose Gold Dial Metal Strap Watch

Sonata ALLOY Collection

Titan Raga

Unveil 2.0 Collection

EyeCare Division

Where Vision Meets Style and Innovation

Titan Eye+ shines as India's leading optical retail chain, offering a wide range of eyewear products under popular brands such as Titan, Titan Glares, Fastrack, as well as top-tier international brands. Our in-house brands stand out for their exceptional value, crafted with precision at our fully integrated lens and frame facility. Embracing the digital age, we provide personalised customer experiences through our online presence. Our innovative approach combines cutting-edge technology with the art of vision care, enabling us to cater to the diverse needs of our customers. Discover the future of eyewear at Titan Eye+, where innovation and style converge to redefine the way you see the world.

In our pursuit of excellence, we have partnered with leading eye care institutions, to further strengthen the capabilities of our passionate team of staff and optometrists. These collaborative efforts have enabled us to establish ourselves as experts in eye care, continually striving to exceed our customers' expectations.

Revenue

₹ 689 crore

In FY 2022-23 — 33.3%

EBIT

₹ 98 crore

In FY 2022-23 — 78.2%

EBIT Margin

14.2%

In FY 2022-23

Growth

Growing our Financial Performance

Titan's EyeCare Division registered a revenue growth of 33% taking the total income to ₹ 689 crore during FY 2022-23. The Division's strategy of expanding its stores rapidly and introducing premium products proved successful in driving its impressive top-line growth. By expanding our physical presence and offering higher-end products, we were able to attract a broader customer base and increase customer loyalty. Furthermore, recovery in demand in the travel sector led to the sunglasses category remaining a popular choice among consumers, as reflected by our numbers.

Growing with Retail Expansion

We continue to increase our nationwide footprint by rapidly expanding the Titan Eye+ store network. During FY 2022-23, we added 180 new stores, including 5 Fastrack stores, as part of our commitment to strengthening our presence in both metro cities as well as smaller towns. Currently, our reach spans 900 stores in 379 cities and towns in India. Additionally, we have taken our first step towards exploring international markets by opening our first Titan Eye+ store in Dubai.

As key sectors such as tourism continue to recover, we anticipate sustained growth in categories like sunglasses. In response, we are expanding our presence in multi-brand outlets and departmental stores to make our products more widely available to customers.

Titan Eye+ Bold

Growing with Omni-Channel Presence

The increasing digital orientation of our customers has encouraged us to complement our growing physical presence with our digital offerings. Our Titan Eye+ app enables customers to delve deeper into our offerings without visiting our physical stores. The app provides access to our extensive collection of sunglasses and eyeglasses, including those from international brands, allowing users to make purchases online with the option of returns and exchanges. Furthermore, customers can enjoy convenient features such as virtual try-on, storage of orders and prescriptions, and dedicated customer support.

Growing with Product Innovation

The EyeCare Division has always placed a great emphasis on product innovation. Recognising that the changing needs and preferences of customers necessitate continuous development and evolution, we have launched a diverse range of collections that cater to the unique and varied tastes of our customers.

Sustainability is a key area of focus for Titan, and in keeping with our commitment to environmental responsibility, we have introduced frames made from castor seeds and recycled acetate. These eco-friendly options not only reflect our values, but also prove to be a fashionable choice for our customers.

Furthermore, we have created high-end frames using materials such as Titanium and carbon fibre, which provide multiple benefits due to their lightweight, corrosion-resistant, and robust characteristics. Our 'Riviera' frame collection, which draws inspiration from the sailing spirit, has also been well-received by the market.

The Fastrack product range continues to impress with its latest offerings. With several new collections such as the 'Crystal Fusion', 'Retro' and 'Crystal Burst', Fastrack continues to provide youthful, vibrant and in-vogue products.

But our product innovations are not limited to our collections. Our newest launch, 'Titan Ultima', is a top-end customised progressive lens that provides excellent visual comfort and wide zones at all distances – distant, near and intermediate.

Fragrances & Fashion Accessories Division

Where Fragrance Meets Fashion with Innovative Flair

At Titan, our brands, SKINN and Fastrack offer perfumes of exceptional quality at affordable prices. With elite, affluent household incomes expected to double by 2030, the category size is expected to leapfrog into an annual growth of 13% upwards for next 7 years. SKINN being one of the most desired perfume brand shall leverage this opportunity to further expand and grow with exciting line up of product offerings in future. While Fastrack continues blazing a trail in the realm of mobility styling by offering trendy bags for both men and women. As we embrace the digital era, innovation takes centre stage for us. Through strategic digital marketing, we connect with our discerning customers, weaving captivating narratives and immersive experiences that transcend boundaries. Join us on this journey as we redefine luxury and functionality.

Growing our Financial Performance

The lifestyle industry has been a thriving avenue for Titan, with Fragrances & Fashion accessories emerging as highly promising prospects. Thanks to our extensive expertise in the lifestyle space, we have been able to effectively navigate the challenges posed by the COVID-19 pandemic and drive the growth of our emerging brands.

As consumer behaviour resumes its pre-pandemic trends, our offline channels have seen remarkable success. This attests to the strength of our brick-and-mortar retail presence and the trust that consumers have placed in our brands.

Growing across Channels

For the Fragrances category, product sampling and trials is the single biggest driver for winning customers. We have been enabling that across the channels including Airlines. As we expand and improve our reach, product sampling shall remain at the core.

SKINN by Titan has strengthened its position in department store chains, competing with top international brands, while maintaining its status as one of the top selling brands in several multi-brand outlets. The brand investments to improve visibility and acquire customers continue at fast pace. The core concept revolves around capitalising on the opportunity to transform each and every customer who visits these high-traffic destinations into a potential customer.

Many customers continue to discover and purchase perfumes and deodorants online, the mix is in the vicinity of 25% across channels. Therefore, our efforts in enabling this segment across all platforms over years has led to SKINN being one of the Top 3 perfume brands in multi-brand outlets and large format stores. Our strategy to adopt an omni-channel pricing model and product segmentation is leading to stable retail prices across channels, enabling customers to purchase as per their preferred channel choice.

General trade includes cosmetic, pharmacy and gifting stores. These channels offer an excellent opportunity for product trials and conversion as customers prefer to go to neighbourhood shops to buy their beauty needs. We have refreshed our beauty distribution thrust, leading to encouraging expansion of doors to 3,700 dealers which is roughly 37% growth in reach in FY 2022-23 over the previous year.

Growing through Product Innovation and Brand Engagement

We have recently launched SKINN 'Nox' and SKINN 'Noura' to improve our premium product portfolio, targeted towards customers purchasing perfumes in the price band of ₹ 3,000-8,000 per 100 ml pack. This entails improvement in brand presentation in chains, training of our vast network of sales associates and creating a visibility at the right points in customer journey including online. We plan to upgrade our current portfolio in terms of usage experience over the next 2 years.

We continue to invest in marketing communication ahead of any other player in the industry to democratise perfume usage with our campaign 'feel your best', driving perfumes to be an essential part of everyday dressing and grooming rituals. The brand continues to build credibility and advocacy through consistent, meaningful associations with influencers, celebrities and master perfumers. We will continue to take our message to customers about relevance of perfumes in daily life and SKINN products being crafted by the best perfumers in the world, apt for Indian conditions with the finest quality of ingredients, responsibly sourced and dermatologically safe for customers to use.

Growing with New Initiatives

While the Fastrack brand has been offering both men's and women's bags over last few years tapping into the younger customer's mobility styling need, the Division has sharpened the focus on women's bags category in the last 2 years. The women's bags annual category size is estimated to be approximately ₹ 4,500 crore. Organised domestic players and international brands are roughly contributing to one third of overall size. This is expected to grow double digit with rising affluence, affordability and aspiration. There is significant headroom to grow at a rate of 13-14% annually over next 5 years.

Fastrack Bags

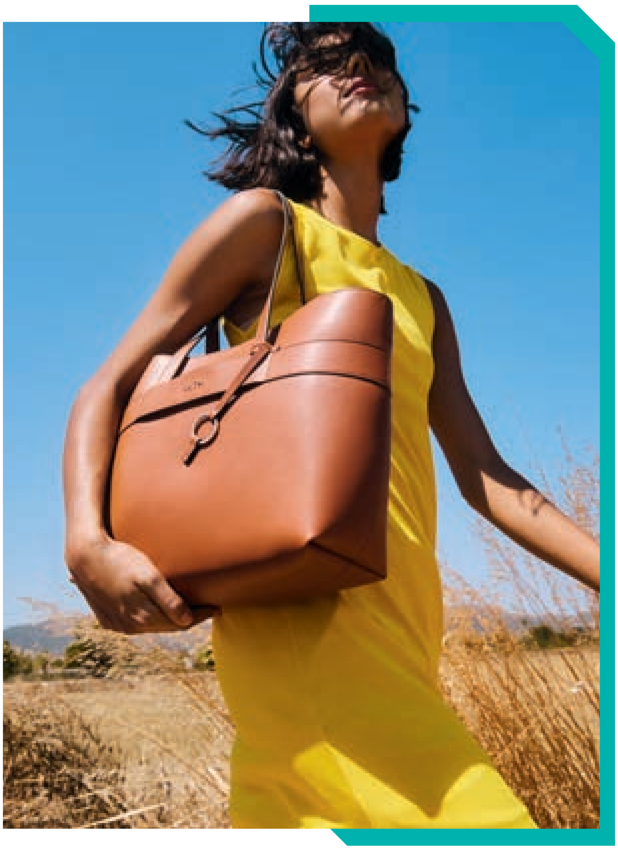
Until last year, we were present through Fastrack Girls bags targeting the youth through online marketplace and presence in department chains. The 'Wear your Attitude' campaign along with the trendy, fashionable designs with exceptional quality pitched FT Girls' bags as a wearable fashion accessory to the target audience. FT Girls' bags is present in department chains, online marketplaces, Fastrack stores and multi-brand outlets.

IRTH Bags: Our Newest Brand

A new brand 'IRTH', was launched last October with a customer promise of providing organised styling solutions to women who are leading active lifestyles, to elevate their everyday lives and take them from here to anywhere.

'Made to Delight' is the product design promise and each thoughtfully designed bag aims to enhance customer delight basis their needs and requirements. The product design language brings alive this philosophy, whether it's an organiser that enables customers to switch their bags seamlessly to suit their style without missing anything important or detailing like a wider shoulder strap to reduce the discomfort of carrying the bags, a sanitiser pouch, a key chain holde or spaciously designed interiors.

'IRTH Delights' is a range of product giving specialised solutions to unique customer needs. The 'Mom Bag', the first delight has a spacious but a lightweight bag design with features like Diaper changing mat, separate compartment for soiled clothes & shoes, a long handle to strap it to the perambulator.



The brand launch is being supported with marketing investments in digital, outdoors, airport corridors and fashion lifestyle magazines. The first campaign 'Yours to Define' has made a good beginning to drive awareness and establish the brand.

'IRTH' bags are currently available in one of the top department chains, on fashion portals and Irth.in. The initial response has been excellent with positive feedback on the product concept and build. The key task for FY 2023-24 is to take the brand reach to full potential including setting up 'IRTH' exclusive outlets to bring to life the brand story and ethos.

Indian Dress Wear Division

Where Heritage Meets Refined Innovation

At Titan, we introduced Taneira to the market in 2017 with a product line that draws inspiration from the opulent culture and mesmerising heritage that defines India. Taneira's unique and authentic designs are a testament to exceptional craftsmanship. As the demand for sustainable fashion continues to rise, Taneira is poised to capture the tremendous opportunity that lies ahead. Embracing innovation, we have also created a distinctive online presence, offering a unique shopping experience to our valued clientele. Welcome to the world of captivating product line, which breathes Indianness.

Growing our Financial Performance

The Indian Dress Wear Division has exhibited robust performance across all business areas. Our brand's offerings continue to be in high demand, thanks to the enduring charm and timeless allure of exquisitely crafted sarees. With our nation's rich cultural heritage as our inspiration, we see enormous potential for growth. The rapid expansion of Taneira since the COVID-19 pandemic has brought to light the untapped opportunities that exist within the underserved saree market.

Growing with Product Innovation

Taneira has leveraged the diverse range of cultural celebrations in our country to create personalised offerings and campaigns that embody the essence of each customer's heritage. This year, we launched the 'Summer Sorbet' collection, paying tribute to the beautiful season of blossoming and new beginnings.

In addition, our innovative 'Wedding Weaves' campaign allowed us to commemorate the wedding season by celebrating the women who made us a part of their special day. The heart-warming photos of brides and their tribes showcased in this user-generated content campaign garnered immense love from the Taneira community.

Furthermore, Taniera unveiled exquisite creations designed for weddings and prominent festivals such as Puja and Karwachauth. Adding to the excitement, the year showcased an extraordinary display of innovation with the launch of unprecedented collections.

The introduction of 'Vegan Visions', in collaboration with Tencel Luxe, an exceptional line of products that received recognition as the proud recipient of the 'VEGAN FASHION AWARD' by PETA. Another standout collection, 'Bhoogol', captivated audiences with its stunning designs, inspired by the magnificence of Mother Earth.

Growing with Store Expansion

During FY 2022-23, Taneira has made significant strides in expanding its operations and reaching out to customers across the country. In order to cater to a wider audience, the brand has opened 21 new stores, thereby doubling its retail footprint to a total of 41 stores. This expansion has seen Taneira move from being present in 9 cities to a much wider network of 22 cities, now covering 100k sq. ft of retail space.

Summer Sorbet collection

Growing by Driving Brand Engagement

To encourage potential customers to explore the world of Taneira, we aspire to engage with them in unique and meaningful ways. In line with our vision of celebrating the rich culture of India, Taneira collaborated with lead artists like Ustad Zakir Hussain and Bombay Jayshree and relevant events like Litfests. Another one of our innovative campaigns included the Saree Run conducted in Pune and Kolkata. This was aimed at encouraging women to embrace their fitness and celebrate the saree as a garment. The Saree Run in Kolkata featured over 4,000 women coming together, creating spontaneous awareness.

Furthermore, our 'Homecoming' campaign was aimed at capturing the joy of coming back to one's roots, traditions and homes. It involved bringing together women from different generations to spread the celebration of joy by adorning Taneira.

Saree Run

Growing with Omni-Channel Presence

Taniera has experienced tremendous growth through the omni-channel presence, with a strong focus on enhancing the customer experience within its self-browse retail format. Building on this foundation, the introduction of Taneira@Home has provided customers with the convenience of experiencing Taneira products from the comfort of their own homes. Additionally, the implementation of an endless aisle option in stores and the Taneira omni-channel platform have revolutionised the way customers can order sarees, allowing them to access and purchase any saree from any Taneira store online. This seamless integration of offline and online channels has proven to be immensely successful, with 90% of the brand's sales now originating from exclusive brand outlets (EBOs), 7% from exhibitions, and 3% from online platforms.

Looking ahead to the future, Taneira has embarked on a journey of technological advancement and process modernisation. This includes the design of a new website, the implementation of cutting-edge replenishment software at the front end, and the piloting of a warehouse management system. These initiatives reflect Taneira's commitment to staying ahead of the curve and preparing for the evolving demands of its customers in the digital age.

People (Community) and Planet

At Titan, we have stayed focused on creating elevating experience in all that we do for our stakeholders including the People in the Community and Planet by applying our values.

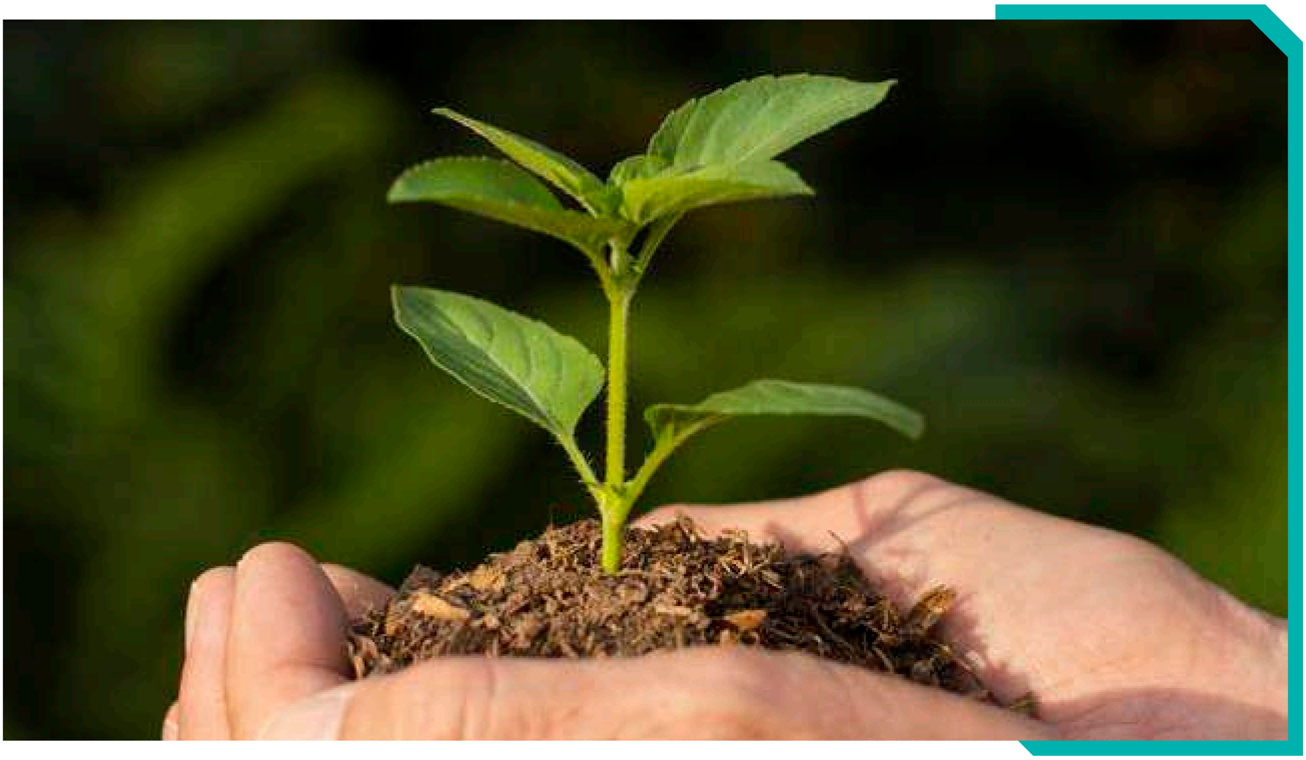
Our focus is on enhancing our value proposition and setting new standards in all aspects of product and service, including productivity, quality, safety and costs through a set of well-defined standards and processes. Our operations are guided by a set of international standards be it QMS, EMS or OHS. We strive to support the empowerment of our employees by building a workplace that promotes diversity, equity, inclusion and belonging, opening up opportunities for development and growth.

We work towards enhancing our partners' progress by sharing best practices and driving inclusive growth, and making sure the professional relationships with them continue for many years to come.

We seek to strengthen our communities through our targeted efforts focused on the upliftment of the underprivileged girl child, skill development for the underprivileged, and support for Indian arts, craft and heritage, and at the same time work towards creating a long-term engagement with deep impact towards all the communities we serve.

With climate change and depleting natural resources presenting serious threats to life on our planet, embracing sustainability is critical.

Across our operations, we are minimising the use of fossil fuels, intensifying the use of renewable energy, using energy-efficient solutions and reusing water, reducing waste, and recycling materials. With a balance of both in-house efficiency measures and offset related initiatives, we continue to move towards reducing carbon footprint and reducing dependency on precious fresh water.



Titan Go Green Run

During the financial year 2022-23, through the "Titan Go Green", the Company had combined a unique relay marathon across the country traversing from Pantnagar to Bengaluru, and in the process enabled plantation of 1.4 Lakh trees that will be nurtured over a three-to-five year period. This programme enabled a large stakeholder participation through volunteering and also employee contribution towards greening the environment.

Highlights of Titan Go Green Run

Diversity, Equity, Inclusion and Belonging at Titan

Diversity, Equity, Inclusion and Belonging ('DEIB') at Titan is with the purpose of "doing the RIGHT thing", ensuring fair representation of all genders and Persons with Disabilities (PwD) at the workplace. The leadership team has set ambitious targets in achieving diversity goals through various interventions and sensitisations which create a sense of inclusion and belonging. We are looking to achieve a good representation of women in the workforce, in the first leg of the journey and, the inclusion of LGBTQI and PwD (to grow and sustain careers of existing employees and new hires of this group) are also in consideration simultaneously.

To align the various divisions and functions to work towards this goal, each division and each enabling function has drawn up individual goals based on the 4 DEIB pillars – Culture, Career, Communication, and Community.

Titan has always valued talent on merit, and had included PwD in the workforce at its Hosur and Dehradun units in the early 1990s. There is a conscious effort and plan to grow the numbers and include more people from this group in the workforce in the coming years and in the meantime as part of the Inclusive Communication Guidelines, few introductions have been made to include sign language interpreters at all Company-wide communication events to include our hearing-impaired colleagues. Visually challenged employees are provided with text to audio compatible devices and guidelines to include this group in all communication channels is being circulated to increase awareness and make it a norm.

Many initiatives have led to identifying certain senior roles for women in core manufacturing and sales in the Watches & Wearables Division. Efforts are also directed with an aim to increase representation of women from 9.6% to 20% by 2027 in the Jewellery Division, and upto 10% by 2026 in EyeCare Division. Continuous efforts to understand the constraints through a small consortium of industries to discuss and work on attracting and retaining women talent for manufacturing function is underway.

Immersions to familiarise the DEIB intent and awareness sessions for all levels of leadership are being conducted. 'I Belong' sessions on 'Non-conscious Biases' is an ongoing programme for all people managers in an effort to build empathy and to work equitably. About 40 plus in-person sessions covering nearly 1,000 people managers have been conducted till date.

We have launched "CREST" a Manager Promise initiative which outlines the desired behaviour from all Titan Managers and includes values such as empathy and inclusion.

Our "Returnship Programme" for women is aimed at preparing women to resume their professional journey post maternity breaks/sabbatical. Women can join Titan under this programme to take on relevant and exciting projects.

Assessments on internal DEIB policies were conducted to provide inputs on the current and aspired state of inclusion by a third party. Introduction of a new policy, its communication and adoption are being monitored. Policy to support employees with differently-abled children was recently introduced and is applicable across the organisation. Considering the intense care giving responsibilities, shorter work hours, relief from any work-related transfers, financial subsidy to manage child needs (education, therapy, etc.) are extended to such employees.

The Company organised several employee engagement events with specific focus on the aspect of inclusion. One of them being, the International Women's Day celebration. The theme of the celebration– "Embrace Equity" saw employees (across all genders) celebrate one special woman by sharing a working day at the office with their loved ones. This effort by the Company was to acknowledge that 'Equity and Inclusion' go beyond the boundaries of office.

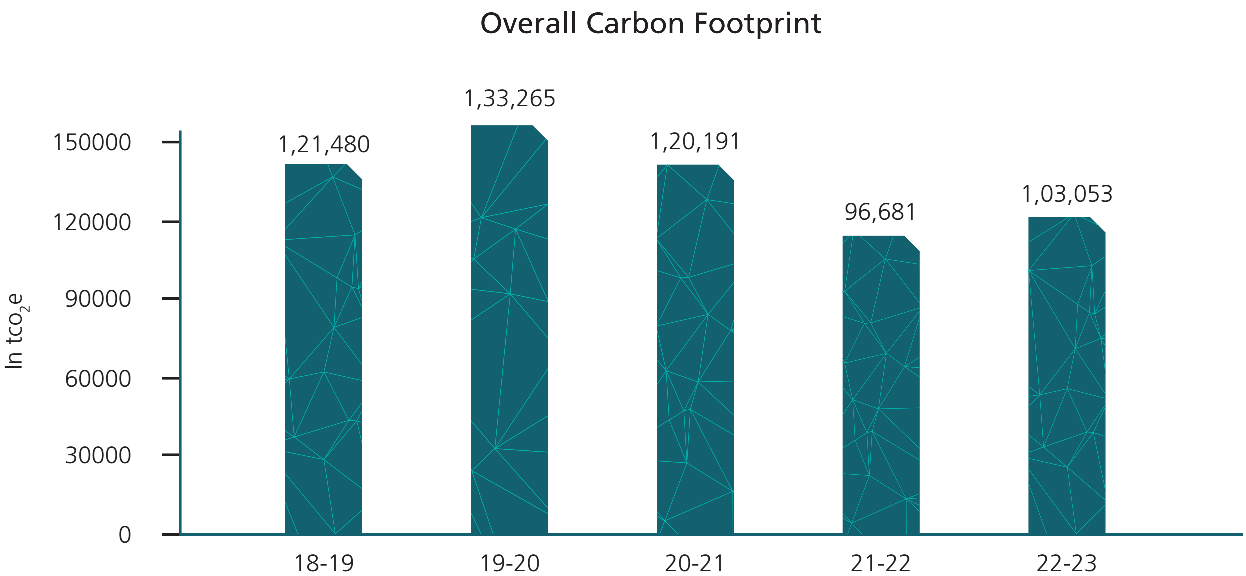
Sustainability at Titan

Titan continues to focus on the environment, not only within the Company premises by adopting better and efficient use of resources, but also in the external space, outside the Company premises through its carbon footprint offset interventions and also offset projects aimed towards water conservation.

Several initiatives continue to be driven to constantly reduce power consumption by adopting efficient energy management approaches, including enhancing the usage of power through renewable sources. Today, across all manufacturing units, we have ensured a healthy engagement and increase in adoption of renewable energy.

Across the organisation, our carbon footprint is on a reduction trend and currently stands at about 103K tCO_2e.

The Company's five years trend is given in graph below:



Renewables constitute approximately 60% of total energy consumed at manufacturing plants.

Across all Divisions, especially in the Integrated Supply Chain Management (ISCMs), a significant thrust has been to bring more renewable energy as part of in-house installation and creating offset projects. A recent example of an initiative includes setting up of a 2 Mega Watt solar plant by the Jewellery Division. Many other initiatives are being driven by other Divisions and also by the retail operations team locally to reduce the carbon footprint.

A few other initiatives include raising awareness on climate change and encouraging the adoption of processes and practices that promote sustainability. The Company is constantly engineering innovative solutions and mitigation mechanisms to conserve the environment.

The Company, during the year put in place environmentally sustainable processes for raw material acquisition, vendor management, manufacturing and recycling. Environmental management systems are being setup at factories with facilities acquiring ISO 14001 certification.

A strong three-pronged approach (offset projects, Enercon programmes and large-scale tree plantation) is in place across all ISCMs.

The Company has also sought to offset carbon footprint by taking up large-scale tree plantation on a continuous basis through creation of Miyawaki forests in Hosur and also plantation of trees in public areas as part of World Environment Day.

Responsible Neighbour – Focus on Water

The Company has been pursuing multipronged efforts to ensure conservation and reduction of fresh water consumption, in all its operations and these have resulted in substantial reduction through efficiency measures such as introduction of waterless urinals, IoT based consumption tracking systems, creation of Rain Water Harvesting systems including ground recharge options and large-scale cisterns that collect rainwater in the premises.

Rainwater Cistern for Rainwater Harvesting

In addition to the completion of lake rejuvenation in Bengaluru and the ongoing project at Hosur, the Company has enhanced its focus on watershed management in many of its CSR programmes in places like Uttarakhand, and Krishnagiri and Chengam in Tamil Nadu.

Integrated Village Development Programme

Cuddalore Watershed Project

Cuddalore
Watershed Project

Growing Responsibly – Taking the Community Along

The Company continues to work in sectors that are either unorganised or characterised by inadequate business practices and ethics. Whether it is in Watches & Wearables, Jewellery, and EyeCare or in the new businesses such as Fragrances & Fashion Accessories and Indian Dress Wear, the Company strives to work in these sectors to create sustainable business models that transform business practices into those of organised sectors. These are characterised by value-based practices across the entire value chain reflecting in the manner in which the products are procured, produced and sold.

Corporate Social Responsibility

The CSR policy of the Company focuses on Education, especially the education of the less privileged Girl Child, Skill Development for the less privileged and support for Arts, Crafts and Indian Heritage. While most CSR programmes have a large focus on the girl child and women, the Company also makes all efforts to make it truly inclusive by building in requirements of Affirmative Action and including PwD and the marginalised.

As a Responsible Corporate of the country, the Company supports projects and programmes that require intervention. Being a pan-India organisation, the Company continues to support local causes that are important to the communities in which it operates (including the retail presence) besides supporting issues that are of national importance.

The Company has created Design Impact Programme, which seeks to engage the youth towards applying design thinking for social impact.

Titan Leap

Education/Girl Child Programme

The primary emphasis of the programme lies in providing remedial education, which encompasses both the Government school system and learning centres. The Kanya programme heavily relies on technology to maximise its impact, and over the course of the year, it has positively impacted the young innocent minds of more than 24,000 girls in Tamil Nadu, Uttarakhand, Uttar Pradesh, and West Bengal.

In an exciting development, a new initiative called Kanya+ was successfully launched in Udam Singh Nagar, Uttarakhand. This comprehensive programme encompasses various aspects of education, including academic education, science education, adolescent education, and life skills, aiming to empower young girls and equip them with the necessary tools for a brighter future.

The Kanya Programme has experienced successful expansion in Raichur, Karnataka, where it currently supports more than 4,287 girls through 145 Academic Support Centres. This project offers academic and material assistance to girls ranging from Class 2 to 9, utilising an adaptive learning software provided through digital tablets in collaboration with Educational Initiatives, a leading EdTech organisation. Each girl gains access to a personalised, adaptive learning platform called Mindspark, which employs Artificial Intelligence to tailor

instruction according to her individual learning level, ensuring comprehensive comprehension. The software is specifically designed to be pre-loaded onto digital tablets, guaranteeing that the girls have access to high-quality tutors. The Kanyas receive education in Mathematics, their local language, and English from Class 1 to 9. Additionally, Class 10 girls receive academic support in all subjects and are provided with mock examination papers to aid in their preparation for Board Examinations.

Trained Women Tutors (called Community Associates) are all women from local communities who facilitate learning and mentor the girls through their schooling experience.

Apart from the Academic support, a professionally designed sports curriculum is integrated into the programme to promote holistic development. The periodical assessments are done to assess the learning progress of the girls.

Our unwavering commitment to promoting Affirmative Action through tribal school education remains steadfast. In Tamil Nadu, our support for five tribal ITIs, continues to yield positive results. We have been able to address various important areas, including assistance during recruitment, provision of employability skills, conducting online sessions, facilitating job connections, and offering infrastructural support as needed. Through these efforts, we strive to empower tribal students and equip them with the tools necessary for a bright future.

Celebrating its 35th year, the Titan Scholarship Programme proudly holds the distinction of being our longest-running initiative. This year, we awarded 113 scholarships to deserving and underprivileged students who exhibited both academic excellence and financial need.

Titan Scholarship Programme beneficiaries

Skill development for the underprivileged

The Titan Skill Development intervention (Titan LeAP - Learn Apply and Progress) focuses on:

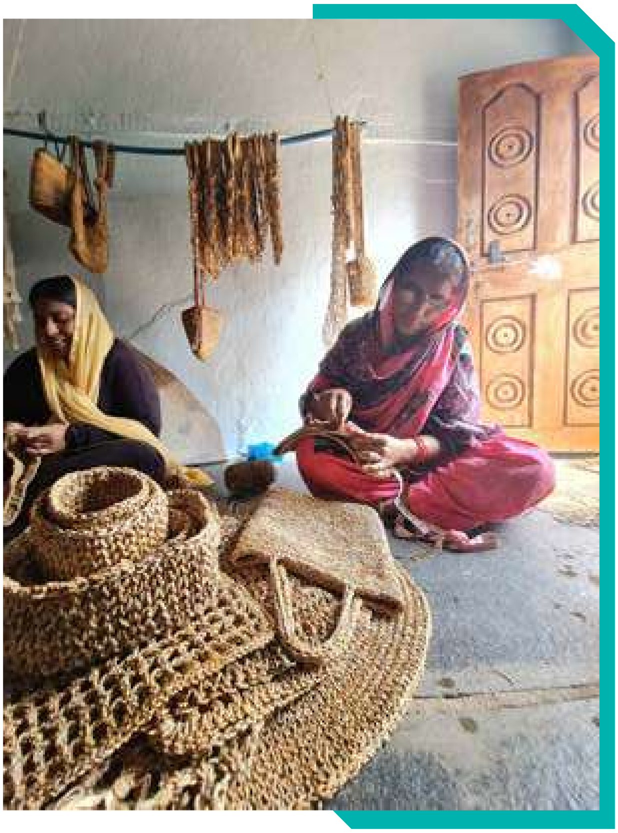
- Skilling for employment - in its skill centres and spokes at Chennai and other locations benefiting over 4,000 youth.
- Skilling for employability across Government ITIs in Tamil Nadu and Tier 3/Tier 4 Engineering colleges in Tamil Nadu impacting over 9,000 youth.
- Entrepreneurship development.

In addition to this, we have also covered Government ITI students. Across all formats of employment, employability and entrepreneurship development, we have been able to see substantial progress during the year. We have also been able to see encouraging progress in our skilling and placement of PwDs. Around 660 PwDs were skilled and placed during the year.

Titan Leap

Support to Arts, Crafts and Indian Heritage

Under the vertical of Arts, Crafts and Indian Heritage, holistic support was extended to 7 different craft clusters through independent projects and over 40 craft enterprises under Project Tarasha.



Project Tarasha

Design Impact Programme

Design Impact initiative has two programmes - the Design Impact Awards and the Design Impact Movement. The year saw completion of all grants under the Design Impact Awards. The Design Impact Movement, a platform for design thinking for social impact has grown to have over 70k users and over 150 social impact projects from various colleges across India.

Responsible Citizenship

Our Integrated Village Development Programme and Water and Sanitation programmes in Uttarakhand have completed their first phase and have now been redesigned and expanded to 60 villages for Version 2. This version will cover all age groups in the villages and will have education and sports as important components apart from farm-based livelihoods. Water neutrality in all the 60 villages is another important feature of the project. A new watershed programme with National Agro Foundation is now being supported for a 3-year term covering 3,500 hectares of land. The Happy Eyes programme (Comprehensive eye care programme that includes screening, providing glasses and also supporting contract surgeries) now has a new intervention called the ‘Cataract Backlog and Blindness Free Block’ that is being supported in 2 blocks of Tamil Nadu. The earlier interventions of screening for school students, screening for rural adults, through the Mobile Rural Vehicle Programme and the Vision Centre programme continue successfully.

Approach to Reporting

This is the 6th year of Integrated Reporting of the Company. Through this report, the Company continues to demonstrate its commitment to uphold highest standards of transparency in communication and ethos of Corporate Governance by voluntarily disclosing qualitative and quantitative information to our stakeholders on non-financial objectives that have been achieved over the past years.

This Integrated Report highlights the organisation's performance on material topics such as Manufacturing, Financial, Human, Intellectual, Social & Relationship and Natural Capitals, thereby providing a perspective into the longer-term value creation and sustainability. Several key initiatives that were taken during the course of the year have positively impacted the outcomes of these capitals.

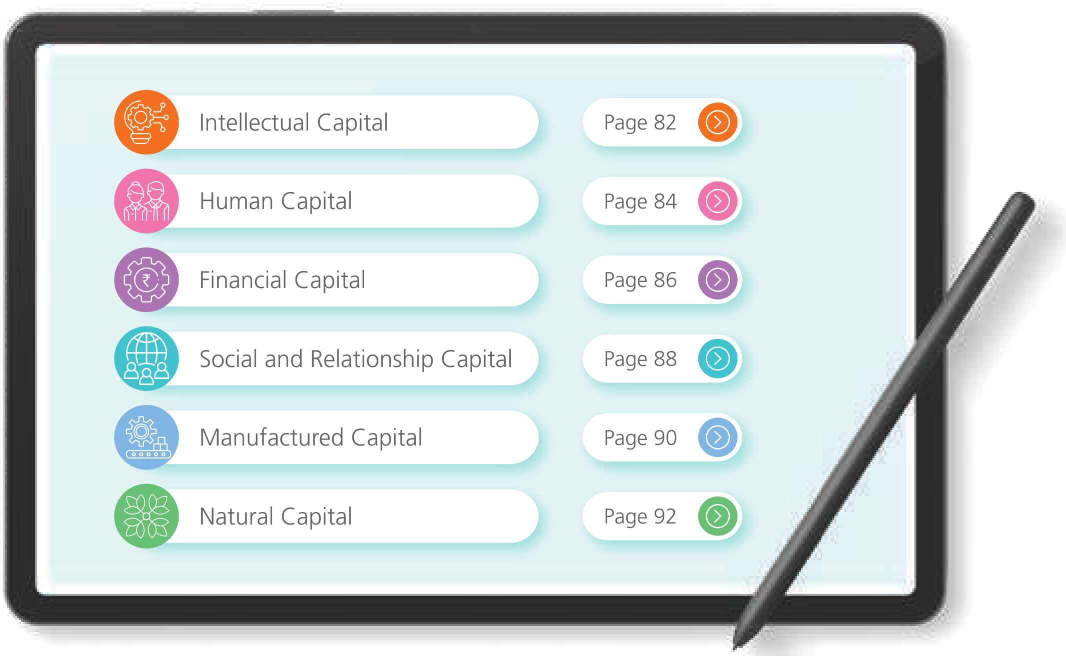
Reporting Framework

This Report has been prepared in accordance with IIRC's Integrated Reporting framework. Key elements on our engagement with stakeholders, risks, governance, CSR and environmental initiatives are further explained in the statutory section of this Annual Report under topics like Management Discussion and Analysis (MDA), The Board's Report as well as the Business Responsibility and Sustainability Report (BRSR).

Scope of Report

The scope of this Integrated Reporting is limited to Titan Company Limited as a standalone entity.

Performance highlights in each of the capitals are captured under various sections in this Annual Report.



Some of the key stakeholder engagement mechanisms that the Company has consistently undertaken and improved over the years have been briefly mentioned below.

Employees

Employee Connect, Engagement & Development

The Company continues to maintain a conducive work environment as an imperative for the organisation to sustain an engaged and competent workforce who can unleash their potential towards achievement of organisational objectives. Various engagement forums such as Tell Me survey, Heartbeat survey, Great Place To Work survey as well as regular cascades are used to connect and engage with employees.

Tell Me is a benchmark process through which employees get a chance to communicate directly with the Managing Director of the Company. It has proven to be an honest representation of the voice of the employees. The 2023 version of Tell Me is underway, wherein a small homogenous group of employees across different locations and businesses of the Company are met, including through the virtual mode. The qualitative inputs from the employees are taken into cognisance for bringing necessary changes.

Diversity, Equity, Inclusion and Belonging

The thrust on Diversity, Equity, Inclusion and Belonging has led to several policies being modified or newly added to have an inclusive and positive environment encompassing factors such as career opportunities, remuneration, safer work place, travel and other employee benefits. It is this path that is enabling the Company to be an even better workplace and more importantly, to be a listening organisation. Our inherent strength to nurture innovation, creativity and diversity encourages high performance work culture, thereby providing opportunities for growth, enhancing engagement and experience for our stakeholders.

Vendors, Contractors and Suppliers

Partnering for Progress

The Company works closely with its vendors, suppliers and other service providers who continue to play an important role ranging from supplying materials and services for manufacturing, branding, logistics, etc. Regular vendor meets, workshops and conferences enable the Company to build and enhance the engagement towards collective realisation of ambition as well as resolve key issues towards ease of doing business, maintaining quality, enhancing capabilities, etc. The manufacturing units also promote development of society and one such example is the nurturing of women Self-Help Groups at Hosur for over 25 years now, in providing livelihood opportunities by outsourcing activities to them.

A healthy collaboration continues to throttle the way forward in the jewellery sector. Apart from maintaining an agile but predictable supply chain, working closely with the best-in-segment vendors, suppliers and other service providers plays a crucial role ranging from procurement to manufacturing and from branding to logistics. Periodic vendor engagements, training programmes, and conferences ensure to build a collective ecosystem of belonging to a single fraternity.

The pioneering and implementation of Responsible Sourcing guidelines which are relatively advanced compared to the common jewellery industry practices are paying rich dividends. Consistent efforts towards Responsible Sourcing of Gold, Diamond and jewellery products have been made by collaborating with competent suppliers and vendors. The Company treats vendors, sub-contractors, etc., as strategic partners in its supply chain.

Business Associates

Enabling Customer Reach

The Company works with a wide network of Business Associates including franchisees and management agents who play an important role in connecting the Company to the end consumers, apart from delivering products and services. They are also part of our new Digital Journey (Omni, Lead Generation and Endless Aisle). Their feedback is taken into consideration and their needs and expectations are incorporated by various teams to further increase product and value propositions to customers.

CSR Partners and NGOs

The Company continues to play the role of a responsible corporate citizen with a firm belief in making a difference to the lives of people in the communities it engages with. The Company engages with communities through direct CSR interventions as well as through various NGOs and governmental agencies to deploy several programmes aimed at different community segments, with a view to create a significant positive impact.

The Company constantly engages with the partners it works with to co-create programmes that add immense value to the community. While doing so it ensures to complement the programmes that are already being taken up by the Government or other agencies and helps in creating a multiplier effect. Besides the core areas identified, the Company as part of its responsible citizenship initiative, takes up national/local causes for support as well.

Impact Assessment of the CSR programmes, wherever applicable, that the Company has undertaken can be obtained here: **https://www.titancompany.in/corporate-social-responsibility**

Being a pan-India Company, it reaches out to the communities not only in the location of its operations but across the country, and co-creates programmes and solutions that are in the larger interest of the community and society. It also works closely with the Government in reinforcing or strengthening ongoing programmes, even as it takes up causes of national interest such as Swachh Bharat, Disaster response to natural calamities, response to COVID-19, etc., as and when need may arise.

Government Bodies and Industry Associations

The Company engages with various Government departments and regulatory bodies from time to time to respond to compliance aspects, address issues and concerns on behalf of the industry such as ease of doing business, industry regulations through forums like Indian Horological Federation, World Gold Council, CII, etc., thereby playing a proactive role in ensuring that the views of the industry are heard by the Government and also to align with Government's views.

Materiality Approach

Materiality assessment enables in ascertaining material issues that substantively impacts the organisation's ability to create value in the short, medium or long term. A clear understanding of materiality aspects promotes better alignment between business strategy, performance management and reporting.

Material Determination

The process of determining materiality is entity-specific and based on industry and other factors, as well as multi-stakeholder perspectives. Material matters improve internal and external decision-making by limiting extraneous information and focusing disclosures on the core issues managed by the organisation.

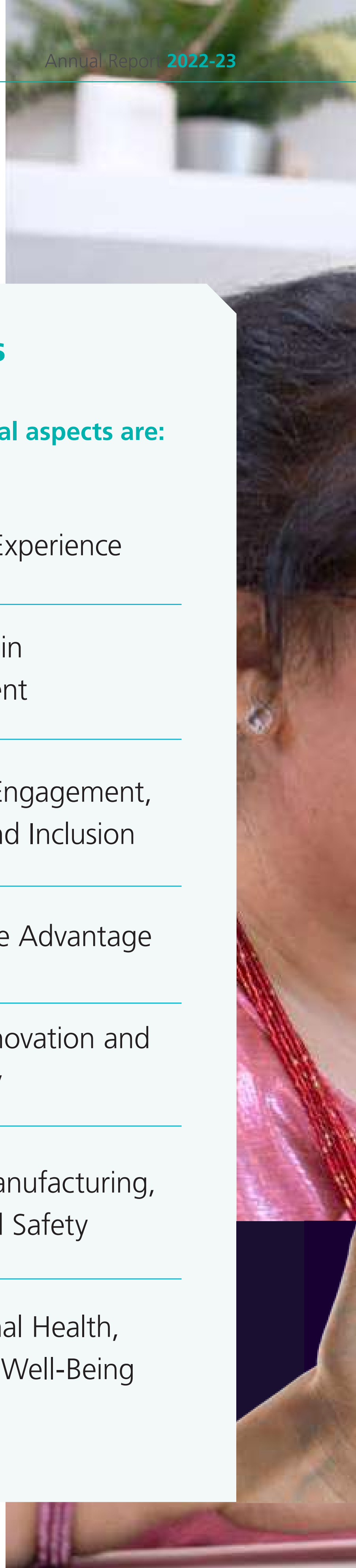
The Company conducted materiality analysis across stakeholder groups to identify topics that have a direct or indirect impact on the Company's ability to create, preserve or erode economic, environmental and social value, not only for the Company, but also for its stakeholders and the society at large. The analysis revealed what the internal and external stakeholders consider to be the most material and relevant aspects.

The analysis resulted in seven material topics which were formalised and implemented in the Management's approach.

Material Aspects

The prioritised material aspects are:

- Customer Experience
- Supply Chain Management
- Employee Engagement, Diversity and Inclusion
- Competitive Advantage
- Product Innovation and Technology
- Product Manufacturing, Quality and Safety
- Occupational Health, Safety and Well-Being



Customer Experience

The Company and its Divisions engage with a wide spectrum of customers across markets, geographies and segments, both physical and online, to understand their needs and expectations. The engagement outcomes are used for developing and deploying specific initiatives to elevate their experiences. The Net Promoter Score (NPS) is an important metric used to understand customer satisfaction. Connecting with customers through Smile App, a dedicated portal to connect with MBO customers, leveraging live chat and creation of WhatsApp teams are some of the interventions. The Digital team has rolled out multiple technology innovations, enhancements and continuous improvements, including numerous information security measures and processes to enhance customer data privacy. The Customer Service programmes have helped the Company to connect with customers through various channels, thereby enhancing the relationships.

Overall, there has been noticeable change in customer preferences moving from the online platform to offline. A slew of digital initiatives has helped the Company create and sustain a large omni-channel business. Technology is being used to drive sustainability-implementing of digital warranty certificates to reduce environmental impact as well as reduce costs.

During the year, the Company came on board the "Tata Neu" platform, which brings some of the most loved Tata brands under one powerful app. Titan's customers now enjoy the privileges and exclusive benefits offered by Tata Neu under its unified loyalty program - NeuPass.

Tata Neu

Tata Neu is an app designed to offer customers an extensive yet highly personalised shopping experience. Integrating the Tata group's most trusted brands all into a single convenient platform, it offers users a degree of versatility and choice that's truly unmatched. Covering categories ranging from electronics and groceries, to travel and more, the range of products and services offered is second to none.

Supply Chain Management and Responsible Sourcing

With integrated supply chain as a strategic advantage to balance between making in-house and outsourcing, the Company is able to ensure the reach of its products across markets efficiently and in a timely manner at optimum cost. The primary focus has always been to build a sustainable and agile integrated supply chain ecosystem in India. The Company treats vendors, sub-contractors, etc., as strategic partners in its supply chain. The Company ensures responsible business, replenishment/analytics-based planning, and stock supply visibility with all its key vendors. All divisions of the Company have robust vendor assessment, selection, vendor management and periodic vendor evaluation processes in place. Good governance is ensured by making sure each vendor and supplier is made aware of and adhere to the requirements of the Tata Code of Conduct. Vendors and suppliers are both recognised for good performance and also encouraged to constantly improve and excel. Key parameters that are reinforced constantly include requirements of environment compliances, safety, governance and ethics of the highest order and any other compliances pertaining to legal and regulatory requirements. Below paragraphs highlight some of the significant efforts in the supply chain journey of the Company that has not only gone on to create sustainable social business entities, but have also created a benchmark of sorts in the Indian Industry:

- **a** Women Self-Help Groups for outsourcing/sub-contracting operations (Project MEADOW)
- **b** Karigar transformation story, responsible sourcing journey of the Jewellery division
- **c** Accord Dignity to the Weavers through the Weavershala initiaive by Taneira

Project MEADOW

Creation of sustainable social business model MEADOW (Management of Enterprise and Development of Women) an initiative of the NGO, MYRADA in collaboration with Titan, is an inclusive growth programme which started with about 24 women and today employs over 400 rural women in and around Hosur. MEADOW Rural Enterprises was incorporated in the year 1998. Uneducated young women, widows and single mothers are primarily given employment in MEADOW. MEADOW operates as a vendor for three manufacturing Divisions (Watches, Jewellery and TEAL). MEADOW started its association with Titan in a small way when Titan had decided to outsource assembling of watch straps. Titan not only trained them in the assembly of links, but also in the managerial functions like Planning, Production, Accounting, Lean, Business Awareness, Technical Skilling, Costing, etc. MEADOW employs around 40% of its employees from Affirmative Action community. MEADOW Business Model: MEADOW runs the business in the SHG (Self-Help Group) model - "Owner - Manager – Worker". Each Production unit has a director who will represent their unit in the board.

The Karigar Story and Responsible Sourcing Journey of the Jewellery Division

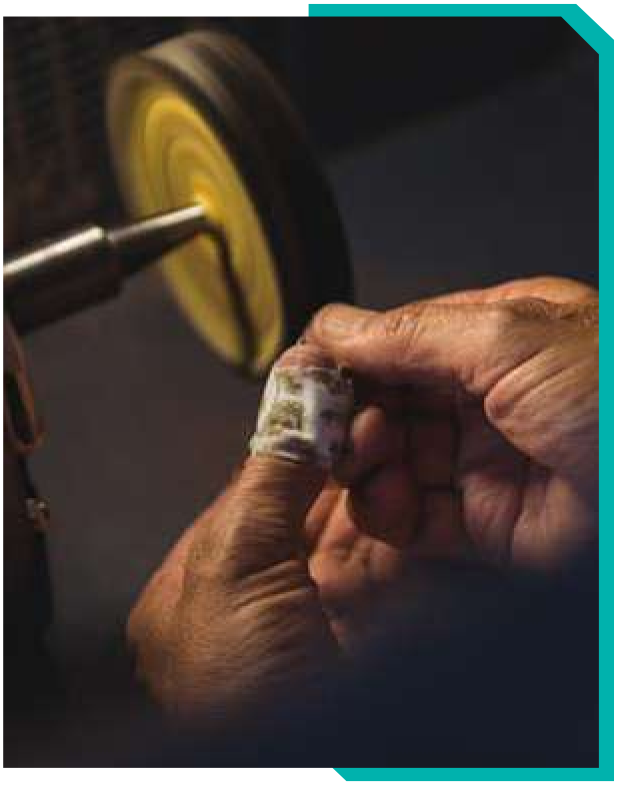
In the context of a highly unorganised and fragmented industry in India with several practices that could have poor human conditions in manufacturing, the Company has taken upon itself to lead and be the pioneer in best supply chain and karigar practices, that has transformed the nature of the Indian jewellery industry. These pioneering efforts in the area of human rights and dignity of work for karigars is a well-acknowledged practice in the Indian Jewellery industry.

The below example attempts to substantiate the Company's game changing efforts in this direction.

Transforming Lives. The Karigar Story

The Gem and Jewellery sector contributes to about 6-7% of India's GDP. The Indian fascination to Jewellery dates back to 5,000 years.

This sector is highly fragmented and unorganised with over 90% jewellers being family-owned businesses.



Titan is one of the key players in the organised sector with a market share of about 7%. The Jewellery industry in India has a highly unorganised artisan (karigar) driven, traditional skill-based (handcrafted) manufacturing value chain, employing lakhs of people in rather inhumane working conditions with labour exploitation and poor labour and workplace practices, which is very different from other countries.

This highly labour-intensive sector has been traditionally characterised by outdated practices, negligible inputs from modern processes and technologies, craftsmen working for 14-16 hours in poorly lit, cramped and unsafe environment with the use of toxic chemicals, leading to early health-related forced retirement by the age of 40. Titan's interventions from over a decade have transformed some parts of this sector and influenced many more players too. The objective is to bring transformation in the way jewellery manufacturing is being done in India and focus on inclusive growth of the stakeholders in the value chain. It has highlighted the need to urgently uplift the exploited vital link in the chain - "The Karigar". This transformation journey was brought about in three stages over the years starting from Project Unnati, moving to Mr. Perfect and later has taken the shape of Karigar Centre.

Karigar Centre is a sustainable model focusing on inclusive growth for all stakeholders in the value chain especially the craftsmen who are completely neglected by the trade.

The Karigar Centre initiative also enables overcoming a critical challenge associated with attracting and retaining good talent in Jewellery manufacturing for the Company and is one of its kind in the entire Jewellery industry pan-India.

In addition to providing good infrastructure, we have worked closely with partners and Karigars to enhance the business value by deploying many management, production and quality systems, including Theory of Constraints, Lean manufacturing, Quality and Environment Management Systems amongst many others.

In collaboration with an external partner, we have established a manufacturing facility at Midnapore (hub of Karigar fraternity) to be nearer to the Karigars' hometown. This way, we will be able to provide elevating experience to our Karigars by enabling better quality of life for them as they will not be separated from their families for work.

We have also established a facility in the jewellery park at Ankurhati (near Kolkata which is a government enabled jewellery park) and brought some of our vendors under the same facility for bringing them together under one roof to have better visibility and cross-learning opportunities.

Along with transforming the lives of Karigars, the business benefits for Karigar Centre include: 2x productivity increase for Karigars, year-on-year business growth for vendor partners, enhanced quality, reduced lead-time and inventory levels, enhanced delivery performance to customer, and new capability development.

It may also not be out of place to mention that the Jewellery Division of the Company was the first in the industry to enable gold purity testing in a transparent manner (through the karatmeter) which today has been the trendsetter and the industry has followed suit subsequently.

Digital transformation of supply chain is one of the major focus areas for Titan through which we are aiming to enhance visibility and automate the manual repetitive processes. This ensures consistency and quality of the processes.

We have a robust network of "True Titan Partners" in our supply chain and have a system to monitor the processes through periodic audits.

Responsible Sourcing

The Company has embarked on the next phase of the responsible sourcing journey more than five years back as part of a formal practice and policy, the following initiatives have been put in place by the Jewellery Division in this journey:

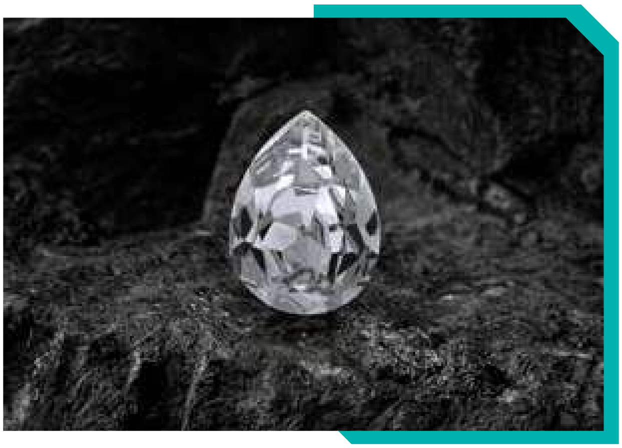
Procurement of Gold and Outsourced Jewellery

A significant 40-45% of the gold consumed is from recycled gold received from the customers under our friendly and transparent gold exchange programme. The balance 55-60% fresh gold bars consumed is procured from RBI-designated banks which import London Bullion Market Association (LBMA) certified gold ensuring highest purity, quality and mined from ethical sources.

This approach is also applicable for all outsourced jewellery and vendors who supply finished or semi-finished products to us. An internal bullion management policy ensures robust compliance and optimises the use of this precious commodity to ensure procurement of mined gold is minimised.

Procurement of Diamonds

Diamonds are being procured from reputed and authorised "Sight Holders" who buy from global diamond manufacturers who follow the Kimberly Process for ethical mining. Further, these Sight Holders who are our vendors in India, are governed by a comprehensive Titan Supplier Engagement Protocol (TSEP) specifically deployed for diamond sourcing.



Procurement of Jewellery from other Outright/Job work/Outwork Vendors

In addition to gold and diamond procurement, we have ensured a vendor code of practice for all jewellery manufacturers who work with us based on a well-structured "4P - People, Place, Process, Planet" framework for ensuring a comprehensive and holistic approach to transforming the traditional and unorganised jewellery manufacturing sector. Further, there are requirements pertaining to traceability categorisation and certifications. This above protocol is formally signed by the concerned supplier/vendor. The overall aim of this protocol is to ensure three basic objectives:

a. Ensure responsible and ethical practices are followed throughout the value chain;

b. Establish traceability to ensure that all diamonds originate from an ethical mining organisation;

c. Ensure zero mixing of synthetics with natural diamonds.

Some of the key elements of this protocol that are included under the 4P approach is as follows

People: Guidelines pertaining to human rights, fair wages including PF, ESIC, etc., child labour, freedom of associationfreedom of discrimination.

Process: Guidelines pertaining to Legal compliance, Kimberly Process certification and World Diamond Council SOW, anti-corruption, contractor management and anti-money laundering, besides quality systems for consistency and high functional and aesthetic quality.

Place: Guidelines on health and safety, security, pollution levels, ergonomic working, etc.

Planet: Guidelines on waste and emissions, preservation of environment, etc.

Vendor Audits, grading and on-boarding

To ensure a measurable progress along this responsible sourcing journey, using the 4P framework all vendor partners of the Jewellery Division have been classified into 4 categories: Cottage, Basic, Standard and World-class based on ground audits of all parameters. There is a systematic programme to continuously plan, audit, review and develop all vendor units to become Standard by FY 2024. These audits are being facilitated by reputed third parties. This is being constantly reviewed and driven systematically by the Jewellery manufacturing team. Further, there is also a formal audit and vendor assessment system in place to ensure new vendors who get on-boarded adhere to this protocol. After 2 years of rigorous effort, hand holding and continuous review of the vendor, we are happy to share that **94% of Gold Jewellery partners and 96% of Studded Jewellery partners** have complied to our Standard level of 4P model.

Fundamental Skill Building Centre

Working on joint collaborative projects both for business benefits and engagement is a key hallmark of our vendor relations. A case in example is third-party vendors setting up of the Fundamental Skill Building Centre (FSBC) for skilled case polishing operations in Watches ISCM. The FSBC includes classroom-enabled e-learning, dexterity and cognitive improvement exercises, on-the-job and hands-on training, mass finishing lab and visual inspection room, complete with visual training aids.

The objective of FSBC is to bring a structured training for the polishing industry (550+ in the industry), instil a sense of pride in being a polisher, standardise skills across vendors and finesse (look and finish/touch and feel). The module trained 300+ polishers.

In the Watches & Wearables Division, aggressive focus on Make in India by reducing the dependency on China was taken up in FY 2020-21 which resulted in a significant reduction on China dependency, and thereby giving a boost to Make in India efforts.

Weaving with Dignity

Weavershala

Taneira, the women's Indian dress wear brand from Titan, offers design differentiated sarees, blouses and ready-to-wear kurta sets made from pure and natural fabrics from over 100 weaving clusters of India and brings the best of India under one roof. Instilled with TATA trust, Taneira aims to provide the rooted yet progressive Indian women with diverse craftsmanship along with exclusive crafts and designs.

Beyond catering to the consumers, the brand in an endeavour to keep the textile heritage of India thriving and to give back the ecosystem, has launched an industry-first initiative called 'Weavershala' in the year 2022. Started with an aim to modernise techniques while preserving the art of hand weaving for future generations, the initiative also helps transform lives of the masters behind the loom with significantly enhanced working conditions for the craftsperson.

Currently, the Brand has 10 Weavershalas spread across Varanasi, Champa, Coimbatore, Baruipur, Phulia, that works with multi-generational weaving, hand printing and hand painting units. This initiative will be expanded to the other parts of the country in the future.

Employee Engagement Diversity and Inclusion

DEIB is aimed at ensuring fair representation of all genders and PwD at the workplace. The leadership team has set ambitious targets in achieving diversity goals through various interventions and sensitisations which create a sense of inclusion and belonging. To align the various divisions and functions to work towards this goal, each division and each enabling function has drawn up individual goals based on the 4 DEIB pillars – Culture, Career, Communication and Community. Immersions to familiarise the DEIB intent and awareness sessions for all levels of leadership are being conducted. 'I Belong' sessions on 'Non-conscious Biases' is an ongoing programme for all people managers in an effort to build empathy and to work equitably is also underway.

One of the major focus of Titan during the year has been to bolster the representation of women in certain roles in manufacturing and sales functions of all divisions and several initiatives were taken due to which there is a marked increase. Further, Titan continues to have dialogues with various stakeholders including a small consortium of industries to understand the constraints on attracting and retaining women talent for the manufacturing function.

Apart from this, to be a truly inclusive organisation, Titan has taken several steps to make PwD feel a sense of belonging by introducing sign language interpreters at all Company-wide communication for the benefit of our hearing impaired colleagues and visually challenged employees are provided with text to audio compatible devices, etc.

Our "Returnship Programme" for women is aimed at preparing women to resume their professional journey post maternity breaks/sabbatical. Women can join Titan under this programme to take on relevant and exciting projects.

Assessments on internal DEIB policies were conducted to provide inputs on the current and aspired state of inclusion by a third party. Introduction of a new policy, its communication and adoption are being monitored. Policy to support employees with differently-abled children was recently introduced and is applicable across the organisation. Considering the intense care giving responsibilities, shorter work hours, relief from any work-related transfers, financial subsidy to manage child needs education, therapy, etc., are extended to such employees.

The Company organised several employee engagement events with specific focus on the aspect of inclusion. One of them being, the International Women's Day celebration. The theme of the celebration– "Embrace Equity" saw employees (across all genders) celebrate one special woman by sharing a working day at the office with their loved ones. This effort by the Company was to acknowledge that 'Equity and Inclusion' go beyond the boundaries of office.

Competitive Advantage

With state-of-the-art manufacturing facilities as well as pan-India presence has enabled the Company to have a sustainable competitive advantage to respond to its customers' demands with agility to deliver high quality products and exceptional customer service. The key differentiators that the Company offers are: exceptionally designed and crafted collections, products that continue to be industry-leading, brand-building efforts that are cutting-edge, superlative customer experience at the stores characterised by warmth displayed by store personnel as well as store ambience, strong digital presence through websites and various social media, IT-led analytics and leveraging the CRM platform to enable a seamless physical-cum-digital consumer engagement programme.

Product Innovation and Technology

The Company continues to leverage existing as well as new technologies to create innovative products for customers' latent needs and caters to a wide segmentation of customers to enhance the value proposition and their experience across various touch points including the omni-channel.

In the jewellery business, focus on producing light weight jewellery to make it budget-friendly for our customers through development of new hard alloy, design re-engineering and product engineering have been undertaken owing to fluctuations in prices of the precious metal and the growing customer expectation of value for money jewellery products.

The Watches & Wearables Division had outstanding product launches like the Edge Ceramic Squircle and Automatics. Alia Bhatt was roped in as brand ambassador for Titan Raga to garner higher brand relevance among young women. Brand Fastrack saw the launch of Stunners collection which helped capture market share in the mid-

priced segment. The International Brands portfolio saw impressive growth, riding on the premiumisation wave.

Pursuit of efforts towards sustainability in product and innovation at EyeCare Division led to introduction of frames made out of castor seeds which are highly elastic, durable, light weight, bio-based and made from recycled acetate. This apart, premium frames made out of titanium and carbon fibre making them light weight, rust resistant, very comfortable and durable were launched. 'Riviera' collection of frames inspired by the spirit of sailing was also well received by the market. The newest launch, Titan Ultima is the top-end customised progressive lens. Ultima provides excellent visual comfort and wide zones at all distances.

SKINN brand has been quite successful in terms of democratising usage of fragrances in India and making fragrances an essential part of everyday dressing and grooming rituals. The brand continues to build credibility and advocacy through consistent, meaningful associations with influencers, celebrities and master perfumers.

Irth Bags, a new brand was launched in October 2022 that targets women customers aged between 25-45 years. There has been an excellent response since its launch. In the current Financial Year, the focus will be to increase reach and establish solid foundation for the brand with setting up of exclusive brand stores.

Sarees have been an integral part of Indian culture and with the renewed interest in preserving and celebrating local traditions, sarees are increasingly worn as a fashion statement with experimental styling. Brand Taneira continued to introduce key collections from across the weaving clusters of the country. In addition, it showcased a fine assortment of sarees comprising of bridal and wedding, festive, and formal wear occasions. The brand built impactful visibility leveraging print, digital, and outdoor media during the Puja and Diwali festive period.

The Design Excellence Centre (DEC) is focused on consistently building design leadership and product differentiation for every brand across the Company. The DEC excels in building design as a unique and compelling differentiator in the sustainable growth of the various businesses.

Product Manufacturing and Quality

The Company's manufacturing plants, with their state-of-the-art technologies coupled with ably skilled and competent employees have been meeting the increasing demands of the markets with high focus on product quality, production efficiency as well as cost competitiveness to ensure responsive management across the value chain. R&D and New Product Development processes work in tandem in an agile manner in development of technologies, new materials and products in order to cater to various consumer segments across brands and price points.

Quality

Titan is renowned for its product quality and customer service. New products are developed based on stringent design standards and undergo Design Failure Model and effect analysis process and reliability tests to conform to the design quality. Several micro precision parts are manufactured in Special Purpose Machines (SPMs) and inspected with high precision instruments.

Occupational Safety, Health and Well-Being

The foundation of our OSH strategy rests upon four key principles: leadership, a systematic approach, ongoing cultivation of an active OSH culture, and the establishment of safe workplaces.

The Company's OSH vision is to be the safest organisation in the eyes of all stakeholders and to ensure that every person goes home safe and healthy every day.

To achieve its goals, Titan has implemented various strategies:

Building leadership capability: Developing the leadership skills of supervisors to effectively promote and enforce safety practices.

Proactively identifying hazards and managing risks: Implementing robust processes to identify occupational health and safety hazards through comprehensive studies and effectively managing them with suitable controls.

Continuous improvement and alignment with business: Emphasising continuous improvement in OSH practices and aligning them with overall business goals and objectives.

Promoting understanding, acceptance, and compliance: Encouraging understanding, acceptance, and compliance with OSH management systems among employees, contractors, vendors, and franchisees.

Communication and participation at all levels: Encouraging open communication about safety issues and involving employees at all levels in safety-related initiatives.

Prevention-based approach: Following a prevention-based approach by building awareness, providing training, and enhancing the capabilities of employees, vendors, and contractors. Emphasising behaviour-based safety to foster a safety-conscious culture.

Employee engagement: Titan encourages active participation through initiatives like the safety alert card system and Safety Kaizens to promote workplace safety.

Technology has revolutionised safety measures, prioritising employee well-being and accident prevention. Following are the key points:

- VR training programmes simulate hazardous tasks, minimising risks and enhancing safety skills.
- Biometric access control ensures only authorised personnel operate vehicles, enhancing security and preventing accidents.
- Automatic Guarding with wheel sensors prevents finger injuries during grinding.
- Reflective sensors with reflective bands in press machines prevent hand injuries.
- Digital acid level monitoring systems using radar technology have been installed in HCL, HNO3, and NaOH tanks. These advancements demonstrate technology's transformative impact on creating safer work environments.

Project Suraksha and Project VeSafe were initiated with the objective of validating and enhancing our safety management systems at retail outlets covering the Company and as well franchisees and vendor partner locations across ISCMs, aligning them with the OSH management system.

The Company has implemented and has been certified to "Occupational Health & Safety Management System"(OHSMS) in line with ISO 45001 standard across the Company. We are the first Company to have implemented OHSMS for both retail and manufacturing locations as per the accredited agencies.

We continued our efforts in setting gold standards for safety across all our locations, including retail operations to ensure every customer who walks in feels safe!

Converging Value Creation and Capital Optimisation

INPUT

Human Capital	UoM	2022-23
On Roll Employees		
Top Management and Leadership	Nos.	80
Manufacturing	Nos.	3,122
Sales, Marketing & Retail	Nos.	2,705
Corporate & Support Functions	Nos.	770
Off Roll Employees		
At Manufacturing and Offices	Nos.	4,487
At Retail Stores	Nos.	14,940
Diversity Aspect		
Male	Nos.	6,616
Female	Nos.	2,283
Differently Abled (Within the Above)	Nos.	134
Training, Learning & Development - Staff		
Investments Per Person	₹	18,301
Training	Man-days	5.80
Unionised Employees		
Investments Per Person	₹	500
Training	Man-days	1
Training for Senior / Top Management / Professional Courses		
Investments Per Person	₹	14,810
Training	Man-days	1.20

Social and Relationship Capital	UoM	2022-23
Number of showrooms across all formats	Nos.	2,488
Retail footprint	Sq.Ft	31,78,177
Number of Touchpoints (apart from showrooms)	Nos.	11,000+

Natural Capital	UoM	2022-23
Jewellery Division		
Gold Recycled	Tonnes	32.78
Silver Recycled	Tonnes	1.55
Energy Consumption (Fuel+Grid+RE)	Lakh Units	79.52
Fresh Water Consumption	KL	22,700
Investments in Environmental Conservation/Biodiversity	₹ Cr.	5.90
Watches Division		
Precious Gold Consumed	Tonnes	0.0699
Total Recycled Gold	Tonnes	0.035
Energy Consumption (Fuel+Grid+RE)	Lakh Units	173.48
Fresh Water Consumption	KL	87,100
Investment in Green initiatives	₹ Cr.	3.50

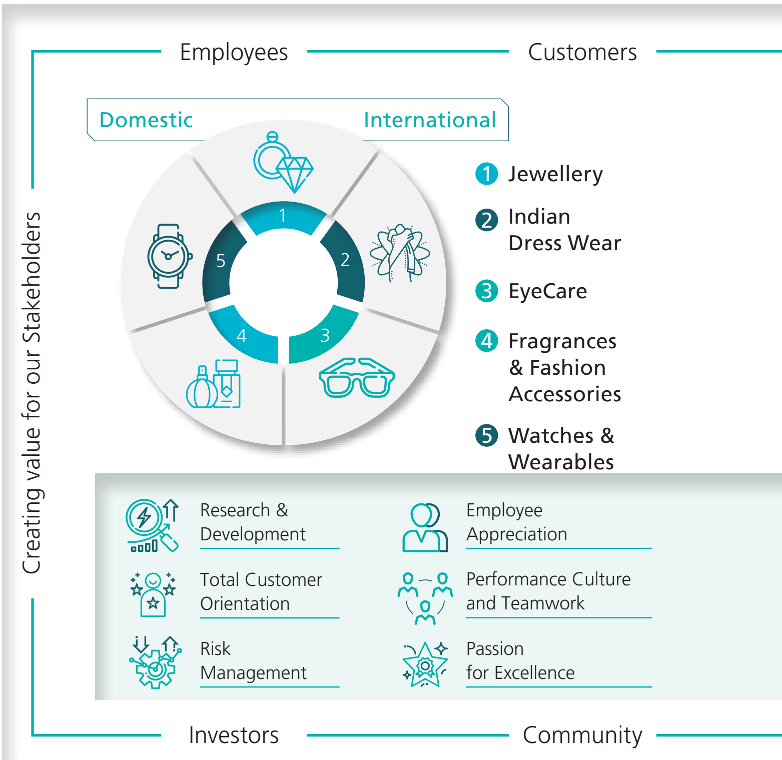
VALUE CREATION APPROACH

Our Vision

We create elevating experiences for the people we touch and significantly impact the world we work in.

Our Mission

We will do this through a pioneering spirit and a caring, value-driven culture that fosters innovation, drives performance, and ensures the highest global standards in everything we do.



OUTCOME

Products and Retail Brands

Watches & Wearables Division

TITAN	RAGA
SONATA	ZOOP
FASTRACK	SF
XYLYS	TITAN WORLD
NEBULA	HELIOS

Jewellery Brands

TANISHQ	ZOYA
MIA BY TANISHQ	CARATLANE

EyeCare Brands	**Indian Dress Wear**
TITAN EYE+	TANEIRA
FASTRACK	
TITAN GLARES	

Fragrances & Fashion Accessories

IRTH	SKINN
FASTRACK BAGS	FASTRACK PERFUMES

Distributors

- Unemployment
- Inflation
- Domestic Regulatory Policies
- Foreign Currency Fluctuation
- Gold Price Fluctuation
- Economic Outlook

Business Partners

- Corporate Citizenship
- Creativity and Innovation
- Product Development
- Information Technology

Stakeholders

OUTPUT

Human Capital	UoM	2022-23
No. of candidates identified as Emerging Leaders (Cumulative)	Nos.	88
No. of candidates identified as Young Leaders (Cumulative)	Nos.	30
No of candidates identified for Sales Excellence programme	Nos.	74
Total Spends on Training, Learning and Development	₹ Cr.	12
Investment per person on training/development	Lakh	0.13
Attrition-Overall	%	10

Social and Relationship Capital	UoM	2022-23
CSR Spend	₹ Cr.	42.08
Titan supports - Social Intervention area	Nos.	41
Number of Beneficiaries Impacted	Lakh	6.87
Jewellery Division		
Nos. of warranty complaints on sales	%	0.04
Net Promoter Score	Score	85.13
Watches Division		
% of warranty complaints on sales	%	1.18
Net Promoter Score-World of Titan	Score	81
Net Promoter Score-Fastrack	Score	78
Net Promoter Score- Helios	Score	89
EyeCare Division		
% of warranty complaints on sales	%	0.65
Net Promoter Score	Score	80

Natural Capital	UoM	2022-23
Jewellery Division		
Specific Consumption of Energy Per Product	KW per unit	8.37
Specific Consumption of Water Per Product	KL per unit	0.01048
Water Recycled	%	50.26
Watches Division		
Specific Consumption of Energy Per Product	KW per unit	3.05
Specific Consumption of Water Per Product	KL per unit	0.01335
Wind Energy Contribution	%	70.53
Solar Energy Contribution	%	2.35
Water Recycled	%	50.79
EyeCare Division		
Specific Consumption of Energy Per Product	KW per unit	1.90
Specific Consumption of Water Per Product	KL per unit	0.0045
Water Recycled	%	44.57

Intellectual Capital	UoM	2022-23
R & D expenditure	₹ Cr.	2.94
Additional Value Generated	₹ Cr.	Top line growth: 6.35 Bottom line savings: 2.41
Jewellery Division		
Number of Patents Granted	Nos.	3
Contribution of New Products - Plain	₹ Cr. & %	4,060 / 19.7
Contribution of New Products - Studded	₹ Cr. & %	2,688 / 26.3
Watches Division		
R & D expenditure	₹ Cr.	4.78
Number of Patents Granted	Nos.	2
Revenue from New Products/Technologies (New Materials introduction)	₹ Cr.	142.61
Revenue from New Products/Technologies (New Technology introduction - variety)	₹ Cr.	1,144.30

Intellectual Capital

As a Company manufacturing and marketing lifestyle products, design and innovation, the Company's brands constitute the core of its intellectual capital. These are leveraged to provide high quality products across various price points. Driven by innovation and creativity, the Company continues to invest in concurrent technologies. Combining creative ideas with in-depth detailing of the product, the Company's products and services provide a unique experience to the consumers.

The Company's portfolio of brands continues to symbolise quality, trust, value as well as style and fashion. The Company's CRM function focuses on deriving insights on various aspects from customer's engagement across different touch points both offline and online and use them for strengthening the CRM processes.

Business	Design & Innovation Centres	Products	Areas worked upon (material, functionality, design, technology-smart/connected)
	Hosur / Hyderabad	Watches & Wearables	Laser cutting, wire cutting, torch brazing, texturing finish, new colour laser, investment casting, fine numerals by forming, Aluminium case by cold forming, stone set drilling on 5 axis etc.
	Hosur	Jewellery	Automatic diamond bagging, hollow ball making, 22kt hard alloy, low temperature melting gold alloy, stone detection, investment mixing operation, investment powder removal, chain making etc.
	Chikkaballapur	Lenses & Frames	Designing of lenses and various types of coatings on lenses and manufacturing types of materials for frames.
	Bengaluru	Fragrances	Fragrance development and directing the creativity of our international perfumers, bottling and packaging development.
	Design Excellence Centre, Bengaluru	Watches, Jewellery, EyeCare	Designing of watches, jewellery, eyewear and other products catering to various divisions.

Watches   Jewellery   EyeCare   Fragrances   Common for Businesses

Interlinkage of Intellectual Capital with other capitals

The Company continues to strengthen the intellectual capital through investments in technologies, interventions and collaborative approaches for bringing in cutting-edge technologies as well as give fillip to design and innovation to drive growth for the Company. This has also led to many patents being filed. Consequentially, financial capital, as well as manufactured capital, natural capital, human and social & relationship capital are likely to be positively impacted.

Human Capital

Building Talent to Drive Performance Excellence

The Company strives to provide a safe, challenging and rewarding environment for each of its employees. The motivated and committed employees are the catalysts who drive the business and create value for all the stakeholders. The Company is committed to empower its people and build an organisation on strong business and cultural values. The skills, experience, diversity and competencies of the employees enable the Company to operate safely, reliably and sustainably, and deliver on its growth objectives. The Company has an ideal mix of youthful energy guided by mature leadership.

Leadership Development

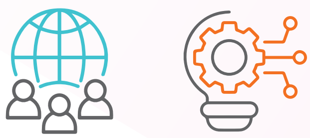
The Company continues to invest in leadership development programmes across the 4 tiers namely Top Management Development (TMD), Senior Management Development (SMD), Emerging Leaders Programme (ELP), Young Leaders Programme (YLP), and the newly launched Sales Excellence Programme (SEP) which focuses on building a talent pipeline for sales management roles.

Capability Building

The Company strengthens its capability-building by developing and deploying 350 digital training modules. Several programmes were launched which encompassed digital learning, virtual and classroom instructor-led learning, and project work. The Company also took initiatives to enhance manufacturing capability through various programmes such as the Sourcing Excellence Programme, Procurement Excellence Programme, Quality Excellence Programme, and many more.

Interlinkage of Human Capital with other capitals

The Company's human capital stock is positively impacted when it invests in skill development initiatives to improve the technical know-how for R&D purposes. This also benefits the individuals for career enhancements, and increasing growth prospects, thereby increasing social and relationship capital stock and intellectual capital stock.



Financial Capital

The Company aims to create value for all its stakeholders by managing the financial capital in a commercially astute and diligent manner harnessing opportunities for long- term sustainable economic growth. Focusing on building a profitable and sustainable business model generates economic value for varied stakeholder groups.

The Company manages effective cash flows by use of advanced technologies, well-defined processes, competent people and resource management. These in turn deliver a significant positive contribution to the financial capital.

The Company's investment decisions are evaluated against targeted return on capital. Apart from creating value through its business activities, the resulting financial capital is also reinvested in each of the other capitals in a carefully balanced and calibrated manner to further achieve financial goals and objectives. Funding mechanisms such as equity, short-term debt and operating cash are the main sources of the Company's financial capital.

Interlinkage of Financial Capital with other capitals

The Company boosts investments across value chain be it technologies, infrastructure, manufacturing set-ups, marketing, working capital, induction, development and retention of talent. A combination of these would play a key role in providing quality products and service to customers across markets. This will drive growth of the Company. Consequentially, financial capital would be impacted positively as also other capitals.

Social and Relationship Capital

Partnering for Creating, Sustaining and Delivering Value

As a lifestyle products Company, the success of the Company's endeavour is largely attributed to maintaining excellent relationships with key stakeholders in the value chain. The Company has created long-lasting relationships with everyone, including karigars, vendors, business associates, customers and beneficiaries of social interventions. Core to the business is the customer connect, that happens through country-wide retail network.

Brands engage with customers through campaigns, commercials, social issues, festivals, runs and walkathons on causes and various other occasions that have helped in reinforcing the values and philosophy of the Company and its brands.

The omni-channel experience given to customers has been very effective in driving many customers to buy products. In order to improve the overall customer experience, the Company has set up an interface to ensure that supply chain related issues are immediately resolved. This has led to customer satisfaction scores on quality and delivery improving significantly. To enhance the customer experience at the stores, the Company has implemented measures such as enhanced staff training, creating new identity, correct selling, etc.

Trade and Dealer Development

The Company constantly engages with business associates and dealers through several forums to spearhead growth and to reach out to customers. The relationships with business associates and different categories of dealers have been strengthened over a period of time with processes and mechanisms leading to mutual benefits and growth. Visual merchandising, enhanced presence, systematic launch of new products, training, introduction of wearables, induction of technology enablers as well as continuous meets at various levels have been key drivers of growth. Expansion of the footprint into new non-traditional high traffic outlets has helped in acquiring new customers.

Social

From the very inception, the Company believed that the only way it can succeed is to co-exist with the community and society where it operates. Be it the way it had engaged people from the remotest villages in Tamil Nadu/ Uttarakhand or even the manner in which it went about creating sustainable business group such as the women self-help groups or the Karigar Centre, and most recently the Weavershalas for Taneira, it believes social capital needs to be generated in all aspects of the business and value chain.

Besides this, the Company has engaged with different sections of the society through various CSR programmes and initiatives. The CSR policy focusses on working with the underprivileged girl child through education, skill development for the underprivileged youth and working with arts and crafts and Indian heritage.

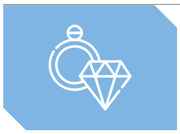
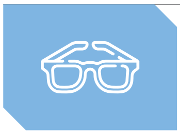
These are being run with the help of reputed NGOs across the country including the key states - Tamil Nadu, Uttarakhand, Karnataka and Sikkim.

Manufactured Capital

The Company's state-of-the-art manufacturing facilities as well as the collaborative approach with suppliers and associates has been crucial in creating sustainable value. The Company continuously invests in upgrading technology and processes to improve the efficiency and effectiveness of its manufacturing capabilities.

With an aim to leverage opportunities and provide employment, apart from setting up manufacturing plants, assembly units, lens labs and karigar centres, the Company has also built relationships with a large number of suppliers and associates. This effective synchronisation enables the Company to deliver high quality products to customers across markets.

Optimisation of lens manufacturing technology to get standardised quality on prescription lens, value added coatings, functioning of "Centralised Fitting Labs" (CFL) within the lens manufacturing facilities, etc. are some of the examples in the EyeCare Division. The jewellery manufacturing has been effectively utilising concepts such as Total Productive Maintenance and Daily Work Management tools for driving productivity and improvement along with Total Employee Involvement (TEI) programmes. The Watches & Wearables Division has successfully implemented various energy and fuel conservation projects with internal expertise as well as with the association of external agencies in the areas of air conditioning, lighting, manufacturing process, cooling system, and effluent evaporation systems at its manufacturing facility. During the year, these conservation initiatives have resulted in significant savings in power and fuel cost.

Business	Plant /Location	Products	Key Equipment and Processes
	Hosur and Coimbatore	Production of Watches	Design and manufacturing of cases Brass and Gold at Hosur, Stainless Steel (SS) case plant at Coimbatore, surface finishing and allied activities, Pro-E, CAD/CAM for design, laser marking, electroplating, polishing and forging machines. Assembly line with multipoint monitoring systems. Retail Stores-Laser Engraving.
	Roorkee and Sikkim	Assembly (casing and strapping) of Watches	
	Hosur and Pantnagar	Manufacturing and assembly of Jewellery Sorting office	Manufacturing Technology and Equipment - Waxing, casting, melting, rolling, refining, alloying, assaying, automated component bagging, robotic kit material, butterfly manufacturing and investment powder loading, 5 Axis, CNC Machine and Rapid Prototyping.
	Chikkaballapur	Production of frames and lenses	Lens Lab – Lens manufacturing, glass cutting, testing and special coating systems. Frame Manufacturing – Metal line.

Interlinkage of Manufactured Capital with other capitals

The Company's focused investments towards technological upgradation and opening new manufacturing setups and stores, robotisation and digitalisation efforts have helped in improving efficiencies and speed to market of product and services. Consequentially, financial capital, as well as, human, social & relationship capital are likely to be enhanced and environment will be positively impacted.

Natural Capital

As a responsible manufacturer, the Company recognises the importance and use of natural resources while creating valued products. The Company is committed to minimising the negative environmental impact of its operations including from the manufacturing units, karigar centres and office spaces. Established mechanisms coupled with internal controls help in mitigating the risks associated with increasingly stringent requirements regarding air quality and effluent management. The Company has defined and communicated a well-articulated policy on sustainability.

The Company continues to implement several initiatives to reduce specific energy and water consumption across its manufacturing locations and has also set targets for improvement on environmental aspects. All manufacturing units have implemented various energy and fuel conservation projects which has resulted in significant reduction in energy consumption thereby improving efficiency and cost savings. These have led to recognitions from several industry bodies.

Sourcing

Further, in manufacturing and supply chain, the Company has been recycling gold and brass (watches) that are used for making products. The jewellery exchange programme acts as a channel for the Company to source customers' gold for processing. The Company has established several processes to ensure it buys products and services from responsible vendors. Responsible sourcing strategy in the Jewellery Division and creation of karigar park, karigar centre has transformed the way in which jewellery is made in the country and are benchmark practices in the industry.

Looking Ahead

The Company is at the forefront of leveraging opportunities to accelerate and drive growth that will create greater value to stakeholders in an innovative and agile manner in the fast-changing digital world. The Company is confident that the strategies laid out by consumer understanding and insights will be of huge advantage. The solid pipeline of new and differentiated products which will be backed by calibrated investments in product development, retail & advertising and demand generation will enable the Company to achieve its growth targets. The entire family of committed employees, retail/distribution partners as well as vendor partners are poised to work together in driving and accomplishing extraordinary outcomes.

Awards

Mr. C K Venkataraman awarded the CEO of the Year by Forbes India

Titan Company wins gold in Business Standard Annual Awards for outstanding performance

Smart eyewear 'Titan EyeX' won the German Design Awards

TRRAIN retail award – runner up position

Pitch – Impact Marketing Award for engaging content

The Integrated Manufacturing Plant of the EyeCare Division won the AatmaNirbhar Factory Award by International Research Institute for Manufacturing, India of the 'Aatmanirbhar Factory Recognition Programme'

Gold Medal in the National Awards for Manufacturing Competitiveness (NAMC)

Board of Directors

Mr. S Krishnan
Chairman

Mr. S Krishnan is a 1989 Batch IAS Officer who has held many key positions in various departments in the Government of Tamil Nadu and Government of India.

Presently, Mr. S Krishnan is the Additional Chief Secretary, Industries Department. During his illustrious career spanning more than 32 years, he has held key positions of Sub-Collector, Cuddalore, Collector Viruthunagar,

Managing Director-Tamil Nadu Text Book Corporation, Member Secretary, Sports Development Authority and Chairman, Fifth State Finance Commission and CEO, Tamil Nadu Infrastructure Board. He worked in Government of India as the Secretary to Finance Minister and Senior Advisor, Office of the Executive Director for India, Sri Lanka, Bangladesh and Bhutan, International Monetary Fund, Washington DC.

Mr. N N Tata
Vice Chairman

Mr. N N Tata joined the Board of Directors of the Company on 7th August 2003. He has been associated with the Tata group for over 40 years and currently serves on the Board of various Tata Group Companies, including as the Chairman of Trent Limited, Tata International Limited, Voltas and Tata Investment Corporation and as the Vice Chairman of Tata Steel and Titan Company Limited.

He also serves as a Trustee on the Board of Sir Ratan Tata Trust and Sir Dorabji Tata Trust.

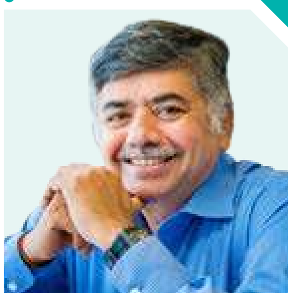
His last assignment was as the Managing director of Tata International Limited, the trading and distribution arm of the Tata Group, between August 2010 and November 2021, where he grew the Company from a turnover of USD 500 mn to over USD 3 bn. Prior to Tata International, Mr. Tata served as the Managing Director of Trent Limited for more than 11 years, where he has overseen the growth of Trent across formats – from a one store operation in 1998 to over 400 stores across formats in 2022.

Mr. Tata graduated from Sussex University (UK) and has completed the International Executive Programme (IEP) from INSEAD.

He is the son of Mr. Naval H. Tata and Mrs. Simone N. Tata.

Mr. Bhaskar Bhat
Director

Mr. Bhaskar Bhat is a B.Tech (Mechanical Engineering) degree holder from the Indian Institute of Technology - Madras, and a Post Graduate Diploma Holder in Management from IIM – Ahmedabad. He was awarded the Distinguished Alumnus Award of IIT Madras in 2008. Mr. Bhat started his journey in the Tata Group with the Tata Watch Project in 1983, later to become Titan Watches Limited, and now Titan Company Limited. At



Titan, he dealt with Sales and Marketing, HR, International Business and various general managerial assignments. He then took over as Managing Director of the Company on 1st April 2002, and held the position till his superannuation on 30th September 2019. Subsequently, he was appointed as a Non-Executive, Non-Independent Director of the Company with effect from 1st October 2019.

Mr. C K Venkataraman
Managing Director

Mr. C K Venkataraman became the Managing Director of Titan with effect from 1st October 2019. He is a Post Graduate Diploma holder in Management from IIM-Ahmedabad and had joined Titan in 1990 and worked in the Advertising and Marketing functions

before becoming the Head of Sales and Marketing for the Titan brand in 2003. Thereafter he took charge of the Jewellery Division in 2005 and subsequently became the Chief Executive Officer of the Jewellery Division before being elevated to Managing Director with effect from October 2019.

Ms. Jayashree Muralidharan
Director

Ms. Jayashree Muralidharan is a 2002 batch IAS Officer, who has held many key positions in various departments in the Government of Tamil Nadu.

Ms. Jayashree Muralidharan has two decades of wide experience in Public Administration. She is currently the Special Secretary to the Government of Industries Department, Tamil Nadu.

Ms. Mariam Pallavi Baldev
Director

Ms. Mariam Pallavi Baldev is a 2008 batch IAS Officer and is currently the Additional Secretary to the Government of Tamil Nadu, Government Industries, Investment Promotion & Commerce Department. She had served as Sub-Collector, Dharmapuri, Joint

Commissioner (Enforcement) in the Commercial Taxes Department in Coimbatore and Chennai, and also as Collector of Theni District of Tamil Nadu. She has held many key positions in various departments of the Government of Tamil Nadu and has many years of wide experience in public administration.

Mr. Ashwani Puri
Independent Director

Mr. Ashwani Puri joined the Board of Directors of the Company on 6th May 2016. He has extensive experience in investment/acquisition advisory services, valuations and decision analysis, business and financial restructuring, dispute analysis and forensics. Mr. Puri has served

on various committees of the Banking Division/Ministry of Finance, Ministry of Corporate Affairs and INSOL International and also served as a member of PWC's Global Advisory Leadership Team.
Mr. Puri is currently the Managing Partner of Veritas Advisors LLP, which provides strategy, governance and financial advisory services.

Mr. B Santhanam
Independent Director

Mr. B Santhanam joined the Board of Directors of the Company on 10th May 2018. Mr. Santhanam is the founder Managing Director of Saint-Gobain Glass

India and has handled critical functions of Information Technology, Operations, Product Development, Sales and Marketing at Grindwell Norton (Saint-Gobain Group Company).

Mr. Pradyumna Vyas
Independent Director

Mr. Pradyumna Vyas joined the Board of Directors of the Company on 25th March 2019. He holds a Master's degree in Industrial Design from the Indian Institute of Technology - Bombay. In June 2010, Mr. Vyas was conferred with an Honorary Master of Arts Degree from

the University for the Creative Arts in Farnham, United Kingdom in recognition of his contributions to design education and design promotion. Mr. Vyas has more than 33 years of professional and teaching experience in different spheres of design. Mr. Vyas had been associated with the National Institute of Design (NID) as a faculty in the Industrial Design discipline.

Dr. Mohanasankar Sivaprakasam
Independent Director

Dr. Mohanasankar Sivaprakasam joined the Board of Directors of the Company on 3rd July 2019. He holds a Ph.D. in Electrical Engineering from the University of California, M.S. in Electrical Engineering from North California State University and B.Tech in Instrumentation Engineering from Anna University, India. He has won the Indian National Academy of Engineering (INAE) Young Engineer Award and IITM's Institute R&D Early Career Award in the year 2015.

His research interest lies in medical devices and diagnostics, biomedical instrumentation, affordable healthcare technologies, healthcare delivery models for resource-constrained settings. He has published over 180 peer-reviewed papers in leading journals and conferences. He is currently Associate Professor in the Department of Electrical Engineering and heads the Healthcare Technology Innovation Centre at the Indian Institute of Technology - Madras.

Ms. Sindhu Gangadharan
Independent Director

Ms. Sindhu Gangadharan is SVP and Managing Director of SAP Labs in India, responsible for SAP's development facilities in Bangalore, Pune, Mumbai and Gurgaon. SAP Labs India is the largest R&D centre outside SAP's headquarters in Germany and a leading hub for innovation and a hot spot for talent and diversity.

Ms. Sindhu has played a pivotal role in shaping SAP's Integration

strategy by growing SAP's Integration product portfolio as Head of Product Management for SAP Cloud Platform Integration, IoT and SAP Process Orchestration. Her deep technical expertise and business knowledge led her to head the critical integration function in SAP's Technology and Innovation organisation in the Office of the CTO.

Ms. Sindhu is recognised as a thought leader in integration and innovation technologies, both within and outside of SAP and is a frequent speaker at SAP's prominent global technology events.

Mr. Sandeep Singhal
Independent Director

Mr. Sandeep Singhal co-founded Nexus Venture Partners in 2006. Nexus manages over USD 1.5 bn and has an active portfolio of over 75 companies across the technology, enterprise, consumer services, internet and mobile, alternate energy and agribusiness sectors.

Prior to Nexus, Mr. Singhal was co-founder & CEO of Medusind Solutions, a leading healthcare BPO acquired by a

US private equity firm, and previously a co-founder & MD of eVentures India, where he invested in CustomerAsset and MakeMyTrip. He has held senior roles at McKinsey & Company in their US offices.

Mr. Singhal has an MBA (with Distinction) from The Wharton School with a dual Major in Finance and Marketing, and a BS in Electrical Engineering from Stanford University.

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Corporate Information

BOARD COMMITTEES

Audit Committee

1) Mr. Ashwani Puri (Chairman)
2) Ms. Mariam Pallavi Baldev
3) Mr. B Santhanam
4) Mr. Bhaskar Bhat
5) Dr. Mohanasankar Sivaprakasam
6) Ms. Sindhu Gangadharan
7) Mr. Sandeep Singhal

Stakeholders Relationship Committee

1) Mr. B Santhanam (Chairman)
2) Ms. Jayashree Muralidharan
3) Mr. Bhaskar Bhat
4) Mr. C K Venkataraman (Managing Director)

Nomination & Remuneration Committee

1) Mr. B Santhanam (Chairman)
2) Mr. N N Tata
3) Ms. Jayashree Muralidharan
4) Ms. Sindhu Gangadharan
5) Mr. Pradyumna Vyas
6) Mr. Sandeep Singhal

Risk Management Committee

1) Mr. Sandeep Singhal (Chairman)
2) Mr. Ashwani Puri
3) Ms. Mariam Pallavi Baldev
4) Dr. Mohanasankar Sivaprakasam
5) Mr. C K Venkataraman (Managing Director)

Corporate Social Responsibility Committee

1) Mr. Pradyumna Vyas (Chairman)
2) Dr. Mohanasankar Sivaprakasam
3) Ms. Jayashree Muralidharan
4) Mr. C K Venkataraman (Managing Director)

Ethics Committee

1) Mr. Pradyumna Vyas (Chairman)
2) Mr. Ashwani Puri
3) Ms. Mariam Pallavi Baldev
4) Mr. C K Venkataraman (Managing Director)

Investment Committee

1) Mr. Ashwani Puri
2) Mr. Sandeep Singhal
3) Mr. Bhaskar Bhat

Executive Committee

1) Mr. Bhaskar Bhat
2) Mr. B Santhanam
3) Ms. Jayashree Muralidharan

CHIEF FINANCIAL OFFICER

Mr. Ashok Sonthalia

GENERAL COUNSEL & COMPANY SECRETARY

Mr. Dinesh Shetty

AUDITORS

B S R & Co. LLP
Chartered Accountants

BANKERS

State Bank of India
Axis Bank
HDFC Bank
ICICI Bank
Kotak Mahindra Bank

REGISTERED OFFICE

3, SIPCOT Industrial Complex,
Hosur - 635 126, Tamil Nadu

CORPORATE OFFICE

"INTEGRITY", No. 193,
Veerasandra, Electronics City P.O.,
Off Hosur Main Road,
Bengaluru - 560 100
Website: www.titancompany.in

REGISTRAR AND TRANSFER AGENT

TSR Consultants Private Limited
Unit - Titan Company Limited
C 101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai - 400 083
E-mail: csg-unit@tcplindia.co.in
Website: www.tcplindia.co.in

39TH ANNUAL GENERAL MEETING

Tuesday, 1st August 2023 at 2.30 P.M. IST through Video Conference/Other Audio Visual Means

BOOK CLOSURE DATES

14th July 2023 to 1st August 2023

CORPORATE IDENTIFICATION NUMBER

L74999TZ1984PLC001456

Notice

Notice is hereby given pursuant to Sections 96 and 101 of the Companies Act, 2013 (the Act) that the Thirty Ninth Annual General Meeting (the Meeting or AGM) of TITAN COMPANY LIMITED (the Company) will be held through two-way Video Conferencing (VC)/Other Audio Visual Means (OAVM) on 1st August 2023 at 2:30 P.M. IST to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended 31st March 2023, together with the Reports of the Board of Directors and Auditors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements for the financial year ended 31st March 2023, together with the Report of the Auditors thereon.

3. To declare dividend on equity shares for the financial year ended 31st March 2023.

4. To appoint a Director in place of Mr. Bhaskar Bhat (DIN: 00148778), who retires by rotation and being eligible, offers himself for re-appointment up to and inclusive of 28th August 2024.

SPECIAL BUSINESS

5. **Re-appointment of Mr. B Santhanam as an Independent Director**

   To consider and, if thought fit, to pass the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), and pursuant to the recommendation of the Board Nomination and Remuneration Committee and approval of the Board of Directors for re-appointment, Mr. B Santhanam (DIN: 00494806), who holds office as an Independent Director upto 2nd August 2023, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation, for a second term with effect from 3rd August 2023 to 9th May 2028.

6. **Material Related Party Transaction(s) between Titan Company Limited and Titan Global Retail LLC, Dubai**

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI LODR), the applicable provisions of the Companies Act, 2013 (the Act), if any, read with related rules, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into, contract(s)/arrangement(s)/transaction(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) as mentioned in the explanatory statement with Titan Global Retail LLC., Dubai (TGRL), a step-down subsidiary of Titan Company Limited (the Company) and accordingly a related party under Regulation 2(1)(zb) of the SEBI LODR on such terms and conditions as may be agreed between the Company and TGRL, for an aggregate value of up to ₹ 1,600 crore to be entered into during the financial year 2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out at arm's length and in the ordinary course of business of the Company.

   RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, if applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer or Company Secretary or any other Officer(s)/Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorised by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects."

7. Appointment of Branch Auditors

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, as amended from time to time, the Board of Directors of the Company be and is hereby authorised to appoint Branch Auditors for any branch office of the Company, whether existing or which may be opened/ acquired hereafter, outside India, in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditors within the provisions of Section 143(8) of the Act and to fix their remuneration."

NOTES:

1. Pursuant to the General Circular Nos. 20/2020, 19/2021 and 2/2022, the latest being 10/2022 dated 28th December 2022, read with other relevant circulars issued by the Ministry of Corporate Affairs (MCA) (collectively referred to as MCA Circulars), and in line with the Circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, the Company is convening the AGM through VC/OAVM, without the physical presence of the Members. The deemed venue for the AGM will be the Registered Office of the Company.

2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the Act) setting out material facts concerning the business under Item Nos. 5 to 7 of the Notice is annexed hereto. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map for the AGM are not annexed to this Notice.

4. Institutional Members are encouraged to attend and vote at this AGM through VC/OAVM. Institutional/Corporate Shareholders (i.e., other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM or to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail through its registered e-mail id at pbk@shreedharancs.com with a copy marked to evoting@nsdl.co.in, not later than 48 hours before the scheduled time of the commencement of the Meeting.

5. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. As per the provisions of Clause 3.A.III of the General Circular No. 20/2020 dated 5th May 2020 issued by MCA, the matters of Special Businesses as appearing at Item Nos. 5 to 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.

7. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings on National Securities

Depository Limited's (NSDL) e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first-come-first-served basis as per the MCA Circulars. The large Shareholders (i.e., Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the respective Chairmen of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., shall be allowed to attend the Meeting without restriction.

8. The Annual Report for the financial year 2022-23 including the Audited Financial Statements for the year ended 31st March 2023, is being sent by e-mail to those Members whose e-mail addresses are registered with the Company/Depository Participants(s), unless any Member has requested for a physical copy of the same by writing to investor@titan.co.in mentioning their Folio No./DP ID and Client ID. The Notice convening the 39th AGM has been uploaded on the website of the Company at www.titancompany.in and may also be accessed from the relevant section of the websites of the stock exchanges i.e., BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com.

9. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

10. **Book Closure and Dividend:**

    i) **The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 14th July 2023** to **Tuesday, 1st August 2023**, both days inclusive. The dividend of ₹ 10 per equity share of ₹ 1 each (i.e., 1000%), if declared by the Members at the AGM, will be paid subject to deduction of income-tax at source (TDS) on or after Friday, 4th August 2023 as under:

    For Shares held in electronic form: To all the Beneficial Owners as at the end of the day on **Thursday, 13th July 2023** as per the list of beneficial owners to be furnished by the NSDL and Central Depository Services (India) Limited (CDSL); and

    For shares held in physical form: To all the Members after giving effect to valid transmission and transposition in respect of valid requests lodged with the Company as of the close of business hours on **Thursday, 13th July 2023.**

    ii) Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. 1st April 2020 and the Company is required to deduct TDS from the dividend paid to the Members at prescribed rates under the Income Tax Act, 1961 (the IT Act). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants (DPs) or in case shares are held in physical form, with the Company by sending documents through e-mail by Thursday, 13th July 2023. For the detailed process, please click here:

    https://www.titancompany.in/sites/default/files/Details%20of%20Tax%20on%20Dividend.pdf.

    iii) Updation of the mandate for receiving dividends directly in bank account through Electronic Clearing System or any other means in a timely manner, in case the same is not updated:

    Shares held in physical form: Members are requested to send the following documents to Registrar & Transfer Agents, viz., TSR Consultants Private Limited (TSR/RTA/Registrar) latest by **Thursday, 13th July 2023:**

    a) a signed request letter mentioning their name, folio number, complete address and the following details relating to bank account in which the dividend is to be received:

        i) Name and Branch of Bank and Bank Account type;

        ii) Bank Account Number & Type allotted by the Bank after implementation of Core Banking Solutions;

        iii) 11 digit IFSC.

    b) self-attested original cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

    c) self-attested scanned copy of the PAN card; and

    d) self-attested copy of any document (such as Aadhaar card, Driving Licence, Election Identity card, Passport) in support of the address of the Member as registered with the Company.

Shares held in electronic form: Members may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/demand draft to such Members.

11. Members who have not claimed/received their dividend paid by the Company in respect of earlier years, are requested to check with the Company's Registrar. Members are requested to note that in terms of Section 125 of the Act, any dividend unpaid/unclaimed for a period of 7 years from the date these first became due for payment, is to be transferred to the Central Government to the credit of the Investor Education & Protection Fund (IEPF). The details of the unclaimed dividends and the underlying shares that are liable to be transferred to IEPF are also available at the Company's website www.titancompany.in. In view of this, Members/ claimants are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority, in Form No. IEPF-5 available at www.iepf.gov.in.

12. As per Regulation 40 of the SEBI LODR, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. To eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company's Registrar at csg-unit@tcplindia.co.in for assistance in this regard. Members may also refer to Frequently Asked Questions (FAQs) on the RTA's website https://www.tcplindia.co.in/faq.html.

13. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/Registrars and Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc., Form No. ISR-1 for capturing additional details is available on the Company's website under the section 'Investors Information'. Members holding shares in physical form are requested to submit the filled-in form to the Company at investor@titan.co.in or to the Registrar in physical mode, or in electronic mode at csg-unit@tcplindia.co.in as per instructions mentioned in the form. Members holding shares in electronic form are requested to submit the KYC details to their respective DPs only and not to the Company or TSR.

Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, bank mandate details, etc., to Registrar/their DPs. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.

14. SEBI has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, e-mail address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the Member, will not be processed by RTA till the aforesaid details/documents are provided to RTA. On or after 1st October 2023, in case any of the above cited documents/details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s) the said folios shall be frozen by RTA and the said folios shall be restored to normal status only after furnishing by the holders of Physical securities all the completed documents/details as stated. Further, those folios that were frozen on or after 1st October 2023 and continues to remain frozen till 31st December 2023 post that such securities will be referred by RTA/Company to the administering authority under Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering

Act, 2002. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at https://www.titancompany.in/investors/investor-information/other-forms.

15. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. The said forms can be downloaded from the RTA's website at https://www.tcplindia.co.in/clientdownloads.html. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the Registrar at csg-unit@tcplindia.co.in in case the shares are held in physical form, quoting your folio number.

16. **Consolidation of Physical Share Certificates:** Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

17. During the AGM, the Members may access the electronic copy of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Additionally, Members desiring inspection of statutory registers and other relevant documents referred to in the Notice may send their request in writing to the Company at investor@titan.co.in, latest by Monday, **31st July 2023 (upto 3:00 p.m. IST by mentioning their DP ID & Client ID/Folio Number).**

18. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statements of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.

19. **Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:**

    i) Registration of e-mail addresses permanently with Company/DP: Members are requested to register the same with their concerned DPs, in respect of electronic holding and with TSR, in respect of physical holding, by writing to them at csg-unit@tcplindia.co.in. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/TSR to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in future.

    ii) Alternatively, Members may also send an e-mail request to evoting@nsdl.co.in along with the following documents for procuring User ID and password for e-Voting for the resolutions set out in this Notice:

        - In case shares are held in **physical form**, please provide Folio No., name of the Shareholder, scanned copy of the share certificate (front and back), self-attested scanned copy of PAN card, and self-attested scanned copy of Aadhaar card.

        - In case shares are held in **Demat form**, please provide DP ID-Client ID (16 digit DPID + CLID or 16 digit Beneficiary ID), name, client master or copy of consolidated account statement, self-attested scanned copy of PAN card, and self-attested scanned copy of Aadhaar card. If you are an individual Shareholder holding securities in Demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for individual Shareholders holding securities in Demat mode.

20. **Remote e-Voting before/during the AGM:**

    i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI LODR (as amended) and the MCA Circulars, the Company is providing the facility of remote e-Voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by NSDL.

ii) Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of **Tuesday, 25th July 2023** may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as remote e-Voting during the AGM. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the **cut-off date i.e., Tuesday, 25th July 2023**, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in.

iii) The remote e-Voting period commences on **Friday, 28th July 2023 at 9.00 a.m. (IST) and ends on Monday, 31st July 2023 at 5.00 p.m. (IST).** The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e., **Tuesday, 25th July 2023.**

iv) Members will be provided with the facility for voting through the electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.

v) The remote e-Voting module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

21. Mr. Pradeep Kulkarni, Practicing Company Secretary (Membership No. F7260 & CP No. 7835) has been appointed as the Scrutiniser by the Board for providing facility to the Members of the Company to scrutinise remote e-Voting process before the AGM as well as remote e-Voting during the AGM in a fair and transparent manner.

22. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility.

23. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who will acknowledge the receipt of the same and declare the result of the voting forthwith.

24. The results will be declared within 48 hours of conclusion of the AGM. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.titancompany.in and on the website of NSDL: www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE and NSE, where the shares of the Company are listed.

25. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM i.e., Tuesday, 1st August 2023.

26. Since the AGM will be held through VC or OAVM, the Route Map is not annexed in this Notice. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:

A. VOTING THROUGH ELECTRONIC MEANS

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode:

In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by listed companies, individual Shareholder holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-Voting facility.

Login method for individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in **demat mode with NSDL.**	1. Existing **IDeAS** user can visit the e-Services website of NSDL viz., https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e., NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

<table>
<tr><th>Type of shareholders</th><th>Login Method</th></tr>
<tr><td>Individual Shareholders holding securities in demat mode with CDSL</td><td>1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username and password.

2. After successful login, the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting the vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab and then click on registration option.

4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile and e-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</td></tr>
<tr><td>Individual Shareholders (holding securities in demat mode) login through their Depository participants</td><td>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</td></tr>
</table>

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your User ID is IN300***12******
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your User ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 124091 then user ID is 124091001***

5. Password details for Shareholders other than Individual Shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose e-mail IDs are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join AGM on NSDL e-Voting system.

How to cast your vote electronically and join AGM on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. INSTRUCTIONS FOR E-VOTING ON THE DAY OF AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

2. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

C. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM" placed under **"Join Meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company i.e., 124091 will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through laptops for better experience. Further Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

3. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the 39th AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/folio

number and mobile number, to reach the Company's e-mail address at investor@titan.co.in before 3.00 p.m. (IST) on **Friday, 28th July 2023.** Such questions by the Members shall be suitably replied by the Company.

4. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at investor@titan.co.in between **Wednesday, 26th July 2023 (9.00 a.m. IST) and Friday, 28th July 2023 (5.00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.** The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for the AGM.

General Guidelines for Shareholders

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Prajakta Pawle at evoting@nsdl.co.in.

By Order of the Board of Directors

Dinesh Shetty
General Counsel & Company Secretary

Bengaluru
3rd May 2023
CIN: L74999TZ1984PLC001456

Registered Office:
No.3, SIPCOT Industrial Complex, Hosur 635 126, Tamil Nadu.

Explanatory Statement

As required under Section 102 of the Companies Act, 2013 (the Act) and in terms of Regulation 36 of the SEBI LODR, the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 5 to 7 of the accompanying Notice:

Item No. 5

Mr. B Santhanam (DIN: 00494806) was appointed as a Non-Executive Director of the Company effective 10th May 2018. Pursuant to the provisions of Section 149 of the Act and related Rules, Mr. Santhanam was appointed as an Independent Director of the Company by the Shareholders of the Company at the 34th Annual General Meeting (AGM) held on 3rd August 2018, for a period of five years upto 2nd August 2023.

The Board on 3rd May 2022, based on the recommendations of the Board Nomination and Remuneration Committee and after taking into account the performance evaluation of Mr. Santhanam as a Member of the Board and considering that the continued association of Mr. Santhanam would be beneficial to the Company, recommended to re-appoint Mr. Santhanam as an Independent Director of the Company, not liable to retire by rotation, for a second term effective 3rd August 2023 up to 9th May 2028. Further, the Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member proposing the candidature of Mr. Santhanam for the office of Director. The Company has received all statutory discloures/declarations from Mr. Santhanam.

Mr. Santhanam has consented to continue to act as Director of the Company and and basis his declaration, the Board confirms that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(SEBI LODR). In terms of Regulation 25(8) of the SEBI LODR, Mr. Santhanam has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He has also confirmed that he is not debarred from holding the office of a Director by virtue of any SEBI Orders or any such Authority pursuant to circular dated 20th June 2018, issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by listed companies. Further, Mr. Santhanam is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Mr. Santhanam has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In terms of Sections 149, 152 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, and in terms of the applicable provisions of the SEBI LODR, each as amended, the re-appointment of Mr. Santhanam as an Independent Director of the Company for a second term commencing from 3rd August 2023 up to 9th May 2028 is being placed before the Shareholders for their approval by way of a Special Resolution. Mr. Santhanam, once appointed, will not be liable to retire by rotation.

In the opinion of the Board, and based on its evaluation Mr. Santhanam is a person of integrity, fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the SEBI LODR each as amended, and is independent of the Management of the Company.

A copy of the draft letter for re-appointment of the Independent Director setting out the terms and conditions of his appointment will be available for inspection by the Members. Members who wish to inspect the same can send a request to the e-mail address mentioned in the notes to the Notice.

Mr. Santhanam would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof, where he is a Member. In addition, he would be entitled to commission each year as determined by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

The profile and specific areas of expertise of Mr. Santhanam forms part of this Notice.

Except Mr. B Santhanam, none of the Directors and Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the accompanying Notice.

Mr. B Santhanam is not related to any other Director or KMP of the Company.

The Board recommends the Resolution set forth in Item No. 5 for the approval of the Members.

Item No. 6

The provisions of Regulation 23 of the SEBI LODR, stipulate that a transaction with a related party shall be considered material, if the transaction(s) entered into/ to be entered into individually or taken together with the previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and will require prior approval of Members by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(1)(zc) of the SEBI LODR has also enhanced the definition of Related Party(ies) and Related Party Transactions (RPTs) which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

In view of the above, based on the recommendation of the Board Audit Committee, the Board at its meeting held on 3rd May 2023, approved the transaction between Titan Company Limited (Titan/the Company) and Titan Global Retail LLC., Dubai (TGRL), to the extent of ₹ 1,600 crore in financial year 2023-24, subject to Shareholders' approval.

Background, details and benefits of the transaction:

TGRL carries out business activities and retail trade in the United Arab Emirates (UAE) and Gulf Co-operation Council (GCC Region), for the lifestyle businesses in which the Company operates. To expand the operations of Titan in global markets, the Company will supply products such as Jewellery, Watches, Eyewear, etc., to TGRL. Further, TGRL sells these products in the stores established in UAE and GCC region. In addition, to support the operations of TGRL, the Company also provides corporate guarantee, shared services, etc., to TGRL. These transactions will help expand the operations of Titan in the international markets which would in turn increase the overall market share.

The relevant details as required under law, pertaining to the proposed RPT, including the material terms and basis of pricing, was provided to the Board Audit Committee of the Company. The Board Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs between the Company and TGRL for an aggregate value up to ₹ 1,600 crore to be entered into during financial year 2023-24, subject to the approval of the Shareholders. The Committee has noted that the said transaction will be on an arms' length basis and in the ordinary course of business of the Company.

Accordingly, basis the approval of the Board Audit Committee, the Board of Directors recommend the Resolution contained in Item No. 6 of the accompanying Notice to the Shareholders for approval.

Details of the proposed transactions between the Company and TGRL are as follows:

Information pursuant to SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November 2021.

Sl. No	Description	Details
1.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	Titan Global Retail LLC, Dubai (TGRL) is a subsidiary of Titan Holdings International FZCO, Dubai, which is in-turn a wholly-owned subsidiary of the Company.
2.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Ashok Sonthalia, Chief Financial Officer of the Company is also a Board Manager of TGRL.
3.	Nature, material terms, monetary value and particulars of contracts or arrangement	Titan supplies goods/finished products of Jewellery, Watches, Eyewear etc., in the UAE and GCC Region through TGRL.

<table>
<tr><th>Sl. No</th><th>Description</th><th>Details</th></tr>
<tr><td>4.</td><td>Value of Transaction</td><td>(₹ in crore)
<table>
<tr><th>Nature of Transactions</th><th>Existing/proposed</th><th>Estimated value in Financial Year 2023-24</th></tr>
<tr><td>Sale of products</td><td>Proposed</td><td>1,073</td></tr>
<tr><td>Corporate Guarantee</td><td>Proposed/Existing</td><td>500</td></tr>
<tr><td>Interest</td><td>Proposed</td><td>15</td></tr>
<tr><td>Shared services</td><td>Proposed</td><td>2</td></tr>
<tr><td>Corporate guarantee commission</td><td>Proposed</td><td>10</td></tr>
<tr><td>Total</td><td></td><td>1,600</td></tr>
</table></td></tr>
<tr><td>5.</td><td>Percentage of annual consolidated turnover of Titan Company Limited considering financial year 2022-23 as the immediately preceding financial year</td><td>3.29% (for RPTs to be entered into during the financial year 2023-24)</td></tr>
<tr><td>6.</td><td>Percentage of annual turnover of TGRL on standalone basis considering financial year 2022-23 as the immediately preceding financial year</td><td>450%</td></tr>
<tr><td>7.</td><td>Justification for the transaction</td><td>Please refer to "Background, details and benefits of the transaction" which forms part of the explanatory statement to the Resolution No. 6</td></tr>
<tr><td>8.</td><td>Details of transaction relating to any loans, inter-corporate Deposits, advances or investments made or given by the listed entity or its subsidiary</td><td>NA</td></tr>
<tr><td>a.</td><td>details of the source of funds in connection with the proposed transaction</td><td>NA</td></tr>
<tr><td>b.</td><td>where any financial indebtedness is incurred to make or give loans, inter-corporate Deposits, advances or investments
- nature of indebtedness;
- cost of funds; and
- tenure</td><td>NA</td></tr>
<tr><td>c.</td><td>applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security</td><td>NA</td></tr>
<tr><td>d.</td><td>the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT</td><td>NA</td></tr>
<tr><td>9.</td><td>A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder</td><td>The proposed RPTs have been evaluated by a reputed external independent consulting firm in terms of pricing and arm's length criteria and the report confirms that the proposed RPTs are on arm's length basis.</td></tr>
</table>

Sl. No	Description	Details
10.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act.

Arm's length pricing:

The related party transaction(s)/contract(s)/arrangement(s) mentioned in this proposal has been evaluated by a reputed external independent consulting firm and the firm has confirmed that the proposed terms of the transaction(s) meet the arm's length testing criteria and also qualifies under the ordinary course of business.

The Members may note that in terms of the provisions of the SEBI LODR, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 6.

None of the Directors and/or KMPs of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No. 6 of the Notice.

The Board recommends Resolution set forth in Item No. 6 for the approval of the Members.

Item No. 7

The Company may incorporate branches outside India and may also open/acquire new branches outside India in future. It may be necessary to appoint branch auditors for carrying out the audit of the accounts of such branches. The Members are requested to authorise the Board of Directors of the Company to appoint branch auditors in consultation with the Company's Auditors and fix their remuneration.

None of the Directors and/or KMPs of the Company and/or their respective relatives are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No. 7 of the Notice.

The Board recommends Resolution set forth in Item No. 7 for the approval of the Members.

By Order of the Board of Directors

Dinesh Shetty
General Counsel & Company Secretary

Bengaluru
3rd May 2023
CIN: L74999TZ1984PLC001456

Registered Office:
No.3, SIPCOT Industrial Complex, Hosur 635 126, Tamil Nadu.

ANNEXURE TO NOTICE

Details of Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

(In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name of Director	Mr. B Santhanam*	Mr. Bhaskar Bhat*
Director Identification Number (DIN)	00494806	00148778
Date of Birth	2nd March 1957	29th August 1954
Age	66	69
Date of Appointment	10th May 2018	1st October 2019
Qualifications	PGDBM from IIM Ahmedabad	PGDBM from IIM Ahmedabad
Experience	Mr. B Santhanam joined the Board of Directors of the Company on 10th May 2018. Mr. Santhanam is the founder Managing Director of Saint-Gobain Glass India and has handled critical functions of Information Technology, Operations, Product Development, Sales and Marketing at Grindwell Norton (Saint-Gobain Group Company).	Mr. Bhaskar Bhat began his career in 1978 as a Management Trainee at Godrej & Boyce Manufacturing Company. After spending five years with Godrej, he joined the Tata Group. After that, he was associated with Titan Company Limited and retired on 30th September 2019, after serving as Managing Director of the Company from April 2002 to September 2019. Mr. Bhat is the Chairman of the Board of Governors of the National Institute of Technology, Tiruchirappali. He is associated with the Governance of TA Pai Management Institute and the National Institute of Design. He is a Board Member of IITM Pravartak Technologies Foundation. Mr. Bhat graduated in Mechanical Engineering from IIT Madras and completed his PGDBM from IIM Ahmedabad. He has been conferred the Distinguished Alumnus Award at IIT Madras and IIM Ahmedabad. Mr. Bhat is also a Director in Tata Sons Private Limited, Titan Company Limited, Trent Limited and CaratLane Trading Private Limited and Chairman of the boards of Rallis India Limited and Tata SIA Airlines Limited (Vistara). He is also the Lead Independent Director in Bosch Limited and an Independent Director of Kansai Nerolac Paints Limited.
Expertise in specific functional areas	Financial Expertise, Manufacturing expertise, Business Strategy, Sales and Marketing, Governance and Risk Management.	Manufacturing expertise, Business Strategy, Sales and Marketing, Governance and Risk Management.

Name of Director	Mr. B Santhanam*	Mr. Bhaskar Bhat*
Directorships held in other companies (excluding foreign companies and Titan)	• Grindwell Norton Limited • Saint-Gobain Sekurit India Limited • Saint-Gobain India Foundation • Saint-Gobain India Private Limited	• Trent Limited • Rallis India Limited • Tata SIA Airlines Limited • Bosch Limited • Tata Sons Private Limited • CaratLane Trading Private Limited • Kansai Nerolac Paints Limited • IITM Pravartak Technologies Foundation (Section 8 Company)
Membership/ Chairmanships of committees of other companies (includes only Audit Committee and Stakeholders Relationship Committee)	**Audit Committee** • Grindwell Norton Limited • Saint-Gobain Sekurit India Limited **Stakeholders Relationship Committee** • Grindwell Norton Limited	**Audit Committee** • Bosch Limited **Stakeholders Relationship Committee** • Bosch Limited
Inter-se relationship with other Directors and Key Managerial Personnel	Nil	Nil
Remuneration	No remuneration other than Sitting Fee and Board approved Commission.	No remuneration other than Sitting Fee and Board approved Commission and post-retirement benefits including monthly pension being paid to Mr. Bhaskar Bhat, consequent upon his retirement as Managing Director of the Company on 30th September 2019.
Number of shares held in the Company	-	80,960
Number of Meetings of the Board attended during the year	6	7
Names of listed entities from which Director has resigned in the past three years	Nil	Tata Chemicals Limited
Terms and Conditions of appointment/re-appointment	Details of terms and conditions of re-appointment form part of the Explanatory Statement.	Re-appointment in terms of Section 152(6) of the Companies Act, 2013.

** For details of remuneration last drawn, please refer to the Corporate Governance Report which forms part of this Annual Report.*

Board's Report

To the Members of Titan Company Limited

The Directors are pleased to present the Thirty-Ninth Annual Report together with the Audited Financial Statements for the year ended 31st March 2023:

1. FINANCIAL RESULTS

(₹ in crore)

	Standalone		Consolidated	
	Financial Year 2022-2023	**Financial Year 2021-2022**	**Financial Year 2022-2023**	**Financial Year 2021-2022**
Revenue from Operations	38,270	27,210	40,575	28,799
Other Income	299	246	308	234
Total Income	**38,569**	**27,456**	**40,883**	**29,033**
Expenditure	33,500	23,931	35,696	25,458
Profit before exceptional items, finance costs, depreciation and taxes	**5,069**	**3,525**	**5,187**	**3,575**
Finance Costs	240	195	300	218
Depreciation/Amortisation	364	347	441	399
Profit before share of profit/(loss) of an associate and joint venture and exceptional items and taxes	4,465	2,983	4,446	2,958
Share of profit/(loss) of an associate and jointly controlled entity	-	-	1	-
Profit before exceptional items and taxes	4,465	2,983	4,447	2,958
Exceptional items	-	51	-	54
Profit before taxes	**4,465**	**2,932**	**4,447**	**2,904**
Income taxes				
- Current	1,140	779	1,150	786
- Deferred	(8)	(27)	26	(80)
- taxes of earlier years	-	-	(3)	-
Profit for the year	**3,333**	**2,180**	**3,274**	**2,198**
Attributable to				
- Shareholders of the Company	3,333	2,180	3,250	2,173
- Non-controlling interests	-	-	24	25
Profit brought forward	6,104	4,279	6,028	4,210
Appropriations				
Dividend on Equity Shares	(666)	(355)	(666)	(355)
Closing Balance in Retained Earnings	8,771	6,104	8,612	6,027

a) **Standalone Numbers:**

During the year under review, the Company's total revenue grew by 41% to ₹ 38,270 crore compared to ₹ 27,210 crore in the previous year.

Profit before tax and exceptional items grew by 50% to ₹ 4,465 crore and the net profit grew by 53% to ₹ 3,333 crore.

The Watches & Wearables Division of the Company recorded a revenue of ₹ 3,296 crore, a growth of 43%. The revenue from Jewellery Division grew by 37% touching ₹ 31,897 crore (excluding sale of bullion of ₹ 2,208 crore). The revenue from EyeCare Division grew by 33% to ₹ 689 crore.

New Businesses, viz., Indian Dress Wear Division and Fragrances & Fashion Accessories Division recorded a consolidated revenue of ₹ 295 crore, a growth of 92% over the previous year. While the Indian Dress Wear Division grew by 168%, the Fragrances & Fashion Accessories Division also recorded a growth of 56%.

The Management Discussion and Analysis report, which is attached, dwells into the performance of each of the business divisions and the outlook for the current year.

b) **Consolidated Numbers**

At the consolidated level, the revenue stood at ₹ 40,575 crore as against ₹ 28,799 crore in the previous year. The details of the performance of the Company's subsidiaries are covered below in point 15 of this Report.

2. DIVIDEND

Considering the excellent performance of the Company during the last financial year, the Board of Directors are pleased to recommend a dividend on equity shares at the rate of 1000% (i.e., ₹ 10 per equity share of ₹ 1 each), for the financial year ended 31st March 2023 subject to approval by the Shareholders, at the ensuing Annual General Meeting (AGM) and payment is subject to deduction of tax at source as may be applicable. This payment represents a dividend payout ratio of 26.6%. The total dividend on equity shares for the financial year 2022-23, if approved by the Shareholders would aggregate to approximately ₹ 888 crore. The dividend, subject to the approval of Shareholders at the ensuing AGM would be paid to the Members whose names appear in the Register of Members as on the Book Closure date. The Dividend Distribution Policy, is annexed as **Annexure-III** to this Report.

3. TRANSFER TO GENERAL RESERVE

As permitted under the provisions of the Companies Act, 2013 (the Act), the Board does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for the financial year 2022-23 in the profit and loss account.

4. FINANCE

The year saw strong performance by all the businesses driven by the aggressive expansion plans across all business segments.

ICRA maintained the Company's long term rating of AAA with stable outlook. The Company continues to optimise its efficiency in inventory management and cash flow by selling excessive bullion as and when necessary.

5. PUBLIC DEPOSITS

The Jewellery Division of the Company was successfully operating customer acquisition schemes for jewellery purchases for many years. When the Companies Act, 2013 became substantially effective on 1st April 2014, the Company had around seven lakh subscribers contributing to these schemes. However, these schemes were exempt under the Companies Act, 1956 relating to acceptance of Public Deposits, as such schemes were not covered in the definition of Deposits. Under the Act and the Rules made thereunder (Deposit Regulations) the scope of the term "Deposit" was enlarged and therefore a view was taken that the jewellery purchase schemes offered by the Company to its customers would be treated as Public Deposits. Thereupon, the Company discontinued fresh enrolment of subscribers and initiated steps to close the erstwhile customer schemes, which were wound down in August 2014.

Under the Deposit Regulations as amended from time to time, a company is permitted to accept Deposits subject to applicable provisions, to the extent of 10% of the aggregate of the paid-up share capital, securities premium account and free reserves from its members and 25% of the aggregate of the paid-up share capital, securities premium account and free reserves from the public after prior approval by way of special resolutions passed by the members in this regard. Requisite approval was obtained from the Members of the Company and a new programme for customers to purchase jewellery (under the Jewellery Purchase Plan) was launched in November 2014 in compliance with the Deposit Regulations.

The details relating to Deposits, covered under Chapter V of the Act are as under:

(a) accepted during the year: ₹ 3,890 crore

(b) remained unpaid or unclaimed as at the end of the year: ₹ 2,290 crore

(c) whether there has been any default in repayment of Deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:

  (i) at the beginning of the year: Nil

  (ii) maximum during the year: Nil

  (iii) at the end of the year: Nil

There are no Deposits that have been accepted by the Company that are not in compliance with the requirements of Chapter V of the Act.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments for the likely impact affecting financial position between the end of the financial year and the date of the Report.

7. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

8. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

9. INTEGRATED REPORT

The Company has, over the last five years, taken steps to move towards Integrated Reporting <IR> in line with its commitment to voluntarily disclose more information to stakeholders on all aspects of the Company's business. Accordingly, the Company had introduced key content elements of Integrated Reporting aligned to the International Integrated Reporting Council Framework (IIRC) in the Annual Report of the previous years and has disclosed more qualitative data in the Annual Report of this year. Similar to earlier years, the relevant information has been provided in this year's Annual Report as well.

10. ADEQUACY OF INTERNAL CONTROLS AND COMPLIANCE WITH LAWS

During the year, the Company has reviewed its Internal Financial Control systems and has continually contributed to the establishment of a more robust and effective internal financial control framework, prescribed under the ambit of Section 134(5) of the Act. The preparation and presentation of the financial statements is pursuant to the control criteria defined considering the essential components of Internal Control - as stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India. The control criteria ensures the orderly and efficient conduct of the Company's business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has an adequate Internal Financial Controls system that is operating effectively as of 31st March 2023.

There were no instances of fraud which necessitated reporting of material misstatements to the Company's operations.

There has been no communication from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices.

11. BOARD MEETINGS

During the year under review, seven Board meetings were held, details of which are provided in the Corporate Governance Report.

12. AUDIT COMMITTEE AND OTHER BOARD COMMITTEES

The details pertaining to the composition of the Audit Committee and its role are included in the Corporate Governance Report, which is a part of this Annual Report.

13. RISK MANAGEMENT

Pursuant to the requirements of Regulation 21 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the Company has constituted a Risk Management Committee (RMC), consisting of Board members and senior executives of the Company.

The Company has in place a Risk Management framework to identify, and evaluate business risks and challenges across the Company, both at the corporate level and also separately for each business division. The Company has a robust process for managing the key risks overseen by the RMC. As part of this process, the Company has identified the risks with the highest impact and then assigned a likely probability of occurrence. Mitigation plans for each risk have also been put in place and are reviewed by the Management every six months before presenting to the RMC. The RMC has set out a review process to report to the Board on the progress of the initiatives for the major risks of each of the businesses.

The Company had implemented a well-designed enterprise level Business Continuity Plan including Disaster Recovery scenario for the various businesses and functions of the Company to minimise disruptions and potential impact on its employees, customers and businesses during any unforeseen adverse events or circumstances.

14. RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and the SEBI LODR, the Company has formulated a Policy on Related Party Transactions. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors or Key Managerial Personnel (KMP) which may have a potential conflict with the interests of the Company at large. All Related Party Transactions are placed before the Audit Committee for approval as per the applicable regulatory requirements, and approval of the Board, if required. Prior omnibus approval of the Audit Committee is obtained for transactions which are of foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval so granted are verified by the Internal Auditor and a statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors for their approval, if applicable, on a quarterly basis. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at https://www.titancompany.in/investors/corporate-governance/policies. None of the Directors have any pecuniary relationships or transactions except to the extent of sitting fees and commission paid to the Directors, except for the post-retirement benefits being paid to Mr. Bhaskar Bhat, as approved by the Board, consequent upon his retirement as Managing Director on 30th September 2019. None of the transactions with related parties fall under the scope of Section 188(1) of the Act and Regulation 23(4) of the SEBI LODR. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for the financial year 2022-23 and hence the same is not provided. The details of the transactions with related parties during the financial year 2022-23 are provided in the accompanying financial statements.

15. SUBSIDIARIES/ASSOCIATE COMPANIES

As on 31st March 2023, the Company had the following Subsidiaries/Associate Companies:

Sl. No.	Name of the Subsidiary/ Associate Companies	Relationship
1	TCL Watches Switzerland AG (earlier known as Favre Leuba AG)	Step-down Subsidiary
2	Titan Watch Company Limited, Hong Kong	Step-down Subsidiary
3	Titan Engineering & Automation Limited (TEAL)	Wholly-owned Subsidiary
4	CaratLane Trading Private Limited (CaratLane)	Subsidiary
5	Green Infra Wind Power Theni Limited	Associate
6	Titan Holdings International FZCO, Dubai (Titan Holdings)	Wholly-owned Subsidiary
7	Titan Global Retail LLC, Dubai	Step-down Subsidiary
8	Titan Commodity Trading Limited (TCTL)	Wholly-owned Subsidiary
9	StudioC Inc., USA	Step-down Subsidiary
10	TCL North America Inc., (TCL NA)	Wholly-owned Subsidiary
11	TEAL USA Inc.	Step-down Subsidiary
12	Titan International QFZ LLC., Qatar (from 1st December 2022)	Step-down Subsidiary

During the year under review, no Company had become or ceased to be subsidiary, joint venture or associate company.

During the financial year 2022-23, TCL Watches Switzerland AG (formerly Favre Leuba AG) (TCL WSAG) had registered a turnover of CHF 0.12 million i.e., ₹ 1 crore against the previous year's figures of CHF 0.23 million, i.e., ₹ 2 crore and loss of CHF 0.66 million, i.e., ₹ 7 crore (previous year: CHF 1.25 million, i.e., ₹ 28 crore). During the financial year 2022-23, the Company has invested CHF 0.3 million (₹ 2 crore) in TCL WSAG as share capital.

As on the date of this report, TCL WSAG is in the process of selling its brand Favre Leuba to a prospective buyer, subject to completion of certain conditions precedent. Post completion of the sale of the brand, the liquidation process would be initiated, subject to receipt of requisite approvals.

During the year under review, as part of restructuring exercise of the Company's subsidiaries, Titan Watch Company Limited, Hong Kong ceased to be a subsidiary of TCL WSAG and became a subsidiary of Titan Holdings.

TEAL is in the business of Manufacturing Services and Automation Solutions. During the financial year 2022-23, TEAL generated an income of ₹ 580 crore against the previous year's figures of ₹ 378 crore, an increase of 35% and the profit before tax was at ₹ 26 crore against the previous year's figures of ₹ 21 crore.

CaratLane is engaged in the business of manufacturing and retailing of jewellery products and has a significant online presence. During the last year, CaratLane recorded a strong performance with double-digit growths in retail sales, with great emphasis on omni-channel selling. CaratLane added 84 stores in the year to take the store count to 222. During the financial year 2022-23, CaratLane registered a turnover of ₹ 2,169 crore against the previous year's figures of ₹ 1,256 crore and recorded profit before tax of ₹ 119 crore against the previous year's figures of ₹ 39 crore.

Titan Holdings was formed as a Free Zone Company in Dubai with a view to carry out business activities and invest in the share capital of any other companies/entities either as a joint venture partner or as its wholly-owned subsidiary company for carrying out business activities across UAE, GCC regions and other International markets. Titan Holdings incurred a loss of AED 2 million (₹ 4 crore) against the previous year's loss of AED 0.87 million (₹ 2 crore).

Titan Global Retail LLC., carries out business activities in UAE and GCC regions pertaining to retail trade in the industry in which the Company operates. During the financial year 2022-23, Titan Global Retail LLC., registered a turnover of AED 157.70 million (₹ 345 crore) against previous year's figures of AED 55.24 million (₹ 112 crore) and incurred a loss of AED 26.59 million (₹ 58 crore) against the previous year's loss of AED 11.53 million (₹ 23 crore).

TCTL is a wholly-owned subsidiary of the Company and is a trading cum clearing member of Multi Commodity Exchange of India Limited and Multi Commodity Exchange Clearing Corporation Limited. TCTL is in the business of trading in all types of direct and derived commodities, commodity futures, currencies, and other securities. During the financial year 2022-23, TCTL registered an income of ₹ 7.23 crore against the previous year's figures of ₹ 5.21 crore and a profit before tax of ₹ 2.76 crore against the previous year's figures of ₹ 0.95 crore. The Company avails the services of TCTL for its hedging of gold (physical and non-physical) and sale of bullion.

TCL NA is in the business of jewellery retailing in the USA. TCL NA started retail operations during financial year 2022-23 by opening its first Tanishq store in New Jersey and registered a turnover of USD 7.10 million (₹ 57 crore) and a loss of USD 2.51 million (₹ 20 crore).

TEAL USA Inc., a wholly-owned subsidiary of TEAL was incorporated with the objective of business development for its Manufacturing Services and Automation Solutions. The Company has not started any operations as of 31st March 2023.

The Company holds 26.79% stake in Green Infra Wind Power Theni Limited which supplies energy to the Company.

None of these subsidiary companies declared a dividend for the financial year 2022-23.

The annual accounts of these subsidiary/associate companies were consolidated with the accounts of the Company for the financial year 2022-23. The statement containing salient features of the financial statement of subsidiaries/associate companies in Form AOC-1 forms part of the Annual Report. Pursuant to the provisions of Section 136 of the Act, the financial statements along with other relevant documents, in respect of subsidiaries, are available on the website of the Company at https://www.titancompany.in/investors/investor-relations/subsidiaries.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under sub-section (3) (m) of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are furnished in **Annexure-I** to the Board's Report.

17. CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Act, the Company has undertaken Corporate Social Responsibility (CSR) activities, projects and programmes as provided in the CSR Policy of the Company and as per the

Annual Action Plan, excluding activities undertaken in pursuance of its normal course of business. In addition to the projects specified as CSR activities under Section 135 of the Act, the Company has also carried out several other sustainability/responsible business initiatives and projects. The Company has spent the entire 2% of the net profits earmarked for CSR projects during the year under review and Impact Assessment has been carried out for all the projects wherever applicable. A report on CSR pursuant to Section 135 of the Act and Rules made thereunder is attached in **Annexure-II.**

18. ANNUAL RETURN

The Annual Return as required under Section 92 and Section 134 the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at https://www.titancompany.in/sites/default/files/Annual%20Report%20FY23.pdf.

19. VIGIL MECHANISM

The Company has a whistle blower mechanism wherein the employees can approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Tata Code of Conduct and Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Fair Disclosure. The Whistle Blower Policy requires every employee to promptly report to the Management any actual or possible violation of these Codes or an event an employee becomes aware of, that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. A mechanism is in place whereby any employee of the Company has access to the Chairman of the Audit Committee to report any concern. No person has been denied access to the Chairman of the Audit Committee to report any concerns. Further, the said Policy has been disseminated within the organisation and has also been posted on the Company's website at https://www.titancompany.in/sites/default/files/Whistle%20Blower%20Policy_1.pdf.

20. SECRETARIAL STANDARDS

The Directors state that the applicable Secretarial Standards i.e., SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to Meetings of Board of Directors and General Meetings respectively, have been duly complied with.

21. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The constant endeavour of the Company is to create a secure and safe work environment for everyone in the Company. Several means to prevent, prohibit and redress concerns are adopted by the Company. The Ethics Committee and the Committee on Prevention of Sexual Harassment (POSH) work closely with the Board Ethics Committee and obtain inputs and feedback for improvement from time to time.

Besides the core committee on POSH (having senior level representation from across the Company), 16 locational committees have been formed to ensure both spread and coverage of the implementation of the requirements of the POSH Act, 2013. The core committee has also been strengthened with more senior members being made part of it representing manufacturing locations as well.

The Policy on POSH as adopted by the Company is gender neutral, and acknowledges that today workplace is more than the premises that employees come to work and all stakeholders are ensured a safe working environment. Titan has also included the collaborations by partnering with recruiting agencies and consultants in granting recourse to aggrieved persons by forming joint Internal Complaints Committee to look into such matters. An elaboration of the penalties that could be applicable as per the Disciplinary Procedure and Policies manual and also an internal consequence guideline/matrix and related processes has also been updated.

The Company shares best governance practices with its business associates to influence and impact more work communities. In an effort to encourage business associates to adopt the Policy for their own enterprises, masterclasses are conducted highlighting the importance of compliance and the consequences of good governance.

Communication cascades using the large scale interaction process has been restarted, storytelling as method is used and awareness is created using theatre plays on this subject. A total of 148 sessions involving 17,619 stakeholders across the Company's ecosystem have been covered. The cascades are conducted at various cities and towns across the diverse ecosystem of the Company (manufacturing, retail, offices, vendors and partners).

As on 31st March 2023, there were 12 complaints filed during the year on Sexual harassment, 6 of which are pending resolution at the end of the year. The remaining cases were investigated and dealt with in line with the POSH Policy of the Company and were disposed off appropriately.

22. DIVERSITY, EQUITY, INCLUSION AND BELONGING

During the year under review, the Company has embarked on an elaborate Diversity, Equity, Inclusion and Belonging programme focusing on both enhancing the Diversity quotient, besides conducting large scale awareness, building capacity and also sensitising employees across levels on the importance of gender sensitivity.

23. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force).

24. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

As per SEBI LODR, Management Discussion and Analysis, Corporate Governance Report and Practicing Company Secretary's Certificate regarding compliance of conditions of Corporate Governance forms part of this Annual Report.

Pursuant to Regulation 34 of the SEBI LODR, the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report. As required under the provisions of the SEBI LODR, the Audit Committee of the Company has reviewed the Management Discussion and Analysis report of the Company for the year ended 31st March 2023.

25. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SEBI, in May 2021 introduced new sustainability related reporting requirements to be reported in the specific format which is a notable departure from the existing Business Responsibility Report and a significant step towards giving platform to the companies to report the initiatives taken by them in areas of environment, social and governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalization, to transition to Business Responsibility and Sustainability Reporting from the financial year 2022-23 onwards. In line with the above, the Business Responsibility and Sustainability Report forms part of this Report and is also available on the Company's website.

26. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Ashwani Puri, Mr. B Santhanam, Mr. Pradyumna Vyas, Dr. Mohanasankar Sivaprakasam, Ms. Sindhu Gangadharan and Mr. Sandeep Singhal were the Independent Directors during the entire financial year 2022-23.

Mr. B Santhanam was appointed as an Independent Director for the first term of five years effective 3rd August 2018 and accordingly, his office of directorship ceases on 2nd August 2023. The Board based on the recommendations of the Board Nomination and Remuneration Committee (BNRC) and pursuant to the performance evaluation of Mr. B Santhanam as a Member of the Board and considering that the continued association of Mr. B Santhanam would be beneficial to the Company, recommended to re-appoint Mr. B Santhanam as an Independent Director of the Company, not liable to retire by rotation, for a second term effective 3rd August 2023 up to 9th May 2028.

Based on the disclosures received from all Independent Directors, as laid under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI LODR and also in the opinion of the Board, the Independent Directors fulfill the conditions as specified in the Act and SEBI LODR and are independent of the Management and that they are not debarred from holding the office of director by virtue of any SEBI order or any other such authority. All the Independent Directors have confirmed that they are in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In accordance with the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. Bhaskar Bhat is liable to retire by rotation at the ensuing Annual General Meeting and has offered himself for re-appointment.

During the year under review, Tamilnadu Industrial Development Corporation Limited (TIDCO) had withdrawn the nomination of Mr. Pankaj Kumar Bansal, IAS and had nominated Ms. Mariam Pallavi Baldev, IAS.

The Board placed on record its appreciation and recognised the valuable contribution rendered by Mr. Pankaj Kumar Bansal, IAS during his tenure as member of the Board.

Members' attention is drawn to Item No. 4 of the Notice for the re-appointment of Mr. Bhaskar Bhat as a Non-Independent, Non-Executive Director of the Company, liable to retire by rotation and Item No.5 of the Notice for the re-appointment of Mr. B Santhanam as an Independent Director of the Company for a second term.

None of the Directors are related to each other within the meaning of the term "Relative" as per Section 2(77) of the Act.

27. DETAILS OF KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel were appointed or resigned during the year. Pursuant to the provisions of Section 203 of the Act, Mr. C K Venkataraman – Managing Director, Mr. Ashok Sonthalia – Chief Financial Officer and Mr. Dinesh Shetty – General Counsel and Company Secretary are the Key Managerial Personnel of the Company.

28. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial control over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls are adequate and operating effectively.

Accordingly, pursuant to the requirements of Section 134 (5) of the Act, the Directors hereby confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. BOARD EVALUATION

The Company is led by a diverse, experienced and competent Board. The performance evaluation of the Board, Committees of the Board and the individual members of the Board (including the Chairman) for financial year 2022-23, was carried out internally pursuant to the framework laid down by the BNRC. This was based on a structured questionnaire which cover various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Member's strengths and contribution, execution and performance of specific duties, obligations and governance and feedback from each Director.

The Independent Directors at their separate meeting, review the performance of Non-Independent Directors and the Board as a whole and the Chairman of the Company after taking into account the views of Executive Director and Non-Executive Directors, the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Chairman of the BNRC leads the performance evaluation exercise. The outcome of the performance evaluation of Committees and the Board is presented to the Board of Directors of the Company and the key outcomes are discussed and acted upon.

30. INDEPENDENT DIRECTORS MEETING

A separate meeting of the Independent Directors (Annual ID Meeting) was convened, which reviewed the performance of the Board (as a whole), the

Non-Independent Directors and the Chairman. The Independent Directors *inter-alia* discuss the issues arising out of Committee meetings and Board discussions including the quality, quantity and timely flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Post the Annual ID Meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the BNRC with the Board covering the performance of the Board as a whole, the performance of the Non-Independent Directors and the performance of the Chairman of the Board.

31. REMUNERATION POLICY

The Board has, on the recommendation of the BNRC, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy forms part of the Corporate Governance Report.

The remuneration to the Non-Executive Directors and Senior Management Employees consists of various components as explained here.

Non–Executive Directors

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses, for participation in the Board/Committee meetings and Commission.

Senior Management Employees

The remuneration is divided into two components viz; fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive.

32. EMPLOYEE STOCK OPTION PLAN - PERFORMANCE BASED STOCK UNITS

With an objective to achieve sustained growth and to create shareholder value by aligning the interests of the employees with long term interest of the Company, during the financial year 2022-23, the Company had sought approval of the Members through Postal Ballot Notice dated 10th February 2023 for the adoption and implementation of the Titan Company Limited Performance Based Stock Unit Scheme (Scheme 2023) to the eligible employees of the Company and its subsidiaries. The Members, vide special resolution passed through Postal Ballot on 21st March 2023, approved the adoption and implementation of the Scheme 2023 and BNRC is the administrator of the Scheme 2023. During the year under review, the Company has not granted any Performance Based Stock Units to the eligible employees in terms of Scheme 2023.

The details of the Scheme 2023, including terms of reference, and the requirement specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, are available on the Company's website at https://www.titancompany.in/sites/default/files/ESOP%20disclosure_0.pdf.

33. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

In accordance with the Joint Venture Agreement between the Promoters, three Directors each may be nominated by Tata Sons Private Limited and Tamilnadu Industrial Development Corporation Limited. The broad guidelines for selection of Independent Directors are as set out below:

The BNRC oversees the Company's nomination process for Independent Directors and in that connection identifies, screens and reviews individuals qualified to serve as an Independent Director on the Board. The BNRC further has in place a process for selection and the attributes that would be desirable in a candidate and as and when a candidate is shortlisted, the BNRC will make a formal recommendation to the Board.

34. OTHER DISCLOSURES

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the financial year:

Name of the Director	Ratio (Times)	% change
Director's remuneration		
Mr. S Krishnan	8.99	NA
Ms. Jayashree Muralidharan	8.95	NA
Mr. Pankaj Kumar Bansal[1]	3.19	NA
Ms. Mariam Pallavi Baldev[1]	3.12	NA

Name of the Director	Ratio (Times)	% change
Mr. N N Tata	9.49	NA
Mr. Bhaskar Bhat	11.42	19.69
Mr. Ashwani Puri	16.31	17.80
Mr. B Santhanam	15.58	30.30
Mr. Pradyumna Vyas	12.09	41.85
Dr. Mohanasankar Sivaprakasam	13.25	20.12
Ms. Sindhu Gangadharan	11.26	25.49
Mr. Sandeep Singhal	16.38	61.04
Mr. C K Venkataraman	156.87	9.80
Key Managerial Personnel		
Mr. Ashok Sonthalia[1]	-	NA
Mr. Dinesh Shetty	-	8.00

Notes:

[1] The % change in remuneration is not comparable as the said Directors/KMP held the position for a part of the year either in financial year 2021-22 or in financial year 2022-23.

The Directors' remuneration includes the Commission for the year under reporting and payable in financial year 2023-24 post the ensuing Annual General Meeting.

ii) The percentage increase in the median remuneration of employees in the financial year: 10%

iii) The number of permanent employees on the rolls of Company: 7,857

iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase for the financial year 2022-23 was 10% across all levels. Increase in the managerial remuneration is based on market trends and performance criteria as determined by the Board of Directors and on the basis of the recommendation of the BNRC.

v) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company's Remuneration Policy is based on the principle of internal equity, competence and experience of the employee and industry standards. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate high performance and engaged workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals is measured through the annual appraisal process. The Company affirms that remuneration is as per the Remuneration Policy of the Company.

35. INFORMATION AS PER RULE 5(2) OF THE CHAPTER XIII, OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules forms part of this Report. Further, the Report and the Accounts are being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon request by the Members. Any Member interested in obtaining such particulars may write to the Company Secretary.

36. AUDITORS

a) Statutory Auditors

Pursuant to the provisions of Section 139 of the Act read with applicable Rules framed thereunder, M/s. B S R & Co., LLP have been appointed as Auditors for a term of five years from the conclusion of the 38th Annual General Meeting till the conclusion of the 43rd Annual General Meeting.

The Ministry of Corporate Affairs vide Notification dated 7th May 2018 notified several Sections of the Companies (Amendment) Act, 2017. In view of the said notification, the requirement of ratification of appointment of auditors, under Section 139 of the Act at each AGM is no longer required. Hence, the resolution for this item is not being included in the Notice to the AGM.

b) Secretarial Audit and Auditors

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed V. Sreedharan & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **Annexure-IV.**

c) Cost Audit

The Company is not required to maintain cost records as per sub-section (1) of Section 148 of the Act.

37. GENERAL DISCLOSURE

During the year, there were no transactions requiring disclosure or reporting in respect of matters relating to:

a) issue of equity shares with differential rights as to dividend, voting or otherwise;

b) issue of shares (including sweat equity shares) to employees of the Company under any scheme;

c) raising of funds through preferential allotment or qualified institutions placement;

d) significant or material order passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;

e) pendency of any proceedings under the Insolvency and Bankruptcy Code, 2016; and

f) instance of one-time settlement with any bank or financial institution.

38. AUDITOR'S REPORT AND SECRETARIAL AUDITOR'S REPORT

The Auditors' Report on the financial statements of the Company for the financial year ended 31st March 2023 is unmodified, i.e., it does not contain any qualifications, reservations, adverse remarks or disclaimers. The Auditor's Report is enclosed with the financial statements forming part of the Annual Report.

There are no disqualifications, reservations, adverse remarks, or disclaimers in the Secretarial Auditor's Report.

39. DISCLOSURES OF TRANSACTIONS OF THE LISTED ENTITY WITH ANY PERSON OR ENTITY BELONGING TO THE PROMOTER/PROMOTER GROUP WHICH HOLD(S) 10% OR MORE SHAREHOLDING IN THE LISTED ENTITY, IN THE FORMAT PRESCRIBED IN THE RELEVANT ACCOUNTING STANDARDS FOR ANNUAL RESULTS

Related Party Transactions with Promoter/Promoter Group holding 10% or more shares

Tamilnadu Industrial Development Corporation Limited and Tata Sons Private Limited hold 10% or more shares in the Company. The details of transactions with promoter/promoter group holding 10% or more shares have been disclosed in the financial statements which is part of the Annual Report.

The details of the transactions with related parties during financial year 2022-23 are provided in the accompanying financial statements. There were no transactions during the year which would require to be reported in Form AOC-2.

Acknowledgements

Your Directors wish to place on record their appreciation for the commitment extended by the employees of the Company and its subsidiaries during the year. Further, the Directors also wish to place on record the support which the Company has received from its promoters, shareholders, bankers, business associates, vendors and customers of the Company.

On behalf of the Board of Directors,

S Krishnan
Chairman

C K Venkataraman
Managing Director

Date: 3rd May 2023
Place: Bengaluru

Annexure-I

[Pursuant to Section 134 of the Act and Rule 8 of the Companies (Accounts) Rules, 2014]

TECHNOLOGY ADOPTION, ADAPTATION AND INNOVATION

Watches & Wearables Division

Key Technology Adoption

Watches & Wearables (W&W) Manufacturing has successfully implemented innovations and adopted technologies in the following areas leading to customer delight, higher productivity, safety, ergonomics, lead-time reduction, and improved quality:

- Automatic hand calibration and alignment technology for the slimmest Micro-motor and adopted it in products.
- Online Micro-motor testing equipment for validating multiple electrical and mechanical properties of micromotors.
- A new generation servo line in the watch assembly process with a load sensor to precisely control the hands fixing force, facilitating higher quality and higher productivity.
- Digitisation at the Watch Assembly process with image verification of component and watch, voice, and image recording. This enables the right-first-time assembly and effective and real-time capturing of employee feedback.
- Introduction of digital microscope for parameters check for better ergonomics and to avoid fatigue at Movement Assembly and Watch Assembly.
- Vision Measurement System solutions at movement manufacturing, facilitating higher efficiency/ effectiveness of quality management and a real-time consolidated database for statistical analysis and quality control in the manufacturing process.
- Quartz Watch Automatic Time setting by Magnetic Induction method w.r.t global positioning system time by capturing hands position, angles are converted as time by microcontroller resulting in effective filtration, ease of time setting and reduced lead time.
- Dual time movement by leveraging the gear train power drive adoption for indicating the two time zones, to indicate the time zones across the globe with hour and minute hand settings.
- Crownless movement by leveraging the switching option available with Clock IC facilitating unique watch designs.

Jewellery Division

Key Technology Adoption

- The Division has won the "**TATA Innovista**" award for pioneering the technology (based on physics of light, optics, camera and Artificial Intelligence/Machine Learning) in Diamond Clarity Grading.
- Implemented **in-house developed Warehouse Automation Systems** at Mumbai, Kolkata and Delhi that resulted in **doubling the capacity with 50% lead time reduction.**
- Successfully deployed the **in-house design and developed vision system for fancy cut diamond size measurement** in Mumbai and Hosur stone sorting department.
- Developed the **in-house design and developed Light Scope for light performance (brilliance, fire and sparkle) of diamonds.**
- Successfully designed, developed and established **mass production line for Silicone Findings.**
- Various automations have been implemented in new product development, casting-bagging in casting department and kamal chain automations among others.
- Import substitution for Chain Weaving machines – Developed and retrofitted 12 units of chain winders with machines.

EyeCare Division

Key Technology Adoption

EyeCare Manufacturing Division has successfully implemented innovations, adopted technologies in the following areas leading to higher productivity, safety, cycle time reduction, quality improvement, energy and water conservation:

- The Division has introduced Titan Ultima lenses to adapt to the demands of modern life. This technology meets the visual needs of the most active presbyopia, which demands clear and stable vision, even when engaged in highly dynamic activities.

- Clearsight, a newly developed coating is designed to improve transmission (99.2%) over a broadband spectrum from 400 nm to 780 nm which eliminates ghost images and provides 100% protection against UV400. It has 14 layers of stack thickness and spectral curve which is almost flat and has a negligible reflection in visible range.

- The Division has successfully achieved the capacity enhancement of polishing machine as twice the capacity than earlier, with the same power consumption through which the productivity is increased and also energy is conserved.

- On the path of building capability, the Division has established the in-house spray paint-shop facility which reduced the vendor dependency and reduced the lead time of delivery.

- Successfully added a new capability for temples with metal pins being the first of its kind in India and this gives an added advantage in cost reduction and quick development.

CONSERVATION OF ENERGY AND FUEL

Watches & Wearables Division

Watches & Wearables Division has successfully implemented various projects in energy, fuel, and water conservation projects. Sourcing of wind power to an extent of 10.60 million units and onsite generation of 0.40 million units from rooftop solar systems contributed to 83.5% of green power substitution in the overall energy consumption and reduction of freshwater consumption of 7,900 KL for the financial year 2022-23. Other initiatives includes:

1. Installation of electric boilers for cooking application at the canteen
2. Artificial Intelligence based power optimisation panel for the A/c system
3. STP-treated water substitution for washroom application
4. RO system rejects water use for utensils prewash application
5. Aerator taps for hand wash.

Recognition for Watch Manufacturing Plant

- National Award for Excellence in Energy Management by Confederation of Indian Industry (CII)

- National Award for Excellence Practice in Digitisation Approach (IIoT) by CII

- Greentech Environment Award

- CII Water Management Award for best Kaizen.

Jewellery Division

a. Steps taken for Conservation of Energy

Hosur Jewellery Manufacturing plant has achieved a cumulative energy savings of 7 lakh units/annum by implementing various conservation initiatives including:

- Upgrade of air to water cooled chillers

- Introduction of double screw compressor

- Variable frequency drive based water pressure control

- Hosur Jewellery Manufacturing plant is powered by 80%+ green energy.

b. Sustainability

- As one of the benchmark projects in the industry, the Division has planted more than 1,00,000 trees in Miyawaki concept at Pant Nagar Industrial area in a phased manner and contributed to the massive carbon reduction of 2,100 tonnes/annum.

- The Hosur unit has successfully reduced the dependency on ground water for its water requirements. In financial year 2022-23, about 120 lakh litres of rain water was harvested and reused instead of extracting fresh water.

- The Hosur unit has implemented Tree Parks over building roofs, with a vision of utilising the roof space and reduce carbon footprint. 250 trees were planted, resulting in a carbon foot print reduction of approximately 5.4 tonnes/annum.

EyeCare Division

- 5.1 lakh unit of energy is generated and used from renewable source (Roof top Solar), which contributed to 23% of the Division's power requirements in the financial year 2022-23.

- Automatic dish washing machine installed in the canteen for plate washing purpose. Through this, current water consumption in canteen is brought down by 1 lakh litres/month, which has reduced overall fresh water consumption from 162 lakh liters to 144 lakh litres.

- By adopting several innovative and creative ideas under the theme of 3R (Reduce/Reuse/Recycle), the goal of eliminating the incineration process was achieved, where the Division successfully converted the lense cutting waste into usable products like Paver blocks, Kerb stones and Bricks, which can be used for construction. In the future, the lens cutting waste of approximately 60 tonnes which gets generated through lens manufacturing process, will be sent for recycling into construction products. This will reduce emission of 15 tonnes of CO_2 per year.

- Recycled the Acetate waste into granules and these granules are used to manufacture the Frames, Acetate blanks, Frame cases, etc. Additives are added to improve tensile/yield strength so that thin cross section is made possible.
- To create the awareness among people, the Division had organised an event on occasion of Go Green Campaign in the Government Junior College, Chikkaballapur, which saw a participation of more than 1,100 people including students, teachers, employees and public. On the occasion of this campaign, the Division had planted 1,134 saplings all across Chikkaballapur.
- In the context of waste reduction and waste management, the Division had constructed an eco-friendly restroom and compound wall in the local Government school by using 20.8 tonnes of lens cutting waste which reduced the carbon emission by 5,313 kg.
- In an average of 80 tonnes of paper waste were generated per year in EyeCare Manufacturing plant at Chikkaballapur which had been given to scrap dealers. The idea is 'Recycle and Reuse' wherein paper waste had been converted into carry bags for customers of Titan. The initiative is cost effective and sustainable for both the business and environment, creating awareness among customers. Paper waste project has been scaled up in a full-fledged way and for the financial year 2022-23, the Division had recycled paper waste into 14.3 lakh bags and delivered to the Company's retail stores.
- Bio-based material - Use of bio-based polymer from castor seeds in making a complete frame collection and 30,000 frames were manufactured in the financial year 2022-23 using castor seeds.

Expenditure on Research & Development

(₹ in crore)

		Year Ended 31st March 2023	Year Ended 31st March 2022
a)	Capital	1.02	0.58
b)	Recurring	21.29	20.14
c)	Total	22.31	20.72
d)	Total R & D expenditure as percentage of turnover	0.06%	0.08%

Foreign Exchange Earnings and Outgo

During the year under review, the Company earned ₹ 870 crore in foreign exchange and spent ₹ 1,067 crore.

On behalf of the Board of Directors,

S Krishnan
Chairman

C K Venkataraman
Managing Director

Date: 3rd May 2023
Place: Bengaluru

Annexure-II

Annual Report on CSR – 2022-23

Since its inception, your Company has been a responsible corporation, always working to improve the quality of life of the community in general and specifically the communities in the Company's areas of operations. The Company's CSR projects are designed to improve the socio-economic conditions of the communities and the beneficiaries. The Company will always ensure that all projects are aligned with the areas mentioned in the CSR policy.

During the financial year 2022-23, the CSR programmes have benefited over 6.87 lakh individuals.

The following are the highlights for the year:

1. Newly designed education projects were implemented across new geographies of Tamil Nadu, Karnataka and Uttarakhand which covered additional components of life skills, teacher capacity building, science education, scholarships and adolescent education apart from academic support.

2. Skill development programmes were expanded to include various newer courses to cater to the youth from different geographies while continuing to implement the programmes that have been going on for the last few years. Training programmes have been implemented to build capacities in the eye care space. Programmes for tribal youth and marginalised women have put them on a new path of financial independence.

3. Under the aegis of the vertical of Arts, Crafts and Indian Heritage, holistic support was extended to 7 different craft clusters through independent projects and over 40 craft enterprises under Project Tarasha.

4. Design Impact initiatives have two programmes - Design Impact Awards and Design Impact Movement. The year saw the completion of all grants under the Design Impact Awards. The Design Impact Movement which is a platform for design thinking for social impact has grown to have 70,000 users and over 150 social impact projects from various colleges across India.

5. The Company scaled up projects that it had undertaken over the years as a responsible corporate. The holistic village development project had commenced work in 60 villages of Uttarakhand, the 'Happy Eyes' project was expanded to cover two entire blocks in Tamil Nadu to ensure that they are cataract backlog free. The watershed programme in Tamil Nadu had commenced work on a total area of 3,500 hectares of land.

The number of beneficiaries for each project continued under the following categories:

- Transformation: where the project/programme beneficiary has seen a transformation in their lives.
- Deep impact: where the CSR initiative has had an impact though not transformative.
- Touch: where the initiative has resulted in a short-term benefit to the beneficiaries.

In line with the requirements of the Act, the Impact Assessment Reports for all projects of the financial year 2021-22 that had spends in excess of ₹ 1 crore during that year have been undertaken and can be accessed at https://www.titancompany.in/corporate-social-responsibility.

During the year, Titan's volunteering programme titled 'Titan Footprints' was active with close to 39,000 volunteering hours involving many employees across the Company either in CSR projects or other local initiatives.

The Board CSR Committee of the Company hereby declares that the implementation and monitoring of the CSR Projects are in compliance with the CSR Objectives and Policy of the Company.

C K Venkataraman
Managing Director

Pradyumna Vyas
Chairman, Board CSR Committee

Date: 3rd May 2023
Place: Bengaluru

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The CSR policy of the Company focuses on education, especially the education of the underprivileged girl child, skill development for the underprivileged and support for Arts, Crafts and Indian Heritage. While most programmes will have a large focus on the girl child, the Company will also make all efforts to make it truly inclusive by building in requirements of Affirmative Action and also including people with disabilities. Being a pan-India organisation, the Company will continue supporting local causes that are important to the communities with which it operates, including issues that are of national importance.

2. COMPOSITION OF CSR COMMITTEE

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Pradyumna Vyas	Non-Executive, Independent	4	4
2	Dr. Mohanasankar Sivaprakasam	Non-Executive, Independent	4	4
3	Ms. Jayashree Muralidharan	Non-Executive, Non-Independent	4	2
4	Mr. C K Venkataraman	Managing Director	4	4

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY

CSR Committee Composition:

https://www.titancompany.in/sites/all/themes/titancorporate/assets/Committee%20Membership%20of%20Directors%206th%20Jan%202023.pdf

CSR Policy:

https://www.titancompany.in/sites/default/files/10.%20CSR%20Policy%20-%20Titan.pdf

CSR Projects:

https://www.titancompany.in/sites/all/themes/titancorporate/assets/Excerpts-of-CSR-Projects-for-FY-2022-23.pdf

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8, IF APPLICABLE:

During the year under review, the Company carried out impact assessments through independent agencies on various CSR projects undertaken during the financial year 2021-22, as per the regulatory requirements. Executive Summaries along with the assessment reports can be accessed at: https://www.titancompany.in/corporate-social-responsibility.

5. (a) **Average net profit of the company as per sub-section (5) of section 135:**
₹ 2,080.17 crore

(b) **Two percent of average net profit of the company as per sub-section (5) of section 135:**
₹ 41.60 crore

(c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:**
Not Applicable

(d) **Amount required to be set-off for the financial year, if any:**
Not Applicable

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:**
₹ 41.60 crore

6. (a) **Amount spent on CSR Projects:**

- **Ongoing Project:** Nil
- **Other than Ongoing Project:** ₹ 41.42 crore

(b) **Amount spent in Administrative Overheads:** ₹ 0.34 crore

(c) **Amount spent on Impact Assessment, if applicable:** ₹ 0.32 crore

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹ 42.08 crore

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 42.08 crore	Not Applicable				

(f) **Excess amount for set-off, if any:** Not Applicable

Sl. No.	Particulars	Amount (in ₹ crore)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSRAccount under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
Not Applicable								

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

If Yes, enter the number of Capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the Property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:** Not Applicable

C K Venkataraman
Managing Director

Pradyumna Vyas
Chairman, Board CSR Committee

Annexure-III

DIVIDEND DISTRIBUTION POLICY

SCOPE AND PURPOSE

The Securities and Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations). Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (LODR) Regulations, 2015, which requires the Company to frame and adopt a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website. Accordingly, this Dividend Distribution Policy has been adopted by the Company.

OBJECTIVE

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. Towards this end, the Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board i.e., 29th April 2021.

KEY PARAMETERS TO BE CONSIDERED WHILE DECLARING THE DIVIDEND

In line with the objective stated above, the Board of Directors of the Company shall consider the following parameters for declaration of Dividend:

Financial Parameters/Internal Factors:

The Board of Directors of the Company would consider the following financial parameters before declaring or recommending dividend to shareholders:

- Consolidated net operating profit after tax;
- Working capital requirements;
- Capital expenditure requirements;
- Resources required to fund acquisitions and/or new businesses
- Cash flow required to meet contingencies;
- Outstanding borrowings;
- Past Dividend Trends

EXTERNAL FACTORS:

The Board of Directors of the Company would consider the following external factors before declaring or recommending dividend to shareholders:

- Prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws;
- Dividend pay-out ratios of companies in the same industry.

Circumstances under which the shareholders may or may not expect Dividend:

The shareholders of the Company may not expect Dividend under the following circumstances:

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital, if any;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- Whenever it proposes to utilise surplus cash for buy-back of securities; or
- In the event of inadequacy of profits or whenever the Company has incurred losses.

Utilisation of retained earnings:

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for distribution of Dividend, after having due regard to the parameters laid down in this Policy.

Dividend Range:

Subject to the provisions of applicable laws, the Company's dividend payout will be determined based on availability of financial resources, investment requirements and also take into account optimal shareholder return. The Company would endeavour to target a total dividend pay-out ratio in the range of 25% to 40% of the Annual Standalone Profits After Tax (PAT) of the Company.

Parameters adopted with regard to various classes of shares:

Presently, the Authorised Share Capital of the Company is divided into equity share of ₹ 1 each and Preference shares of ₹ 10 each. At present, the issued and paid-up share capital of the Company comprises only of equity shares.

The Company shall first declare dividend on outstanding preference shares, if any, at the rate of dividend fixed at the time of issue of preference shares and thereafter, the dividend would be declared on equity shares.

As and when the Company issues other kind of shares, the Board of Directors may suitably amend this Policy.

Procedure:

The agenda of the Board of Directors where Dividend declaration or recommendation is proposed shall contain the rationale of the proposal.

Pursuant to the provisions of applicable laws and this Policy, interim Dividend approved by the Board of Directors will be confirmed by the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to Shareholders' approval, at the ensuing Annual General Meeting of the Company.

The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.

Disclosure:

The Company shall make appropriate disclosures as required under the SEBI Regulations.

General:

This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities and Exchange Board of India or such other regulatory authority as may be authorised, from time to time, on the subject matter.

The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year Ended 31st March 2023

To,
The Members
Titan Company Limited
3 SIPCOT Industrial Complex
Hosur - 635126

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Titan Company Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31st March 2023 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company during the audit period according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. There was no External Commercial Borrowing by the Company during the period under review;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the Company during the Audit Period);**

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period);**

   f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 **(Not Applicable to the Company during the Audit Period);**

   g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**

i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**

j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period); and**

k. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Other Laws Applicable to the Company namely:

a. Industries (Development & Regulation) Act, 1951

b. The Factories Act, 1948

c. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959

d. The Apprentices Act, 1961

e. The Employees Provident Fund & Miscellaneous Provisions Act, 1952

f. The Employees State Insurance Act, 1948

g. The Workmen's Compensation Act, 1923

h. The Maternity Benefits Act, 1961

i. The Payment of Gratuity Act, 1972

j. The Payment of Bonus Act, 1965

k. The Industrial Disputes Act, 1947

l. The Trade Unions Act, 1926

m. The Payment of Wages Act, 1936

n. The Minimum Wages Act, 1948

o. The Child Labour (Regulation & Abolition) Act, 1970

p. The Contract Labour (Regulation & Abolition) Act, 1970

q. The Industrial Employment (Standing Orders) Act, 1946

r. Equal Remuneration Act, 1976

s. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979

t. The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

u. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996

v. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013

w. Dangerous Machines (Regulation) Act, 1983

x. Indian Boilers Act, 1923

y. The Karnataka Shops & Establishments Act, 1961

z. The Industrial Establishments (National and Festival Holidays) Act, 1963

aa. The Labour Welfare Fund Act, 1965

bb. The Karnataka Daily Wage Employees Welfare Act, 2012 cc. The Environment Protection Act, 1986

dd. The Water (Prevention & Control of Pollution) Act, 1974

ee. The Water (Prevention & Control of Pollution) Cess Act, 1977

ff. The Air (Prevention & Control of Pollution) Act, 1981

gg. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

hh. Manufacture, Storage and import of Hazardous Chemicals Rules, 1989

ii. The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

jj. The Competition Act, 2002

kk. The Indian Contract Act, 1872

ll. The Sale of Goods Act, 1930

mm. The Forward Contracts (Regulation) Act, 1952

nn. The Indian Stamp Act, 1899

oo. The Transfer of Property Act, 1882

pp. Indian Explosives Act, 1884

qq. Legal Metrology Act, 2009

rr. Electricity Act, 2003

ss. Information Technology Act, 2000

We have been informed by the Company that there is no law specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.

b. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above.

We have not examined compliance with applicable Financial Laws, like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking shorter notices to the Board and committee meetings, obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous, and therefore no dissenting views were required to be captured and recorded as part of the minutes.

Based on the review of systems and processes adopted by the Company and the Statutory Compliance self-certification by the Managing Director of the Company which was taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as per the list of such laws as mentioned above in Point No. vi of para 3 of this report.

There was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc., during the audit period.

For **V. SREEDHARAN & ASSOCIATES**

(Pradeep B. Kulkarni)
Partner
FCS: 7260; CP No. 7835
UDIN Number: F007260E000243221
Peer Review Certificate No. 589/2019

Place: Bengaluru
Date: 3rd May 2023

This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.

'Annexure'

To,

The Members

Titan Company Limited

3 SIPCOT Industrial Complex

Hosur - 635126

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **V. SREEDHARAN & ASSOCIATES**

(Pradeep B. Kulkarni)
Partner
FCS: 7260; CP No. 7835
UDIN Number: F007260E000243221
Peer Review Certificate No. 589/2019

Place: Bengaluru
Date: 3rd May 2023

Management Discussion and Analysis

Performance during the financial year 2022-23

The Company delivered a stupendous all-round performance in the financial year 2022-23 with the economy opening up and no lockdowns during the year. The Company's superlative capabilities ensured an excellent financial performance. Some of the key factors that helped deliver this sales and financial performance for the year are:

- The consistent push across the various levers for growth in the Jewellery segment and the continued formalisation of the jewellery industry resulting in increasing the Company's market share gain
- The tremendous growth in the Watches & Wearables segment saw the Division hitting a significant milestone of ₹ 5,000 crore of UCP sales
- Rapid store expansion in the EyeCare segment coupled with launch of products in the premium category and focus on correct-selling
- All emerging businesses gaining significant momentum: many Tanishq stores in the Gulf Cooperation Council (GCC) and USA, substantial expansion of the Taneira network and big growth in the Fragrances & Fashion Accessories business
- A slew of digital initiatives that helped the Company create and sustain a large omni-channel business
- The continued deep commitment of all Titanians and all retail, distribution and vendor partners and their employees

"FY23 saw a strong growth performance across our business segments. We made necessary investments in our supply chain, digital data and omni capabilities, retail networks and chosen international markets. With a stronger business portfolio and a healthy balance sheet, we are well prepared to continue to invest and capture vast opportunities that consumer sectors present in the coming years."

- Mr. Ashok Sonthalia, *Chief Financial Officer*

WATCHES & WEARABLES DIVISION

The financial year 2022-23 saw an outstanding performance with a 43% growth in net UCP terms and in Net Sales Value terms over financial year 2021-22. The year saw an exceedingly good performance, both in analogue watches and smartwatches. The broad trends that fuelled the growth of analogue watches were premiumisation, brand and product innovations, retail expansion and renovations and channel transformation journeys. The watches category overall saw a good growth with the resurgence of weddings, office-work, travel and gifting.

Brand Titan led the way through the outstanding product launches like the Edge Ceramic Squircle and Automatics. Alia Bhat was roped in as brand ambassador for Titan Raga to garner higher brand relevance among young women. Brand Fastrack saw the launch of Stunners collection which helped capture market share in the mid-priced segment. The International Brands portfolio saw impressive growth, riding on the premiumisation wave.

The Division crossed a total of 1,000 stores with a network expansion of a net total of 163 stores during the financial year. This was along with the renovation of 115 stores. The Multi-Brand Retail channel made huge progress in its transformation journey with the establishment of 200 "lighthouse stores". Large Format Stores and Marketplace E-commerce channels also showed good growth and increase in market share for the Division's brands.

The manufacturing team made good progress in the Make in India journey with more than 85% of the production in India. Significant capability building has been achieved in the premium watches segment in material, movement, plating and finish of watches.

The Division had the highest ever sales in smartwatches, at 10% of the total revenue. A slew of new launches, both from Titan and Fastrack brands were well received in the market and helped to be in the top 5 in the Indian market.

"The year 22-23 was a landmark year in which we crossed the ₹ 5,000 cr turnover at consumer price for the division. The wave of premiumization and smartwatches propelled the growth of 42% over the previous year. All brands, channels and manufacturing units performed with passion and alignment."

- Ms. Suparna Mitra
CEO, Watches & Wearables

JEWELLERY DIVISION

The financial year 2022-23 continued to be a volatile one like the previous year characterised by disruptions in diamond supply due to the international geopolitical situation, consequent diamond price volatility and the sudden spikes in gold prices on account of international macro-economic environment. Despite that, the Jewellery Division clocked in a 37% healthy growth albeit on the back of a softer base in Omicron-impacted quarter one of the financial year 2021-22. Topline growth in the remaining three quarters has been a healthy 17% driven equally by buyer and ticket size growths.

Further, despite intense competitive intensity resulting in price wars in the gold jewellery segment, the Division has continued to gain market share.

All the engines of growth have been firing well, including the newly developed one, viz., Digital (online commerce and omni-channel) and the deeper regionalisation thrust in the recent years. All brands of the Jewellery Division have seen very handsome growths.

Sudden spikes in gold rates could see temporary softening of customer demand. However, the Division is pursuing an aggressive growth strategy with strong investments in retail expansion, store inventory, new collections and visible marketing campaigns. Volatility in consumer demand may continue due to macroeconomic forces, but the financial year 2023-24 as well as the medium term opportunity for the Division is excellent, driven by formalisation, growth in per capita incomes and significant headroom for market share gains.

The breakthrough momentum seen in Zoya and Mia by Tanishq also looks promising. Both brands have built a strong customer preference in their respective segments, a larger retail footprint and are expected to sustain strong growths.

CaratLane has again delivered superlative growth in financial year 2022-23 in both topline and bottom line. The powerful omni-channel approach, substantial retail expansion, innovative product lines and the new-age employee culture continue to combine exceptionally well.

The Division continued to drive "Responsible Sourcing" with 95% of vendor partners now in the "Standard" category on the 4P (People, Place, Process, Planet) framework, driven by a rigorous third party assessment program. 100% ethical sourcing of fresh London Bullion Market Association gold, recycled customer exchanged gold and ethical diamond sourcing is an industry standard set by the Division in the backdrop of opaque industry practices.

"2022-23 saw very good growth and share gains for all brands in the Jewellery portfolio despite high demand volatility and competitive intensity. The Division will continue to pursue an ambitious topline growth strategy given the significant headroom for market-share gains in a fragmented industry. To enable this, several strategic initiatives are in progress to drive innovation in product design, superior customer experience and a responsive, resilient supply chain."

- Mr. Ajoy Chawla, *CEO, Jewellery*

EYECARE DIVISION

Operating Environment

Financial year 2022-23 has been the first full year of uninterrupted operation after two long years of disruption. Overall there has been noticeable change in customer preferences moving from the online platform to offline. Despite the concerns of a possible recession, the category has not seen any impact. In fact, with visible growth in travel sector, sunglasses as a category has seen positive traction.

The year started with a Guinness World Record of single day eye screening reaching out to 1.3 lakh people across the country. The Division continued its drive on the retail network expansion as well as distribution reach.

In its efforts towards sustainability, the Division has introduced frames from:

- Castor seeds which are highly elastic, durable, light weight and Bio based.
- Recycled acetate.

This apart, premium frames made out of titanium and carbon fibre making them light weight, rust resistant, very comfortable and durable were launched. 'Riviera' collection of frames inspired by the spirit of sailing was also well received by the market.

'Fashion first' has been the guiding principle for Fastrack Frames and Sunglasses. This year, several collections like Crystal Fusion, Retro and Crystal Burst which are youthful, vibrant and in vogue were launched.

The newest launch, Titan Ultima is the top end customised progressive lens. Ultima provides excellent visual comfort and wide zones at all distances – distance, near and intermediate.

180 new stores including 5 Fastrack stores have been added, taking the net count to 900 stores across 379 cities/towns. Financial year 2022-23 marks the year of Titan Eye+ going beyond the shores of India with the first store at Dubai.

Given that formalisation of the industry is inevitable and also likely rise of users due to digital exposure, the opportunities available for the division in terms of focus on top 20 cities, accelerated distribution channels, potential for category growth in sunglasses, digitization potential across the board and focus on youth segment through Fastrack stores will be driven.

"FY23 has been the best year ever for EyeCare Division.

Topline crossed four digit mark (consumer price) for the first time with a healthy growth (37%) while profit doubled.

With a network of 900+ stores, Titan Eye+ is the largest retail chain within the Tata group. Our first successful international venture at Dubai is an important milestone while our continued product innovation brought another Red Dot award.

All these in a way set us up for a rapid profitable growth trajectory keeping the customer at the centre of our existence."

- Mr. Saumen Bhaumik, *CEO, EyeCare*

FRAGRANCES & FASHION ACCESSORIES DIVISION

The Division focuses on two distinct categories: Fine Fragrances and the Women's Bags.

FRAGRANCES

The Fragrances business has succeeded in creating a wide range of "Exceptional Quality at Affordable Price" Eau de Parfum fragrances starting with Fastrack perfumes at ₹ 895 to SKINN Nox at ₹ 3,995 per 100ml and many options in between. Through these offerings, the needs of millions of aspiring Indians who find International perfume brands out of their reach is fulfilled. With Elite, Affluent households (Average annual income > 10 Lakh) expected to double by 2030, this category is expected to leap frog into an annual growth of 13% for next 7 years, which therefore, will leverage this platform to contribute meaningfully to the Company's financials overall.

SKINN brand has been quite successful in terms of democratising usage of fragrances in India and making fragrances an essential part of everyday dressing and grooming rituals. The brand continues to build credibility and advocacy through consistent, meaningful associations with influencers, celebrities and master perfumers. SKINN Brand has led the category over years, by being at #1 Rank across department chains and online channels.

This business has registered over 60% annualised growth rates over financial year 2021-22 with increase in reach to dealer universe of 3,800 and 9,000 pin codes coverage through online marketplace.

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Women's Bags

With category size of nearly ₹ 4,500 crore and organised players contributing to only 1/3 of the market size, this segment is expected to explode with 10% overall category growth rate and organised growth premium to be around 3-4% above the category growth rate.

Until last year, the youth were targeted through Fastrack Girls bags through online marketplace and presence in Department chains. The "Wear your Attitude" campaign along with the trendy, fashionable designs with exceptional quality pitched FT Girl's bags as a wearable fashion accessory to the target audience. FT girls bags is present in Department chains, Online marketplaces, Fastrack stores and multi-brand outlets.

Irth Bags, a new brand was launched in October 2022 that targets women customers aged between 25-45 years. The customer value proposition of Irth is giving organised styling solutions to women who are leading active lifestyles, to elevate their everyday life. There has been an excellent response over last 4 months.

Entry of new brands that can disrupt the market, price cuts by existing and new players to capture market share and delay in launch of new products due to the restricted vendor base remain some of the key risks, but plans are in place to address them.

"We continue to pursue relentlessly our ambition to lead in both Fragrances and Women Bags categories through product innovation, network expansion and striving to have a portfolio of most loved brands- SKINN, and Irth in respective categories. Delighting customers at each step remains the core of our strategy."

- Mr. Manish Gupta

CEO, Fragrances & Fashion Accessories

INDIAN DRESS WEAR DIVSION

Operating Environment

An integral part of Indian culture, there has been a renewed interest in preserving and celebrating local traditions, which has led to an increase in demand for ethnic wear. Sarees occupy 40% of women's ethnic wear market and is growing at a CAGR of 6%-8%. An age-old garment, sarees is a large industry but is still mostly in an unorganised sector with very little modernisation, underserved in many ways. The past few years, however, have seen the competition intensify as more organised players have entered the saree market.

Wedding-related purchases, followed by festivals and cultural occasions, are a significant driver of the saree market in India, accounting for approximately 40% and 30% of all purchases, respectively. In addition, sarees are increasingly worn as a fashion statement with experimental styling.

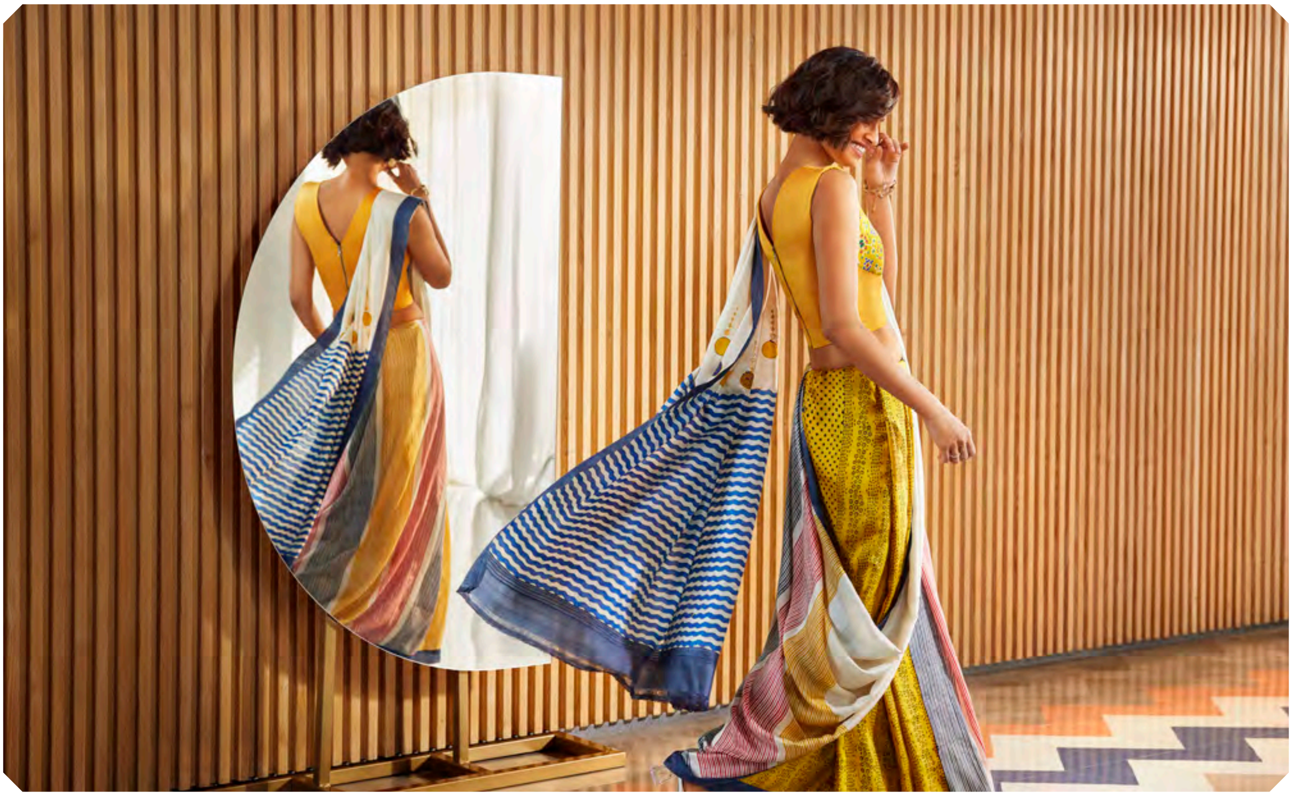
During the year, the Division made significant progress in all business areas and delivered an all-round performance. Overall, sales grew stupendously driven by new store openings and healthy growth from existing stores. The brand made substantial investments in marketing, and creating brand love strengthened its relationship with weavers through its industry-first "Weavershala" initiative, and most importantly, introduced exquisite product collections that consumers across the country much appreciated. Taneira was awarded as the winner of Vegan Fashion Awards 2022 by PETA India for its "Vegan Visions" collection.

During the last year, Taneira scaled up its operations with 21 new stores, thus doubling the retail footprint to 41 stores. The brand expanded its presence from 9 cities to 22 cities covering 100k sq. ft of retail space.

Taneira@Home program was started during the year to provide customers with the comfort of shopping while being at home and the first all women staff store was launched in Gurgaon.

Structured training program for all store staff ensured a consistently high level of expertise and delivery. Net Promoter Score of 89 and Google rating of 4.8 reflect the confidence and trust customers repose in the brand.

The brand continued to introduce key collections from across the weaving clusters of the country. In addition, it showcased a fine assortment across bridal and wedding, festive, and formal wear occasions.



Some key campaigns run during the year include "THE HOMECOMING," a campaign run during Diwali and rooted in the consumer insight that women like to return to their traditions and roots during key festivals. The brand built impactful visibility leveraging print, digital, and outdoor media during the Puja and Diwali festive period.

Through a unique Saree Run conducted in Pune and Kolkata, the spontaneous awareness of the brand went up by 50%. In addition, the Google trends interest indicators showed significant growth of 350% over the last year.

During the year, the brand has added significant number of vendors and dedicated looms across India to weave products designed by Taneira. This has impacted the lives of several thousand direct and indirect artisans by providing them with continuous flow of orders, technical and product expertise, fair remuneration and timely payment for their services, etc. "Weavershala", a sustainability initiative started by the brand last year, to preserve the weaving crafts and uplift working conditions of the weavers gained momentum during the year. The Division has also started exploring sustainable raw materials like regenerative fibres and is working on several initiatives for developing environment friendly products like eco-friendly cotton which is responsibly grown.

During the year, the E-commerce channel grew by 50% in sales and the foundation for a seamless online and offline customer journey was laid.

Navigating the unorganised textile sector, Taneira aims to grow by providing customers with authentic products, accessible retail, and responsible practices.

The rising input costs and the traditional weaving communities moving to other professions could pose a risk to the business.

Despite potential risks, Taneira welcomes the entry of prominent organised players in the sarees segment as it expands the category. In order to remain competitive in the coming year Taneira has several plans in place - sustained focus on strengthening design centricity and utilising authentic traditional weaves to create contemporary designs is the first lever. Additionally, the brand's effort is to bring to life its strong customer value proposition by building an emotional connection with consumers while empowering the weaving community.

"Taneira more than doubled its store count in FY23 - from 20 to 41 stores across 22 cities. Our customers love Taneira for the differentiated and contemporary designs and an immersive in-store experience. Through the Weavershala initiative, we are modernizing the weaving infrastructure and uplifting the design capabilities of weavers and artisans across the country."

- Mr. Ambuj Narayan, *CEO, Indian Dress Wear*

DESIGN EXCELLENCE CENTRE

Design Excellence Centre (DEC) is focussed on consistently building design leadership and product differentiation for every brand across the Company. The DEC excels in building design as a unique and compelling differentiator in the sustainable growth of the various businesses. User centred design is one of the key strengths of the DEC which is supported by deriving insights through continuous design research and understanding fashion trends across categories.

Some of the very successful collections launched this year across businesses pushed the boundary of design and brought in differentiated looks, techniques and innovation.

"Capturing the changing consumer sentiments, the macro and micro trends along with business requirements and designing relevant and differentiated new products for all businesses of Titan made 2022-23 a very exciting, extraordinary & eventful year."

- Ms. Revathi Kant

Chief Design Officer

DIGITAL AT TITAN

The Company's vision is to create elevating experiences for the people it touches: digital and technology are used to delight and create an amazing experience for the vast network of stakeholders including customers, tens of thousands of dealers, hundreds of franchisee partners and vendors, and the Company's own employees.

The DigITal function's support to the brand portfolio plays across product categories and diverse customer segments with a comprehensive mix of technologies and solutions best suited for each business and customer segment. The increasing variety of customer solutions has only been matched by their exploding adoption - 13 lakh digital interactions through the Company's contact center system; ~ 60 million visitors across websites annually; 2 million downloads of the Tanishq app; 1 million downloads for the Watches & Wearables app with a consistent rating of 4.5+ on Play store and App store. The Company has launched its first 'dark store' with live video for Irth, the youngest brand.

On the partner side, technology solutions are continuously evaluated and made up to date. Direct2Dealer system enables the Company's multi-brand retail partners to place orders online seamlessly; new Logistics Management System in jewellery helps with end to end visibility of consignments; franchisee stores are continuously being on-boarded to the automatic replenishment systems to optimise store assortments, to cite a few examples.

The ever expanding technology play yields enormous amounts of rich data as well as places demands on integration as well as fortifying the network digitally. All of this data on the cloud is harnessed using AI, ML algorithms to embed intelligence into systems. Examples include: forecasting for sales planning, customer lead scoring, customer targeting based on propensities, store assortment planning, smart conversational bots, mining text data for next best actions at stores to name a few. Data and information democratisation manifests in many forms including 'building blocks' for stores to prioritise efforts and achieve targets, as well as various dashboards across the organisation. Low code platforms are used to accelerate time to market for different solutions and drive agility. Multiple proof of concepts are being evaluated to leverage ChatGPT. As the Company expands nationally and internationally, the DigITal function is ensuring industry leading levels of infrastructure quality, information security and compliance with relevant local laws, while delighting customers and partners with ever improving experiences.

Technology is being used to drive sustainability - implementing of digital warranty certificates to reduce environmental impact as well as save costs and sensors at manufacturing plants to help manage utilities more efficiently are some of the key initiatives taken towards sustainability.

Customer adoption of multiple technologies has meant that shopping journeys will get even more complex and provide numerous touchpoints. The smart watches and connected devices ecosystem provides rich customer and device usage data. Expanding international presence, increasing diversity and complexity of supply chains across categories means that the Company continues to evaluate and adopt the best in class to create a strong technology backbone.

INTEGRATED RETAIL SERVICES GROUP

The Integrated Retail Services Group (IRSG) function of the Company is primarily responsible for opening of new stores, revamping and relocation of stores, creating a vendor network for implementing the aforementioned activities and, in general, maintaining the quality of stores as per the Company's standards. With retail expansion being a focal point for the Company during the year under reporting, the Company's IRSG function delivered its highest ever number with 727 projects being completed as compared to 464 projects in FY 2021-22 across all the businesses of the Company. With the foray of the Company's brands into international markets, the Company projects for opening the first Titan Eye+ store in Dubai and the first Tanishq store in New Jersey, US were executed by the IRSG function which received high customer appreciation for the store designs and interiors. The IRSG function has played a vital part in the sustainability initiatives of the Company and implementing the same at a store-level. To achieve this, the function has taken a slew of initiatives such as adoption of Centralized Remote Energy monitoring and Renewable Energy, Digital LED screens for façade, etc.

"IRSG set a new benchmark by delivering the highest number of stores in a year, helping all businesses of Titan Company reach their goals"

- Mr. A Palani Kumar

Head - IRSG

PEOPLE

The Company had 7,857 employees on rolls of which 2,182 were women as on 31st March 2023 and recruited 1,138 new employees which is the highest number of recruits. The Company also had attrition of 534 employees. Of the total headcount, 3,193 employees were engaged in manufacturing, 2,650 in retail, and 958 in corporate and support functions. Of the total base, 129 employees are differently abled.

Diversity in Titan begins right at the top; the Company is currently at par with some of the best companies to work for women with 16.7% gender diversity in its Top Management and 31.6% gender diversity at the entry levels. While the Company is at par at the Entry and Top management levels, the efforts at this point are focused on increasing gender diversity at mid-management levels. The Company has also been successful in maintaining pay equity for both genders across levels ensuring that it builds an equitable workplace. The efforts were recognised by the Economic Times as they awarded the Company, the "Best Organisations for Women" in 2023.

The Company's contemporary and inclusive policies on travel and non-metro posting benefits for women, parental support policy which is gender neutral and recognises adoption and surrogacy for single or married parents or same-sex partners, assets at residence policy which allows the purchase of health assistive and fitness equipments have been very well appreciated by the employees.

Career Development

Aligning with the philosophy of growing our own timber, this New Year, a program named Dream, Discover, and Design was launched which presented Titanians with avenues to their career by launching the Titan Career Vista. This grand initiative allowed employees to experience Titan's ecosystem beyond their Division or function. A platform like Titan Career Vista is our first step towards building a Talent Marketplace and promoting internal job mobility.

Tell Me 2023

Tell Me is a benchmark process through which employees get a chance to communicate directly with the Managing Director of the Company. Tell Me was established in the year 2003 and has proved to be an honest representation of the Voice of the Employee. It has been recognised as one of the best practices by the Tata Business Excellence Model (TBEM).

The 2023 version of Tell Me is continuing with the revamped format of the financial year 2021-22 to meet small homogenous groups of employees across different locations and businesses of the Company, including virtually, and the Chief People Officer was included as an active listener, along with the Managing Director.

The format of the sessions has been kept simple, they are purely listening sessions. The qualitative inputs from the employees are taken into cognisance.

Capability Building

The Company continued to invest in leadership development programs across the 4 tiers namely Top Management Development (TMD), Senior Management Development (SMD), Emerging Leaders Programme (ELP), Young Leaders Programme (YLP), and the newly launched Sales Excellence Programme (SEP) which focuses on building a talent pipeline for sales management roles. The Sales Excellence Programme (SEP) was recognised as the best employee engagement practice by the Retail Association of India (RAI).

The Company further strengthened its capability-building by developing and deploying 350 digital training modules. Several blended developmental journeys through TitanU were launched, which encompass Digital Learning, Virtual and Classroom Instructor-led Learning, and project work. We are also focused on our manufacturing capability through various programmes which are Sourcing Excellence Programme, Procurement Excellence Programme, Quality Excellence Programme, and many more.

Business Partnering

The People function has partnered with business Divisions closely to build both capacity and capability across existing and new businesses. Some key highlights have been exploring alternate models of employment in retail to address challenges of attraction and retention in EyeCare, scaling our footprint overseas with employees from 8 nationalities in our ecosystem, and changes in organisational design to align with business needs. We are also focused on providing support to our vendor partners and business associates through various initiatives spread across more than 350 cities and towns.

Employee Relations

The Company continues to build on its relations with unionised employees with the mantra of trust, transparency, and togetherness.

"At Titan it is our endeavour to ensure that DEI is in the DNA of every employee. Diversity and building an inclusive environment is a key focus area, where every employee feels valued, heard, empowered & included irrespective of gender, ethnicity, religion or sexual orientation. Diversity drives innovation giving fillip to new ideas & thoughts bringing in different perspectives which is critical for a growing organisation like ours."

- Mr. Swadesh Kumar Behera

Chief People Officer

INTERNATIONAL BUSINESS DIVISION

International Watches business grew 22% despite the market for Analogue Fashion watches not having fully recovered from the pandemic. During financial year 2022- 23, the Division entered Consumer Electronics channels with Wearables receiving a positive response. The 'Wearables Push' and the 'Premiumisation Drive' being undertaken by the Company's Watches & Wearables Division will provide a stream of internationally relevant products that will drive future growth.


Tanishq, New Jersey

The financial year 2022-23 saw the International Business Division (IBD) revenues growing at a rapid pace with the number of international Tanishq stores growing from 2 to 7 during the year. All Tanishq stores including the first one in the United States in New Jersey are receiving a rousing reception from enthusiastic NRIs and PIOs validating the Division and the Company's belief that the Tanishq brand is etched in their consciousness. Both tanishq.ae and tanishq.com, the international websites went live during the year and are doing well. While opening stores in unfamiliar territories has been operationally complex, given the obvious consumer demand for Tanishq, the Division will continue to expand aggressively in the financial year 2023-24 across the GCC Region and the US.

Tanishq, Dubai

During the year 2022-23 the first international Titan Eye+ store opened in Dubai to a positive response from both Indian and international customers. This pilot demonstrates that the frames, lenses and superlative 'EyeCare Solution' are creating significant value compared to competition. The Division will add more stores in the coming year establishing the Titan Eye+ first in the GCC region and then across the world.

"The overwhelming response to entry of the Tanishq and Titan Eye+ brands into the US and GCC markets in 2022-23 is evidence both of the desirability of our products and the affection our brands have built over the years."

- Mr. Kuruvilla Markose

CEO, International Business Division

KEY RISKS AND MITIGATION MEASURES AT ENTERPRISE LEVEL

The Company being a prominent player in the retail sector with presence in multiple lifestyle products categories is exposed to certain risks at the enterprise level which may impact the Company's operations and growth plans. Considering the same and in order to be agile and to ensure sustainability of the businesses, the Company periodically reviews risks at the enterprise level and also puts in place mitigation measures to address the fallout of such risks. The Company's Board of Director and the Risk Management Committee frequently review these risks and necessary action plan is put in place. Readers are also advised to exercise their own judgement in assessing the risk in their own judgement as risk related information provided in this section is not exhaustive and is for information purposes only.

Cyber Attacks & Security

Nature of Risk

Potential loss of sensitive data or disruption to operations due to cyber-attack or hardware/ software failure, compromise of Customer data, Defacement of Titan website, social media profile, etc.

Key Mitigation Measures

The Company has adopted the best available cyber security framework and deployed a number of Industry leading Cyber Defence Technological Controls. Periodic Security Assurance Validation by an external party is also carried out. Continuous cyber awareness programs for employees are also ensured.

Data Privacy across all our business operations

Nature of Risk

Probability of breach of customer/ employees Sensitive Personal Information in violation of laid down country specific privacy regulations.

Key Mitigation Measures

The Company's business systems are continually upgraded/updated to continuously mitigate data privacy risks including carrying out privacy impact assessment, defining data privacy framework, usage of privacy enhancing technologies and a regular independent assessment of data.

Data security leakage from third party agencies

Nature of Risk

As the Company uses third party agencies for carrying out various business related activities, there could be a probability of loss of business sensitive data and sensitive customer data managed by third parties.

Key Mitigation Measures

All the IT Vendors being engaged by the IT function undergo Vendor Risk Assessment. Further, data protection requirements are embedded in contracts for agreements signed with the agencies. In addition, only Tier I vendors are engaged for cyber security practices in compliance with Titan cyber security policies especially for business critical applications handling sensitive customer/business data.

Jewellery - Industry Trend

Nature of Risk

Lab Grown Diamonds (LGD/synthetics) manufacture increasing and detection becoming more difficult

Key Mitigation Measures

All the loose diamonds are inspected before issuing the same for production for their authenticity and also after the jewelry is made to ensure the pipeline integrity by using the right set of equipment.

To ensure that all the diamonds used are responsibly sourced and manufactured at the respective sight holder location, the Company follows the Tanishq Supplier Engagement Protocol.

Watches & Wearables - Geopolitical risk of & dependence on sourcing from other countries

Nature of Risk

High import dependence for specific product groups like plastic watches, digital watches and wearables with risks associated to delay/disruption in supply due to sudden geo-political developments and cost of imports owing to currency fluctuations

Key Mitigation Measures

In order to mitigate risks related to geo-political risk situations, the Company has planned to strengthen In-house/Indigenous vendor capability/ capacity to bring down imports from 49% in March 2020 to 35% in March 2023 and further to 30% by March 2024 and standardise many of the components/manufacturers. Consolidate annual demand & confirm orders in advance to lock prices & supplies and develop complete products through Indian ODMs, Assembly by Electronic Manufacturing Services companies in India.

Currency fluctuations are mitigated through hedging the foreign currency.

Watches - Wearables & technology led disruption

Nature of Risk

Impact of Wearables on Watch category, emergence of technology driven competitors, new biz models that need very new capabilities to succeed in this category shift trend

Key Mitigation Measures

Technology, Platform & Product Development capability have been significantly strengthened with the acqui-hire of Hug Innovations, with a product pipeline & roadmap of continuous investments in people & technology to succeed in wearables

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

During the year, the Company has reviewed its Internal Financial Control (IFC) systems and has continually contributed to the establishment of a more robust and effective IFC framework, prescribed under the ambit of Section 134(5) of Companies Act, 2013. The preparation and presentation of the financial statements is pursuant to the control criteria defined considering the essential components of Internal Control – as stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India (ICAI).

The control criteria ensures the orderly and efficient conduct of the Company's business, including adherence to its policies, the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has an adequate Internal Financial Controls system, operating effectively as at 31st March 2023.

There is an internal audit function carried out partly by the internal resources and the balance activity outsourced to chartered accountant firms. As part of the efforts to evaluate the effectiveness of internal control systems, the internal audit department reviews control measures on a periodic basis and recommends improvements, wherever appropriate. The Internal Audit department is staffed by qualified and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as adequacy and effectiveness of the internal control measures.

SEGMENT WISE PERFORMANCE

(₹ in crore)

Segment Results	Year Ended 31st March 2023 (Audited)	Year Ended 31st March 2022 (Audited)
Net Sales/Income from Operations		
Watches	3,296	2,309
Jewellery	34,105	24,313
EyeCare	689	517
Others	295	154
Corporate (Unallocated)	184	163
Total	**38,569**	**27,456**

Segment Results	Year Ended 31st March 2023 (Audited)	Year Ended 31st March 2022 (Audited)
Profit/(Loss) from segments before finance costs and taxes		
Watches	413	108
Jewellery	4,363	3,027
EyeCare	98	50
Others	(78)	(36)
Total	**4,796**	**3,149**
Less: Finance costs	240	195
Corporate (unallocated)	(91)	(22)
Profit before taxes	**4,465**	**2,932**

Segment Net Assets	Year Ended 31st March 2023 (Audited)	Year Ended 31st March 2022 (Audited)
Watches	1,764	1,351
Jewellery	6,376	4,998
EyeCare	256	194
Others	168	117
Corporate (unallocated)	3,430	2,713
Total	**11,994**	**9,373**

HOW THE COMPANY FARED

Some of the key financial indicators are as below:

(₹ in crore)

	Financial Year 2022-23	Financial Year 2021-22	Financial Year 2020-21
Sales to Net fixed assets (No. of times)	32	25	20
Sales to Debtors (No. of times)	42	55	71
Sales to Inventory (No. of times)	2.6	2.1	2.6
Retained Earnings - ₹ in crore	8,771	6,104	4,279

	Financial Year 2022-23	Financial Year 2021-22	Financial Year 2020-21
Return on Capital Employed (EBIT)	44%	38%	26%
Return on Net Worth	31.2%	26%	12%
Interest Coverage Ratio	299	1,049	57
Current Ratio	1.8	1.7	1.7
Debt Equity Ratio	0.1	0.02	
Operating Profit Margin %	11.5%	10.8%	6.7%
Net Profit Margin	8.7%	8.0%	4.3%

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

During the year, following are the key financial ratios of the Company where there was a change of 25% or more as compared to the immediate previous financial year

	Financial Year 2022-23	Financial Year 2021-22	% change
Interest Coverage Ratio	299	1,049	(71)
Return on Capital Employed (EBIT)	44%	38%	26

CHANGE IN RETURN ON NET WORTH

The details of change in Return on Net Worth of the Company as compared to the previous year is given below:

	Financial Year 2022-23	Financial Year 2021-22	% change
Return on net wotrth	31.2%	26%	31

**Note: The performance of the Divisions were better during financial year 2022-23 as compared to financial year 2021-22. This was due to aggressive store expansions in the financial year 2022-23. Hence, this has resulted in an increase in the profit before tax by 50%, which in turn impacted the respective ratios having a variance of more than 25%.*

OUTLOOK FOR FINANCIAL YEAR 2023-24

The outlook for financial year 2023-24 remains very positive for the Company on account of the following factors:

- The strengths of each our brands, the low market share in almost all our categories and the acceleration of formalisation that we see in every category
- The higher growth in the number of households in the top half of the income pyramid and the alignment of Titan's fortunes with those households
- The increasing affinity for Tata brands
- The entire Titan "family" of committed employees, retail/distribution partners and vendor partners and their own employees

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which it operates, changes in the Government regulations, tax laws and other statutes, any epidemic or pandemic, natural calamities over which we do not have any direct/indirect control.

Ratios given in notes as part of Financials differ from ratios given in Discussion & Analysis as the ratios in Financials are computed purely based on formulas given in the Guidance Note issued by the ICAI.

The figures in the Management Discussion and Analysis are commentaries by the Businesses and are basis business metrics which may differ from the Financials in the Annual Report.

Corporate Governance Report

The report on Corporate Governance is pursuant to Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI LODR). The Company has complied with the applicable requirements of the SEBI LODR and amendments thereto.

1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance philosophy of Titan Company Limited (the Company or Titan) is founded upon a rich legacy of fair, ethical and transparent governance practices by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Titan strongly believes that a company can emerge as a strong leader only by following good and sound corporate governance principles. Good corporate governance is a synonym for sound management, transparency and disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to make sound decisions, thus maximising long-term stakeholder value without compromising on integrity, societal obligations, environment and regulatory compliances. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Strong leadership and effective corporate governance practices have been the Company's hallmark inherited from the Tata culture and ethos.

The Company's Corporate Governance philosophy has been further strengthened through the Tata Code of Conduct and the Company's Codes of Fair Disclosure and Conduct. The Tata Code of Conduct, which articulates the values, ethics and business principles, serves as a guide to the Company, its Directors and Employees and is supplemented with an appropriate mechanism to report any concerns pertaining to non-adherence to the said Code. Overall, the Company's Corporate Governance practices are a reflection of its value system encompassing its culture, policies, and relationships with its stakeholders.

As a Company with a strong sense of values and commitment, your Company understands that Corporate Governance is not just a destination, but also a journey to constantly improve sustainable value creation. The Company has over the years, followed the best practices of Corporate Governance. The Company's overall governance framework, systems and processes reflect and support its Mission, Vision and Values. The Vision of the Company: "**To create elevating experiences for the people we touch and significantly impact the world we work in**" underpins the Corporate Governance philosophy.

2. BOARD OF DIRECTORS

Titan is promoted by the Tamilnadu Industrial Development Corporation Limited (TIDCO) and the Tata Group. As on 31st March 2023, the Company had 12 Directors, comprising 11 Non-Executive Directors and 1 Executive Director. The profile of Directors can be accessed on the Company's website at https://www.titancompany.in/investors/investor-information/board-of-directors.

The composition of the Board of Directors as at 31st March 2023 was as follows:

Category	Name of Director	No. of Directors
Nominee Directors of TIDCO	Mr. S Krishnan	3
(Non-Executive, Non-Independent)	Ms. Jayashree Muralidharan	
	Ms. Mariam Pallavi Baldev[1]	
Nominee Directors of Tata Group (Non-Executive, Non-Independent)	Mr. N N Tata	2
	Mr. Bhaskar Bhat	
(Executive, Non-Independent)	Mr. C K Venkataraman	1
Other Directors	Mr. Ashwani Puri	6
(Non-Executive, Independent)	Mr. B Santhanam	
	Mr. Pradyumna Vyas	
	Dr. Mohanasankar Sivaprakasam	
	Ms. Sindhu Gangadharan	
	Mr. Sandeep Singhal	
Total		**12**

[1] *Ms. Mariam Pallavi Baldev, IAS, nominee of TIDCO was appointed on the Board effective 4th January 2023.*

During the year, the Company had a Non-Executive Chairman, nominees of Promoters, and Independent Directors constituting of 50% of the Board strength with one woman Independent Director. The composition of the Board is in conformity with Regulation 17 of the SEBI LODR read with Section 149 of the Companies Act, 2013 (the Act).

The Company has not had any pecuniary relationship and transaction with any of the Non-Executive Directors, other than payment of sitting fees and commission, as applicable, except for the post-retirement benefits being paid to Mr. Bhaskar Bhat, as approved by the Board, consequent upon his retirement as Managing Director on 30th September 2019. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings of the Company.

As on the date of this report, none of the Directors serve as a Director or as an Independent Director in more than 7 listed entities, and the Managing Director does not serve as an Independent Director on any listed company. Further, none of the Independent Directors serve as a non-independent director of any company on the board of which any of our Non-Independent Directors is an Independent Director. During the financial year 2022-23, none of the Directors acted as a Member in more than 10 committees or as a Chairperson in more than 5 committees (committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the SEBI LODR) across all listed entities where they serve as a director.

The Board of Directors met seven times during the financial year 2022-23. The Board meetings were held on 26th April, 3rd May, 5th August and 4th November in 2022 and 2nd February, 23rd February and 29th-30th March in 2023.

The information as required in terms of SEBI LODR is being regularly placed before the Board. The Board also reviews the declaration made by the Managing Director of the Company, based on the confirmations provided internally by the respective businesses and functions, regarding compliance with all laws applicable to the Company on a quarterly basis.

The attendance of each Director at the Board of Directors meetings during the year and at the last Annual General Meeting, the number of Directorships and Committee memberships held by them in domestic public companies as at 31st March 2023 are as indicated below:

Name of Director	No. of Board Meetings attended during the year 2022-23	Whether attended last Annual General Meeting	No. of Directorships in domestic public companies (including this Company)		No. of Committee positions in domestic public companies (including this Company)#	
			As Chairman	As Director	As Chairman	As Member
Mr. S Krishnan	6	Yes	7	10	0	0
Mr. Pankaj Kumar Bansal[1]	2	No	Not Applicable			
Ms. Jayashree Muralidharan	4	Yes	1	8	1	3
Ms. Mariam Pallavi Baldev[2]	3	NA	0	5	0	1
Mr. N N Tata	7	Yes	3	7	1	3
Mr. Bhaskar Bhat	7	Yes	0	6	0	5
Mr. Ashwani Puri	7	Yes	0	3	2	2
Mr. B Santhanam	6	Yes	0	4	1	5
Mr. Pradyumna Vyas	7	Yes	0	3	1	3
Dr. Mohanasankar Sivaprakasam	7	Yes	0	1	0	1
Ms. Sindhu Gangadharan	5	Yes	0	2	0	1
Mr. Sandeep Singhal	6	Yes	0	1	0	1
Mr. C K Venkataraman	7	Yes	0	2	0	1

 # excludes Committees other than Audit and Stakeholders Relationship Committee.

[1] Mr. Pankaj Kumar Bansal ceased to be a Director effective 26th July 2022.

[2] Ms. Mariam Pallavi Baldev was appointed on the Board effective 4th Januray 2023.

During the year, Mr. Pankaj Kumar Bansal ceased to be a Director upon withdrawal of nomination by TIDCO, effective 26th July 2022. Ms. Mariam Pallavi Baldev was appointed as an Additional Director with effect from 4th January 2023 and was subsequently appointed as Director by the Shareholders by way of Postal Ballot on 21st March 2023, in compliance with the provisons of the SEBI LODR.

The names of other listed entities where the person is a director and category of directorship as on 31st March 2023 are as follows:

Sl. No.	Name of Director	Name of listed entities where the person is a director	Category of directorship
1.	Mr. S Krishnan	Tamilnadu Newsprint and Papers Limited	Non-Executive, Non-Independent Director, Chairman
		Tamilnadu Petroproducts Limited	Non-Executive, Non-Independent Director, Chairman
2.	Ms. Jayashree Muralidharan	Southern Petrochemical Industries Corporation Limited	Non-Executive, Non-Independent Director
		Tamilnadu Petroproducts Limited	Non-Executive, Non-Independent Director
3.	Ms. Mariam Pallavi Baldev	Tanfac Industries Limited	Non-Executive, Non-Independent Director

Sl. No.	Name of Director	Name of listed entities where the person is a director	Category of directorship
4.	Mr. N N Tata	Trent Limited	Non-Executive, Non-Independent Director, Chairman
		Voltas Limited	Non-Executive, Non-Independent Director, Chairman
		Tata Investments Corporation Limited	Non- Executive, Non Independent Director, Chairman
		Tata Steel Limited	Non-Executive, Non-Independent Director, Vice-Chairman
5.	Mr. Bhaskar Bhat	Trent Limited	Non-Executive, Non-Independent Director
		Rallis India Limited	Non-Executive, Non-Independent Director, Chairman
		Bosch Limited	Non-Executive, Independent Director
		Kansai Nerolac Paints Limited	Non-Executive, Independent Director
6.	Mr. Ashwani Puri	Coforge Limited	Non-Executive, Independent Director
7.	Mr. B Santhanam	Saint-Gobain Sekurit India Limited	Non-Executive, Non-Independent Director
		Grindwell Norton Limited	Executive, Managing Director
8.	Mr. Pradyumna Vyas	Dynamatic Technologies Limited	Non-Executive, Independent Director
9.	Dr. Mohanasankar Sivaprakasam	Nil	NA
10.	Ms. Sindhu Gangadharan	Siemens Limited	Non-Executive, Independent Director
11.	Mr. Sandeep Singhal	HT Media Limited	Non-Executive, Independent Director
12.	Mr. C K Venkataraman	Nil	NA

None of the Directors are related to each other within the meaning of the term "Relative" as per Section 2(77) of the Act.

The Board confirms that the Independent Directors fulfil the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of the SEBI LODR and are independent of the Board and Management as of 31st March 2023.

In terms of Regulation 25(8) of the SEBI LODR, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended from time to time, regarding the requirement relating to the enrolment in the Data Bank for Independent Directors, has been received from all the Independent Directors.

Number of shares and convertible instruments held by Non-Executive Directors:

Details of shares of the Company held by Non-Executive Directors as on 31st March 2023 are as below:

Name of Director	Number of Shares
Mr. S Krishnan	Nil
Ms. Jayashree Muralidharan	Nil
Ms. Mariam Pallavi Baldev	Nil
Mr. N N Tata	46,900
Mr. Bhaskar Bhat	80,960
Mr. Ashwani Puri	Nil
Mr. B Santhanam	Nil
Mr. Pradyumna Vyas	Nil
Dr. Mohanasankar Sivaprakasam	Nil
Ms. Sindhu Gangadharan	Nil
Mr. Sandeep Singhal	24

Familiarisation Programme

The Company has familiarization program for its Directors (including Independent Directors), which includes sessions on various business and functional matters and strategy sessions. The Company ensures that training programs are conducted for newly appointed Directors.

The details of the familiarization and training programs attended by the Directors (including Independent Directors) are available on the Company's website and can be accessed at: https://www.titancompany.in/investors/corporate-governancefamiliarisation-programmes.

Skills/Expertise/Competence identified by the Board of Directors:

The Board of Directors have identified the following core competencies in the context of the Company's business operations to function effectively:

Financial Expertise

Proficiency in complex financial management and experience and expertise in accounting principles, auditing and reporting.

Mergers and Acquisitions

Ability to assess "make or buy" decisions, evaluate business combinations and operational integration plans, expertise in analysing and valuing transactions.

Business Strategy, Sales and Marketing

Experience in developing strategies to grow sales and market shares in semi-urban and rural markets, understanding long term trends, building brand awareness and equity and leading management teams to make strategic choices.

Governance and Risk Management

Experience in developing governance practices, serving the best interest of all stakeholders, developing insights about management and accountability and driving corporate ethics and values, building long-term effective stakeholder engagements and the ability to understand, assess and manage risk.

People Management and Leadership

Expertise in developing talent, planning succession, furthering representation and diversity and other strategic human resource advisories.

Manufacturing expertise

Understanding various facets of manufacturing and operations, insight in innovation, ability to foresee and identify potential challenges, and expertise in strategising to obtain sustainable advantage.

Design and Aesthetics

Expertise in design, ability to apply design thinking to various products, keen understanding of design development and related processes and aesthetic excellence.

Technological Expertise

Expertise in Healthcare related technology, biomedical instrumentation, medical devices and diagnostics, insight in innovation and ability to bring in affordable healthcare technologies and healthcare delivery models. Expertise or experience in the information technology business, technology consulting and operations, areas of integration and innovation technologies, digital, cloud and cyber security, technology domain and knowledge of technology trends.

The Core Skills identified to each of the Directors of the Company are as follows:

Name of Director	Core Skills
Mr. S Krishnan	People Management and Leadership, Business Strategy.
Ms. Jayashree Muralidharan	People Management and Leadership.
Ms. Mariam Pallavi Baldev	People Management and Leadership.
Mr. N N Tata	Business Strategy, Sales and Marketing.
Mr. Bhaskar Bhat	Manufacturing expertise, People Management and Leadership, Business Strategy, Sales and Marketing, Mergers and Acquisitions.
Mr. Ashwani Puri	Financial Expertise, Governance and Risk Management, Mergers and Acquisitions.
Mr. B Santhanam	Financial Expertise, People Management and Leadership, Manufacturing expertise, Business Strategy, Sales and Marketing, Governance and Risk Management.
Mr. Pradyumna Vyas	Design and Aesthetics.
Dr. Mohanasankar Sivaprakasam	Technological Expertise - Expertise in healthcare-related technology.
Ms. Sindhu Gangadharan	Technological Expertise – Information Technology related and People Management and Leadership.
Mr. Sandeep Singhal	Business Strategy, Mergers and Acquisitions, Governance and Risk Management and Technological Expertise.
Mr. C K Venkataraman	People Management and Leadership, Business Strategy, Sales and Marketing.

CODE OF CONDUCT

Whilst the 'Tata Code of Conduct' (TCOC) is applicable to all Whole-time Directors and by definition to the Managing Director and the employees of the Company, the Board has also adopted a Code of Conduct for Non-Executive Directors, both of which are available on the Company's website. All the Board members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct for the financial year ended 31st March 2023. A declaration to this effect, duly signed by the Managing Director is annexed hereto.

INDEPENDENT DIRECTORS AND THEIR APPOINTMENT

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the SEBI LODR and Tata Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at https://www.titancompany.in/sites/default/files/Terms%20and%20Conditions%20of%20Appointment%20of%20ID.pdf.

BOARD EVALUATION CRITERIA

During the year, the Board Nomination and Remuneration Committee (BNRC) along with the Board carried out an Annual Evaluation of its own performance and the performance of individual Directors, as well as evaluation of the Committees of the Board. An indicative list of factors on which evaluation of the individual Directors, the Board and the Committees was carried out included, Board structure and composition, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information flow, functioning of the Board/Committees, Board culture and dynamics, quality of the relationship between the Board and Management, contribution to decisions of the Board, guidance/support to Management outside Board/Committee meetings.

The overall recommendations based on the evaluation were discussed by the Board and individual feedback from Directors were taken on record. The discussion quality was robust, well-intended and led to clear direction and decision. Based on the outcome of the evaluation, assessment and feedback of the Directors, the Board and the Management have agreed on various action points that would be implemented as per the agreed timelines. It was noted that the Board Committees function professionally and smoothly and besides the Board Committees' terms of reference as mandated by law, important issues are brought up and discussed in the respective Board Committees. Update on recommendations from last year and the current year's recommendations were deliberated at the Board meeting. The Independent Directors discussed matters pertaining to the Company's affairs and presented their collective views to the Board of Directors.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors of the Company (Annual ID Meeting) without the presence of the Executive Directors and the Management representatives was held on 30th March 2023, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25 (3) of the SEBI LODR. The Independent Directors expressed their satisfaction with the desired level of the governance of the Board and the consistent improvement in scores pertaining to various aspects of the Board meetings as captured in the Board Effectiveness Review exercise. At the said meeting, the Independent Directors:

(a) reviewed the performance of Non-Independent Directors and the Board of Directors as a whole;

(b) reviewed the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

(c) assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Post the Annual ID Meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the BNRC with the Board covering the performance of the Board as a whole, the performance of the Non-Independent Directors and the performance of the Chairman of the Board.

INSIDER TRADING CODE

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), as amended from time to time, the Board of Directors of the Company had adopted the Codes of Fair Disclosure and Conduct (the Code) which in turn contains the Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Fair Disclosure Practices. The Code is applicable to all Directors, Promoters, such identified Designated Persons and their Immediate Relatives and other Connected Persons who are expected to have Unpublished Price Sensitive Information relating to the Company. The Chief Financial Officer of the Company is the Compliance Officer under the Code.

3. AUDIT COMMITTEE

The Audit Committee of the Board was constituted in 1999. The constitution of Audit Committee is in conformity with the requirements of Section 177 of the Act and also as per the requirements of Regulation 18 of the SEBI LODR.

Powers of the Audit Committee:

The Audit Committee shall have powers, which include the following:

a) To investigate any activity within its terms of reference;

b) to seek information from any employee;

c) to obtain outside legal or other professional advice;

d) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

e) to have full access to information contained in the books of accounts and the Company's facilities and personnel.

Terms of reference of the Audit Committee:

The terms of reference of the Audit Committee is in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the SEBI LODR which inter alia includes overseeing the Company's financial reporting process and disclosure of its financial information to ensure correctness, sufficiency and credibility, reviewing the accounting policies, practices and standards, and the changes if any, and the reasons for such changes, reviewing with the Management the quarterly financial statements and Auditor's Report thereon before submission to the Board, review the effect of regulatory and accounting initiatives as well as off-balance-sheet structures on the financial statements, scrutinise inter-corporate loans and investments made by the Company, reviewing the utilisation of loans, advances and investment by the holding company in the subsidiaries, review and monitor the auditor's independence and performance, and effectiveness of audit process, oversight of compliance with PIT Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively, as per the Code and PIT Regulations for Prohibition of Insider Trading, review Management Discussion and Analysis of financial condition and results of operations in the Annual Report, review with the Management the performance of statutory and internal auditors, review of the risk and control environment and framework operating in the unlisted subsidiaries, provide approval of payment to statutory auditors for any other services rendered by the statutory auditors, review and suitably reply to the report(s) forwarded by the auditors on the matters involving fraud, review the valuation of undertakings or assets of the Company. Further, the Independent Directors of the Committee to approve/ review the Related Party Transactions (RPT) including examination of nature, basis and terms of the contracts/ transactions to be entered into by the Company.

Additionally, the Audit Committee of the Board also oversees financial reporting controls and process for subsidiaries and compliance with legal and regulatory requirements including the TCoC for the Company and its subsidiaries.

Mr. Ashwani Puri, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 26th July 2022.

As at the year-end, the Audit Committee of the Board comprised of seven members, five of them being Independent Directors. All members are financially literate and have relevant finance and/or audit exposure. Mr. Ashwani Puri has accounting and financial management expertise.

The Audit Committee met five times during the financial year 2022-23. The Audit Committee meetings were held on 2nd May, 4th August and 3rd November in 2022 and on 1st February and 14th March in 2023.

The quorum as required under Regulation 18(2) of the SEBI LODR was maintained at all the meetings.

The following Directors are the members of the Audit Committee and their attendance at Audit Committee meetings are given below:

Name of Director & Category	No. of Meetings attended out of 5 meetings
Mr. Ashwani Puri, Chairman (Non-Executive) (Independent)	5
Mr. Pankaj Kumar Bansal [1] (Non-Executive) (Non-Independent)	1
Mr. B Santhanam (Non-Executive) (Independent)	5
Dr. Mohanasankar Sivaprakasam (Non-Executive) (Independent)	5
Ms. Sindhu Gangadharan (Non-Executive) (Independent)	5
Mr. Bhaskar Bhat (Non-Executive) (Non-Independent)	5
Mr. Sandeep Singhal (Non-Executive) (Independent)	5
Ms. Mariam Pallavi Baldev [2] (Non-Executive) (Non-Independent)	2

[1] *Consequent upon his resignation effective 26th July 2022, Mr. Pankaj Kumar Bansal ceased to be a member of the Committee.*

[2] *Ms. Mariam Pallavi Baldev was appointed on the Board Audit Committee effective 6th January 2023.*

The Managing Director, the Chief Financial Officer, the Chief Executive Officers of the Watches & Wearables Division, Jewellery Division, EyeCare Division, the Chief People Officer and the Chief Internal Auditor were present at meetings of the Audit Committee. Representatives of the Statutory Auditors, B S R & Co., LLP are also invited to the meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The constitution of the Board Nomination and Remuneration Committee (Committee or BNRC) is in conformity with the requirements of Section 178 of the Act and also as per the requirements of Regulation 19 of the SEBI LODR. The broad terms of reference of the BNRC *inter-alia* include recommending to the Board of Directors the selection and appointment or re-appointment of Independent Directors in the Board and its Committees which shall include “Formulation of the criteria for determining qualifications, positive attributes and independence of a director”. The Committee is also responsible for devising a policy on Board diversity and recommend to the Board appointment of Key Managerial Personnel (KMP) and executive team members of the Company as defined by the Committee. The Committee also supports the Board and Independent Directors in evaluating the performance of the Board, its Committees and individual Directors which include “Formulation of criteria for evaluation of Independent Directors and the Board”. It also decides whether to extend or continue the terms of appointment of the Independent Directors on the basis of the report of performance evaluation, which includes overseeing the performance review process of the KMPs and the executive team of the Company, recommending to the Board the remuneration policy for Directors, Executive team/KMPs as well as the rest of the employees, identifying and recommending to the Board, including their remuneration, the appointment and removal of persons for the positions/offices one level below the Chief Executive Officer/Managing Director/ whole-time director/manager (including chief executive officer/manager, in case chief executive officer/manager is not a part of the Board), specifically including the functional heads identified by the Management, and the Company Secretary and the Chief Financial Officer.

The BNRC also recommends the total remuneration payable to Non-Executive Directors and the criteria for payment amongst the Directors. The criteria for payment of Non-Executive Directors Commission for the financial year 2022-23 is based on attendance at the meetings of the Board and the Committees thereof, and Chairmanships held by the Directors on various Committees. The Remuneration Policy is annexed as **Annexure-A.**

The Committee met four times during the financial year 2022-23. Meetings were held on 2nd May, 5th August and 4th November in 2022 and 6th January in 2023.

The following Directors are the members of the Committee and their attendance in the meetings held during the financial year 2022-23:

Name of Director & Category	No. of Meetings attended out of 4 meetings
Mr. B Santhanam, Chairman (Non-Executive) (Independent)	4
Mr. N N Tata (Non-Executive) (Non-Independent)	4
Ms. Sindhu Gangadharan (Non-Executive) (Independent)	4
Mr. Pankaj Kumar Bansal[1] (Non-Executive) (Non-Independent)	0
Mr. Sandeep Singhal (Non-Executive) (Independent)	4
Mr. Pradyumna Vyas (Non-Executive) (Independent)	4
Ms. Jayashree Muralidharan[2] (Non-Executive) (Non-Independent)	NA

[1] *Consequent to his resignation effective 26th July 2022, Mr. Pankaj Kumar Bansal ceased to be a member of the Committee.*

[2] *Ms. Jayashree Muralidharan was appointed on the Board Nomination and Remuneration Committee effective from 6th January 2023.*

5. REMUNERATION OF DIRECTORS

MANAGING DIRECTOR

The Company has during the year paid remuneration to its Managing Director by way of salary, perquisites and commission within the limits approved by the Shareholders. The Board of Directors on the recommendation of the BNRC approves the annual increment (effective April each year). The Commission is based on the performance matrix taking into account the overall performance of the Company and the Managing Director in a particular financial year and is determined by the Board of Directors on the recommendation of the members of the BNRC in the succeeding financial year, subject to the overall ceiling as stipulated in Section 197 of the Act.

Details of the remuneration to the Managing Director during the financial year 2022-23 are as under:

(in ₹)

Name	Salary	Perquisites & Allowance	Commission**
Mr. C K Venkataraman	1,50,00,000	2,44,47,223	7,50,00,000

*** For the financial year 2022-23, based on the recommendation of the BNRC and as approved by the Board, the same will be paid post the ensuing AGM.*

The perquisites indicated above exclude gratuity as these are determined on an actuarial basis for the Company as a whole. Commission is the only component of remuneration, which is performance-linked and the other components are fixed.

The BNRC also recommends to the Board of Directors an increase in the salary of the Managing Director based on results relating to the Company's financial performance, market performance and a few other performance-related parameters.

The broad terms of agreement of appointment of Mr. C K Venkataraman, Managing Director, are as under:

Period of Agreement: 5 years from 1st October 2019 to 30th September 2024.

Salary: Up to a maximum of ₹ 20,00,000/- per month with authority to the Board to fix the salary within the maximum amount from time to time.

Perquisites: As agreed to in the Appointment Agreement within the overall ceiling of 140% of the basic salary or such ceiling as may be determined by the BNRC or the Board.

Commission: As evaluated by the Board or the Board Nomination and Remuneration Committee subject to the overall ceiling under the Act.

Notice period: The Agreement may be terminated by either party giving the other party six months' notice or the Company paying six months' salary in lieu thereof.

Severance Fees: Nil

During the year under review, no stock options were issued to the Managing Director.

NON-EXECUTIVE DIRECTORS

The remuneration paid/payable to Non-Executive Directors for the financial year 2022-23 had been computed pursuant to Sections 197 and 198 of the Act.

The Commission payable to Non-Executive Directors is as per the approval obtained from the Shareholders at the Annual General Meeting held on 11th August 2020 and is within the limits specified under the Act. The remuneration by way of Commission to the Non-Executive Directors is decided by the Board of Directors primarily based on attendance at the meetings of the Board and the Committees thereof and Chairmanships held by the Directors in various Committees.

During the financial year 2022-23, the Company has paid Sitting Fees to Non-Executive Directors detailed below and proposes to pay commission for 2022-23 as shown below:

(In ₹)

Sl No	Name of the Director	Sitting fee	Commission**
1.	Mr. S Krishnan, Chairman (nominated by TIDCO)	3,00,000	63,00,000
2.	Mr. Pankaj Kumar Bansal (nominated by TIDCO)	1,40,000	22,00,000
3.	Ms. Jayashree Muralidharan (nominated by TIDCO)	2,70,000	63,00,000
4.	Ms. Mariam Pallavi Baldev (nominated by TIDCO)	2,90,000	20,00,000
5.	Mr. N N Tata, Vice-Chairman	4,70,000	65,00,000
6.	Mr. Bhaskar Bhat	5,90,000	78,00,000
7.	Mr. Ashwani Puri	6,80,000	1,13,00,000
8.	Mr. B Santhanam	6,40,000	1,08,00,000
9.	Mr. Pradyumna Vyas	5,80,000	83,00,000
10.	Dr. Mohanasankar Sivaprakasam	7,30,000	90,00,000
11.	Ms. Sindhu Gangadharan	5,70,000	77,00,000
12.	Mr. Sandeep Singhal	7,30,000	1,13,00,000

*** Gross amount, subject to tax and the same will be paid post the ensuing AGM.*

The Managing Director is not eligible to receive sitting fees as per the terms of appointment and the contract entered into with him. Sitting fees and Commission payable to the Directors, who are nominees of the co-promoters viz., TIDCO is being paid directly to TIDCO.

The Company does not pay any salary, benefits, bonuses, stock options, etc., to the Non-Executive Directors other than to Mr. Bhaskar Bhat to whom the Company pays retirement benefits including monthly pension as approved by the Board of Directors consequent upon his retirement as Managing Director of the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Section 178(5) of the Act prescribes that a company that consists of more than one thousand shareholders, debenture holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee.

The Company has constituted Stakeholders Relationship Committee (Committee or SRC) and the terms of reference of the Committee are to review statutory compliance relating to all security holders, consider and resolve the grievances of security holders of the Company including complaints related to transfer of securities, non-receipt of annual report/declared dividends/notices/balance sheet, oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund, oversee and review all matters related to the transfer of securities of the Company, approve issue of duplicate certificates of the Company and transmission of securities, review movements in shareholding and ownership structures of the Company, ensure setting of proper controls and oversee performance of the Registrar and Transfer Agent, recommend measures for overall improvement of the quality of investor services, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Transfer Agent, review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

The Committee met one time during the financial year 2022-23 on 4th November 2022, and Mr. B Santhanam (Chairman), Mr. Bhaskar Bhat, Ms. Jayashree Muralidharan and Mr. C K Venkataraman, being members of the Committee, attended the same.

Mr. Dinesh Shetty, Company Secretary, is the Compliance Officer under SEBI LODR.

Number of complaints from shareholders during the year ended 31st March 2023

The status of Investor Complaints as on 31st March 2023 as reported under Regulation 13(3) of the SEBI LODR is as under:

Complaints outstanding as on 1st April 2022	2
Complaints received during the year ended 31st March 2023	61
Complaints resolved during the year ended 31st March 2023	62
Complaints not solved to the satisfaction of shareholders during the year ended 31st March 2023	0
Complaints pending as on 31st March 2023 *	1

** The above-mentioned figures include complaints received through SCORES as well as other Regulatory Bodies. ATR for the complaint received from the Complainant through SCORES was uploaded on 31st March 2023 and the same was pending for review by SEBI.*

The position of queries/other correspondence received and attended to during the financial year 2022-23 in respect of equity shares apart from those received through SCORES are given below:

	Received	Resolved	Pending
Payment related	773	750	23
Loss of shares	1,113	1,035	78
Signature Cases	0	0	0
ECS/Mandate Requests	226	223	3
Change of address requests	239	232	7
Transmission of securities	217	211	6
Document Registration	597	559	38
Exchange/Sub-division of old shares/Conversion	2	2	0
Split/Consolidation/Renewal/Duplicate issue of shares	2	2	0

	Received	Resolved	Pending
Name/Status correction	55	53	2
General Inquiries	15	15	0
Transfer of securities	0	0	0
Nomination requests	381	356	25
Depository System	0	0	0
Dematerialisation of securities	10	9	1
Correspondence related to legal matters	105	102	3
Securities/Warrants enclosure letters	0	0	0
Change of address queries	0	0	0
Annual Report	1	1	0
Verification of Holdings	264	253	11

7. RISK MANAGEMENT COMMITTEE

The Board of Directors had constituted Risk Management Committee (Committee or RMC) to identify elements of risk in different areas of operations and to develop a policy for actions associated to mitigate the risks.

The terms of reference of the RMC is in line with the regulatory requirements mandated by Regulation 21 and Part D of Schedule II of the SEBI LODR which *inter-alia* includes formulation of detailed Risk Management Policy, ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company; monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems; periodically review the Risk Management Policy; to keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken; appointment, removal and terms of remuneration of the Chief Risk Officer (if any); review of the enterprise wise cyber security risks and of IT information both from operations and customer data perspective and technology risks; evaluating and vetting the strategic risks embedded in the Annual Operating Plan; nurture a healthy and independent risk management function in the Company and to carry out any other function as referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

The Committee met three times during the financial year 2022-23. The meetings were held on 4th August 2022 and 25th January and 14th March in 2023. Apart from the Members of the RMC, the CEOs of Jewellery, Watches & Wearables and EyeCare division, Chief Financial Officer, Chief People Officer, Chief Internal Auditor, Chief Digital and Information Officer, General Counsel & Company Secretary and Head-Marketing & Retailing, Tanishq, are also invited to the RMC meetings.

The following Directors are the members of the Risk Management Committee and their attendance in the meetings held during the financial year 2022-23:

Name of Director & Category	No. of Meetings attended out of 3 meetings
Mr. Sandeep Singhal, Chairman (Non-Executive) (Independent)	3
Mr. Ashwani Puri (Non-Executive) (Independent)	3
Dr. Mohanasankar Sivaprakasam (Non-Executive) (Independent)	3
Ms. Jayashree Muralidharan[1] (Non-Executive) (Non-Independent)	0
Ms. Mariam Pallavi Baldev[2] (Non-Executive) (Non-Independent)	2
Mr. C K Venkataraman (Executive, Non-Independent)	3

[1] *Ms. Jayashree Muralidharan ceased to be a member of the Committee effective 5th January 2023.*

[2] *Ms. Mariam Pallavi Baldev was appointed on the Risk Management Committee effective from 6th January 2023.*

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee (Committee or CSR) oversees, *inter-alia*, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, which includes formulating and recommending to the Board a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Act; recommending the amount of expenditure to be incurred; Annual Action Plan and monitoring the CSR Policy of the Company.

The Committee met four times during the financial year 2022-23. The meetings were held on 2nd May and 3rd November in 2022 and 2nd February and 30th March in 2023.

The following Directors are the members of the CSR Committee and their attendance in the meetings held during the financial year 2022-23:

Name of Director & Category	No. of Meetings attended out of 4 meetings
Mr. Pradyumna Vyas, Chairman (Non-Executive) (Independent)	4
Dr. Mohanasankar Sivaprakasam (Non-Executive) (Independent)	4
Ms. Jayashree Muralidharan (Non-Executive) (Non-Independent)	2
Mr. C K Venkataraman (Executive, Non-Independent)	4

The CSR Annual Report containing details of the CSR activities undertaken by the Company during the year along with the amount spent on CSR activities forms part of the Board's Report.

9. GENERAL BODY MEETINGS

Particulars of the past three Annual General Meetings

a) Location, date and time of Annual General Meetings held during the last 3 years:

Year	Location	Date	Time	Special Resolution
2019-20	Video Conference/ Other Audio Visual Means	11th August 2020	2:30 p.m.	Nil
2020-21		2nd August 2021	2:30 p.m.	Re-appointment of Mr. Ashwani Puri as an Independent Director.
2021-22		26th July 2022	10:30 a.m.	Change in place of keeping Registers, Returns, etc.

b) Extraordinary General Meeting: No Extraordinary General Meeting of the Shareholders was held during the financial year 2022-23.

c) Postal Ballot:

i. **Details of resolutions passed by postal ballot:** During the financial year 2022-23, the Company had sought the approval of the Shareholders by way of Postal Ballot through remote e-Voting process, vide Notice dated 10th February 2023, on the following Resolution(s):

Sl. No.	Resolutions	Type of Resolution
1.	Appointment of Ms. Mariam Pallavi Baldev, IAS (DIN: 09281201) as a Director	Ordinary
2.	Approval of 'Titan Company Limited Performance Based Stock Unit Scheme, 2023' (Scheme 2023) for Grant of Performance Based Stock Units to the Eligible Employees of Titan Company Limited under Scheme 2023 (Approval of Scheme 2023 – Titan Company Limited)	Special
3.	Approval of 'Titan Company Limited Performance Based Stock Unit Scheme, 2023' (Scheme 2023) for Grant of Performance Based Stock Units to the Eligible Employees of Subsidiary Company(ies) of Titan Company Limited under Scheme 2023 (Approval of Scheme 2023 – Subsidiary Company(ies))	Special

Sl. No.	Resolutions	Type of Resolution
4.	Authorisation for Secondary Acquisition of Equity Shares of Titan Company Limited by Titan Employee Stock Option Trust for implementation of 'Titan Company Limited Performance Based Stock Unit Scheme, 2023' and providing financial assistance in this regard (Authorisation for Secondary Acquisition)	Special

ii. **The details of e-voting:**

Description of the Resolution	Votes in favour of the Resolution(s)		Votes against the Resolution(s)		Invalid
	No. of votes cast	% of total valid votes cast	No. of votes cast	% of total valid votes cast	
Appointment of Ms. Mariam Pallavi Baldev, IAS	71,13,12,739	97.58	1,76,49,843	2.42	Nil
Approval of Scheme 2023 – Titan Company Limited	67,16,58,161	92.12	5,74,76,717	7.88	Nil
Approval of Scheme 2023 – Subsidiary Company(ies)	67,22,45,447	92.20	5,68,85,174	7.80	Nil
Authorisation for Secondary Acquisition	67,20,77,045	92.18	5,70,53,306	7.82	Nil

The resolutions were passed with the requisite majority on 21st March 2023 (being the last date of Remote e-Voting), and the results of which were announced on 22nd March 2023.

iii. **Person who conducted the aforesaid postal ballot exercise:** The Board of Directors had appointed Mr. Pradeep B. Kulkarni, Practising Company Secretary, (FCS 7260; CP 7835) or in his absence Ms. Devika Sathyanarayana, (FCS No. 11323; CP No. 17024) as the Scrutiniser to conduct the Postal Ballot only through the remote e-voting process and for scrutinising the votes cast therein, in a fair and transparent manner.

iv. **Procedure for Postal Ballot:** In compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and the General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 10/2021 dated 23rd June 2021, 03/2022 dated 5th May 2022, 11/2022 dated 28th December 2022 and other relevant circulars and notifications issued by the Ministry of Corporate Affairs, the Company provided only remote e-Voting facility to its Equity Shareholders to enable them to cast their votes electronically instead of submitting the Postal Ballot form.

The Company engaged the services of NSDL for facilitating remote e-Voting to enable the Members to cast their votes electronically.

The Company sent the Postal Ballot Notice in electronic form only to those Equity Shareholders whose names appeared in the Register of Members/List of Beneficial Owners as received from NSDL and CDSL and whose e-mail addresses were available with the Company/Depositories/the Depository Participants/the Company's Registrar and Share Transfer Agent as on the cut-off date.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the Members as on the cut-off date i.e., Friday, 10th February 2023. Members who desired to exercise their votes by electronic mode were requested to vote before close of business hours on the last date of e-Voting.

The Scrutiniser, after the completion of scrutiny, submitted his report and the consolidated results of the Postal Ballot through remote e-Voting were announced by the Company Secretary on 22nd March 2023. The results are displayed on the website of the Company, www.titancompany.in besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The resolutions are deemed to have been passed on 21st March 2023, the last date specified for receipt of votes through remote e-voting process.

v. **Details of special resolution proposed to be conducted through postal ballot:** As of the date of the Report, no special resolutions are proposed to be conducted through Postal Ballot.

10. MEANS OF COMMUNICATION

Whether half-yearly reports are sent to each household of shareholder?	To benefit the Shareholders, after the results were approved by the Board of Directors, the Company voluntarily sent quarterly financial results through e-mail to those Shareholders whose e-mail addresses are registered with the Company/Depositories.
Website, where results are displayed	The results are displayed on www.titancompany.in
Whether it also displays official news releases	Yes
Website for investor complaints	The Company has created an exclusive ID investor@titan.co.in for this purpose. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.
Presentations to institutional investors or analysts	Presentations made during the year to institutional investors are displayed on www.titancompany.in
Newspaper in which results are normally published	The quarterly results were published in the Business Standard and Dina Thanthi. The audited financial results for the year ended 31st March 2023 were published in Business Standard and Dina Thanthi.
Annual Reports and Annual General Meetings	The Annual Report for financial year 2022-23 including the Audited Financial Statements for the year ended 31st March 2023, is being sent by e-mail to those Members whose e-mail addresses are registered with the Company/Depository Participant(s), unless any Member has requested for a physical copy of the same by writing to investor@titan.co.in mentioning their Folio No./DP ID and Client ID. The Annual Report and the Notice of the AGM is also available on the Company's website at www.titancompany.in.

11. GENERAL SHAREHOLDER INFORMATION

AGM: Date, time and venue	**Tuesday, 1st August 2023, 2:30 P.M. (IST) through Video Conferencing (VC)/Other Audio Video Means (OAVM)**
Financial Year	1st April 2022 to 31st March 2023
Book Closure Date	14th July 2023 to 1st August 2023 (both days inclusive)
Dividend payment date	On or after 4th August 2023 (within the statutory time limit of 30 days) subject to Shareholders' approval at the Annual General Meeting
Registered Office	No. 3, SIPCOT Industrial Complex, Hosur 635 126, Tamil Nadu
Listing of Equity Shares on Stock Exchanges	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-01; and National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-51

Listing fees	Listing fees as prescribed have been paid to the above stock exchanges up to 31st March 2023
Share Registrar and Transfer Agents	TSR Consultants Private Limited, C 101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 E-mail: csg-unit@tcplindia.co.in Website: www.tcplindia.co.in Tel No: 022-66568484, Fax No: 022-66568494
Company Secretary & Contact Address	Mr. Dinesh Shetty, General Counsel & Company Secretary E-mail: investor@titan.co.in Tel No: 080-67046600/67046646

For the convenience of investors based in the following cities, transfer documents and letters will also be accepted at the following branches of TSR Consultants Private Limited:-

TSR Consultants Private Limited C/o. Mr. D Nagendra Rao "Vaghdevi" 543/A, 7th Main, 3rd Cross, Hanumanthnagar, Bengaluru – 560019 Tel: 080-26509004 Email: csg-unit@tcplindia.co.in Contact Person: Mr. Shivanand M	**TSR Consultants Private Limited** C/o Link Intime India Private Limited Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi – 110058 Tel: 011 – 49411030 E-mail: csg-unit@tcplindia.co.in Contact Person: Mr. Vishal Kumar
TSR Consultants Private Limited Qtr. No. L-4/5, Main Road, Bistupur, (Beside Chappan – Bhog Sweet Shop), Jamshedpur – 831 001 Tel: 0657 – 2426937 Email: csg-unit@tcplindia.co.in Contact Person: Mr. Subrato Das	**TSR Consultants Private Limited** C/o Link Intime India Private Limited, Vaishno Chamber, Flat No. 502 & 503, 5th Floor, 6, Brabourne Road, Kolkata – 700001 Tel: 033 - 40081986 Email: csg-unit@tcplindia.co.in Contact Person: Mr. Tapas Sarkar
TSR Consultants Private Limited C/o Link Intime India Private Limited Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road, Ellisbridge, Ahmedabad – 380006 Telefax: 079 - 26465179, Email: csg-unit@tcplindia.co.in Contact Person: Ms. Preeti Madhu	

SHARE TRANSFER SYSTEM

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those shares. If the shareholders fail to submit the dematerialisation request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account held by the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation.

STOCK CODE

Equity Shares - Physical form - BSE Limited (BSE) : 500114

National Stock Exchange of India Limited (NSE) : TITAN

Equity Shares - Demat form - NSDL/CDSL : ISIN No. INE280A01028

The Aggregate Non-promoter/Public Shareholding of the Company as at 31st March 2023 is as shown below:

Number of Shares : 41,81,84,240

Percentage to total holding : 47.10%

STOCK PERFORMANCE

Month	BSE		NSE		Index Close Price	
	High	Low	High	Low	Sensex	Nifty
Apr-22	2,576.90	2,399.00	2,577.80	2,410.00	57,060.87	17,102.55
May-22	2,450.00	2,035.55	2,437.00	2,035.55	55,566.41	16,584.55
Jun-22	2,304.60	1,906.00	2,304.90	1,905.45	53,018.94	15,780.25
Jul-22	2,392.20	1,827.15	2,392.50	1,825.05	57,570.25	17,158.25
Aug-22	2,621.50	2,339.50	2,623.10	2,339.00	59,537.07	17,759.30
Sep-22	2,755.45	2,518.45	2,755.70	2,517.35	57,426.92	17,094.35
Oct-22	2,790.00	2,556.05	2,791.00	2,555.60	60,746.59	18,012.20
Nov-22	2,783.00	2,538.75	2,784.00	2,539.65	63,099.65	18,758.35
Dec-22	2,666.95	2,450.00	2,665.00	2,455.00	60,840.74	18,105.30
Jan-23	2,286.95	2,377.45	2,626.25	2,287.05	59,549.90	17,648.95
Feb-23	2,545.50	2,268.90	2,545.85	2,269.60	58,962.12	17,303.95
Mar-23	2,534.35	2,320.00	2,536.75	2,321.00	58,991.52	17,359.75

DISTRIBUTION OF SHARES ACCORDING TO SIZE, CLASS AND CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH 2023

No. of Equity Shares Held	No. of Shareholders*	Percentage	No. of Shares	Percentage
1-5,000	7,47,056	99.48	6,57,42,081	7.41
5,001-20,000	2,786	0.37	2,51,90,549	2.84
20,001-30,000	229	0.03	56,47,216	0.64
30,001-40,000	133	0.02	46,65,337	0.53
40,001-50,000	88	0.01	39,62,233	0.45
50,001-1,00,000	227	0.03	1,65,19,441	1.86
1,00,001- 10,00,000	364	0.05	11,55,85,302	13.02
10,00,001 and above	61	0.01	65,04,74,001	73.27
TOTAL	**7,50,944**	**100**	**88,77,86,160**	**100**

** The number of Shareholders in the Corporate Governance Report is compiled on the basis of the number of folios held by the Shareholders.*

CATEGORIES OF SHAREHOLDING AS ON 31st MARCH 2023

Category	No. of Shareholders*	No. of Shares Held	% of Shareholding
Tamilnadu Industrial Development Corporation Limited	1	24,74,76,720	27.88
Tata Group Companies	11	22,21,25,200	25.02

Category	No. of Shareholders*	No. of Shares Held	% of Shareholding
FFI/FIIs/OCBs	971	15,54,77,149	17.51
Bodies Corporate	4,240	5,76,64,376	6.50
Institutional Investors	0	0	0.00
Mutual Funds	267	5,13,11,981	5.78
Banks	17	19,72,514	0.22
Others	7,45,437	15,17,58,220	17.09
Total	**7,50,944**	**88,77,86,160**	**100**

** The number of Shareholders in the Corporate Governance Report is compiled on the basis of the number of folios held by the Shareholders.*

DEMATERIALISATION OF SHARES AND LIQUIDITY

As on 31st March 2023, 99.20% of the Company's Equity Capital was held in dematerialised form with NSDL and CDSL. Trading in equity shares of the Company is permitted only in dematerialised form with effect from 15th February 1999 as per the notification issued by the Securities and Exchange Board of India. Further, effective 1st April 2019, SEBI has amended Regulation 40 of the SEBI LODR, which deals with the transfer or transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments: None

PLANT LOCATIONS

The Company's plants are located at:

Watches : Roorkee, Hosur, Coimbatore and Sikkim

Jewellery : Hosur and Pantnagar

EyeCare : Chikkaballapur, Kolkata and Noida

ADDRESSES FOR CORRESPONDENCE

Registered Office: No.3, SIPCOT Industrial Complex, Hosur 635 126, Tamil Nadu.

Corporate Office: "Integrity" No. 193, Veerasandra, Electronics City P.O., Off Hosur Main Road, Bengaluru - 560 100, Karnataka.

LIST OF CREDIT RATINGS AND ITS REVISION

The Company has obtained the following credit ratings along with its revision in the financial year 2022-23 for all debt instruments or fixed deposit programmes or any scheme or proposal of the Company involving mobilisation of funds in India or abroad.

(a) Ratings Update from ICRA on 27th April 2022

Instrument	Previous Rates Amount in ₹ crore	Current Amount Rated in ₹ crore	Rating Action
Fixed Deposit Programme	3,000	3,500	MAAA (Stable) reaffirmed
Fund Based/Non-fund based limits	1,700	1,700	AAA(Stable) [ICRA]AI+Reaffirmed
Commercial Paper	1,500	1,500	[ICRA]AI+Reaffirmed

(b) Ratings Update from CRISIL on 3rd May 2022

Current facilities			Previous facilities		
Facility	Amount in ₹ crore	Rating Action	Facility	Amount in ₹ crore	Rating Action
Working Capital Facility*	2,630	CRISIL AAA/ Stable	Cash Credit Limit*	2,400	CRISIL AAA/ Stable
Proposed Letter of Credit*	220	CRISIL A1+	Letter of Credit*	450	CRISIL A1+
Total	**2,850**	--	**Total**	**2,850**	--

** Interchangeable with Import letter of credit, foreign letters of credit, standby letters of credit, bank guarantees, CC and WCDL.*

(c) Rating Update from Brickworks on 16th May 2022

Instrument	Previous Rates Amount in ₹ crore	Current Amount Rated in ₹ crore	Rating Action
Commercial Paper	1,500	1,500	[BWR] A1+ Reaffirmed
Cash Credit (Proposed)	1,000	550	[BWR] AAA/Stable Reaffirmed
Working Capital Demand Loan	450	450	[BWR] A1+ Assigned
Gold Metal Loan/Gold on Loan	3,935	4,490	[BWR] Al+ Reaffirmed
Gold Metal Loan/Gold on Loan (Proposed)	65	510	
Total	**6,500**	**7,500**	

(d) Ratings Update from ICRA on 30th May 2022

Instrument	Previous Rates Amount in ₹ crore	Current Amount Rated in ₹ crore	Rating Action
Fixed Deposit Programme*	3,500	3,500	[ICRA]AAA (Stable); Migrated from MAAA (Stable)
Fund Based/Non-fund based limits	1,700	1,700	[ICRA]AAA(Stable)/ [ICRA]Al+
Commercial Paper Programme	1,500	1,500	[ICRA]Al+
Total	**6,700**	**6,700**	

** The change is consequent upon the migration of the rating outstanding on the medium-term rating scale to the long-term rating scale which is as required under the SEBI Circular referred to in the Rating Rationale.*

(e) Ratings Update from CARE on 10th January 2023

Instrument	Previous Rates Amount in ₹ crore	Current Amount Rated in ₹ crore	Rating Action
Long Term Bank Facilities	NA	3,555	CARE AAA; Stable (Triple A; Outlook: Stable) Assigned
Short Term Bank Facilities	NA	6,445	CARE A1+ (A One Plus) Assigned
Total		**10,000**	
Commercial Paper	NA	1,500	CARE A1+ (A One Plus) Assigned
Total		**1,500**	

(f) Ratings Update from Brickwork on 7th February 2023

Instrument	Previous Rates Amount in ₹ crore	Current Amount Rated in ₹ crore	Rating Action
Commercial Paper	1,500	1,500	BWR A1+ Reaffirmation and simultaneous Withdrawal
Cash Credit (Proposed)	550	550	BWR AAA/Stable Reaffirmed and simultaneously Withdrawn
Working Capital Demand Loan	450	450	BWR A1+ Reaffirmed and simultaneously Withdrawn
Gold Metal Loan/Gold On Loan	4,490	4,490	
Gold Metal Loan/Gold On Loan (Proposed)	510	510	

12. DISCLOSURES

(a) Related Party Transactions: During the year under review, besides the transactions reported in Note 33 forming part of the financial statements for the year ended 31st March 2023 in the Annual Report, there were no other material related party transactions of the Company with its Promoters, Directors or the Management or their relatives and subsidiaries, associate company and joint venture. These transactions does not have any potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee of the Board periodically and placed for Board's information if required. Further, there are no material individual transactions that are not in the normal course of business or not on an arm's length basis.

(b) Disclosure on Materially Significant Related Party Transactions: There were no material related party transactions during the year under review that has a conflict with the interest of the Company. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arm's length basis and were approved by the Audit Committee of the Board. Certain transactions, which were repetitive in nature, were approved through omnibus route.

(c) Disclosure on website: The Policy on Related Party Transactions is posted on the website of the Company and can be accessed at: https://www.titancompany.in/investors/corporate-governance/policies.

(d) Disclosure of Accounting Treatment: The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

(e) Disclosure by Senior Management: Senior Management has made affirmations to the Board relating to all material financial and commercial transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.

(f) CEO/CFO Certification: The Managing Director (MD) and Chief Financial Officer (CFO) have certified to the Board in accordance with Regulation 17(8) of the SEBI LODR pertaining to CEO/CFO certification for the year ended 31st March 2023, which is annexed hereto.

(g) Details of mandatory requirements and adoption of the non-mandatory requirements: All mandatory requirements of the SEBI LODR have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI LODR, is as under:

- Shareholder Rights: To benefit the Shareholders, after the results were approved by the Board of Directors, the Company voluntarily sent quarterly financial results through e-mail to those Shareholders whose e-mail addresses are registered with the Company/Depositories.
- Modified opinion(s) in Audit Report: The Auditors have expressed an unmodified opinion in their report on the standalone and consolidated financial statements of the Company.

- Reporting of Internal Auditor: The Internal Auditor functionally reports to the Audit Committee.

(h) **Details of Non-Compliance:** There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

(i) **Whistle Blower Policy:** The Company has a whistle blower mechanism wherein the Directors/Employees/Associates can approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or suspected leak of Unpublished Price Sensitive Information. The Whistle Blower Policy is an extension of the Tata Code of Conduct, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he/she becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. A mechanism is in place whereby any employee of the Company has access to the Chairman of the Audit Committee to report any concerns. No person has been denied access to the Chairman to report any concern. Further, the said Policy has been disseminated within the organisation and has also been posted on the Company's website.

(j) **Subsidiary Companies:** The Audit Committee reviews the consolidated financial statements of the Company and the investments made by the unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company does not have any material unlisted Indian subsidiary company. Web link where policy for determining material subsidiaries is available at https://www.titancompany.in/investors/corporate-governance/policies.

(k) **Share Transfer Compliance and Share Capital Reconciliation:** Pursuant to Regulation 40 (9) of the SEBI LODR, certificates on a half-yearly basis, have been issued by a Company Secretary in Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary in Practice for timely dematerialisation of the shares of the Company and for conducting a share capital audit on a quarterly basis for reconciliation of the share capital of the Company.

(l) **Compliance of non-mandatory requirements:** The information pertaining to compliance of discretionary requirements made, may be referred to Item No.14 below.

(m) **Risk Management:** The Risk Management of the Company is overseen by the Risk Management Committee and the Board at various levels:

Business/Strategic Risk: The RMC oversees the risks which are inherent in the businesses pursued by the Company. The oversight is through review/approval of business plans, projects and approvals for business strategy/policy.

Operational Risks: These are being mitigated by internal policies and procedures which are updated from time to time to address reviewed risks.

Cyber Security: The RMC oversees the risks pertaining to cyber security and mitigation measures taken by the Management and a periodic update is provided to the Board.

Financial Risks: These risks are addressed on an ongoing basis by Treasury, Insurance and Forex Policies and Bullion Risk Management team. Due oversight on financial risks is exercised by the Audit Committee in its meetings.

For better review and oversight, the Company has also constituted a Risk Management Committee of the Management and the Management Committee meets regularly to review the risk list, the action timeline status, any change in the profile/probability of any of the risks, need to recognise any new risk, etc. A report of this meeting is shared with the Risk Management Committee of the Board.

The Company is actively engaged in assessing and monitoring the risks of each of the businesses and the Company as a whole. The top tier of risks for the Company is captured by the operating management after serious deliberations on the nature of the risk being a gross or a net risk and thereafter in a prioritised manner presented to the Board for their input on risk mitigation/ management efforts.

The RMC/Board engages in the Risk Management process and has set out a review process so as to report to the Board on the progress of the initiatives for the major risks of each of the businesses that the Company is into.

The Risk registers of each of the businesses get updated on a bi-annual basis and are placed for due discussions at Board meetings and the appropriateness of the mitigation measures to ensure that the risks remain relevant at any point in time and corresponding mitigation measures are optimised.

(n) Disclosure of commodity price risks and commodity hedging activities: The Company is exposed to price fluctuations on account of gold prices and this is managed by way of:

a) Purchase of gold on lease from banks where the commodity price is fixed only when the corresponding sale happens to customers. Thus, the Company is not exposed to gold prices for this portion of purchase.

b) Purchase of gold from customers (on exchange, outright jewellery) or spot gold where the risk is managed by way of taking a sell future position in the commodity exchanges or Forward Contracts with bullion banks (subject to RBI regulation). On a later date when this is sold in the stores, the positions are squared off through Buy Future/ Forward Contracts. Thus, there is no exposure to gold prices for this portion of gold purchase also. The Mark-to-Market of outstanding Sell Future Contracts is done on a daily basis, based on the gold rate fluctuation.

All the commodity hedging is done in adherence to the "Bullion Risk Management Policy" approved by the Board and the Company has hedging limits in place. The Company's Bullion Risk Management Committee consisting of Senior Management reviews the position and other actions and meets on a quarterly basis.

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

a. Total exposure of the listed entity to commodities in (as of 31st March 2023): ₹ 4,513.50 crore

b. Exposure of the listed entity to various commodities:

Type	Commodity Name	Exposure in ₹ towards the particular Commodity	Exposure in Quantity towards the particular Commodity	% of such exposure Hedged through Commodity Derivatives				Total
				Domestic Market		International Market		
				OTC	Exchange	OTC	Exchange	
Futures	Gold – 1 kg Contract	₹ 3,142.17 crore	5,456 kg		100%			100%
Forward	Sell Forward Contract	₹ 1,371.33 crore	2,845 kg	100%				100%
Total		**₹ 4,513.50 crore**	**8,301 kg**					
	Silver – 30 kg Contract	₹ 4.60 crore	720 kg		100%			100%

The Company's exposure to market risks, credit risks and liquidity risks are detailed in Note 34.3 under "Financial Risk Management Objective" forming part of Notes to the Standalone Financial Statements.

(o) **Loans and advances in the nature of loans to firms/companies in which directors are interested:** There were no loans given to any companies or firms in which Directors are interested. Details of guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

(p) **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** The Company has not raised any funds through preferential allotment or qualified institutions placement.

(q) **Certificate from Company Secretary in Practice:** A certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is attached as an annexure.

The Company has obtained a compliance certificate from the Practising Company Secretary on Corporate Governance, and the same is attached as an annexure.

(r) **Disclosure of non-acceptance of any recommendation of any committee by the Board in the financial year 2022-23 and its reason:** There was no such instance during the financial year 2022-23 when the Board had not accepted any recommendation of any Committee of the Board.

(s) **Fees paid to Statutory Auditor:** The details of the total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part is given below:

(₹ in lakh)

Particulars	Amount
Audit of statutory accounts	333
Taxation matters	26
Audit of consolidated accounts	12
Other services	19
Reimbursement of levies and expenses	23
Total	**412**

(t) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** During the financial year 2022-23, twelve sexual harassment complaints were reported, of which six are pending resolution at the end of the year. The remaning case were investigated and dealt with in line with the POSH Policy of the Company and were disposed off appropriately.

(u) **Compliance with Regulation 39(4) of the SEBI LODR**

Pursuant to Regulation 39(4) read with Schedule VI of the SEBI LODR, for shares issued in physical form pursuant to a public issue, which remain unclaimed, the issuer Company has to comply with the following procedure:

a) Send at least three reminders to the addresses given in the application form as well as the latest address available as per the Company's record asking for the correct particulars.

b) If no response is received, the issuer Company shall transfer all the shares into one folio in the name of Unclaimed Suspense Account.

The details of the number of Shareholders and outstanding unclaimed shares lying in the unclaimed suspense account for the period 1st April 2022 to 31st March 2023 is as provided below:

Particulars	No. of Shareholders	No. of equity shares (₹ 1 each)
Aggregate number of shareholders and the outstanding unclaimed shares in the suspense account lying at the beginning of the year	181	3,52,440
Shareholders who approached listed entity for transfer of shares from suspense account during the year	11	21,460
Shareholders to whom shares were transferred from suspense account during the year	11	21,460
Shareholders whose shares were transferred from suspense account to IEPF	27	36,620
Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	143	2,94,360
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	143	2,94,360

The voting rights on the shares outstanding in the suspense account as on 31st March 2023 shall remain frozen till the rightful owner of such shares claims the shares.

13. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the SEBI LODR.

14. COMPLIANCE OF DISCRETIONARY REQUIREMENTS

The Company has fulfilled the discretionary requirements relating to the financial statements and the same are unqualified.

15. DISCLOSURE OF COMPLIANCE WITH THE SEBI LODR

The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Schedule V - Part C to F of the SEBI LODR.

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION AS PER REGULATION 17 (8) OF THE SEBI LODR

The Board of Directors,
Titan Company Limited
3, SIPCOT Industrial Complex,
Hosur 635 126

CERTIFICATION TO THE BOARD PURSUANT TO REGULATION 17 (8) OF SEBI LODR

We, C K Venkataraman, Managing Director and Ashok Sonthalia, Chief Financial Officer, hereby certify that in respect of the financial year ended on 31st March 2023:

1. we have reviewed the financial statements and the cash flow statements for the year, and that to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

2. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;

we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps taken or proposed to be taken to rectify the same;

3. we have indicated to the Auditors and the Audit Committee:

   a) significant changes, if any, in internal control over financial reporting during the year;

   b) significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

   c) instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Bengaluru
Date: 3rd May 2023

C K VENKATARAMAN
Managing Director

ASHOK SONTHALIA
Chief Financial Officer

DECLARATION BY THE CEO UNDER REGULATION 17 (5) OF THE SEBI LODR REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Regulation 17 (5) of the SEBI LODR, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended 31st March 2023.

for **TITAN COMPANY LIMITED**

Place: Bengaluru
Date: 3rd May 2023

C K VENKATARAMAN
Managing Director

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No: L74999TZ1984PLC001456
Nominal Capital: ₹ 160 crore

To,

The Members

Titan Company Limited

3, SIPCOT Industrial Complex

Hosur-635126

We have examined all the relevant records of **TITAN COMPANY LIMITED** for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2023. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanation and information furnished to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Regulations.

As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has complied with items C and E.

For **V. Sreedharan & Associates**
Company Secretaries

(Pradeep B. Kulkarni)
Partner
F.C.S.7260; C.P.No.7835
UDIN: F007260E000243287
Peer Review Certificate No. 589/2019

Place: Bengaluru
Date: May 03, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Titan Company Limited
3, SIPCOT Industrial Complex
Hosur-635126

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **TITAN COMPANY LIMITED** having CIN L74999TZ1984PLC001456 and having registered office at 3, SIPCOT Industrial Complex, Hosur, Tamil Nadu- 635126 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA), or any such other Statutory Authority.

Details of Directors:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	NOEL NAVAL TATA	00024713	07/08/2003
2.	BHASKAR BHAT	00148778	01/04/2002
3.	ASHWANI KUMAR PURI	00160662	06/05/2016
4.	SANDEEP SINGHAL	00422796	11/11/2020
5.	SANTHANAM	00494806	10/05/2018
6.	PRADYUMNA RAMESHCHANDRA VYAS	02359563	25/03/2019
7.	JAYASHREE MURALIDHARAN	03048710	11/08/2021
8.	SARANYAN KRISHNAN	03439632	10/12/2021
9.	VENKATARAMAN KRISHNAMURTHY COIMBATORE	05228157	01/10/2019
10.	MOHANASANKAR	08497296	03/07/2019
11.	SINDHU GANGADHARAN	08572868	08/06/2020
12.	MARIAM PALLAVI BALDEV	09281201	04/01/2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **V. SREEDHARAN & ASSOCIATES**
Company Secretaries

(Pradeep B. Kulkarni)
Partner
FCS: 7260; CP No. 7835
UDIN: F007260E000243386
Peer Review Certificate No. 589/2019

Place: Bengaluru
Date: May 03, 2023

Remuneration Policy

Annexure A

The philosophy for remuneration of directors, Key Managerial Personnel (KMP) and all other employees of Titan Company Limited (company) is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 (Act) and Clause 49(IV)(B)(1) of the Equity Listing Agreement (Listing Agreement). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee (NRC) has considered the factors laid down under Section 178(4) of the Act, which are as under:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals"

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**
  - Independent directors (ID) and non-independent non-executive directors (NED) may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
  - Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
  - Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives).
  - Overall remuneration should be reflective of size of the Company, complexity of the sector/industry/company's operations and the Company's capacity to pay the remuneration.
  - Overall remuneration practices should be consistent with recognised best practices.
  - Quantum of sitting fees may be subject to review on a periodic basis, as required.
  - The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
  - The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
  - In addition to the sitting fees and commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organised by the Company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

- **Remuneration for Managing Director (MD)/ Executive Directors (ED)/KMP/rest of the employees**
  - The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
    - Market competitive (market for every role is defined as companies from which the Company attracts talent or companies to which the Company loses talent)
    - Driven by the role played by the individual,
    - Reflective of size of the Company, complexity of the sector/industry/company's operations and the Company's capacity to pay,
    - Consistent with recognised best practices and
    - Aligned to any regulatory requirements.
  - In terms of remuneration mix or composition,
    - The remuneration mix for the MD/EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
    - Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
    - In addition to the basic/fixed salary, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible. The Company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalisation through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
    - The Company provides retirement benefits as applicable.
    - In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act. The specific amount payable to the MD/EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
    - In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/EDs such remuneration by way of an annual incentive remuneration/performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
  - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
  - Industry benchmarks of remuneration,
  - Performance of the individual.
  - The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.
- **Remuneration payable to Director for services rendered in other capacity**

  The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

  a) The services rendered are of a professional nature; and

  b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.
- **Policy implementation**

  The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

Shareholder Information

Corporate

The Company was incorporated under the Companies Act, 1956 on 26th July 1984 as Titan Watches Limited. The name of the Company was changed to Titan Industries Limited on 21st September 1993 and to Titan Company Limited on 1st August 2013. The initial public offer was in the year 1987. The shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited.

Split and Bonus Issue

In June 2011, shares of ₹ 10 each of the Company were sub-divided into shares of ₹ 1 cum bonus shares in the ratio 1:1. Accordingly, the current face value of the shares is ₹ 1 each.

Transfer to Investor Education and Protection Fund

Pursuant to applicable provisions of the Companies Act, 2013 (the Act) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (IEPF Rules), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, after completion of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company.

Unclaimed Dividend:

During the financial year 2022-23, the Company had transferred unclaimed dividends of ₹ 1,22,61,783 to IEPF.

The following is the year wise Unclaimed Dividend balance lying with the Company and which would become eligible to be transferred to IEPF on the dates mentioned below:

Year	Date of declaration of dividend	Total Dividend (in ₹ lakh)	Unclaimed dividend as on 31st March 2023		Due for transfer to IEPF
			(₹ lakh)	%	
2015-16	29th March 2016	19,531	140.0	0.72%	28th April 2023
2016-17	3rd August 2017	23,082	173.7	0.75%	9th September 2024
2017-18	3rd August 2018	33,292	204.6	0.61%	9th September 2025
2018-19	6th August 2019	44,389	172.0	0.39%	12th September 2026
2019-20	11th August 2020	35,511	116.6	0.36%	17th September 2027
2020-21	2nd August 2021	35,511	107.5	0.33%	12th September 2028
2021-22	26th July 2022	66,584	189.7	0.29%	1st September 2029

Shares Transferred to IEPF:

As per IEPF Rules, the shares in respect of which dividend has not been claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the IEPF Authority.

During the financial year 2022-23, the Company had transferred 1,44,627 shares on which the dividend was not claimed for seven consecutive years in accordance with IEPF Rule.

Details of shares/shareholders in respect of which dividend had not been claimed, are provided on the website of the Company at https://www.titancompany.in/investors/corporate-governance/transfer-of-shares-to-iepf.

Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed from IEPF following the procedure prescribed in the IEPF Rules. No claims shall lie against the Company in respect of unclaimed dividend amounts and shares transferred to the IEPF.

Guidelines for Investors to file a claim in respect of the Unclaimed Dividend or Shares transferred to the IEPF:

1. Shareholders are advised to verify their details like address, bank mandate, PAN, status of outstanding dividend(s), etc., from TSR Consultants Private Limited (RTA or TSR), Company's Registrar and Transfer Agent, before filing an application with IEPF.

2. Please access the IEPF-5 webform (https://www.iepf.gov.in/IEPF/corporates.html) for filing the claim for refund. Read the instructions provided on the website/instruction kit along with the web form carefully before filling the form.

3. After filling the form, submit the duly filled form. On successful submission, an acknowledgement will be generated indicating the SRN. Please note the SRN for future tracking of the form.

4. Take a printout of the duly filled IEPF-5 and the acknowledgement issued after uploading the form.

5. Submit indemnity bond in original, copy of acknowledgement and IEPF-5 form along with the other documents as mentioned in the IEPF-5 form to Nodal Officer (IEPF) of the company at its corporate office in an envelope marked "Claim for refund from IEPF Authority".

6. Claim forms completed in all aspects will be verified by the company and on the basis of company's verification report, refund will be released by the IEPF Authority in favor of claimants' account through electronic transfer.

The Nodal Officer of the Company for coordination with IEPF Authority is Mr. Dinesh Shetty - General Counsel & Company Secretary and the Deputy Nodal Officer is Mr. Mahesh S - Manager-Secretarial and following are the contact details:

Email ID	: investor@titan.co.in
Telephone No.	: 080 67046651
Address	: Titan Company Limited, "INTEGRITY", No. 193, Veerasandra, Electronics City P.O., Off Hosur Main Road, Bengaluru-560100, Karnataka.

Financial Year

The Company's financial year begins on 1st April and ends on 31st March.

Registered and Corporate Office Address

Registered Office:
No. 3, SIPCOT Industrial Complex, Hosur-635 126, Tamil Nadu.

Corporate Office:
"INTEGRITY", No. 193, Veerasandra, Electronics City P.O., Off Hosur Main Road, Bengaluru-560100, Karnataka.

39th Annual General Meeting

The details of the 39th Annual General Meeting (AGM) of the Company is as given below:

Date	Tuesday, 1st August 2023, 2:30 p.m.
Venue	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)
E-voting dates	Friday, 28th July 2023 at 9.00 a.m. (IST) and ends on Monday, 31st July 2023 at 5.00 p.m. (IST)
Book closure date	Friday, 14th July 2023 to Tuesday, 1st August (both days inclusive)
Dividend payment date	On or after Friday, 4th August 2023
Webcast link	https://www.evoting.nsdl.com

Detailed process/procedure for attending the AGM is described in the Notice of the AGM.

Dematerialisation of Shares and Liquidity

The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through TSR. The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE280A01028.

As on 31st March 2023, 99.20% of the shares were held in dematerialized form and the rest in physical form.

SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June 2018, amended Regulation 40 of SEBI LODR pursuant to which, after 1st April 2019, transfer of securities cannot be processed unless the securities are held in the dematerialized form with a depository. Hence, the Company's shares are tradable in the electronic form only. The Shareholders whose shares are in the physical mode are requested to dematerialize their shares and update their bank accounts and e-mail id's with the respective Depository Participants (DPs) to enable the Company to provide better service.

Shareholders holding more than 1% of the Shares

The details of the Shareholders (non-promoters) holding more than one percentage of the equity shares as on 31st March 2023 are as follows:

Sl.No	Name of Shareholder	Total holdings	Percentage to capital
1.	Rekha Rakesh Jhunjhunwala	4,69,45,970	5.29
2.	Life Insurance Corporation of India	1,85,61,871	2.09
3.	SBI-Various Mutual Funds	1,36,77,837	1.54

Updation of Shareholders details

1. Shareholders holding shares in physical form are requested to notify any changes to the Company/its RTA, promptly by a written request under the signature of sole/first joint holder; and

2. Shareholders holding shares in electronic form are requested to send their instructions directly to their DPs.

3. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, e-mail address, mobile number, and bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the Member, will not be processed by RTA till the aforesaid details/documents are provided to RTA. On or after 1st October 2023, in case any of the above cited documents/details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at https://www.titancompany.in/investors/investor-information/other-forms.

Nomination of Shares

As per the provisions of Section 72 of the Act, the facility for making nominations is available to the Shareholders in respect of the equity shares held by them. Shareholders, in particular, those holding shares in single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed Form No. SH-13. Shareholders holding shares in physical form may submit the same to TSR. Shareholders holding shares in electronic form may submit the same to their respective Depository Participant.

Investor Awareness

The investors can access generally available information about the Company in the given link: https://www.titancompany.in/.

The Company is committed towards promoting effective and open communication with all the stakeholders, ensuring consistency and clarity of disclosure at all times. The Company interacts with the investors through a variety of forums including earnings call, investor conferences etc. The Company also uploads investor presentations on its website.

Various Investor initiatives by RTA

The Company's RTA has implemented various investor initiatives given below as part of their constant endeavour to enhance investor servicing:

- FAQs - The FAQ section on the RTA's website has detailed answers to almost all probable investor queries. Please visit https://www.tcplindia.co.in/faq.html to find answers to the stakeholders queries related to securities.

- Chatbot - implementation of e-assistant 'Ask Idia', the Chatbot service which will help the stakeholders to get general answers to the questions related to KYC, IEPF, Public/Rights/Buyback Issues, Bond services, Depository services and Registry services. Please visit https://www.tcplindia.co.in and click on the 'Ask Idia' chat logo appearing at the bottom right corner of the web page.

- Extended business hours - TSR has extended its working hours from the earlier timing of 10 a.m. - 3.30 p.m. to 10 a.m. - 5 p.m. This provides investors a larger window for contacting the RTA.

- New Cloud Telephony system - This advanced and intelligent technology has been implemented by the RTA which has many augmented features for call and queue management. This has facilitated increased uptime and increased call hit ratio and also helped investors with ease of connect. The Virtual Mobile Number is 810811 8484.

- KYC assist - All KYC forms are available on the RTA's website in the format of download form, preview form and fillable form which are of great help and guidance to investors holding securities in physical form. The query on KYC status is also available on the basis of folio number as also serial number. Please visit https://www.tcplindia.co.in/kyc-download.html.

- Tax Exemption Form submission - You can submit your Tax exemption forms through online services on their website. Please visit https://tcpl.linkintime.co.in/formsreg/submission-of-form-15g-15h.htmlofform-15g-15h.html.

Shareholders engagement-Company's initiative

The Company undertook an initiative to trace the Shareholders whose dividends remained unclaimed for a considerable period of time. For this purpose, the Company had engaged the services of a third-party vendor to undertake the exercise of tracking the addresses of the Shareholders whose dividends remained unclaimed. As a pilot initiative, the Company had reached out to the Shareholders of major metros, of which the Company was able to trace a substantial number of Shareholders identified in those regions. The Company is reaching out to these Shareholders to update their KYC to claim the dividends lying in the unclaimed account. The Company will explore reaching out to such Shareholders of other cities in future.

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L74999TZ1984PLC001456
2. **Name of the Listed Entity:** Titan Company Limited
3. **Year of incorporation:** 1984
4. **Registered office address:** No. 3, SIPCOT Industrial Complex, Hosur, Tamil Nadu - 635126
5. **Corporate address:** 'INTEGRITY' #193, Veerasandra, Electronics City P.O., Off Hosur Main Road, Bengaluru-560100 Karnataka, India
6. **E-mail:** investor@titan.co.in
7. **Telephone:** 080-6704 7000
8. **Website:** www.titancompany.in
9. **Financial year for which reporting is being done:** 2022-23
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited and National Stock Exchange of India Limited
11. **Paid-up Capital:** ₹ 88.77 crore
12. **Name and contact details (telephone, E-mail address) of the person who may be contacted in case of any queries on the BRSR report:** Mr. N. E. Sridhar, Chief Sustainability Officer, Contact-080 6704 7000, E-mail- sridharne@titan.co.in
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):** Report is done on a standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Jewellery	Design, Manufacturing and Retailing of Jewellery	88%
2.	Watches & Wearables	Design, Manufacturing and Retailing of Watches and Wearables	9%
3.	EyeCare	Design, Manufacturing and Retailing of Eyewear and sunglasses	2%
4.	Others	Design and Retailing of Indian Dresswear, Fragrances and Fashion Accessories	1%

15. Products/Services sold by the entity (accounting for 90% of the turnover)

S. No.	Product/Service	NIC Code	% of Turnover of the entity
1.	Jewellery	3211	88%
2.	Watches & Wearables	2652	9%
3.	EyeCare	32507	2%
4.	Others		1%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	8	15	23
International	0	3	3

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 states and 8 union territories
International (No. of Countries)	40

b. What is the contribution of exports as a percentage of the total turnover of the entity?

2.25 %

c. A brief on types of customers:

The Company manufactures, markets and retails various lifestyle products such as Watches & Wearables, Jewellery, Eyewear, Fragrances & Fashion Accessories, Indian Dress Wear and other products across the country and in the international markets. The Company caters to its various customers through its retail stores and through online modes across age groups and price segments, that appeal to a wide section of the society.

IV. Employees:

18. Details as at the end of Financial Year:

a. Employees and workers (including differently-abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
			EMPLOYEES			
1.	Permanent (D)	7,384	5,845	79%	1,539	21%
2.	Other than Permanent (E)	4,487	3,276	73%	1,211	27%
3.	**Total employees (D + E)**	**11,871**	**9,121**	**77%**	**2,750**	**23%**
			WORKERS			
4.	Permanent (F)	1,515	771	51%	744	49%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	**Total workers (F + G)**	**1,515**	**771**	**51%**	**744**	**49%**

b. Differently-abled Employees and workers:

S. No	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
			DIFFERENTLY-ABLED EMPLOYEES			
1.	Permanent (D)	35	32	91%	3	9%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently-abled employees (D + E)**	**35**	**32**	**91%**	**3**	**9%**
			DIFFERENTLY-ABLED WORKERS			
4.	Permanent (F)	99	94	95%	5	5%
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total differently-abled workers (F + G)**	**99**	**94**	**95%**	**5**	**5%**

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19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	12	3	25%
Key Management Personnel	3	NIL	NIL

20. Turnover rate for permanent employees and workers for the past 3 years

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8%	12%	9%	8%	7%	8%	8%	9%	8%
Permanent Workers	1%	1%	1%	4%	2%	3%	0%	1%	1%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of the holding/subsidiary/associate companies/joint ventures:

As on 31st March 2023 the Company had 11 subsidiaries and 1 associate.

S. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Titan Engineering & Automation Limited	Subsidiary	100%	No
2.	Titan Commodity Trading Limited	Subsidiary	100%	No
3.	Titan Holdings International FZCO, Dubai	Subsidiary	100%	No
4.	TCL North America Inc.	Subsidiary	100%	No
5.	TCL Watches Switzerland AG (formerly known as Favre Leuba AG)	Subsidiary	100%	No
6.	CaratLane Trading Private Limited	Subsidiary	72.31%	No
7.	Titan Global Retail LLC., Dubai	Step-down Subsidiary	99.6% held by Titan Holdings International FZCO	No
8.	Titan International QFZ LLC., Qatar	Step-down Subsidiary	100% held by Titan Holdings International FZCO	No
9.	TEAL USA Inc.	Step-down Subsidiary	100% held by Titan Engineering & Automation Limited	No
10.	StudioC Inc., USA	Step-down Subsidiary	100% held by CaratLane Trading Private Limited	No
11.	Titan Watch Company Limited, Hong Kong	Step-down Subsidiary	100% held by Titan Holdings International FZCO	No
12.	Green Infra Wind Power Theni Limited	Associate	26.8%	No

The Indian subsidiary companies have their own business responsibility initiatives and generally do not participate in the Business Responsibility initiatives of the Company. However, there are instances where the Company makes joint commitment to support various initiatives.

VI. CSR Details

22. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013:** YES

(ii) **Turnover as of 31st March 2023 (in ₹)** – ₹ 38,569 crore

(iii) **Net worth as of 31st March 2023 (in ₹)** – ₹ 11,994 crore

VII. Transparency and Disclosures Compliances:

23. **Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, a mechanism is in place to interact with the community and to address their concerns, if any.	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholder)	Yes. https://www.titancompany.in/contact-us	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes, Shareholders can lodge their grievances with the Company's RTA at https://www.tcplindia.co.in/InvestorCharterHtml. Shareholder can also register their complaints with SCORES at: https://scores.gov.in/scores/Welcome.html and also web links of BSE and NSE at http://tiny.cc/m1l2vz and http://tiny.cc/s1l2vz for Arbitration.	61	1	As of 31st March 2023, there is one pending complaint received through the SCORES Platform. The Action Taken Report for this complaint was submitted by RTA on 31st March 2023 and the same is pending for review by SEBI.	24	2	As of 31st March 2022, there were two pending complaints received through the SCORES Platform. The Action Taken Reports for these complaints were submitted by RTA on 23rd March 2022 and the same was closed subsequently.
Employees, Value Chain Partners and others	Yes. https://www.titancompany.in/sites/default/files/Whistle%20Blower%20Policy_1.pdf or reach out at wb@titan.co.in or ethics@titan.co.in	5	1	NA	8	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	Yes. https://www.titan.co.in/help-and-contactus.	71,919	1,153	The Company is currently in the process of evaluating the pending complaints, appropriate action will be taken as per the Company's resolution time period.	47,209	982	The Company is currently in the process of evaluating the pending complaints, appropriate action will be taken as per the Company's resolution time period.

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Health & Safety	Opportunity & Risk	The Company's approach to safety is built on two key aspects, viz., proactive awareness and building awareness. Hence health and safety is integrated into all areas of key activities across the Company.	• Build Leadership Capabilities. • Proactively identify hazards, assess and manage risks • Communication and participation across all levels	Positive

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S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Product Innovation & Technology	Opportunity & Risk	The Company leverages its technological prowess and innovation to design, manufacture and launch existing products to enhance value proposition and create excitement among consumers.	• Remaining contemporary with design and launch of new products • Investments in latest technologies • Leveraging the digital medium • Promotion of R & D and Innovation	Positive
3.	Supply Chain Management	Opportunity	With Integrated Supply Chain as a strategic advantage, the Company balances a mix of in-house manufacturing and outsourcing so as to have shorter as well cost effective supply chain for timely movement of products.	• Development of dedicated set of vendors for specific requirement of the Company's products • Technical and financial support to key suppliers • Multiple assembly /manufacturing plants • Investment in supplier capability enhancement programs	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Customer Experience	Opportunity	As a lifestyle products Company, its success is largely attributed to maintaining excellent relationships and building loyalty with a large customer base across markets served.	• Several initiatives to engage with customers through various means including virtual interactions • Loyalty driven programs and promotion of products and services • Enhanced customer experience at retail stores • Leveraging of social media platforms to listen to consumers and engage continuously	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.titancompany.in/investors/corporate-governance/policies								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9000, ISO 14000 for operations ISO 45000 pan-India								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Objectives and targets for Environmental Management System (EMS), Occupational Health & Safety (OHS) and Quality Management System (QMS) are being driven at respective business divisions.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Objectives and targets for EMS, OHS and QMS are being driven at individual divisional levels.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements: The Company is committed to integrating Environmental, Social and Governance (ESG) principles into its businesses which is central to improving the quality of life of the communities it serves. The Company has taken measures to inculcate beneficial and fair business practices to the labour, human capital and to the community at large. It provides employees and workers with working conditions that are clean, healthy and safe.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. C K Venkataraman Designation : Managing Director DIN : 05228157								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes. The Directors and Senior Leadership Team of the Company monitor various aspects of Social, Environmental & Governance responsibilities of the Company on a continuous basis. The Business Responsibility performance of the Company is assessed by Corporate Social Responsibility Committee and Ethics Committee of the Board								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/ Any other Committee									Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)							
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The CSR and Ethics Committees of the Board review progress with respect to set action plans covered under many of the above principles.									Half-yearly							
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The CSR and Ethics Committees of the Board review progress with respect to set action plans covered under many of the above principles.									Annually							

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. The Audit is undertaken by PwCServices LLP.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category the covered by awareness programmes
Board of Directors	5	During the year, the Board and KMPs engaged in various updates pertaining to business strategy, Intellectual Property, Regulatory, Safety and Sustainability matters, etc. These topics provided insights on the said Principles.	100
Key Managerial Personnel	5		100
Employees other than BoD and KMPs	532	Safety/Prevention of Sexual Harassment/ Diversity, Equity and Inclusion/Ethics	100
Workers	532	Safety/Prevention of Sexual Harassment/ Diversity, Equity and Inclusion/Ethics	100

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website): Nil

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed**

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Nil	Nil

4. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:**

   Not Applicable

5. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:**

   Yes, the Company has incorporated the requirements of anti-corruption and anti-bribery as a part of the governing policies on ethical conduct (within the policy of gifting), and the same can be accessed at: https://www.titancompany.in/sites/default/files/Governing%20Policies_01-Dec-2022%20%281%29.pdf.

6. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

7. **Details of complaints with regard to conflict of interest**

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

8. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest**.

   Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
The programs pertaining to some of the principles that fall under ethical behaviour are held for entire company in batches and reinforced each year. Participants include supply chain partners, Business associates, and all categories of employees on or off rolls.	Principles of the Tata Code of Conduct, policies such as Gifting/ Anti-Bribery/POSH etc.	100

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. The Company has a process to manage the conflict of interest involving Board Members. As per the requirements of the Companies Act, 2013 the disclosure of interest is required to be given by the Directors in prescribed Form MBP-1 which is brought to the attention at a Board Meeting and taken on record. Further, any transaction in which a Director is interested is brought to the attention of the Board and the interested Director (if any) does not participate in that discussion. Additionally, the Company has a policy on conflict of interest. Refer the link below: https://www.titancompany.in/sites/default/files/TCOC_Booklet_Cover_P001_P036%20Final.pdf.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	2022-23 Current Financial Year	2021-22 Previous Financial Year
Total R&D and Capex	₹ 22.31 crore	₹ 20.72 crore
Details of improvements in environmental and social impacts	This represents the total R&D and Capex expense incurred by the Company which also includes investments in specific technologies to improve the Environmental and Social Impacts.	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, Titan has procedures in place for sustainable sourcing.

b. If yes, what percentage of inputs were sourced sustainably?

Each vendor is viewed as a partner in the process of business growth, and also as enablers of mutual long term sustainable growth. The Company believes in investing time and effort in building mutually beneficial relationships. The business responsibility extends to the supply chain partners – the people from where the products are sourced from and the people to whom key processes are outsourced. Vendors are a part of the Company's ecosystem and their relationship with the Company is a reflection of the same.

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Each Division of the Company has its own supply chain process. Jewellery, being a major division, plain gold and a part of studded Jewellery making are outsourced wherever required and the vendor base varies from large diamond providers to Karigars. A significant 30-32% of the gold consumed is from recycled gold received from the customers under the Company's gold exchange programme. The balance 55-60% of fresh gold bars consumed is procured from RBI-designated banks which import London Bullion Market Association (LBMA) certified gold ensuring highest purity, quality and mined from ethical sources.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

- **Plastics-** The Company uses packaging material that are made out of plastics (rigid/multilayered), some of which are made out of either biodegradable or bio compostable plastic materials. The Company is in the process of putting together a system to ensure all plastic packaging materials are collected, recycled or disposed in an environmentally suitable procedure.

- **E-waste and Hazardous waste-** These two are handled in a very systematic and coordinated manner and disposed off to licensed and certified vendors who in turn process them according to established standards and procedures. A certificate for having processed the said waste as per the established standards is collected and recorded.

- **Other waste-** Wastes such as paper, cardboard, wood etc. (although in small quantities) are disposed through vendors for reprocessing, wherever possible and reused.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. The same is being complied.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

The Company has not carried out a formal Life Cycle Assessment for its product.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same:**

Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Gold	32.00%	25.89%
Silver	17.20%	63.26%
Brass	85.00%	83.40%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

(In MT)

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	38	0	60.93	21	0	73.42
E-waste	0	0	13.75	0	0	7.70
Hazardous waste (Other than Plastic)	0	0	3.89	0	0	3.57
Battery waste	0	0	11.12	0	0	16.61
Bio-medical waste	0	0	0.58	0	0	0.52
Other Non-hazardous waste - Paper, Wood, Etc.	0	0	407.03	0	0	459.41

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of Employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	5,845	5,845	100	5,845	100	0	0	5,845	100	0	0
Female	1,539	1,539	100	1,539	100	1,539	100	0	0	0	0
Total	**7,384**	**7,384**	**100**	**7,384**	**100**	**1,539**	**21**	**5,845**	**79**	**0**	**0**
Other than Permanent Employees											
Male	3,276	3,276	100	3,276	100	0	0	3,276	100	0	0
Female	1,211	1,211	100	1,211	100	1,211	100	0	0	0	0
Total	**4,487**	**4,487**	**100**	**4,487**	**100**	**1,211**	**27**	**3,276**	**73**	**0**	**0**

b. **Details of measures for the well-being of workers:**

Category	% of Workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	771	771	100	771	100	0	0		0	0	0
Female	744	744	100	744	100	744	100	0	0	0	0

Category	% of Workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Total	**1,515**	**1,515**	**100**	**1,515**	**100**	**744**	**49**	**0**	**0**	**0**	**0**
Other than Permanent Workers											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

2. **Details of retirement benefits, for Current Financial Year and Previous Financial Year**

Benefits	2022-23			2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. Of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	0	1.70	Y	0	2.10	Y
Other please specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces**

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, all working locations of the Company, are accessible for differently abled employees and workers.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company has internal processes with respect to diversity, equity and inclusion with the intention of encouraging the employability abilities of disadvantaged sections of society, such as persons with disabilities.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees 2022-23		Permanent Workers 2022-23	
	Return to work rate	Retention rate (in %)	Return to work rate	Retention rate (in %)
Male	69	100	25	100
Female	12	100	47	100
Total	**81**	**100**	**82**	**100**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Y
Other than Permanent Workers	Y
Permanent Employees	Y
Other than Permanent Employees	Y

The Company has a structured grievance redressal mechanisms for all its stakeholders, that clearly defines ownership and the process to address grievances suitably. For the employees belonging to the Union category, there is a multi-layered approach to deal with grievance, at shop floor level, unit and corporate levels. Other formal approaches include the Tell Me engagement, the employee pulse/engagement survey, etc. where in besides giving feedback to the Company, the employees are encouraged to raise their grievances in a transparent manner and the same is followed through for redressal.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Permanent Employees	-	-
-Male	-	-
-Female	-	-
Total Permanent Workers	1,515	1,553
-Male	771	794
-Female	744	759

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	5,845	5,845	100	4,091	70	5,370	5,370	100	3,759	70
Female	1,539	1,539	100	1,077	70	2,022	2,022	100	1,415	70
Total	**7,384**	**7,384**	**100**	**5,168**	**70**	**7,392**	**7,392**	**100**	**5,174**	**70**
Workers										
Male	771	771	100	771	100	794	794	100	794	100
Female	744	744	100	744	100	759	759	100	759	100
Total	**1,515**	**1,515**	**100**	**1,515**	**100**	**1,553**	**1,553**	**100**	**1,553**	**100**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	5,845	5,845	100	5,370	5,370	100
Female	1,539	1,539	100	2,022	2,022	100
Total	**7,384**	**7,384**	**100**	**7,392**	**7,392**	**100**
Workers						
Male	771	771	100	794	794	100
Female	744	744	100	759	759	100
Total	**1,515**	**1,515**	**100**	**1,553**	**1,553**	**100**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No).

If yes, the coverage such system?

Yes, the Company has a well-structured Occupational Health and Safety management system in place. The OHS management system which has been implemented in the Company are developed in line with high-level structured frameworks. The scope of the Safety management system includes the manufacturing units, Corporate Office, Regional Offices, Area Offices, Service Centres, Sourcing Offices, Retail Stores and key vendor Units.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has various proactive practices in place for identifying hazards and assessing corresponding risks.

- The Hazard Identification and Risk Assessment (HIRA) is done for all the identified activities in the entity. Apart from periodic review, the same is also reviewed in case of any change in the existing systems.
- The Company has well laid out change management systems, thereby the hazards and its associated risks can be foreseen in the design stages of new implementations/changes, and necessary control measures are implemented in line with the hierarchy of controls.
- The Company ensures that new findings flagged during the regular Plant Safety Inspections done by competent Environment Health & Safety resources are reflected in the HIRA.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has well established system called "Safety Alert" for reporting work related hazards. Safety alert card system to capture near miss, unsafe acts and unsafe condition. Any person who witnesses near miss, unsafe acts and unsafe conditions can record the same in the safety alert card and drop the card in the safety alert card drop boxes. To enhance the reporting, the Company has introduced mobile app called "Surakasha App" for reporting safety alerts. The safety alert cards are reviewed for taking necessary corrective and preventive action.

In addition to the above, the Company has safety committees in all manufacturing units with worker participation. Worker's representative bring any unresolved issues related to safety before this committee. The same will be discussed and resolved.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No):

Yes, employees/workers of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.07	0.03
	Workers	-	-
Total recordable work-related injuries	Employees	18	20
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The OHS strategy is built on four cornerstones, which are leadership, systematic approach, continually building an active OHS culture and safe workplaces and equipment. The Company has continued to build on the OHS strategy by strengthening safety leadership capability, fostering a strong safety culture, improving the effectiveness of safety management system, and managing risks associated with workplaces and equipment.

A. Leadership Skills:

The Company constantly focuses on building safety leadership capability from Senior Management team to front-line supervisors.

- The safety messages from the Senior Management team is being circulated to all the frontline employees on a periodical basis through Video messages and E-mail Communications.
- Any meeting concerned with the entity, starts with the safety note. The same is being followed at internal and external meetings also.
- The Senior Management team is being involved in periodical safety walkthroughs.

B. Systematic Approach:

The Company drives the entire safety system based on anticipation and identification of the risks well in advance proactively and ensuring the effective control measures are put in place. Below are few practices :

a) Project Suraksha –Retail stores:

In order to keep the retail stores safe and secure, not only for employees but also for all customers who walk in, it is ensured that safety and health requirements are part of the design. The Company carries out Deep dive safety assessment of our stores named "Project Suraksha"to make sure that the design indents are complied.

b) Manufacturing Units – Risk Based Approaches

The Company has identified all ongoing activities at department level across the Integrated Supply Chain Management (ISCM) units. The risks are quantified and prioritized, thereafter, the Top 10 risks are identified at the Department level, Unit level and ISCM level. Accordingly, necessary action plans are developed and the implementation is being enforced.

C. Developing OHS Culture:

The Company continuously strives to embed the culture of enriched safety and health among the employees and other stakeholders. In the recent years, the Company has taken several initiatives and few are as follows:

a) Training

In order to develop a positive health & safety culture, the Company has conducted several specialized programmes, apart from regular induction and re-trainings covering topics as hereunder:

- Felt Leadership Training
- Behaviour based safety
- Defensive Driving
- Safety in Material handling
- Chemical Safety
- Ergonomics
- Electrical Safety
- Technical Skill Development Training
- Fire Fighting Training

b) Engagement Programs:

The Company periodically conducts monthly campaigns, where it engages larger workforce across the businesses/operations through online and offline activities/Training programs/Awareness sessions. Through all these engagements, there is a significant positive change in the mindset of the employees/family members/stakeholders.

c) Awards and Rewards: The Company encourages safety culture, thought process and other initiatives on safety grounds through awarding/rewarding the employees. This stimulates their involvement and commitment on safety.

D. Safe Workplace and Equipment:

a) Work/Event Permit system:

Considering the hazards encountered during certain routine and non-routine activities, the Company follows a "permit to work" system. Safety team inspects the sites, evaluates the hazards and suggests corrective actions. Once the area is free from hazards, it will be cleared for work and permits are issued. The same is being followed for all the manufacturing units of the Company.

b) Emergency preparedness:

With a view to raise awareness about emergency preparedness and response plan, the Company conducts emergency preparedness drills for different scenarios like fire/gas leak/acid splash, etc., on a periodic basis.

c) Machine Risk Assessment:

All machines and equipments are assessed for the existence of hazards and risks and the existing control measures are thoroughly evaluated for adequacy of safety. The Machine Safety systems were upgraded to European Standards/Industrial Benchmarking Practices. This is mandated as certification process for all the newly procured machines and equipments.

Apart from the Machine Risk Assessments, the Company carries out other assessments such as Electrical Risk Assessment, Gas cylinder Assessment, Handrail Assessment, Chemical Risk Assessment, etc.

d) Well established Safety System:

All Company locations are well equipped with active and passive fire protection systems and setups. The Company ensures the presence of required safety measures in all its establishments and areas. The Company keeps track on the real time operation of the equipment through Building Management Systems.

e) Compliance Management:

The Company conducts periodic internal and external audits to ensure compliance requirements pertaining to health and safety practices are constantly met.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

- Introduction of bio metric access in the ignition system of material handling equipment to ensure that only trained and authorised employees operate these equipments.
- Four layered protection system for power press operations.
- Physical vapour deposition system for plating, for pollution free working environment.
- Fire snippers for electrical distribution system to proactively capture any abnormalities in the system.
- Automation/semi automation of the operations to ensure manual works.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Employees (Yes/No): Yes

Workers (Yes/No): Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The entity ensures adherence to statutory compliances related to workers such as timely wage payment and Provident Fund.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No):**

Yes, subject to the requirements, the Company provides opportunities for engagement on specific projects/assignments across the Company.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Jewellery division being the larger business had embarked on a 4P program (people, process, place and planet) of assessment and improvement of its vendor partners and a rating of 4 point scale of 95% the practices have attained a level of standard (higher level) of 4. This has been assessed through a third party.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Significant risks/concerns, if any, related to health and safety practices and working conditions are evaluated during the assessments and no such significant risks/concerns were recorded.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

The Company identifies its stakeholders, which include customers, suppliers, communities, Government/regulators, shareholders and employees. The Company conducts materiality analysis across stakeholder groups through a third-party study as per Integrated Reporting framework materiality assessment process. However, this process is ongoing and efforts are made to continuously identify additional key stakeholders.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website)	Frequency of engagement (Annually/Half yearly/Quarterly)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Social media/E- commerce, E-mail Communications, Text/ Whatsapp messages	Need based	Product launch, opinion seeking.
Shareholders	No	Annual General Meetings, Annual Reports, Quarterly update/Financial Results and Investor Presentations. E-mail communications, Company/Stock Exchange websites. Complaints and grievance mechanism of SEBI/Stock Exchanges and the Company	Quarterly, Annually and need based	Keeping communication channels open with analysts and investor community helps to connect them with the Company.
Vendors	No	Supplier/Vendor meetings	Annually	Engagement on Performance and plans, TCoC partner expectation and feedback.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website)	Frequency of engagement (Annually/Half yearly/Quarterly)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Tell Me Survey, Open House by Senior Management/Face to face Ethics sessions, MD's quarterly cascades	Annually/ Quarterly	Employee Feedback and Managing Director/ Senior Management response.
Government and Regulatory Authorities	No	E-mails/In-person scheduled meetings	Ongoing	To maintain regular engagement, communications and advocacy with Regulatory Authorities, to understand and brief on matters pertaining to regulatory changes from time to time.
Communities	Yes	Through CSR projects initiatives and meetings and through e-mail communications	Ongoing	Touching the lives of people for their overall wellbeing including Capacity Building and local area development in order to improve the livelihoods of the communities.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company's operations are certified to ISO 14000 Environmental standards. Stakeholder consultations, internal and external, are part of the requirements of the standards, besides adherence to local regulatory requirements such as Pollution Control Board norms.

   The Company has a full-fledged CSR team as part of the corporate sustainability function. This team identifies social projects and programmes in line with the CSR Policy and are implemented through reputed NGOs. The CSR programmes, partner's locations and impact of the projects are updated to the Board for their approval through the CSR Committee of the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. Social/community inputs are translated into a series of CSR programmes that are the implemented in the community with a clear understanding and definition of likely impact it will create.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   a) The Company has a well-defined engagement with the vulnerable or marginalised stakeholder groups. The Women Self-Help Groups (MEADOWS) is in existence for over three decades which supports the Company's operations and is a classic example of working with women from underprivileged background.

   b) All CSR programmes of the Company are directed towards marginalised communities including education for the underprivileged girl child, and skilling for underprivileged youth. Apart from this, the Company also directs its efforts in specifically including Persons with Disabilities in various CSR and Affirmative Action projects.

   c) Refer to the Corporate Social Responsibility Report given separately in Annual Report for project details.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	7,384	7,384	100	7,392	7,392	100
Other than permanent	4,487	4,487	100	4,500	4,500	100
Total Employees	**11,871**	**11,871**	**100**	**11,892**	**11,892**	**100**
Workers						
Permanent	1,515	1,515	100%	1,553	1,553	100
Other than permanent	0	0	0	0	0	0
Total Workers	**1,515**	**1,515**	**100**	**1,553**	**1,553**	**100**

Note: Includes training covered under the Tata Code of Conduct

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum wage		More than minimum wage		Total (D)	Equal to Minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	7,384	0	0	7,384	100	7,392	0	0	7,392	100
Male	5,845	0	0	5,845	100	5,370	0	0	5,370	100
Female	1,539	0	0	1,539	100	2,022	0	0	2,022	100
others	-	-	-	-	-	-	-	-	-	-
Other than Permanent	4,487	244	5	4,243	95	6,161	513	8	5,648	92
Male	3,276	196	6	3,080	94	4,763	323	7	4,440	93
Female	1,211	48	4	1,163	96	1,398	190	14	1,208	86
Others	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	1,515	0	0	1,515	100	1,553	0	0	1,553	100
Male	771	0	0	771	100	794	0	0	794	100
Female	744	0	0	744	100	759	0	0	759	100
Others*	-	-	-	-	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-

* The minimum wages paid to to employees includes workers

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3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective categor
Board of Directors (BoD)	9	83,00,000	3	22,00,000
Key Managerial Personnel	3	4,33,00,000	0	-
Employees other than BoD and KMP	4,854	8,48,500	1,426	7,35,811
Workers	769	17,53,997	744	8,66,180

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Company has adopted the Tata Code of Conduct (TCoC). Human rights form a part of the TcoC. The Head of Department of different functions as appropriate are responsible for addressing human rights issues, if any.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The grievances related to human rights issues, if any, are addressed according to the Company's policy. The policy is available at the Company's website at https://www.titancompany.in/sites/default/files/TCOC_Booklet_Cover_P001_P036%20Final.pdf.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	12	6	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human righted related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

(a) Independent Internal Committee (IC) consisting of two IC members and external member is formed and when a POSH complaint is received, they take independent decisions and actions as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee before concluding on the recommendations deliberates with the IC Core Committee that consists of cross functional leadership team, which ensures absolute transparency and fairness on the recommendation of IC.

(b) Transparency is maintained in the process while maintaining complete confidentiality. The complainant is also provided with adequate support in terms of counselling when needed. Besides this, on an ongoing basis, all people managers are given constant inputs and taken through awareness sessions on the need to create a respectful workplace.

(c) Whistle Blower complaints are anonymized and shared with both the Board Ethics and the Audit Committee of the Board on a regular basis.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, it is covered under the Tata Code of Conduct, which is referred in the business agreements and contracts.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The Company is in compliance with the laws, as applicable.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above. (Mention the areas improved)

No significant risks were identified. Few areas for enhancing processes were identified and the Company has worked on it.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/ complaints.

In the case of POSH, process and steps are in place, such as ensuring that the IC is independent and does not have people from the same function, having direct or indirect influence on the individual's performance (both the complainant and respondent's).

Cross Functional Team comprising of top management deliberates the outcomes and takes final decision on cases relating to separation of employees.

Appeal mechanisms are in place, in case the complainant or respondent wish to review the decision. Consequence matrix is an internal document that forms as a guide to determine the consequence and the impact the consequence will have on the individual based on the severity of the issue, and this gets updated on an ongoing basis.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Not formally conducted. However, these are embedded in the TCoC which are communicated to all stakeholders.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Across many locations especially factories and the corporate office, the Company has taken several steps to ensure that accessibility requirements are taken care of. These include provision of handrails, ramps, elevators, etc.

4. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	All these factors are part of TCoC.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	While the above is not formally done, whenever a supply chain partner is identified many of these parameters are part of assessing/due diligence of the partner before they are onboarded.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

No such significant risks/concerns and hence not applicable.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in lakh units) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A) (Grid)	314.71	260.66
Total fuel consumption (B) (Energy created from Fuel)	12.35	12.90
Energy consumption through other sources (C) (Solar and Wind)	177.68	147.56
Total energy consumption (A+B+C)	**504.74**	**421.12**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	1,308.00	1,533.80
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, none of the facilities have been identified as as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	22,244	9,894
(ii) Groundwater	68,283	66,708
(iii) Third party water	2,04,086	1,71,601
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,94,614	2,48,203
Total volume of water consumption (in kilolitres)	4,54,441	3,67,396
Water intensity per rupee of turnover (Water consumed/turnover)	11.8 Kilolitres/CR	13.38 Kilolitres/CR
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, At the Company's manufacturing plants at Hosur and Coimbatore (Watches and Jewellery), the Company has implemented zero liquid discharge system.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	µg/m³	133.15	132.90
SOx	µg/m³	70.05	71.70
Particulate matter (PM2.5)	µg/m³	402.78	389.13
Particulate matter (PM10)	µg/m³	183.80	179.7
Persistent organic pollutants (POP)	ppm	0	0
Volatile organic compounds (VOC)	ppm	0	0
Hazardous air pollutants (HAP)	mg/m3	1.15	1.15
Others – please specify			
Carbon Monoxides (as CO)	mg/m³	1.15	1.15
Ozone (as O3)	µg/m³	24.93	26.84

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	3,686.73	4,337.33
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	18,792.50	22,105.82
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO2 per ₹ crore	0.58	0.97
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	tCO2/Employee	2.52	2.95

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Some of the initiatives taken to reduce Green House Gas emission are given below:

1. Investment in Solar and wind power projects and feeding into manufacturing plants to reduce grid energy. (During FY 2022-23, 177.68 units of renewable energy was used in the manufacturing plants.)
2. The Company's administration department has initiated use of electric cars as taxis for domestic local travel to prevent use of diesel-powered cars.
3. The manufacturing plants have eliminated use of trichloroethylene and replaced the same with alkaline solution in cleaning operations.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	118.13	121.83
E-waste **(B)**	15.59	8.01
Bio-medical waste **(C)**	1.02	1.04
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	11.11	16.61
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify if any, (other than plastic) **(G)**	206.06	298.48
Other Non-hazardous waste generated (H). Please specify, if any. - Paper, wood, Cardboard etc	1,006.65	855.68
Total (A+B + C + D + E + F + G + H)	**1,358.55**	**1,301.67**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	38	21
(iii) Other recovery operations	-	-
Total	**38**	**21**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	1.89	21.84
(ii) Landfilling	276.74	273.38
(iii) Other disposal operations (Sold)	407.03	599.85
Total	**775.92**	**895.08**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Adequate measures are taken to procure and consume safe materials for operations and thereafter pre-determined places are identified for storing, segregation and disposal of wastes, both hazardous and non-hazardous appropriately as per regulatory and legal requirements with relevant records of various wastes such as plastic, paper, wood, oil, etc. Wherever possible wastes are recycled and consumed accordingly. The manufacturing units have not received any notices or fines from any authorities.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Location of operations/offices	Type operations of	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA	NA	None of the offices or manufacturing facilities are in ecologically sensitive areas and hence there is no requirement to obtain any additional approvals or clearances.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Specify the law/ regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, action if any
Yes, the Company is in compliance with the applicable enviornmental regulations.			

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	177.68	147.56
Total energy consumed from renewable sources (A+B+C)	**177.68**	**147.56**
From non-renewable sources		
Total electricity consumption (D)	314.71	260.66
Total fuel consumption (E)	12.35	12.90
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**327.06**	**273.56**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. **Provide the following details related to water discharged:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment		
(i) To Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	42,458 kilolitres	15,900 kilolitres
(ii) To Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iii) To Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	**42,458 kilolitres**	**15,900 kilolitres**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area – Coimbatore and Hosur (Tamil Nadu) and Chikkabalapur and Corporate Office in Electronics City, Bengaluru (Karnataka)

(ii) Nature of operations – Manufacturing of Watches, Jewellery (In Tamil Nadu) and Eyewear products in Karnataka.

(iii) Water withdrawal, consumption and discharge in the following format: -

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	13,466.45	1,700.00
(ii) Groundwater	14,100.00	19,700.00
(iii) Third party water	99,266.77	93,747.85
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**1,26,833.22**	**1,16,507**
Total volume of water consumption (in kilolitres)	**2,52,537.25**	**2,17,464.15**
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	39,200.00	15,900.00
(ii) Into Groundwater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
(iii) Into Seawater		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(iv) Sent to third-parties		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
(v) Others		
- No treatment	Nil	Nil
- With treatment – please specify level of treatment	Nil	Nil
Total water discharged (in kilolitres)	**39,200**	**15,900**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	80,573.60	70,328.24
Total Scope 3 emissions per rupee of turnover	tCO2/crore	2.09	2.57
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. -No

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Reduction of energy	Implementation of energy such as Solar and Wind (During FY 2022-23 177.68 lakh units of renewable energy used thereby reducing carbon emission of 14,392 tCo2 always)	Positive
2.	Reduction of fresh water	Implementation of several water-saving initiatives including recycling efforts. (During FY 2022-23, 217 lakh litres of water were saved and recycled water quantity was 1,598 kilolitres.) During the year several groundwater recharge pits were created as well as sumps/ cisterns were constructed to store rainwater.	Positive
3.	Reduction of plastic in packaging	Implementation of recycling efforts. (During FY 2022-23 significant efforts were made to recycle the plastics used in packaging and trial are ongoing.)	Positive

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

The Company had implemented a well-designed enterprise level Business Continuity Plan including Disaster Recovery scenario for the various businesses and functions of the Company to minimise disruptions and potential impact on its employees, customers and business during any unforeseen adverse events or circumstances.

The Company has an enterprise Disaster Recovery Site (DRS) for all businesses, critical applications in a distant location falling under a different seismic zone. The main DRS is synchronized with the primary data centre to ensure resumption of IT services or applications as agreed with the businesses.

Reliability of DR processes to ensure continued availability of systems and information are verified through mock drills, restoring back-ups into separate hardware, cloning exercise, etc. In order to strengthen the process and delivery of BCP, the Company is in the process of implementing the "Manage Continuity Process" under the Control Objectives for Information and Related Technologies framework. Having a wide vendor network within and outside India for cases and movements, assembly units at various locations, multiple Karigar parks, regional lens lab, case plant at Coimbatore, regional sourcing hubs, multiple lens labs, etc., are a few examples of emergency readiness to ensuring business continuity.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard:

The Company is engaged in retail business. In this process, it evaluates environmental impact in stages of product design, manufacturing process, disposal of waste and store operations. By this process, the Company intends to achieve minimal environmental impact at each of these stages to ensure sustainabililty in its operations.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts:

This is being done across all the value chain partners at the time of onboarding.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations:
14

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1.	CII (Confederation of Indian Industry)	National
2.	TAGMA (Tool & Gauge Manufacturers Association)	National
3.	RAI (Retailers Association of India)	National
4.	FICCI (Federation of Indian Chambers of Commerce & Industry)	National
5.	GJC (All India Gem and Jewellery Domestic Council)	National
6.	GJEPC (Gems & Jewellery Export Promotion Council)	National
7.	IBJA (India Bullion & Jewellers Association)	National
8.	GJSCI (Gem & Jewellery Skill Council of India)	National
9.	GIA (Gemmological Institute of America)	International
10.	CeNSE (Centre for Nano Science & Engineering)	National

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities:

No issues reported

Name of authority	Brief of the case	Corrective action taken
No cases reported. There is no action taken or underway against the Company.		

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

   The Company makes representation to various industry bodies including RAI/CII regarding new enactments that impact retail industry. The Company's representatives participate on various discussion including advocacy pursued by such industry forums. The advocacy of such bodies is a collective effort to communicate with key stakeholders on the industry viewpoint.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Titan Kanya - Academic support Centre in Government Schools-KCMET	NA	NA	Yes	Yes	https://www.titancompany.in/corporate-social-responsibility
Titan Kanya - Education support for disadvantaged Girls (upto learning level 5)-IIMPACT	NA	NA	Yes	Yes	https://www.titancompany.in/corporate-social-responsibility
Skill development at Titan LeAP skilling Center (Hub & Spoke Model)-Naandi Foundation	NA	NA	Yes	Yes	https://www.titancompany.in/corporate-social-responsibility
Skilling for the disabled- The Association of People with Disability	NA	NA	Yes	Yes	https://www.titancompany.in/corporate-social-responsibility
Happy Eyes-Sankara Eye Foundation	NA	NA	Yes	Yes	https://www.titancompany.in/corporate-social-responsibility
Happy Eyes-Akhand Jyoti Eye Hospital	NA	NA	Yes	Yes	https://www.titancompany.in/corporate-social-responsibility
COVID-19 Response- Tata Education and Development Trust	NA	NA	Yes	Yes	https://www.titancompany.in/corporate-social-responsibility

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community.

The Company's CSR initiatives has a multi-pronged approach to get in touch with the community and listen to their grievances if any. These approaches include:

1. Field visits and direct interactions by the Senior Management with the partners. These interactions include field interactions by project leads as part of Monitoring and Evaluation. The public can also approach the Company through Company's websites/visit to the offices or stores of the Company across the country.
2. Field interactions by Project leads as part of Monitoring and Evaluation
3. Annual partner meet, as and when held.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	Division	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSME/small producers	Watches	84%	74%
Sourced directly from within the district and neighbouring districts		61%	58%
Directly sourced from MSME/small producers	Eyewear	6%	5%
Sourced directly from within the district and neighbouring districts		12%	9%
Directly sourced from MSME/small producers	Jewellery	79.18%	71.80%
Sourced directly from within the district and neighbouring districts		83.86 %	72.50%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹ lakh)
1	Uttarakhand	Udham Singh Nagar	84.45
2	Uttarakhand	Udham Singh Nagar	29.35
3	Karnataka	Yadgir	189.81
4	Tamil Nadu	Virudhunagar	1.57

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

Yes, from the very inception the Company has worked with the marginalised group, coming from the weaker sections of the society. Our Self-help group that is in place who work across all divisions in terms of certain subcontracting operations has more than 400 women working with 20 groups. This is in place for almost three decades.

(b) From which marginalized/vulnerable groups do you procure?

Underprivileged women

(c) What percentage of total procurement (by value) does it constitute?

1%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups*
1.	Education with a special focus on the Girl Child	1,34,160	In the range of 40-50%
2.	Skilling and Placement of less privileged youth in wage/self-employment	22,012	
3.	Support for Indian Arts, Crafts & Heritage	2,985	
4.	Design: Impact Awards - Grants, Capacity Building, Monitoring + Design: Impact Movement	1,02,351	
5.	Responsible Citizenship	4,25,803	

The CSR policy is an inclusive policy that incorporates 3 critical segments i.e., less privileged girl child, persons with disabilities and AA (SC/ST). In total the Company reached out to about 6 Lakh beneficiaries through its CSR programmes during FY 2022-23.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

The Company has established multiple channels to receive and address customer complaints. Customers can reach out for assistance through various platforms such as the dedicated helpline, the Company's website, E-mail communication, physical stores, the Net Promoter Score (NPS) system, service centres, customer meets, interactions with the Senior Management Team, and designated service points. These extensive avenues ensure that customers have numerous options to voice their concerns, allowing the Company to efficiently resolve any issues and provide the best possible customer service experience.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	100%. The relevant disclosures is made as per applicable laws on all the products of the Company.
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2022-23 Current Financial Year		Remarks	FY 2021-22 Previous Financial Year		Remarks
	Received During the Year	Pending resolution at the end of the year		Received During the Year	Pending resolution at the end of the year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other (Product/Service related)	Nil	Nil	Nil	Nil	Nil	Nil

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link to the policy.

Yes, the same is available at: https://www.titancompany.in/privacy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls penalty/action taken by regulatory authorities on safety of products/services.

Nil

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

The same is available at www.titancompany.in.

In addition, the Company actively uses various social media and digital platforms to disseminate information on its products.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

These information are made available as part of product communication in the website and/or in the product packaging.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company displays all requisite product information on the product as per the applicable laws. Customer surveys, customer data analytics and other customer research were carried out during the year, based on the business need.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact : Nil

b. Percentage of data breaches involving personally identifiable information of customers : Not Applicable

Independent Auditor's Report

To the Members of Titan Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Titan Company Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

See Note 2(vii) and note 19 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company recognises revenue when the control of goods being sold is transferred to the customer. A substantial part of Company's revenue relates to jewellery and watches which involves large number of individual sales contracts having varied contractual terms with retail customers, distributors and franchisees. The Company and its external stakeholders focus on revenue as one of the key performance indicators, this increases the risk of misstatement of the timing and existence of revenue recognised. In view of the above we have identified revenue recognition as a key audit matter.	In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: 1. Assessed the appropriateness of the accounting policy for revenue recognition as per relevant accounting standard. 2. We evaluated the design and implementation of key internal financial controls and their operating effectiveness with respect to revenue recognition transactions selected on a sample basis. These included general IT controls and key application controls over the IT systems which govern revenue recognition, including access controls, controls over program changes and interfaces between different systems.

The key audit matter	How the matter was addressed in our audit
	3. We perused selected samples of key contracts with customers, distributors and franchisees to understand terms and conditions particularly relating to acceptance of goods. 4. We performed substantive testing of retail sales by selecting samples of sales made at the retail outlets using statistical sampling and tested the underlying documents, which included tracing sales to collection reports and bank statements. For sales (other than retail sales), we performed substantive testing using statistical sampling and tested the underlying documentation including verification of invoices and collections thereon. 5. We tested selected samples of sales transactions made immediately pre and post year end, agreed the period of revenue recognition to the underlying documents.

Inventories

See Note 2(xvii) and note 10 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company's inventories primarily comprise high value items like jewelry (gold, diamonds, gemstones etc.) and watches. The Company holds inventory at various locations including factories, stores (retail outlets) and third party locations. There is a significant risk of loss of inventory given the high value and nature of the inventory involved. In view of the above, we have identified existence of physical inventories as a key audit matter.	In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: 1. We evaluated the design, implementation and tested the operating effectiveness of key controls that the Company has in relation to safeguarding and physical verification of inventories including the appropriateness of the Company's standard operating procedures for conducting, recording and reconciling physical verification of inventories and tested the implementation thereof. 2. We evaluated the design, implementation and operating effectiveness of general IT controls and key application controls over the Company's IT systems including those relating to recording of inventory quantities on occurrence of each transaction, including access controls, controls over program changes, interfaces between different systems. 3. For the sampled locations, we attended physical verification of stocks conducted by the Company and performed roll-forward procedures as at the year end, where applicable. We also performed surprise stock counts at selected stores on a sample basis. We also checked on a sample basis reconciliation of inventories as per physical inventory verification and book records. 4. For samples selected using statistical sampling, we obtained independent confirmations of inventories held with third parties

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report(s) thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 13.3 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:23218495BGYWBZ1700

Place: Bengaluru
Date: 03 May 2023

Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of Titan Company Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment and Right of Use asset by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments, provided guarantees and has granted unsecured loans to companies and other parties, in respect of which the requisite information is given below. The Company has not made any investments, given guarantees or granted any loans, secured or unsecured, to firms and limited liability partnership.

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	218	-	-	-
Associates*	-	-	-	-
Others	-	-	631	-
Balance outstanding as at balance sheet date				
Subsidiaries*	874	-	-	-
Associates*	-	-	-	-
Others*	-	-	179	-

**As per the Companies Act, 2013*

(a) According to the information and explanations provided to us and based on the audit procedures conducted by us, we are of the opinion that the investments made, guarantees provided and the terms and conditions of the grant of loans during the year are prima facie, not prejudicial to the interest of the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to the loans given, investments made,guarantees given and security provided. Further, there are no loans given, investments made, guarantees given and security provided in respect of which provisions of Section 185 of the Act are applicable.

(v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has complied with the provisions of Sections 73 to 76 or other relevant provisions of the Act and the rules framed thereunder where applicable and the directives issued by the Reserve Bank of India as applicable, with regard to Deposits or amounts which are deemed to be Deposits. As informed to us, there have been no proceedings before the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this matter and no order has been passed by any of the aforesaid authorities in this regard.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly Deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Sales tax, Service tax, Duty of Excise, Value Added tax, Goods and Service Tax, Provident Fund, Employees State Insurance, Income- Tax, Duty of Customs or Cess or other statutory dues which have not been Deposited on account of any dispute are as follows:

Statute/Nature of Dues	Amount* (Rs in crores)	Period to which the amount relates	Forum where the dispute is pending
Excise duty (including service tax)	66 (7)	2005-2009	Hon'ble Supreme Court of India
	0.01 (0.01)	2001-2002	Hon'ble High Court of Madras
	10 (0.66)	1987-2012	Custom, Excise and Service Tax Appellate Tribunal
	17 (16)	1998-2010	Appellate Authority upto Commissioner's level
Sales tax/Value added tax	0.87 (0.15)	2000-2001	Hon'ble High Court of Andhra Pradesh
	0.64 (0.35)	2009-2012	Commercial Tax Tribunal
	50 (19)	1998-2018	Appellate Authority upto Commissioner's level
Customs Duty	38 (3)	2012-2017	Appellate Authority upto Commissioner's level
Goods and Service tax	4 (1)	2018-2019	Appellate Authorities
Income tax	8 (8)	1998-2003	Hon'ble High Court
	93 (37)	2005-2014	Income tax Appellate Tribunal
	169 (13)	2000-2019	Appellate Authority upto Commissioner's level

**amounts in brackets represent amounts paid under protest.*

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanation provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five registered Core Investment Companies and one unregistered Core Investment Company as part of the Group.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:23218495BGYWBZ1700

Place: Bengaluru
Date: 03 May 2023

Annexure B to the Independent Auditor's Report

on the standalone financial statements of Titan Company Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to financial statements of Titan Company Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:23218495BGYWBZ1700

Place: Bengaluru
Date: 03 May 2023

Standalone balance sheet

as at 31st March 2023

₹ in crore

Particulars	Note	As at 31st March 2023	As at 31st March 2022
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,068	1,012
(b) Capital work-in-progress	3	117	60
(c) Right-of-use assets	4	1,058	877
(d) Investment property	5	1	1
(e) Intangible assets	6	34	35
(f) Intangible assets under development		10	11
(g) Financial assets			
(i) Investments	7.1	1,116	869
(ii) Loans	7.2	51	40
(iii) Other financial assets	7.3	523	508
(h) Deferred tax assets (net)	8	144	136
(i) Income tax assets (net)	8	146	135
(j) Other non-current assets	9	134	74
		4,402	**3,758**
(2) Current assets			
(a) Inventories	10	14,952	12,787
(b) Financial assets			
(i) Investments	11.1	2,143	15
(ii) Trade receivables	11.2	908	495
(iii) Cash and cash equivalents	11.3	119	117
(iv) Bank balances other than (iii) above	11.3	673	932
(v) Loans	11.4	128	419
(vi) Other financial assets	11.5	662	762
(c) Other current assets	12	1,101	852
		20,686	**16,379**
TOTAL ASSETS		**25,088**	**20,137**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13.1	89	89
(b) Other equity	13.2	11,905	9,284
TOTAL EQUITY		**11,994**	**9,373**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	14.1	1,359	1,026
(b) Provisions	15	214	179
		1,573	**1,205**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16.1	1,190	225
(ii) Gold on loan	16.2	5,090	5,161
(iii) Lease liabilities	16.3	223	193
(iv) Trade payables			
- Total outstanding dues of micro and small enterprises	16.4	139	198
- Total outstanding dues of creditors other than micro and small enterprises	16.4	826	857
(v) Other financial liabilities	16.5	497	429
(b) Other current liabilities	17	3,365	2,386
(c) Provisions	18	118	30
(d) Current tax liabilities (net)	8	73	80
		11,521	**9,559**
TOTAL EQUITY AND LIABILITIES		**25,088**	**20,137**
Significant accounting policies	2		

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan *Chairman*
N N Tata *Vice Chairman*
Ashwani Puri *Director*
C K Venkataraman *Managing Director*
Ashok Sonthalia *Chief Financial Officer*
Dinesh Shetty *General Counsel and Company Secretary*

Place: Bengaluru
Date: 3rd May 2023

Standalone statement of profit and loss

for the year ended 31st March 2023

₹ in crore

Particulars		Note	For the year ended 31st March 2023	For the year ended 31st March 2022
I.	Revenue from operations	19	38,270	27,210
II.	Other income	20	299	246
III.	**Total income (I +II)**		**38,569**	**27,456**
IV.	Expenses:			
	Cost of raw materials and components consumed		25,085	20,939
	Purchase of stock-in-trade		5,438	4,187
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	(1,477)	(4,468)
	Employee benefits expense	22	1,362	1,143
	Finance costs	23	240	195
	Depreciation and amortisation expense	24	364	347
	Other expenses	25	3,092	2,130
	Total expenses		**34,104**	**24,473**
V.	Profit before exceptional item and tax (III - IV)		4,465	2,983
VI.	Exceptional items	26	-	51
VII.	Profit before tax (V - VI)		**4,465**	**2,932**
VIII.	Tax expense:			
	Current tax	8	1,140	779
	Deferred tax		(8)	(27)
	Total tax expense		**1,132**	**752**
IX.	**Profit for the year (VII-VIII)**		**3,333**	**2,180**
X.	Other comprehensive income			
	(i) Items that will not be reclassified to the statement of profit and loss			
	- Remeasurement of employee defined benefit plans		(62)	9
	- Income-tax on (i) above		16	(2)
	(ii) Items that will be reclassified to the statement of profit and loss			
	- Effective portion of gains or (loss) on designated portion of hedging instruments in a cash flow hedge	34.6	-	(16)
	- Income-tax on (ii) above		-	4
	Total other comprehensive loss		**(46)**	**(5)**
XI.	**Total comprehensive income (IX+X)**		**3,287**	**2,175**
XII.	Earnings per equity share of ₹ 1:			
	{based on profit for the year (IX)}			
	Basic	28	37.54	24.56
	Diluted	28	37.54	24.56
Significant accounting policies		2		

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan *Chairman*
N N Tata *Vice Chairman*
Ashwani Puri *Director*
C K Venkataraman *Managing Director*
Ashok Sonthalia *Chief Financial Officer*
Dinesh Shetty *General Counsel and Company Secretary*

Place: Bengaluru
Date: 3rd May 2023

Standalone statement of changes in equity

as at 31st March 2023

(a) Equity share capital

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening balance	89	89
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the year	-	-
Closing balance	**89**	**89**

(b) Other equity

	Reserves and surplus							Total other equity
	Capital reserve	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Items of other comprehensive income (refer note 13.2)		
						Cash flow hedge reserve	Remeasurement of employee defined benefit plans	
Balance as at 1st April 2021	**0**	**1**	**139**	**3,066**	**4,279**	**12**	**(33)**	**7,464**
Profit for the year (net of taxes)	-	-	-	-	2,180	-	-	2,180
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	(12)	7	(5)
Total comprehensive income for the year	**0**	**-**	**-**	**-**	**2,180**	**(12)**	**7**	**2,175**
Payment of dividends (refer note 13.3)	-	-	-	-	(355)	-	-	(355)
Balance as at 31st March 2022	**0**	**1**	**139**	**3,066**	**6,104**	**0**	**(26)**	**9,284**
Balance as at 1st April 2022	**0**	**1**	**139**	**3,066**	**6,104**	**0**	**(26)**	**9,284**
Profit for the year (net of taxes)	-	-	-	-	3,333	-	-	3,333
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	-	(46)	(46)
Total comprehensive income for the year	**0**	**-**	**-**	**-**	**3,333**	**-**	**(46)**	**3,287**
Payment of dividends (refer note 13.3)	-	-	-	-	(666)	-	-	(666)
Balance as at 31st March 2023	**0**	**1**	**139**	**3,066**	**8,771**	**-**	**(72)**	**11,905**

Significant accounting policies Note 2

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan *Chairman*
N N Tata *Vice Chairman*
Ashwani Puri *Director*
C K Venkataraman *Managing Director*
Ashok Sonthalia *Chief Financial Officer*
Dinesh Shetty *General Counsel and Company Secretary*

Place: Bengaluru
Date: 3rd May 2023

Standalone statement of cash flow

for the year ended 31st March 2023

₹ in crore

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
A. Cash flow from operating activities			
Net profit before tax		4,465	2,932
Adjustments for:			
- Depreciation and amortisation expense		364	347
- Net unrealised exchange gain		(1)	(1)
- Loss on sale/disposal/scrapping of property, plant and equipment (net)		3	3
- Provision for doubtful trade receivables (net) and bad trade receivables written off		2	0
- Interest income		(137)	(92)
- Gain on investments carried at fair value through profit and loss		(106)	(86)
- Dividend Income		(0)	(24)
- Gain on pre-closure of lease contracts		(14)	(20)
- Rent waiver (refer note 29.2)		(2)	(30)
- Finance costs		240	195
Operating profit before working capital changes		**4,814**	**3,224**
Adjustments for:			
- (increase)/decrease in trade receivables		(414)	(204)
- (increase)/decrease in inventories		(2,165)	(4,803)
- (increase)/decrease in financial assets-loans		(17)	(1)
- (increase)/decrease in other financial assets		100	(511)
- (increase)/decrease in other assets		(287)	(185)
- increase/(decrease) in gold on loan		(71)	1,067
- increase/(decrease) in trade payables		(89)	362
- increase/(decrease) in other financial liabilities		41	189
- increase/(decrease) in other current liabilities		979	481
- increase/(decrease) in provisions		61	51
Cash generated from/(used in) operating activities before taxes		**2,952**	**(330)**
- Direct taxes paid, net		(1,142)	(796)
Net cash generated from/(used in) operating activities	**A**	**1,810**	**(1,126)**
B. Cash flow from investing activities			
Purchase of property, plant and equipment, intangible assets and investment property		(288)	(173)
Proceeds from sale of property, plant and equipment		10	6
Purchase of investments in subsidiaries and other equity instruments		(15)	(169)
Investment in non convertible debentures and government securities		(353)	(100)
Inter-corporate Deposits placed		(570)	(1,094)
Proceeds from inter-corporate Deposits		864	750
Bank Deposits (placed)/matured, net		260	(568)
Sale/(purchase) of mutual funds, net		(1,729)	2,815

Standalone statement of cash flow

for the year ended 31st March 2023

₹ in crore

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Loan given to Company's franchisees and vendors		-	(34)
Proceeds from loan given to Company's franchisees and vendors		3	34
Lease payments received from sub-lease (excluding interest received)		30	21
Dividend received from subsidiary		-	24
Interest received		135	52
Net cash generated (used in)/from investing activities	**B**	**(1,653)**	**1,564**
C. Cash flow from financing activities			
(Repayment)/proceeds from borrowings, net		965	225
Dividends paid (including dividend distribution tax as applicable)		(666)	(355)
Payment of lease liabilities (excluding interest paid)		(214)	(143)
Finance costs paid		(240)	(195)
Net cash used in financing activities	**C**	**(155)**	**(468)**
Net cash generated from/(used) in during the year (A+B+C)		**2**	**(30)**
Cash and cash equivalents (opening balance) (refer note 11.3)		117	147
Cash and cash equivalents (closing balance) (refer note 11.3)		119	117
Debt reconciliation statement in accordance with Ind AS 7			
Current borrowings			
Opening balance		225	-
Proceeds/(Repayment) from borrowings, net		965	225
Closing balance		1,190	225
Reconciliation of Lease liability			
Opening balance		1,219	1,149
Payments made during the year		(214)	(143)
Non-cash changes		577	213
Closing balance		1,582	1,219
Significant accounting policies	2		

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan *Chairman*
N N Tata *Vice Chairman*
Ashwani Puri *Director*
C K Venkataraman *Managing Director*
Ashok Sonthalia *Chief Financial Officer*
Dinesh Shetty *General Counsel and Company Secretary*

Place: Bengaluru
Date: 3rd May 2023

Notes to standalone financial statements

for the year ended 31st March 2023

1. Corporate Information

Titan Company Limited (the 'Company') is a public company domiciled in India, with its registered office situated at 3, SIPCOT Industrial Complex, Hosur - 635 126, Tamil Nadu, India. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and BSE Limited in India.

The Company is primarily involved in manufacturing and sale of Watches, Jewellery, Eyewear and other accessories and products.

2. Significant Accounting Policies

This note provides a list of significant accounting policies adopted in the preparation of the standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. These standalone financial statements are the separate financial statements of the Company.

Basis of preparation

i. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, read with section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

ii. Basis of measurement

These standalone financial statements have been prepared on an accrual basis under the historical cost convention except for the following assets and liabilities which have been measured at fair value:

a) Certain financial assets and liabilities (including derivative instruments).

b) The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

iii. Rounding of amounts

All amount disclosed in these standalone financial statements and notes have been rounded off to ₹ crores as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

iv. Use of estimates and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31st March 2023 is included in the following notes:

- Note 3 – Useful life of the Property, Plant and Equipment;
- Note 6 – Useful life of the Intangible assets;
- Note 7.1 – Impairment of investments
- Note 8 – Valuation of deferred tax assets
- Note 4, 14.1, 16.3 and 29 – Leases
- Note 15, 18 and 30 – Provisions and contingent liabilities

Notes to standalone financial statements
for the year ended 31st March 2023

- Note 32 – Measurement of defined benefit obligations: key actuarial assumptions;
- Notes 34.1 and note 34.2 – Fair value measurement of financial instruments.

v. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e., the “functional currency”). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

vi. Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 5– Investment property
- Note 35- Financial Instruments.

vii. Revenue recognition

The Company recognises revenue when the control of goods being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled based on various customer terms including at the time of delivery of goods, dispatch or upon customer acceptance based on various distribution channels. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

a) Sale of goods: Revenue from the sale of products is recognised at the point in time when control of the goods is transferred to the customer.

   Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities

   Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets are classified as other assets. Unearned and deferred revenue (“contract

Notes to standalone financial statements

for the year ended 31st March 2023

liability") is recognised when there is billings in excess of revenues. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Customer loyalty programmes

The Company has a customer loyalty programme for selected customers. The Company grants credit points to those customers as part of a sales transaction which allows them to accumulate and redeem those credit points. The consideration is allocated between the loyalty programme and the goods based on their relative standalone selling prices. The credit points have been deferred and will be recognised as revenue when the reward points are redeemed or lapsed.

b) Service income: Service income is recognised on rendering of services based on the agreements/arrangements with the concerned parties.

c) Dividend and interest income: Dividend income from investments is recognised when the Company's right to receive the payment has been established i.e., either when the dividend is declared or when shareholders approve the dividend in case of equity investments.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of profit and loss.

Other Operating Income:

Indirect tax incentives are recognised when the right to receive the amount as per the terms of scheme is established in respect of industrial promotion scheme applicable to the respective units.

Use of significant judgements in revenue recognition:

a) The Company's contracts with customers could include promises to transfer multiple goods to a customer. The Company assesses the goods promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

c) The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Notes to standalone financial statements

for the year ended 31st March 2023

Commission income is generally recognised when the related sale is executed as per the terms of the agreement.

The Company has determined that the revenues as disclosed in Note 19 are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

viii. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease i.e., if the contract conveys the right to control the use of an identified asset for a period in exchange of consideration.

Company as a Lessee

The Company applies a single recognition and measurement approach for all leases except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The nature of expenses related to those leases has changed from lease rent in previous periods to (i) amortisation for the right-to-use asset, and (ii) interest accrued on lease liability.

a) Right-of-use assets:

Right-of-use assets are measured at cost comprising the following:

i) the amount of the initial measurement of lease liability

ii) any initial direct costs

iii) restoration costs

Right-of-use assets are depreciated over the lease term on a straight-line basis.

b) Lease Liabilities:

Lease liabilities are measured at present value of following components:

i) fixed payments less any lease incentives receivable

ii) amounts expected to be payable by the Company under residual value guarantee

Incremental borrowing rate used for discounting has been determined by taking the interest rates obtained from financial institutions for borrowing the similar value of right of use assets for similar tenure. The rates will be reassessed on a yearly basis at the beginning of each accounting period to reflect changes in financial conditions.

c) Short-term leases:

The Company applies the short-term lease recognition exemption to its short-term lease contracts (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on a short-term leases are recognised as expense on a straight-line basis over the lease term.

d) Variable payments:

Variable lease payments that depend on sales are recognised in the Statement of profit or loss in the period in which the condition that triggers those payments occurs.

Company as a Lessor:

In case of sub-leasing, where the Company, being the original lessee and intermediate lessor, grants a right to use the underlying asset to a third party, the head lease is recognised as lease liability and sub-lease is recognised as lease receivables in the Balance Sheet of the Company. Interest expense is charged on the lease liability and interest income is recognised on lease receivables in the statement of profit or loss.

ix. Foreign currencies

In preparing the standalone financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Notes to standalone financial statements

for the year ended 31st March 2023

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as cash flow hedge (refer note xxi(b)).

x. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with borrowing of funds. The borrowing cost includes interest expense accrued on gold on loan taken from banks. Borrowing costs attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xi. Employee benefits

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, special awards and medical benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

The Company's contributions to the Superannuation Fund which is managed by a Trust and Pension Fund administered by Regional Provident Fund Commissioner and Company's contribution to National pension Scheme are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

The contribution to the Company's Gratuity Trust and liability towards pension of retired managing directors are provided using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of profit and loss.

The contribution to the Company's Provident Fund Trust is made at predetermined rates and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

xii. Taxation

Income tax comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent it relates to an item recognised directly in the other comprehensive income.

a) Current tax: The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax: Deferred tax assets and liabilities are recognised on temporary differences between the

Notes to standalone financial statements

for the year ended 31st March 2023

carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are not recognised, when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xiii. Property, Plant and Equipment

a) *Recognition and measurement:*

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Machine spare parts are recognised in accordance with this Ind AS when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory. Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalised only if such expenditure results

Notes to standalone financial statements

for the year ended 31st March 2023

in an increase in the future benefits from such asset beyond its previously assessed standard of performance and the cost of item can be measured reliably.

The estimated useful life of the tangible assets and the useful life are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

b) *Depreciation*

Depreciable amount for assets is the cost of an asset, or other substituted for cost, less its estimated residual value. Depreciation is calculated on the basis of the estimated useful lives using the straight line method and is generally recognised in the statement of profit and loss. Depreciation for assets purchased/sold during the year is proportionately charged from/upto the date of disposal. Free hold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Building	30 to 60 years	30 to 60 years
Plant, machinery and equipment	5 to 15 years	10 to 15 years
Computers and server	3 to 6 years	3 to 6 years
Furniture and Fixtures	5 to 10 years	10 years
Office equipment	5 years	5 years
Vehicles	4 years	8 years

Based on technical evaluation, the management believes that its estimates of useful lives as given above represents the period over which the management expects to use these assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

Advance paid towards acquisition of fixed assets outstanding at each balance sheet date is disclosed as capital advances under non-current assets.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

xiv. Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when there is a change in use or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss in the period in which the property is derecognised.

Notes to standalone financial statements

for the year ended 31st March 2023

The investment property includes only land held by the Company and accordingly no amortisation of the investment property is recorded in the statement of profit and loss.

The fair values of the investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

xv. Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangible assets are as follows:

Computer software - License period or 5 years, whichever is lower.

Intellectual properties - 5 years

Patents - 5 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Intangibles under development includes cost of intangible assets under development as at the balance sheet date.

xvi. Impairment

Impairment of financial assets:

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the statement of profit and loss.

Impairment of non-financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets (other than investment property, inventories, contract asset and deferred tax assets) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Notes to standalone financial statements

for the year ended 31st March 2023

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of impairment loss is recognised immediately in the statement of profit and loss.

xvii. Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold) or where hedge contracts have been entered into for quantities of gold and accounted for as fair value hedge] are stated at the lower of cost and net realisable value determined on an item-by-item basis. Cost is determined as follows:

a) Gold is valued on first-in-first-out basis.

b) Stores and spares, loose tools and raw materials are valued on a moving weighted average rate.

c) Work-in-progress and finished goods (other than gold) are valued on full absorption cost method based on the moving average cost of production.

d) Traded goods are valued on a moving weighted average rate/cost of purchases.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, other taxes.

Unfixed gold and quantities of gold covered under fair value hedge have been entered into is valued at gold prices prevailing on the period closing date.

Net realisable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

xviii. Provisions and contingencies

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Product warranty expenses: Product warranty costs are determined based on past experience and provided for in the year of sale.

Contingent liabilities: A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made in the financial statements.

Provision for onerous contracts. i.e., contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

xix. Investment in subsidiaries, associate and joint venture

Investment in subsidiaries, associate and joint venture is measured at cost less provision for impairment.

Notes to standalone financial statements

for the year ended 31st March 2023

xx. Financial instruments

Recognition of financial assets:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of financial assets.

A) Financial Assets

Classification of financial assets:

On initial recognition, a financial asset is classified at

(i) Amortised cost

(ii) Fair value through other comprehensive income (FVOCI)

(iii) Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the group changes its business model for managing financial assets.

i) Financial assets at amortised cost:

A financial asset is measured at amortised cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item.

ii) Investments in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value either in the statement of profit and loss or in other comprehensive income pertaining to equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains

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for the year ended 31st March 2023

and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investment.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Currently, the Company has not elected to present subsequent changes in investments in equity instruments in OCI. Accordingly, the same are considered as investments measured at FVTPL.

iii) Investments in equity instruments at FVTPL

A financial asset that meets the amortised cost criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the statement of profit and loss. The net gain or loss recognised in the statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of the cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Whether the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

The Company has applied derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date of Ind AS.

d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that

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foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

B) *Financial liabilities: classification, subsequent measurement and derecognition:*

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Other Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income/ Other expenses' line item.

The Company has designated amount payable for gold taken on loan from banks on initial recognition as fair value through profit and loss.

Financial liabilities subsequently measured at amortised cost.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

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The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The Company has applied derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date of Ind AS.

xxi. Derivative financial instruments

a) *Derivative instruments not designated as Cash flow hedges/Fair value hedges:*

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts, future contracts and Options.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

b) *Cash flow hedges*

The Company uses derivative financial instruments to manage risks associated with gold price fluctuations relating to certain highly probable forecasted transactions, foreign currency fluctuations relating to certain firm commitments. The Company has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable forecasted transactions.

The use of derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under the heading hedging reserve and the ineffective portion is recognised immediately in the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in hedging reserve is retained until the forecast transaction occurs upon which it is recognised in the statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognised immediately to the statement of profit and loss.

The Company has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable

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forecasted transactions. The Company has followed cashflow hedge for hedging contracts taken up to 30th June 2021.

c) ***Fair Value Hedge:***

With effect from 1st July 2021, the Company adopted fair value hedge for the derivative contracts entered into and designated derivative contracts or non-derivative financial liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss with an adjustment to the carrying value of the hedged item. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item i.e., fixed gold inventory due to movement in gold prices. The Company also designated the trade payables pertaining to gold taken on loan from banks ('unfixed gold') as a fair value hedge to the corresponding gold inventory purchased on loan.

xxii. Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM).

The Company's primary segments consist of Watches and wearables, Jewellery, Eyewear, Corporate and Others, where 'Others' include Fragrances, Indian dress wear and Accessories. Secondary information is reported geographically.

Segment assets and liabilities include all operating assets and liabilities. Segment results include all related income and expenditure. Corporate (unallocated) represents other income and expenses which relate to the Company as a whole and are not allocated to segments.

xxiii. Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

xxiv. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand Deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

xxv. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

xxvi. Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-

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controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

xxvii. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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3 Property, plant and equipment

₹ in crore

Particulars	Land	Buildings	Plant, machinery and equipment	Computer and servers	Furniture and fixtures	Office equipment	Vehicles	Total
Gross block								
As at 1st April 2021	79	351	583	126	294	66	26	1,525
Additions*	23	4	36	17	35	15	15	145
Disposals	-	(0)	(9)	(3)	(26)	(4)	(7)	(49)
As at 31st March 2022	**102**	**355**	**610**	**140**	**303**	**77**	**34**	**1,621**
As at 1st April 2022	102	355	610	140	303	77	34	1,621
Additions	-	4	70	43	61	25	11	214
Disposals	-	(0)	(18)	(10)	(14)	(3)	(9)	(54)
As at 31st March 2023	**102**	**359**	**662**	**173**	**350**	**99**	**36**	**1,781**
Accumulated depreciation								
As at 1st April 2021	-	42	202	69	139	34	13	499
Depreciation expense	-	9	51	26	44	12	7	151
Disposals	-	(0)	(6)	(2)	(22)	(3)	(6)	(40)
As at 31st March 2022	**-**	**51**	**247**	**93**	**161**	**43**	**14**	**609**
As at 1st April 2022	-	51	247	93	161	43	14	609
Depreciation expense	-	9	48	25	41	14	8	145
Disposals	-	(0)	(12)	(10)	(10)	(2)	(7)	(41)
As at 31st March 2023	**-**	**60**	**283**	**108**	**192**	**55**	**15**	**713**
Net carrying value								
As at 31st March 2022	**102**	**304**	**363**	**47**	**142**	**34**	**20**	**1,012**
As at 31st March 2023	**102**	**299**	**379**	**65**	**158**	**44**	**21**	**1,068**

** Land amounting to value of ₹ 23 crore which was classified as "Investment Property" has been reclassified to "Property, plant and equipment" in the previous year as the Company is using this land for its business purposes.*

The title deeds of all immovable properties are held in the name of the Company.

Particulars	Capital work-in-progress
As at 1st April 2021	17
Additions	188
Capitalisations	(145)
As at 31st March 2022	**60**
As at 1st April 2022	60
Additions	271
Capitalisations	(214)
As at 31st March 2023	**117**

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a) Capital-Work-in Progress (CWIP) ageing schedule

₹ in crore

Particulars	As at 31st March 2023				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	81	32	4	-	117
b) Projects temporarily suspended	-	-	-	-	-
	81	**32**	**4**	**-**	**117**

₹ in crore

Particulars	As at 31st March 2022				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	56	4	0	-	60
b) Projects temporarily suspended	-	-	-	-	-
	56	**4**	**0**	**-**	**60**

b) Capital-Work-in Progress (CWIP) schedule whose completion is overdue

₹ in crore

Project	As at 31st March 2023				
	To be completed in				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Building - Jewellery	31	-	-	-	31
b) Building - Watches	11	-	-	-	11
	42	**-**	**-**	**-**	**42**

₹ in crore

Project	As at 31st March 2022				
	To be completed in				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Building - Jewellery	16	-	-	-	16
b) Building - Watches	5	-	-	-	5
	21	**-**	**-**	**-**	**21**

Note: Company does not have any projects where its cost is exceeded its original budget value.

Notes to standalone financial statements

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4 Right-of-use assets*

₹ in crore

Particulars	Leasehold land	Buildings	Total
As at 1st April 2021	21	1,113	1,134
Additions	-	243	243
Modifications/terminations	-	(75)	(75)
As at 31st March 2022	**21**	**1,281**	**1,302**
As at 1st April 2022	21	1,281	1,302
Additions	-	444	444
Modifications/terminations	-	(102)	(102)
As at 31st March 2023	**21**	**1,623**	**1,644**
Accumulated amortisation			
As at 1st April 2021	0	280	280
Amortisation expense	0	168	168
Modifications/terminations	-	(24)	(24)
As at 31st March 2022	**1**	**424**	**425**
As at 1st April 2022	1	424	425
Amortisation expense	0	196	196
Modifications/terminations	-	(35)	(35)
As at 31st March 2023	**1**	**585**	**586**
Net carrying value			
As at 31st March 2022	**20**	**857**	**877**
As at 31st March 2023	**20**	**1,038**	**1,058**

**Also, refer note 29*

5 Investment property

₹ in crore

Particulars	Land
As at 1st April 2021	24
Additions	-
Disposals	(23)
As at 31st March 2022	**1**
As at 1st April 2022	1
Additions	-
Disposals (refer note (c))	-
As at 31st March 2023	**1**
Net carrying value	
As at 31st March 2022	**1**
As at 31st March 2023	**1**

a) The Company's investment properties consist of freehold land and therefore no depreciation is chargeable.

b) Fair market value of land at ₹ 54 crore (Previous year: ₹ 54 crore) have been arrived at on the basis of valuations carried out by registered valuer during the years ended 31st March 2023 and 31st March 2022.

Notes to standalone financial statements

for the year ended 31st March 2023

c) Land amounting to value of ₹ 23 crore which was classified as "Investment Property" in the earlier years has been reclassified to "Property, plant and equipment" in the previous year as the Company is using this land for its business purposes.

d) No rental income has been accrued against these properties.

6 Intangible assets

₹ in crore

Particulars	Trademarks	Intellectual properties	Patents	Computer softwares	Total
Gross block					
As at 1st April 2021	3	6	8	113	130
Additions	-	-	-	9	9
Disposals	-	-	-	-	-
As at 31st March 2022	**3**	**6**	**8**	**122**	**139**
As at 1st April 2022	3	6	8	122	139
Additions	-	-	-	22	22
Disposals	-	-	-	-	-
As at 31st March 2023	**3**	**6**	**8**	**144**	**161**
Accumulated amortisation					
As at 1st April 2021	3	1	2	69	75
Amortisation expense	-	1	2	26	29
Disposals	-	-	-	-	-
As at 31st March 2022	**3**	**2**	**4**	**95**	**104**
As at 1st April 2022	3	2	4	95	104
Amortisation expense	-	-	-	23	23
Disposals	-	-	-	-	-
As at 31st March 2023	**3**	**2**	**4**	**118**	**127**
Net carrying value					
As at 31st March 2022	**-**	**4**	**4**	**27**	**35**
As at 31st March 2023	**-**	**4**	**4**	**26**	**34**

₹ in crore

Particulars	Intangible assets under development
As at 1st April 2021	8
Additions	12
Capitalisations	(9)
As at 31st March 2022	**11**
As at 1st April 2022	11
Additions	21
Capitalisations	(22)
As at 31st March 2023	**10**

Notes to standalone financial statements

for the year ended 31st March 2023

a) Intangible assets under development aging schedule

₹ in crore

Particulars	As at 31st March 2023				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	8	2	0		10
b) Projects temporarily suspended					-
	8	**2**	**0**	**-**	**10**

₹ in crore

Particulars	As at 31st March 2022				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Projects in progress	4	6	1	-	11
b) Projects temporarily suspended	-	-	-	-	-
	4	**6**	**1**	**-**	**11**

b) Intangible assets under development schedule whose completion is overdue

₹ in crore

Project	As at 31st March 2023				
	To be completed in				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Software upgradation at stores	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

₹ in crore

Project	As at 31st March 2022				
	To be completed in				
	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Software upgradation at stores	8	-	-	-	8
	8	**-**	**-**	**-**	**8**

Note: Company does not have any projects where its cost is exceeded its original budget value.

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7 Financial assets

7.1 Investments

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
1) Investment in equity instruments (unquoted)		
(i) In subsidiary companies (at cost unless stated otherwise)		
4,70,50,000 (Previous year: 4,70,50,0000) fully paid equity shares of ₹ 10 each in Titan Engineering & Automation Limited	235	235
2,40,36,325 (Previous year: 2,40,36,325) fully paid equity shares of ₹ 2 each in CaratLane Trading Private Limited	505	505
1 (Previous year: 1) fully paid equity shares of AED 1,000 each in Titan Holdings International FZCO	0	0
2,11,500 (Previous year: 1,500) fully paid equity shares of $ 100 each in TCL North America Inc (from 15th April 2021)	161	1
1,50,00,000 (Previous year: 20,00,000) fully paid equity shares of ₹ 10 each in Titan Commodity Trading Limited	15	2
20,21,897 (Previous year: 18,71,897) fully paid equity shares of CHF 10 each in TCL Watches Switzerland AG (formerly known as Favre Leuba AG, Switzerland)	296	257
Less: Provision for impairment in value of investment	(282)	(257)
Net Investment value in TCL Watches Switzerland AG (formerly known as Favre Leuba AG, Switzerland)	14	-
	930	**743**
(ii) In associate company (at cost unless stated otherwise)		
1,500,000 (Previous year: 1,500,000) fully paid equity shares of ₹ 10 each in Green Infra Wind Power Theni Limited {refer note (a) below}	2	2
	932	**745**
2) Other investments		
i) Investments in equity instruments - quoted (at fair value through profit or loss)		
1,000 (Previous year: 1,000) fully paid equity shares of ₹ 10 each in National Radio Electronics Company Limited	0	0
2,511 (Previous year: 2,511) fully paid equity shares of ₹ 10 each in Tata Steel Limited	0	0
6,638 (Previous year: 6,638) fully paid equity shares of ₹ 1 each in Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited)	1	1
560 (Previous year: 560) fully paid equity shares of ₹ 10 each in Tata Chemicals Limited	0	0
3,000 (Previous year: 3,000) fully paid equity shares of ₹ 1 each in Trent Limited	0	0
	1	**1**

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₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
ii) Investments in equity instruments - unquoted (at fair value through profit or loss)		
5,25,000 (Previous year: 5,25,000) fully paid equity shares of ₹ 10 each in Innoviti Payment Solutions Private Limited	18	18
91,200 (Previous year: 91,200) fully paid equity shares of ₹ 10 each in Green Infra Wind Generation Limited	0	0
18,000 (Previous year: 18,000) fully paid equity shares of ₹ 10 each in Clean Wind Power (Pratapgarh) Private Limited	0	0
	18	**18**
iii) Investments in non-convertible debentures carried at amortised cost - unquoted		
Investment in non convertible debentures	51	100
Investment in Government Securities	114	5
	165	**105**
Aggregate value of investments	**1,116**	**869**
Aggregate book value of quoted investments	**1**	**1**
Aggregate market value of quoted investments	**1**	**1**
Aggregate book value of unquoted investments	**1,115**	**868**
Aggregate amount of impairment in value of investments	**282**	**257**

Notes:

a) The Company has given an undertaking not to sell or encumber in any manner its investments in Green Infra Wind Power Theni Limited in accordance with the Equity Participation agreement.

7.2 Loans

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Employee loans	51	40
	51	**40**

7.3 Other financial assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Lease receivables	389	216
Security Deposits	129	115
Other assets	5	5
Share application money paid for investment in subsidiary	-	197
Less: Provision for impairment in value of investment	-	(25)
Share application money paid for investment in subsidiary, net	-	172
	523	**508**

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8 Income tax

a) The following is the analysis of deferred tax assets/(liabilities):

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred tax assets	146	142
Deferred tax liabilities	(2)	(6)
	144	**136**

₹ in crore

Particulars	As at 1st April 2022	Recognised in the statement of profit and loss	Recognised in other comprehensive income	As at 31st March 2023
Deferred tax assets				
Provision for doubtful trade receivables	9	(8)	-	1
Employee benefits	39	11	-	50
Compensation towards Voluntary retirement of employees	13	(1)	-	12
Fair value of investments	38	(0)	-	38
Cash flow hedges	-	-	-	-
Lease liabilities (net of Right-of-use assets)	43	2	-	45
Deferred tax liability				
Property, plant and equipment	(6)	4	-	(2)
	136	**8**	**-**	**144**

₹ in crore

Particulars	As at 1st April 2021	Recognised in the statement of profit and loss	Recognised in other comprehensive income	As at 31st March 2022
Deferred tax assets				
Provision for doubtful trade receivables	10	(1)	-	9
Employee benefits	35	4	-	39
Compensation towards Voluntary Retirement of employees	1	12	-	13
Fair value of investments	36	2	-	38
Cash flow hedges	(4)	-	4	-
Lease liabilities (net of Right-of-use assets)	43	-	-	43
Deferred tax liability				
Property, plant and equipment	(16)	10	-	(6)
	105	**27**	**4**	**136**

Notes to standalone financial statements

for the year ended 31st March 2023

b) Amounts recognised in statement of profit and loss

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Income tax expenses		
Current tax	1,140	779
Deferred tax	(8)	(27)
Income tax included in other comprehensive income on:		
- Remeasurement of employee defined benefit plans	(16)	2
- Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	-	(4)
Tax expense for the year	**1,116**	**750**

c) The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	4,465	2,932
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	1,124	738
Effect of:		
Expenses that are not deductible in determining taxable profit	4	18
Effect of rebate	-	(6)
Others	4	2
Income tax expense recognised in the statement of profit and loss	**1,132**	**752**

d) The following table provides the details of income tax assets and income tax liabilities as of 31st March 2023 and 31st March 2022:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Income tax assets (net)	146	135
Current tax liabilities (net)	73	80
Net current income tax assets at the end of the year	**73**	**55**

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Net current income tax assets at the beginning of the year	55	40
Income tax paid	1,142	796
Current income tax expense	(1,140)	(779)
Interest income on income-tax refund	-	-
Income tax on other comprehensive income	16	(2)
Net current income tax assets at the end of the year	**73**	**55**

Notes to standalone financial statements

for the year ended 31st March 2023

9 Other non-current assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Capital advances	49	27
Balance with revenue authorities	81	44
Other assets (includes deferred lease cost and deferred employee cost)	4	3
	134	**74**

10 Inventories

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Raw materials	2,789	2,105
Work-in-progress {refer (a) below}	337	311
Finished goods	8,543	8,123
Stock-in-trade	3,258	2,227
Stores and spares	20	16
Loose tools	5	5
	14,952	**12,787**
Included above, goods-in-transit		
Raw materials	24	14
Stock-in-trade	-	9
	24	**23**
a) Details of inventory of work-in-progress		
Watches	203	154
Jewellery	129	153
Others	5	4
	337	**311**

(i) The cost of inventories recognised as an expense during the year is ₹ 29,046 crore (Previous year: ₹ 20,658 crore).

(ii) The cost of inventories recognised as an expense includes ₹ 1 crore (Previous year: ₹ 1 crore) in respect of write down of inventory to net-realisable value.

(iii) The inventory includes Gold purchased on loan from banks amounting to ₹ 5,472 crore (Previous year: ₹ 5,212 crore).

(iv) Refer note (xvii) under significant accounting policies for mode of valuation.

Notes to standalone financial statements

for the year ended 31st March 2023

11 Financial assets

11.1 Investments

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No of units	Amount	No of units	Amount
i) Investments in mutual funds (Unquoted)- {at fair value through profit or loss}				
Name of the fund				
Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan	8,27,497	30	-	-
Axis Liquid Fund - Direct Growth	9,51,132	238	-	-
DSP Liquidity Fund - Direct Plan - Growth	6,27,025	202	-	-
ICICI Prudential Liquid Fund -Direct-Growth	60,73,412	202	-	-
Kotak Liquid Fund-Direct-Growth	4,43,388	202	-	-
SBI Liquid Fund - Direct Plan - Growth	1,42,160	50	-	-
IDFC Cash Fund-Growth-(Direct Plan)	7,42,561	202	-	-
Nippon India Liquid Fund - Direct Growth Plan - Growth Option	3,66,815	202	-	-
UTI Liquid Cash Plan Direct Growth	5,49,725	203	-	-
Invesco India Liquid Fund - Direct Plan Growth	81,039	25	-	-
Tata Liquid Fund- Regular Plan - Growth	1,44,903	51	-	-
Tata Liquid Fund- Direct Plan - Growth	4,38,841	156	-	-
HSBC Liquid Fund - Direct Growth	3,24,112	72	-	-
		1,835		**-**
ii) Investments in non-convertible debentures carried at amortised cost - unquoted				
Investment in non convertible debentures		308		15
		308		**15**
Aggregate value of investments		**2,143**		**15**
Aggregate book value of quoted investments		**1,835**		**-**
Aggregate market value of quoted investments		**1,835**		**-**
Aggregate book value of unquoted investments		**308**		**15**
Aggregate book value of unquoted investments				

Notes to standalone financial statements
for the year ended 31st March 2023

11.2 Trade receivables

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Considered good- unsecured (Refer Note)	912	497
Less: Loss allowance	(4)	(2)
	908	**495**
Credit impaired	1	1
Less: Loss allowance	(1)	(1)
	-	-
	908	**495**

Note -

1. Includes dues from related parties - refer note 33.
2. Does not include trade receivables which have significant increase in credit risk

11.2 Trade receivables (continued)

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The Provision matrix at the end of reporting period as follows:

Age of receivables	Expected credit loss (%)			
	Watches	Jewellery	Eyecare	New Category
Within credit period	0%	0%	(1%)	4%
Less than 1 year	1%	0%	2%	2%
1 to 2 years	31%	8%	20%	28%
2 to 3 years	36%	12%	51%	38%
Over 3 years	100%	37%	100%	54%

Movement in the expected credit loss allowance

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Balance at the beginning of the year	3	6
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	2	(3)
Balance at the end of the year	**5**	**3**

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Notes to standalone financial statements

for the year ended 31st March 2023

a) Trade Recievables Ageing Schedule from the due date

₹ in crore

Particulars	As at 31st March 2023						
	Not due	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Undisputed Trade receivables – considered good	702	200	4	4	0	2	912
b) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
c) Undisputed Trade Receivables – credit impaired	-	-	-	0	1	0	1
d) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
e) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
f) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	702	**200**	**4**	**4**	**1**	**2**	**913**
Less: Loss allowance							(5)
Trade Receivables - Net							**908**

b) Trade Recievables Ageing Schedule

₹ in crore

Particulars	As at 31st March 2022						
	Not due	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) Undisputed Trade receivables – considered good	443	48	3	2	1	0	497
b) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
c) Undisputed Trade Receivables – credit impaired	-	-	0	0	1	0	1
d) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
e) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
f) Disputed Trade Receivables – credit impaired	0	-	-	-	-	0	0
	443	**48**	**3**	**2**	**2**	**0**	**498**
Less: Loss allowance							(3)
Trade Receivables - Net							**495**

Notes to standalone financial statements

for the year ended 31st March 2023

11.3 Cash and bank balances

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents		
Cash on hand	11	10
Cheques, drafts on hand	7	5
Balances with banks		
(i) Current account {refer note (a) below}	101	102
Total cash and cash equivalents	**119**	**117**
Other bank balances		
(iii) Earmarked accounts		
- Unclaimed dividend	11	10
(iv) Fixed Deposits held as margin money against bank guarantee	342	706
(v) Fixed Deposits held as Deposit reserve fund {refer note (b) below}	320	216
Total other bank balances	**673**	**932**
	792	**1,049**

Notes:

a) The balance under current account includes funds in transit primarily for credit card receipts yet to be credited to the Company- ₹ 44 crore (Previous year: ₹ 30 crore).

b) This amount represents restricted cash maintained for the golden harvest scheme for compliance with the Companies (Acceptance of Deposit) Rules, 2014 as per the Companies Act 2013, as amended.

11.4 Loans

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Inter-corporate Deposits	245	539
Less: Provision for impairment	(145)	(145)
Inter-corporate Deposits, net	100	394
Employee loans	28	25
	128	**419**

Notes to standalone financial statements

for the year ended 31st March 2023

11.5 Other financial assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Refunds due from government authorities	34	91
Margin money for gold future contracts	469	580
Provision for doubtful margin money Deposits {refer note (a) below}	-	(34)
Margin money for gold future contracts, net	469	546
Derivative instruments other than in designated hedge accounting relationships	0	1
Lease receivables	39	26
Security Deposits	31	21
Other assets (mark to market gain on gold future contracts, interest accrued on fixed Deposits and ICDs)	89	77
	662	**762**

(a) Based on its assessment of recoverability during the earlier years, the Company had made a provision of ₹ 34 crore against receivables from one of the brokers with whom the Company was transacting. The Company has written off the amount during the current year after assessment of the recoverability.

(b) There were no loans and advances given to Promoter, Directors, Key Managerial Persons or other Related Parties during the year ended 31st March 2023 and 31st March 2022.

12 Other current assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured and considered good		
Advances to suppliers	147	91
Prepaid expenses	86	67
Balance with government authorities {refer note (a) below}	692	586
Contract asset {refer note (b) below}	154	92
Gratuity {refer note 32 (b) }	-	7
Other assets (includes deferred lease cost and deferred employee cost)	22	9
	1,101	**852**

(a) Balance with government authorities includes GST credits of ₹ 636 crore (Previous year: ₹ 546 crore) in respect to GST input credit, transitional credit and deemed credit.

(b) Contract asset represents the amount of goods expected to be received by the Company on account of sales return. Also, refer disclosure made under note 17.

Notes to standalone financial statements

for the year ended 31st March 2023

13.1Share capital

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of shares (in crore)	Amount	No. of shares (in crore)	Amount
a) Authorised				
Equity share of ₹ 1 each with voting rights	120	120	120	120
Redeemable cumulative preference shares of ₹ 100 each	0.40	40	0.40	40
b) Issued, subscribed and fully paid up				
Equity share of ₹ 1 each with voting rights	89	89	89	89

c) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholdings.

d) Reconciliation of the shares outstanding at the beginning and at the end of the year

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. crore	₹ crore	No. crore	₹ crore
Equity shares with voting rights				
At the beginning of the year	89	89	89	89
At the end of the year	**89**	**89**	**89**	**89**

e) Shareholders holding more than 5% shares in the Company

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of shares held*	% of total holding	No. of shares held*	% of total holding
Tamilnadu Industrial Development Corporation Limited	25	27.88	25	27.88
Tata group				
Tata Sons Private Limited	19	20.85	19	20.85
Tata Investment Corporation Limited	2	2.01	2	2.01
Tata Chemicals Limited	1	1.56	1	1.56
Ewart Investments Limited	0	0.56	0	0.56
Piem Hotels Limited	0	0.05	0	0.06
Total - Tata Group	**22**	**25.03**	**22**	**25.04**

Notes to standalone financial statements

for the year ended 31st March 2023

f) **Shares held by promoters**

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022		% of change
	No. of shares held*	% of total Shares	No. of shares held*	% of total Shares	
Tamilnadu Industrial Development Corporation Limited	25	27.88	25	27.88	-
Tata Sons Private Limited	19	20.85	19	20.85	-
	44	**48.73**	**44**	**48.73**	**-**

₹ in crore

Particulars	As at 31st March 2022		As at 31st March 2021		% of change
	No. of shares held*	% of total Shares	No. of shares held*	% of total Shares	
Tamilnadu Industrial Development Corporation Limited	25	27.88	25	27.88	-
Tata Sons Private Limited	19	20.85	19	20.85	-
	44	**48.73**	**44**	**48.73**	**-**

** Number of shares held are in crore*

13.2 Other equity

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Capital reserve	0	0
(Surplus on re-issue of forfeited shares and debentures)		
Capital redemption reserve	1	1
(Reserve created on redemption of capital)		
Securities premium	139	139
(Amounts received on issue of shares in excess of the par value has been classified as securities premium)		
General reserve	3,066	3,066
(Represents appropriation of profit by the Company)		
Retained earnings	8,771	6,104
(Retained earnings comprise of the Company's prior years' undistributed earnings after taxes)		
Other comprehensive income		
- Remeasurement of net defined benefit liability/asset	(72)	(26)
(Items of other comprehensive income consist of cash flow hedge reserve and remeasurement of net defined benefit liability/asset)	(72)	(26)
	11,905	**9,284**

13.3 Distributions made and proposed

The Board of Directors, in its meeting on 3rd May 2022, had proposed a final dividend of ₹ 7.50 per equity share for the financial year ended 31st March 2022. The proposal was approved by shareholders at the Annual General Meeting held on 25th July 2022 and the same was paid during the year ended 31st March 2023. This has resulted in a total outflow of ₹ 666 crore.

Notes to standalone financial statements

for the year ended 31st March 2023

The Board of Directors, in its meeting on 3rd May 2023, have proposed a final dividend of ₹ 10 per equity share for the financial year ended 31st March 2023. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 888 crore.

14 Financial liabilities

14.1 Lease liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Lease liabilities (refer note 29)	1,359	1,026
	1,359	**1,026**

15 Provisions

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for compensated absences {refer note: 32 (c)}	168	132
Provision for pension	29	31
Provision for other employee benefits	17	16
	214	**179**

16 Financial liabilities

16.1 Borrowings

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured		
Loan from bank	1,190	225
	1,190	**225**

Note: During the current year the loan had a tenure ranging from 15 days to 31 days. The interest rate varied from 4.10% to 7.45% per annum. During the year the Company does not have any sanctioned borrowing limits that are required to be secured by current assets.

16.2 Gold on loan

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Secured #		
Payable to banks*	1,089	2,699
Unsecured		
Payable to banks*	4,001	2,462
	5,090	**5,161**

 # Secured against letter of credit.

** Includes amounts payable against gold purchased from various banks under Gold on loan scheme. The interest rate of the same varies from 1.50% to 2.00% per annum (Previous year: 1.58% to 2.05%) and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of the delivery of gold.*

Notes to standalone financial statements

for the year ended 31st March 2023

16.3 Lease liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Lease liabilities (refer note 29)	223	193
	223	**193**

16.4 Trade payables

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Total outstanding dues of micro and small enterprises {Refer note (a) below}	139	198
Total outstanding dues of other than micro and small enterprises	826	857
	965	**1,055**

Note a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	139	198
- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Amount of payment made to the supplier beyond the appointed day during the year*	111	80
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	0	0
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purposes of disallowance of a deductible expenditure under Section 23 of MSMED Act, 2006.	-	0

** The payment was made beyond appointed day due to delay in receipt of invoices. Accordingly, management believes that no interest is payable on the same.*

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes to standalone financial statements

for the year ended 31st March 2023

a) Trade Payables Ageing Schedule

₹ in crore

Particulars	As at 31st March 2023					
	Not due	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) MSME	139	-	-	-	-	139
b) Others	743	77	3	1	2	826
c) Disputed dues – MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-
	882	**77**	**3**	**1**	**2**	**965**

₹ in crore

Particulars	As at 31st March 2022					
	Not due	Less than 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
a) MSME	198	-	-	-	-	198
b) Others	683	168	2	2	2	857
c) Disputed dues – MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-
	881	**168**	**2**	**2**	**2**	**1,055**

16.5 Other financial liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unclaimed dividends {refer note (a) below}	11	10
Payables on purchase of property, plant and equipment	47	21
Other financial liabilities		
- Employee related	286	274
- Others (includes dealers Deposits, earnest money Deposit received)	153	124
	497	**429**

Notes:

(a) Unclaimed dividends do not include any amount credited to Investor Education and Protection Fund except where there are pending legal cases amounting to ₹ 0.18 crore (Previous year: ₹ 0.15 crore) and therefore amounts relating to the same have not been transferred.

Notes to standalone financial statements

for the year ended 31st March 2023

17 Other current liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Advance from customers	561	371
Golden harvest scheme (Deposit)	2,290	1,574
Liability towards award credits for customers	36	49
Statutory dues	63	43
Contract liability {refer note (a) below}	203	122
Other liabilities (gift card liability, book overdraft etc.)	212	227
	3,365	**2,386**

a) Contract liability represents the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period. Thus, it represents the value of sales the Company estimates to be returned on account of sales return.

18 Provisions

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for compensated absences {refer note 32 (c)}	25	20
Gratuity {refer note 32 (b)}	75	-
Provision for warranty {refer note (a) below}	6	6
Provision for other employee benefits	7	4
Provision for pension	5	-
	118	**30**

Note (a): Provision for warranty

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening balance	6	5
Provisions made during the year	6	6
Utilisations/reversed during the year	(6)	(5)
Provision at the end of the year	**6**	**6**

Notes to standalone financial statements

for the year ended 31st March 2023

19 Revenue from operations

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Sale of products		
Manufactured goods		
Watches	2,545	1,810
Jewellery	24,166	18,211
Eyecare	373	293
	27,084	**20,314**
Traded goods		
Watches	627	432
Jewellery	7,301	4,710
Eyecare	305	213
Others	291	149
	8,524	**5,504**
Total - Sale of products (a)	**35,608**	**25,818**
Income from services provided (b)	**16**	**14**
Other operating revenue		
Indirect tax incentive {refer note (a) below}	65	43
Sale of precious/semi-precious stones	111	198
Sale of gold/platinum/other sales {refer note (b) below}	2,413	1,121
Others (includes scrap sales and visual merchandising sales)	57	16
Total - Other operating revenue (c)	**2,646**	**1,378**
Revenue from operations (a+b+c)	**38,270**	**27,210**

a) Represents benefits accrued on account of budgetary support for the existing eligible units under different industrial promotion schemes.

b) Include sale of gold-ingots aggregating ₹ 2,208 crore (Previous year: ₹ 1,045 crore) to various customers dealing in bullion.

c) As per the requirements of Ind AS 115, the Company disaggregates revenue based on line of business, geography (as given in Note 27) and between manufactured and traded goods as given above.

d) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Contracted price	45,025	31,967
Reductions towards variable consideration components	6,690	4,714
Revenue recognised	**38,205**	**27,167**
Indirect tax incentive	65	43
Total	**38,270**	**27,210**

The reduction towards variable consideration comprises of scheme discounts, incentives, taxes etc.

Notes to standalone financial statements

for the year ended 31st March 2023

20 Other income

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest income on financial assets carried at amortised cost	111	73
Gain on investments carried at fair value through profit and loss {refer note (a) below}	106	86
Interest income on sub-lease	26	19
Miscellaneous income {refer note (b) below}	56	68
	299	**246**

a) Includes unrealised gain on investements carried at fair value through profit and loss ₹ 25 crore (previous year loss: 18 crore)

b) Miscellaneous income includes dividend income, gain on preclosure of lease contract and lease concessions (net) as defined in note 29.2(c).

21 Changes in inventories of finished goods, stock-in-trade and work-in-progress

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Closing stock		
Finished goods	8,543	8,123
Work-in-progress	337	311
Stock-in-trade	3,258	2,227
	12,138	10,661
Opening stock		
Finished goods	8,123	4,433
Work-in-progress	311	330
Stock-in-trade	2,227	1,430
	10,661	6,193
(Increase)/decrease in inventory	**(1,477)**	**(4,468)**

22 Employee benefits expense

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries, wages and bonus	1,193	1,000
Contribution to provident and other funds		
- Gratuity {refer note 32(b)}	20	18
- Provident and other funds {refer note 32(a) (i) and 32 (b)}	56	45
Staff welfare expenses	93	80
	1,362	**1,143**

Notes to standalone financial statements

for the year ended 31st March 2023

23 Finance costs

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest expense on:		
Borrowings #	9	3
Interest on lease liability	116	105
Gold on loan*	109	87
Others	6	0
	240	**195**

 # Includes interest paid for working capital limits borrowed during the current year. The interest rate varied from 4.10% to 7.45% per annum.

**Refer note 16.2*

24 Depreciation and amortisation expense

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation of property, plant and equipment (refer note 3)	145	150
Amortisation of intangible assets and right-of-use asset (refer note 4, 6)	219	197
	364	**347**

25 Other expenses

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Loose tools, stores and spare parts consumed	56	44
Agency labour	120	97
Power and fuel	48	38
Repairs and maintenance		
- buildings	7	6
- plant and machinery	25	22
Advertising	739	474
Selling and distribution expenses	1,173	811
Insurance	30	19
Rent	24	-
Rates and taxes	14	11
Travel	63	19
Bad trade receivables and advances written off {refer note (c) below}	34	3
Less: Provision created in earlier years	34	-
Net trade receivables written off	-	3
Provision for doubtful trade receivables and doubtful other financial assets	2	(3)
Loss on sale/disposal/scrapping of Property, plant and equipment (net)	3	3
Legal and professional charges {refer note (a) below}	175	119
Expenditure on corporate social responsibility {refer note (b) below}	42	35

Notes to standalone financial statements

for the year ended 31st March 2023

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Gold price hedge ineffectiveness	-	0
Miscellaneous expenses	562	425
Commission to non-whole-time Directors	9	7
	3,092	**2,130**

Notes:

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
a) Auditors remuneration comprises fees for audit of:		
Statutory account	3	2
Other services including tax audit and out of pocket expenses	0	1
Total	**3**	**3**

b) Corporate Social Responsibility:

(i) Gross amount required to be spent towards corporate social responsibility by the Company during the year: ₹ 42 crore (Previous year: ₹ 35 crore).

(ii) Amount spent during the year on:

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
1. Amount required to be spent by the Company during the year	42	35
2. Amount of expenditure incurred on:		
- Construction/acquisition of any asset	-	-
- On purposes other than above	42	35
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for short fall	NA	NA
6. Nature of CSR Activities	Health, Education, Skill development, Disaster relief, Wellness and Water, Sanitation and Hygiene, Entrepreneurship.	

(iii) CSR Contribution to Related parties:

₹ in crore

Particulars	**Financial Year 2022-23**	**Financial Year 2021-22**
Related Parties	-	-
Unrelated parties	42	35
	42	**35**

(c) Based on its assessment of recoverability during the earlier years, the Company had made a provision of ₹ 34 crore against receivables from one of the brokers with whom the Company was transacting. The Company has written off the amount during the current year after assessment of the recoverability.

Notes to standalone financial statements

for the year ended 31st March 2023

26 Exceptional item

During the year ended 31st March 2022, the Company has announced Voluntary Retirement Scheme (VRS) to its employees. The scheme includes future deferred payouts to its employees. The present value of scheme expenses amounting to ₹ 51 crore are disclosed as exceptional items during the year ended 31st March 2022.

27 Segment information

a) Description of segments: The Chief Operating Decision Maker (CODM) of the Company examines the performance both from a product perspective and geography perspective and has identified 4 reportable segments Watches and wearables, Jewellery, Eyecare and Others, where 'Others' include Accessories, Fragrances and Indian dress wear. The Company's Managing Director is the CODM.

Corporate (unallocated) represents income, expenses, assets and liabilities which relate to the Company as a whole and not allocated to segments.

b) Segment revenues and profit and loss

	Revenue		Profit/(loss)	
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022
Watches and wearables	3,296	2,309	413	108
Jewellery	34,105	24,313	4,363	3,027
Eyecare	689	517	98	50
Others	295	154	(78)	(36)
Corporate (unallocated)	184	163	(91)	(22)
	38,569	**27,456**	**4,705**	**3,127**
Finance costs			240	195
Profit before taxes			**4,465**	**2,932**

There is no inter segment revenue.

c) Profit/(Loss) from segments before exceptional items, finance costs and taxes are as below:

₹ in crore

Segment	For the year ended 31st March 2023	For the year ended 31st March 2022
Watches and wearables	413	134
Jewellery	4,363	3,040
Eyecare	98	55
Others	(78)	(35)
Corporate (unallocated)	(91)	(16)
Total	**4,705**	**3,178**

Notes to standalone financial statements

for the year ended 31st March 2023

d) Segment assets and liabilities

₹ in crore

Segment assets	As at 31st March 2023	As at 31st March 2022
Watches and wearables	2,771	2,256
Jewellery	16,446	14,038
Eyecare	644	463
Others	333	210
Corporate (unallocated)	4,894	3,170
	25,088	**20,137**
Segment liabilities		
Watches and wearables	1,007	905
Jewellery	10,070	9,040
Eyecare	388	269
Others	165	93
Corporate (unallocated)	1,464	457
	13,094	**10,764**

e) Other segment information

₹ in crore

	Depreciation and amortisation	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Watches and wearables	99	96
Jewellery	160	146
Eyecare	51	43
Others	16	15
Corporate (unallocated)	38	47
	364	**347**

f) Geographical information

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue		
India	37,699	27,194
Others	870	262
Total	**38,569**	**27,456**

₹ in crore

	As at 31st March 2023	As at 31st March 2022
Assets*		
India	24,707	20,071
Others	381	66
Total	**25,088**	**20,137**

**Trade receivables are disclosed based on geographical location of customers. Other assets are not identifiable separately to any reportable segments as these are used inter changeably between segments and are disclosed under "India".*

Details of geographical segments for individual markets outside India are not disclosed as the same do not account for more than 10% of the total segment revenues or results or assets.

Notes to standalone financial statements

for the year ended 31st March 2023

28 Earnings per share

The following table sets forth the computation of basic and diluted earnings per share:

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit for the year (₹ crore)	3,333	2,180
Weighted average number of equity shares	88,77,86,160	88,77,86,160
Nominal value of shares (₹)	1	1
Earnings per share - Basic and diluted (₹)	37.54	24.56

29 Leases

29.1 Amounts recognised in balance sheet

₹ in crore

		Note	As at 31st March 2023	As at 31st March 2022
(i)	**Right-of-use assets**	4		
	Buildings		1,038	857
	Leasehold land		20	20
			1,058	**877**
(ii)	**Lease liabilities**			
	Non-current	14.1	1,359	1,026
	Current	16.3	223	193
			1,582	**1,219**
(iii)	**Lease receivables**			
	Non-current	7.3	389	216
	Current	11.5	39	26
			428	**242**

29.2 Amounts recognised in the statement of profit and loss

₹ in crore

		Note	As at 31st March 2023	As at 31st March 2022
(i)	Depreciation and amortisation expense	4		
	Buildings		196	168
	Leasehold land		0	0
			196	**168**
(ii)	Interest expense (included in finance cost)	23	116	105
(iii)	Interest income on sub-lease (included in other income)	20	26	19
(iv)	Expense relating to short-term leases	25&20	18	16
(v)	Expense relating to variable lease payments	25&20	8	7
(vi)	Rent concessions received during the year	25&20	2	30

(a) Short-term leases has been accounted for applying Paragraph 6 of Ind AS 116- Leases and accordingly recognised as expense in the statement of profit and loss.

(b) The total cash outflow for the year ended 31st March 2023 amounts to ₹ 307 crore (Previous year: ₹ 264 crore).

Notes to standalone financial statements

for the year ended 31st March 2023

29.3 Additional information on variable lease payment:

During the year ended 31st March 2023, the Company has incurred an amount of ₹ 8 crore (Previous year: ₹ 7 crore) on account of variable lease payments. Variable payment terms ranges from 1% to 15% of net sales from a particular store. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores and stores in malls. Excess of variable lease payments that depend on sales, over the fixed rental, are recognised in the statement of profit or loss in the period in which the condition that triggers those payments occur.

29.4 Additional information on extension/termination options:

Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Company and respective lessors.

30 Contingent liabilities and commitments

Contingent liabilities not provided for - ₹ 432 crore (Previous year: ₹ 403 crore) comprising of the following:

a) Goods and Service Tax - ₹ 4 crore (Previous year: 1 crore)
(relating to mismatch in statutory returns)

b) Sales tax - ₹ 51 crore (Previous year: ₹ 56 crore)
(relating to the applicability of rate of tax, computation of tax liability, submission of certain statutory forms)

c) Customs duty - ₹ 37 crore (Previous year: ₹ 5 crore)
(relating to denial of benefit of exemptions)

d) Excise duty - ₹ 93 crore (Previous year: ₹ 134 crore)
(relating to denial of exemption by amending the earlier notification, computation of the assessable value, denial of input credit on service tax and excise duty on Jewellery)

e) Income tax - ₹ 236 crore (Previous year: ₹ 199 crore)
(relating to disallowance of deductions claimed)

f) Others - ₹ 11 crore (Previous year: ₹ 9 crore)
(relating to miscellaneous claims)

The above amounts are based on the notice of demand or the Assessment Orders or notification by the relevant authorities, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the judiciary. No reimbursements are expected.

g) Corporate guarantees - ₹ 874 crore (Previous year: ₹ 634 crore)
(relating to guarantee provided for loans taken by CaratLane Trading Private Limited, Titan Holdings International FZCO, Titan Global Retail LLC and Titan Commodity Trading Limited)

The movement of the guarantees is given below:

₹ in crore

	As at 31st March 2023	As at 31st March 2022
Opening balance	634	413
Given during the year	240	221
Withdrawn/revoked during the year	-	-
Closing balance	**874**	**634**

Notes to standalone financial statements

for the year ended 31st March 2023

h) The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act,1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Company has made a provision for provident fund contribution based on it's interpretation of the said judgement. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company does not expect any material impact of the same.

31 Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 234 crore (Previous year: ₹ 149 crore).

32 Employee benefits

a) Defined Contribution Plans

i) The contributions recognised in the statement of profit and loss during the year are as under:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
National pension scheme	6	2
Superannuation fund	9	8
Employee pension fund	11	11
	26	**21**

b) Defined Benefit Plans

The expense recognised in the statement of profit and loss during the year are as under:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Provident fund*	30	24
	30	**24**

** Contributions are made to the Company's Employees Provident Fund Trust at predetermined rates in accordance with the Fund rules. The interest rate payable by the Trust to the beneficiaries is as notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and recognises such shortfall as an expense.*

i) Gratuity (Funded)

The Company makes annual contributions to The Titan Industries Gratuity Fund. The scheme provides for lump sum payment to vested employees at retirement, death while in employment, or on termination of employment as per the Company's Gratuity Scheme. Vesting occurs upon completion of five years of service.

The plan is a defined benefit plan which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that an adverse salary growth or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Notes to standalone financial statements

for the year ended 31st March 2023

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Discount rate (p.a.)	7.45%	7.20%
Salary escalation rate (p.a.)		
- Non-management	8.00%	7.00%
- Management	8.00%	7.00%

- The retirement age of employees of the Company varies from 58 to 65 years.
- The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult table.
- Rates of leaving service (leaving service due to disability included) at specimen ages are as shown below:

Age (Years)	Rates (p.a.)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
21-44	6%	6%
45 and above	2%	2%

Components of defined benefit costs recognised in the statement of profit and loss are as follows:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Current service cost	21	20
Past service cost	-	-
Interest on net defined benefit liability/(asset)	(1)	(2)
(Gains)/losses on settlement	-	-
Total component of defined benefit costs charged to the statement of profit and loss	**20**	**18**

Components of defined benefit costs recognised in other comprehensive income are as follows:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening amount recognised in other comprehensive income outside the statement of profit and loss	18	27
Remeasurements during the year due to:		
- Changes in financial assumptions	29	(12)
- Changes in demographic assumptions	-	-
- Experience adjustments	33	5
- Actual return on plan assets less interest on plan assets	2	(2)
- Adjustment to recognise the effect of asset ceiling	-	-
Closing amount recognised in other comprehensive income	**82**	**18**

** Other comprehensive income disclosed above is gross of tax.*

The current service cost, past service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

Notes to standalone financial statements

for the year ended 31st March 2023

The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening net defined benefit liability/(asset)	(7)	(18)
Expense charged to the statement of profit and loss	20	18
Amount recognised outside the statement of profit and loss	62	(7)
Employer contributions	-	-
Closing net defined benefit liability/(asset)	**75**	**(7)**

Movements in the present value of the defined benefit obligation are as follows:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening defined benefit obligation	346	324
Current service cost	20	19
Past service cost	-	-
Interest on defined benefit obligation	24	22
Remeasurement due to		
- Actuarial gains and losses arising from changes in demographic assumptions	-	-
- Actuarial gains and losses arising from changes in financial assumptions	27	(9)
- Actuarial gains and losses arising from experience adjustments	33	5
Benefits paid	(20)	(15)
Impact of liability settled	-	-
Closing defined benefit obligation	**430**	**346**

Movements in the fair value of plan assets are as follows:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening fair value of plan assets	352	342
Employer contributions	-	-
Interest on plan assets	25	23
Remeasurements due to actuarial return on plan assets less interest on plan assets	(2)	2
Benefits paid	(20)	(15)
Closing fair value of plan assets	**355**	**352**

Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate, full salary escalation rate and attrition rate. The following table summarises the impact on the reported defined benefit

Notes to standalone financial statements

for the year ended 31st March 2023

obligation at the end of the reporting period arising on account of an increase or decrease in the assumption by 50 basis points:

₹ in crore

	As at 31st March 2023		
	Discount rate	Salary escalation rate	Attrition rate
Defined benefit obligation on plus 50 basis points	412	449	425
Defined benefit obligation on minus 50 basis points	449	412	435

₹ in crore

	As at 31st March 2022		
	Discount rate	Salary escalation rate	Attrition rate
Defined benefit obligation on plus 50 basis points	331	362	343
Defined benefit obligation on minus 50 basis points	362	331	350

Maturity profile of defined benefit obligation

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
With in year 1	24	18
1 year to 2 years	19	20
2 years to 3 years	32	18
3 years to 4 years	37	29
4 years to 5 years	46	35
Over 5 years	773	612

The Company is expected to contribute ₹ 10 crore to the gratuity fund next year.

A split of plan asset between various asset classes is as below:

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Quoted	Unquoted	Quoted	Unquoted
Government debt instruments	199	-	177	-
Other debt instruments	105	-	134	-
Entity's own equity instruments	34	-	26	-
Others	-	17	-	16
	338	**17**	**337**	**16**

c) Unfunded

The defined benefit obligation pertaining which are provided for but not funded are as under:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Compensated absences		
Non-current	168	132
Current	25	20
	193	**152**

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for the year ended 31st March 2023

33 Related parties

i) Relationships

a)	Promoters	Tamilnadu Industrial Development Corporation Limited	
		Tata Sons Private Limited	
b)	Subsidiaries	Titan Engineering & Automation Limited	
		CaratLane Trading Private Limited	
		TCL Watches Switzerland AG (formerly known as Favre Leuba AG, Switzerland)	
		Titan Holdings International FZCO	
		Titan Watch Company Hongkong Limited (100% subsidiary of Titan Holdings International FZCO)	
		Titan Global Retail L.L.C	
		Titan International QFZ L.L.C (from 1st December 2022)	
		Titan Commodity Trading Limited	
		StudioC Inc. (Subsidiary of CaratLane Trading Private Limited)	
		TCL North America Inc.	
		TEAL USA Inc. (Subsidiary of Titan Engineering & Automation Limited)	
c)	Associate	Green Infra Wind Power Theni Limited	
d)	Key management personnel	Mr. C K Venkataraman, Managing Director	
		Mr. Ashok Sonthalia, Chief Financial Officer (from 1st July 2021)	
		Mr. Dinesh Shetty, General Counsel and Company Secretary	
		Mr. S.Subramaniam, Chief Financial Officer (up to 30th June 2021)	
		Non - executive Directors	
		Mr. N N Tata	
		Mr. Bhaskar Bhat	
		Mr. Ashwani Puri	
		Mr. B Santhanam	
		Mr. Pradyumna Rameshchandra Vyas	
		Dr. Mohanasankar Sivaprakasam	
		Ms. Sindhu Gangadharan	
		Mr. Sandeep Singhal	
		Mrs. Jayashree Muralidharan (from 11th August 2021)	
		Mr. Krishnan S (from 10th December 2021)	
		Ms. Mariam Pallavi Baldev (from 4th January 2023)	
		Mr. Pankaj Kumar Bansal (upto 26th July 2022)	
f)	Group entities (Wherever there are transactions)	Tata Capital Financial Services Limited	Tata Consultancy Services Limited
		Tata Capital Housing Finance Limited	Tata Housing Development Company Limited
		Infiniti Retail Limited	Smart Value Homes (Peenya Project) Private Limited
		Kriday Realty Private Limited	Tata Capital Limited
		Tata International Limited	Tata Play Limited
		Tata Limited	Promont Hilltop Private Limited
		Tata AIG General Insurance Company Limited	Tata Interactive Systems AG
		Tata Industries Limited	Tata Advanced Material Limited
		Tata Value Homes Limited	Tata Autocomp Systems Limited
		Ardent Properties Private Limited	Tata Teleservices Limited
		Tata AIA Life Insurance Company Limited	Sector 113 Gatevida Developers Private Limited
		Tata Teleservices (Maharashtra) Limited	Tata Electronics Private Limited
		Tata Cleantech Capital Limited	Trent Hypermarket Private Limited

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for the year ended 31st March 2023

		Tata Realty and Infrastructure Limited	Stryder Cycle Private Limited
		AirAsia (India) Limited	Supermarket Grocery Supplies Private Limited
		HL Promoters Private Limited	Tata Communications Limited
		Tata Steel Downstream Products Limited	Innovative Retail Concepts Private Limited
		Kolkata-One Excelton Private Limited	Land Kart Builders Private Limited
		Piem Hotels Limited	Princeton Infrastucture Private Limited
		Rallis India Limited	Tata 1Mg Healthcare Solutions Private Limited
		Tata Advanced Systems Limited	Tata Autocomp Hendrickson Suspension
		Tata Chemicals Limited	Tata Coffee Limited
		Tata Consumer Products Limited	Tata Digital Private Limited
		Tata Metaliks Limited	Tata Motor Finance Limited
		Tata Motors Limited	Tata Power Delhi Distribution Limited
		Tata Power Solar Systems Limited	Tata SIA Airlines Limited
		Tata Steel Limited	Tata Toyo Radiator Limited
		The Indian Hotels Company Limited	The Tata Power Company Limited
		The Tinplate Company Of India Limited	TM Automotive Seating
		Trent Limited	United Hotels Limited
		Voltas Limited	IIT Madras Research Park
		Indusface Private Limited	Roots Corporation Limited
		Stt Global Data Centres India Private Limited	Benares Hotels Limited
		Tata Business Hub Limited	Tata Communication Payment Solution
		Tata Medical And Diagnostics Limited	Tata Technologies Limited
		TML Business Services Limited	
g)	Post employee benefit plan entities	Titan Watches Provident Fund	
		Titan Watches Super Annuation Fund	
		Titan Industries Gratuity Fund	

ii) Related party transactions during the year:

₹ in crore

	Relationship	For the year ended 31st March 2023	For the year ended 31st March 2022
Cost of materials and components consumed			
Titan Engineering & Automation Limited	Subsidiary	1	0
TCL Watches Switzerland AG (formerly known as Favre Leuba AG, Switzerland)	Subsidiary	-	1
Purchase of property, plant and equipment			
Infiniti Retail Limited	Group entity	0	0
Voltas Limited	Group entity	0	-
Other Purchases			
Supermarket Grocery Supplies Private Limited	Group entity	0	0
Tata Steel Limited	Group entity	2	-

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for the year ended 31st March 2023

₹ in crore

	Relationship	For the year ended 31st March 2023	For the year ended 31st March 2022
Purchases of services (other expenses)			
Tata Sons Private Limited	Promoter	0	0
Tata Consultancy Services Limited	Group entity	16	9
Tata AIG General Insurance Company Limited	Group entity	1	-
Tata Communications Limited	Group entity	8	6
Indian Hotels Company Limited	Group entity	2	-
Others	Group entities	5	3
Revenue from operations			
Tata Sons Private Limited	Promoter	0	0
CaratLane Trading Private Limited	Subsidiary	1	2
Titan Global Retail LLC	Subsidiary	595	155
Indian Hotels Company Limited	Subsidiary	3	-
TCL North America Inc.	Subsidiary	177	-
Titan Engineering & Automation Limited	Subsidiary	0	1
Tata Play Limited	Group entity	0	2
Tata Consultancy Services Limited	Group entity	4	4
Infiniti Retail Limited	Group entity	8	2
Stryder Cycle Private Limited	Group entity	1	1
Others	Group entities	8	3
Other income (Dividend income)			
Titan Engineering & Automation Limited	Subsidiary	-	24
Rent			
Tata Sons Private Limited	Promoter	1	0
Indian Hotels Company Limited	Group Entity	1	-
Others	Group Entities	0	0
Power and fuel			
Green Infra Wind Power Theni Limited	Associate	4	2
Others	Group Entities	0	-
Dividend paid			
Tamilnadu Industrial Development Corporation Limited	Promoter	186	99
Tata Sons Private Limited	Promoter	139	74
Key managerial personnel compensation			
Commission and sitting fees	Promoter	2	2
Commission and sitting fees	Directors	8	6
Managerial remuneration	KMP	25	20
Pension paid	Director	1	1

Notes to standalone financial statements

for the year ended 31st March 2023

₹ in crore

	Relationship	For the year ended 31st March 2023	For the year ended 31st March 2022
Miscellaneous expense			
Tata Sons Private Limited (Royalty)	Promoter	57	41
Others	Group entity	0	0
Miscellaneous income (Royalty)			
CaratLane Trading Private Limited	Subsidiary	3	2
Reimbursement towards rendering of services/expenses			
Tata Sons Private Limited	Promoter	0	0
Tata Consultancy Services Limited	Group entity	-	0
CaratLane Trading Private Limited	Subsidiary	0	1
Titan Commodity Trading Limited	Subsidiary	2	1
Others	Group entities	0	1
Recovery towards rendering of services/expenses			
Titan Engineering & Automation Limited	Subsidiary	4	4
CaratLane Trading Private Limited	Subsidiary	4	2
Titan Commodity Trading Limited	Subsidiary	0	0
TCL North America Inc.	Subsidiary	0	-
Titan Global Retail LLC	Subsidiary	1	-
Tata Electronics Private Limited	Group entity	0	0
Inter-corporate Deposit placed			
Tata Value Homes Limited	Group entity	-	50
Tata Capital Financial Services Limited	Group entity	150	400
Tata Realty & Infrastructure Limited	Group entity	120	-
Inter-corporate Deposit redeemed			
Tata Value Homes Limited	Group entity	-	50
Tata Capital Financial Services Limited	Group entity	150	400
Tata Realty & Infrastructure Limited	Group entity	120	-
Interest and Corporate guarantee commission income			
Tata Capital Financial Services Limited	Group entity	2	0
Tata Motors Finance Limited	Group entity	8	-
Tata Realty and Infrastructure Limited	Group entity	1	-
Tata Value Homes Limited	Group entity	-	1
Titan Commodity Trading Limited	Subsidiary	15	2
CaratLane Trading Private Limited	Subsidiary	-	0
Titan Global Retail LLC	Subsidiary	8	1
Titan Holdings International FZCO	Subsidiary	0	0
TCL North America Inc.	Subsidiary	2	-
Others	Subsidiary	-	0

Notes to standalone financial statements

for the year ended 31st March 2023

₹ in crore

	Relationship	For the year ended 31st March 2023	For the year ended 31st March 2022
Brokerage charges paid			
Titan Commodity Trading Limited	Subsidiary	6	4
Bank gurantee commission reimbursed			
Titan Commodity Trading Limited	Subsidiary	2	2
Subscription to share capital			
TCL Watches Switzerland AG (formerly known as Favre Leuba AG, Switzerland)	Subsidiary	2	8
Titan Commodity Trading Limited	Subsidiary	13	-
TCL North America Inc.	Subsidiary	-	161
Contribution to Trust funds			
Titan Watches Provident Fund	Others	101	90
Titan Watches Super Annuation Fund	Others	15	8

iii) Related party closing balances as on balance sheet date:

₹ in crore

	Relationship	As at 31st March 2023	As at 31st March 2022
Outstanding - net receivables/(payables)			
Tamilnadu Industrial Development Corporation Limited	Promoter	(0)	(2)
Tata Sons Private Limited	Promoter	(48)	(34)
CaratLane Trading Private Limited	Subsidiary	2	3
Tata Capital Financial Services Limited	Group entity	0	-
Tata Consultancy Services Limited	Group entity	0	1
C K Venkataraman	KMP	(8)	(7)
Others	KMP	0	-
Others	Directors	(9)	(5)
TCL Watches Switzerland AG (formerly known as Favre Leuba AG, Switzerland)	Subsidiary	0	0
Titan Engineering & Automation Limited	Subsidiary	0	0
Titan Commodity Trading Limited (Refer note d)	Subsidiary	487	466
Titan Holdings International FZCO	Subsidiary	0	-
Titan Global Retail LLC	Subsidiary	258	59
TCL North America Inc.	Subsidiary	118	-
Tata Housing Development Company Limited	Group entity	(0)	-
Others	Group entities	1	1

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₹ in crore

	Relationship	As at 31st March 2023	As at 31st March 2022
Corporate Guarantees			
CaratLane Trading Private Limited	Subsidiary	40	40
Titan Holdings International FZCO	Subsidiary	74	66
Titan Global Retail LLC	Subsidiary	341	228
Titan Commodity Trading Limited	Subsidiary	300	300
TCL North America Inc.	Subsidiary	119	-

Note:

a) Entities controlled or promoted by Tamilnadu Industrial Development Corporation Limited are not considered as related party since, the same is a Government-related entity.

b) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

c) The above figures do not include provisions for encashable leave, gratuity and pension, as separate actuarial valuation are not available.

d) Mark to market settlements and margin money placed/refunded during the year on the Multi Commodity Exchange (MCX) by the subsidiary, who acts as a broker, have not been disclosed as these are placed with MCX on behalf of the Company.

34 Financial instruments

34.1 Categories of financial instruments

Financial assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Measured at fair value through profit or loss (FVTPL)		
Designated as FVTPL-Equity investments and mutual funds	1,854	19
Total financial assets measured at FVTPL (a)	**1,854**	**19**
Measured at amortised cost		
- Trade receivables	908	495
- Cash and cash equivalents	119	117
- Bank balances other than cash and cash equivalents	673	932
- Inter-corporate Deposits	100	394
- Security Deposits	160	136
- Employee loans	79	65
- Lease receivable	428	242
- Investment in non-convertible debentures	359	115
- Investment in government securities	114	5
- Other financial assets	597	719
Total financial assets measured at amortised cost (b)	**3,537**	**3,220**
Derivative instruments in designated hedge accounting relationships (c)	**-**	**-**
Derivative instruments other than in designated hedge accounting relationships (d)	**0**	**1**
Total financial assets (a + b + c +d)	**5,391**	**3,240**

For the previous year, above financial assets exclude share application money pending allotment amounting to ₹ 172 crore. The same has been allotted during the current year.

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Financial liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Measured at fair value through profit or loss (FVTPL)		
- Gold on loan	5,090	5,161
Total financial liabilities measured at FVTPL (a)	**5,090**	**5,161**
Measured at amortised cost		
- Borrowings	1,190	225
- Trade payables	965	1,055
- Lease liability	1,582	1,219
- Other financial liabilities	497	429
Total financial liabilities measured at amortised cost (b)	4,234	2,928
Total financial liabilities (a + b)	**9,324**	**8,089**

34.2 (i) Fair value hierarchy

This note explains about basis for determination of fair values of various financial assets and liabilities:

₹ in crore

Particulars	As at 31st March 2023			
	Level 1	Level 2	Level 3	Total
a) Financial assets and liabilities measured at fair value				
Financial assets				
- Quoted investments at FVTPL	1	1,835	-	1,836
- Other unquoted investments	-	-	18	18
- Derivative instruments other than in designated hedge accounting relationships	-	0	-	0
Total financial assets	**1**	**1,835**	**18**	**1,854**
Financial liabilities				
- Gold on loan	5,090	-	-	5,090
Total financial liabilities	**5,090**	**-**	**-**	**5,090**

₹ in crore

Particulars	As at 31st March 2022			
	Level 1	Level 2	Level 3	Total
b) Financial assets and liabilities measured at fair value				
Financial assets				
- Quoted investments at FVTPL	1	-	-	1
- Other unquoted investments	-	-	18	18
- Derivative instruments other than in designated hedge accounting relationships	-	1	-	1
Total financial assets	**1**	**1**	**18**	**20**
Financial liabilities				
- Gold on loan	5,161	-	-	5,161
Total financial liabilities	**5,161**	**-**	**-**	**5,161**

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(ii) Valuation technique used to determine fair value

Specific value techniques used to value financial instruments include:

- the use of quoted market prices for listed instruments.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of foreign currency option contracts is determined using option prices obtained from banks.
- the fair value of remaining financial instruments is determined using market comparables, discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities that are not measured at fair value but fair value disclosures are required

The carrying values of financial assets and liabilities approximate the fair values.

34.3 Financial risk management objective

The Company has constituted a Risk Management Committee. The Company has in place a Risk management framework to identify, evaluate business risks and challenges across the Company both at corporate level as also separately for each business division. These risks include market risk, credit risk and liquidity risk.

The Company minimises the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of derivative financial instruments and investment of excess liquidity is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

34.4 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Credit risk is managed by the Company through approved credit norms, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. Credit risk arises principally from the Company's receivables from customers. Refer note 11.2 for the disclosures for trade receivables.

Credit risk on liquid funds, Inter Corporate Deposits and derivative financial instruments is limited because the counterparties are banks and companies with high credit-ratings assigned by credit-rating agencies.

34.5 Liquidity risk

The Company has an approved policy to invest surplus funds from time-to-time in various short-term instruments. Security of funds and liquidity shall be the primary consideration while deciding on the type of investments.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

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Liquidity risk tables

The following table below analyses the Company's financial liabilities into relevant maturity groupings based on their maturities for:

- all non-derivative financial liabilities, and
- derivative financial liabilities, that are net settled.

The tables have been drawn on an undiscounted basis based on the earliest date on which the Company can be required to pay.

₹ in crore

Contractual maturities of financial liabilities	As at 31st March 2023			
	Less than 3 months	3 to 12 months	More than 12 months	Total
Non-derivatives				
Gold on loan	2,690	2,400	-	5,090
Borrowings	1,190	-	-	1,190
Trade payables	959	3	3	965
Lease liability	57	166	1,359	1,582
Other financial liabilities	497	-	-	497
Total non-derivative liabilities	**5,393**	**2,569**	**1,362**	**9,324**

₹ in crore

Particulars	As at 31st March 2022			
	Less than 3 months	3 to 12 months	More than 12 months	Total
Non-derivatives				
Gold on loan	1,851	3,310	-	5,161
Borrowings	225	-	-	225
Trade payables	1,050	2	3	1,055
Lease liability	68	125	1,026	1,219
Other financial liabilities	429	-	-	429
Total non-derivative liabilities	**3,622**	**3,437**	**1,029**	**8,089**

34.6 Market risk

The market risks to which the Company is exposed are price risk {refer note a) below} and foreign currency risk {refer note b) below}.

a) Price Risk:

The Company is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/ sale of gold.

To manage the variability, the Company enters into derivative financial instruments to manage the risk associated with gold price fluctuations relating to all the highly probable forecasted transactions. Such derivative financial instruments are primarily in the nature of future commodity contracts and forward foreign exchange contracts. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan.

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The use of such derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

As the value of the derivative instrument generally changes in response to the value of the hedged item, the economic relationship is established.

The following table gives details of contracts as at the end of the reporting period:

Hedges Sell forward/future contracts:

Particulars	Nature of hedge	Average rate (Per gram)	Quantity of hedge instruments (KGS)	Nominal amount (₹ in crore)
31st March 2023	Fair Value	5,723	8,301	4,751
31st March 2022	Fair Value	4,848	8,109	3,919

Cash flow hedge

The Company assesses the effectiveness of its designated hedges by using the same hedge ratio as that resulting from the quantities of the hedged item and the hedging instrument that the Company actually uses. However, this hedge ratio will be rebalanced, when required (i.e., when the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting), by adjusting weightings of the hedged item and the hedging instrument.

Sources of hedge ineffectiveness include mismatch in the weightings of the hedged item and the hedging instrument and the selling rate.

- The line item in the balance sheet that include the above hedging instruments are other financial assets and other financial liabilities.

During the previous year, the aggregate amount of gains under forward/future contracts which were recognised in "Other Comprehensive Income" and accumulated in the cash flow hedging reserve were reclassified to the statement of profit and loss. Details of movements in cash flow hedging reserve is as follows:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Balance at beginning of the year (net of taxes)	-	12
Movement in cash flow hedges during the year		
Changes in fair value of effective portion of cash flow hedges	-	(15)
Deferred tax on fair value of effective portion of cash flow hedges	-	-
Cumulative gain/(loss) arising on changes in fair value of cash flow hedges reclassified to statement of profit and loss	-	(1)
Deferred tax on gain/(loss) arising on changes in fair value of cash flow hedges reclassified to statement of profit and loss	-	4
Movement in cash flow hedges	**-**	**(16)**
Deferred tax on movement in cash flow hedge	**-**	**4**
Balance at end of the year (net of taxes)	**-**	**-**

Fair value hedge

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in gold prices. Changes in the fair value of hedging instruments and hedged items that are

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designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. Therefore, there will be no impact of the fluctuation in the price of the gold on the Company's profit for the period.

The table below shows the position of hedging instruments and hedged items as on the balance sheet date:

Commodity Price Risk	Carrying value of		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	4,956	-	2 to 6 months	205	Inventories
Hedging Instrument - Derivatives	-	205	2 to 6 months	(205)	Other Financial Assets/Liabilities

b) Foreign currency risk management

The Company is exposed to foreign exchange risk arising through its sales and purchases denominated in various foreign currencies.

(i) The risk management strategy on foreign currency exchange fluctuation arising on account of purchase/sale of gold is covered in Note 34.6 above.

(ii) In respect of normal purchase and sale transactions denominated in foreign currency, the Company enters into forward foreign exchange contracts and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These contracts are measured at fair value through profit and loss.

Foreign currency sensitivity analysis:

The Company is mainly exposed to USD, CHF, HKD, JPY, AED and EURO currencies. The Company's sensitivity to a 1% increase and decrease in ₹ against the relevant foreign currencies is presented below:

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. There is a decrease in profit and equity by ₹ 3.96 crore where ₹ weakens by 1% against the relevant currencies. For a 1% strengthening of the ₹ against the relevant currencies there would be a comparable increase in profit and equity."

34.7 The Company's exposure to Forward foreign exchange contracts and option contracts at the end of the reporting year are as follows:

The Company has 219 forward exchange contracts in USD 5.89 crore equivalent to ₹ 488 crore as at 31st March 2023 and 1 forward exchange contract in EURO 0.32 crore equivalent to ₹ 3 crore (Previous year: 40 forward exchange contracts in USD 6 crore equivalent to ₹ 456 crore).

In addition to the above, the Company has 3 Option contract in USD 0.72 crore equivalent to ₹ 60 crore (Previous year: 5 Option contracts in USD 1.16 crore equivalent to ₹ 89.91 crore).

35 Capital management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plan and other strategic investment plans. The funding requirements are primarily met through equity and operating cash flows generated. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. Gold on loan as disclosed in the financial statements represents amounts due to banks for the procurement of gold under 'Gold (Metal) loan scheme' by the Company. The Company is not subject to any externally imposed capital requirements.

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36 Details of Inter-corporate Deposits given and investments made during the year:

₹ in crore

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2022	Given during the year	Receipt during the year	Provision for impairment	As at 31st March 2023
Inter-corporate Deposits										
Tata Motors Finance Limited	Others	Unsecured	Trade Deposits	5.20%	1 Year	150	-	150		-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.50%	7 Days	-	-	-	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.25%	7 Days	-	-	-	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.75%	7 Days	-	-	-	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	-	-	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	-	-	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.40%	9 months	50	-	50	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.50%	7 Days	-	-		-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.90%	1 Year	50	-	50	-	-
Tata Value Homes Limited	Group entity	Unsecured	Trade Deposits	6.00%	3 months	-	-		-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.50%	9 months	-	-		-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.90%	15 months	50	-	50	-	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	14	-	14	-	-
Bajaj Finserv	Others	Unsecured	Trade Deposits	4.80%	3 months	-	50	50	-	-
Bajaj Finserv	Others	Unsecured	Trade Deposits	7.10%	1 Year	-	100	-	-	100
Bajaj Finserv	Others	Unsecured	Trade Deposits	7.00%	4 months	-	50	50	-	-
Tata Capital Financial Services Limited	Group entity	Unsecured	Trade Deposits	5.25%	72 days	-	150	150	-	-
Tata Realty & Infrastructure Limited	Group entity	Unsecured	Trade Deposits	5.25%	51 days	-	60	60	-	-
Tata Realty & Infrastructure Limited	Group entity	Unsecured	Trade Deposits	5.25%	50 days	-	60	60	-	-
Aditya Birla Finance Limited	Others	Unsecured	Trade Deposits	5.25%	2 months	-	100	100	-	-
						394	**570**	**864**	**-**	**100**

₹ in crore

Particulars	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2022	Loans given during the year	Loans recovered during the year	As at 31st March 2023
Loan to company franchisees and vendors*	Franchisees & Vendors	Unsecured	Business support	4.00%	12 months	3	-	3	0

** During the year the Company has not given any loans to its franchisees and vendors.*

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₹ in crore

Name of the entity	Nature of relationship	Purpose	As at 1st April 2022	Investment made during the year	Investment sold/impaired during the year	As at 31st March 2023
Investments						
Investment in equity instruments (including application money paid for investment in subsidiary)(unquoted)						
Titan Engineering & Automation Limited	Subsidiary	Strategic investment	235	-	-	235
CaratLane Trading Private Limited	Subsidiary	Strategic investment	505	-	-	505
TCL Watches Switzerland AG (formerly known as Favre Leuba AG, Switzerland)	Subsidiary	Strategic investment	12	2	-	14
Titan Holdings International FZCO	Subsidiary	Strategic investment	-	-	-	0
Titan Commodity Trading Private Limited	Subsidiary	Strategic investment	2	13	-	15
TCL North America INC	Subsidiary	Strategic investment	161	-	-	161
Green Infra Wind Power Theni Limited	Associate	Strategic investment	2	-	-	2
Investments in equity instruments (quoted)						
National Radio Electronics Company Limited*	Others	Wealth creation	0	0	-	0
Tata Steel Limited*	Others	Wealth creation	0	0	-	0
Tata Consumer Products Limited* (formerly known as Tata Global Beverages Limited)	Others	Wealth creation	1	(0)	-	0
Tata Chemicals Limited*	Others	Wealth creation	0	0	-	0
Trent Limited*	Others	Wealth creation	0	0	-	0
Other investments in equity instruments (unquoted)						
Innoviti Payment Solutions Private Limited*	Others	Strategic investment	18	0		18
Green Infra Wind Generation Limited	Others	Wealth creation	0	-	-	0
Clean Windpower (Pratapgarh) Private Limited	Others	Wealth creation	0	-	-	0
Investments in non-convertible debentures carried at amortised cost - unquoted						
Investment in non convertible debentures	Others	Wealth creation	115	443	199	359
Investment in Government Securities	Others	Wealth creation	5	109	-	114
			1,056	**567**	**199**	**1,424**

* *The movement is on account of fair valuation as at the year end.*

Details of Inter-corporate Deposits given and investments made during the previous year:

₹ in crore

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2021	Given during the year	Receipt during the year	Provision for impairment	As at 31st March 2022
Inter-corporate Deposits										
IL & FS Financial Services Limited	Others	Unsecured	Trade Deposits	8.75%	6 months	-	-	-	-	-
Infrastructure Leasing & Financial Services Limited	Others	Unsecured	Trade Deposits	8.55%	6 months	-	-	-	-	-
Tata Motors Finance Limited	Others	Unsecured	Trade Deposits	5.20%	1 Year	-	150	-	-	150
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.50%	7 Days	-	150	150	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.25%	7 Days	-	100	100	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.75%	7 Days	-	150	150	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	100	100	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	100	100	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.40%	9 months	-	50	-	-	50
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.50%	7 Days	-	50	50	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.90%	1 Year	-	50	-	-	50
Tata Value Homes Limited	Group entity	Unsecured	Trade Deposits	6.00%	3 months	-	50	50	-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.50%	9 months	50	-	50	-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.90%	15 months	-	50	-	-	50
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20

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₹ in crore

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2021	Given during the year	Receipt during the year	Provision for impairment	As at 31st March 2022
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	14	-	-	14
						50	**1,094**	**750**	**-**	**394**

₹ in crore

Particulars	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2021	Loans given during the year	Loans recovered during the year	As at 31st March 2022
Loan to company franchisees and vendors*	Franchisees & Vendors	Unsecured	Business support	4.00%	12 months	3	34	34	3

** During the year the Company has given loans to its franchisees and vendors to support them during the pandemic crisis.*

₹ in crore

Name of the entity	Nature of relationship	Purpose	As at 1st April 2021	Investment made during the year	Investment sold/impaired during the year	As at 31st March 2022
Investments						
Investment in equity instruments (including application money paid for investment in subsidiary)(unquoted)						
Titan Engineering & Automation Limited	Subsidiary	Strategic investment	235	-	-	235
CaratLane Trading Private Limited	Subsidiary	Strategic investment	505	-	-	505
Favre Leuba AG	Subsidiary	Strategic investment	4	8	-	12
Titan Commodity Trading Private Limited	Subsidiary	Strategic investment	2	-	-	2
TCL North America INC	Subsidiary	Strategic investment	-	161	-	161
Green Infra Wind Power Theni Limited	Associate	Strategic investment	2	-	-	2
Investments in equity instruments (quoted)						
National Radio Electronics Company Limited*	Others	Wealth creation	0	0	-	0
Tata Steel Limited*	Others	Wealth creation	0	0	0	0
Tata Consumer Products Limited* (formerly known as Tata Global Beverages Limited)	Others	Wealth creation	0	0	0	1
Tata Chemicals Limited*	Others	Wealth creation	0	0	-	0
Trent Limited*	Others	Wealth creation	0	0	0	0
Other investments in equity instruments (unquoted)						
Innoviti Payment Solutions Private Limited*	Others	Strategic investment	10	8	-	18
Green Infra Wind Generation Limited	Others	Wealth creation	-	-	-	-
Clean Windpower (Pratapgarh) Private Limited	Others	Wealth creation	0	-	-	0
Investments in non-convertible debentures carried at amortised cost - unquoted						
Investment in non convertible debentures	Others	Wealth creation	5	175	65	115
Investment in Government Securities	Others	Wealth creation	-	5	-	5
			763	**358**	**65**	**1,056**

** The movement is on account of fair valuation as at the year end.*

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37 Financial Ratios

₹ in crore

Particulars		Numerator	Denominator	As at 31st March 2023	As at 31st March 2022
a)	Current Ratio	Total current assets	Total current liabilities	1.80	1.71
b)	Debt-Equity Ratio {refer note (a)}	Debt consists borrowings and lease liabilities	Total equity	0.23	0.15
c)	Debt Service Coverage Ratio	Earnings for debt service = Net Profit after taxes + Non-cash operating expenses + Finance cost + other non cash adjustments	Debt service = Finance cost & Lease Payments + Principal Repayments	10.98	10.28
d)	Return on Equity Ratio	Profit for the year	Average total equity	31.20%	25.77%
e)	Inventory turnover ratio	Cost of goods sold	Average inventory	2.09	1.99
f)	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	54.56	69.25
g)	Trade payables turnover ratio	Derived purchases	Average trade payables	30.90	29.10
h)	Net capital turnover ratio	Revenue from operations	Working capital (Current Assets - Current Liabilities)	4.18	3.99
i)	Net profit ratio	Profit for the year	Revenue from operations	8.71%	8.01%
j)	Return on Capital employed	Profit before tax and finance cost	Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	31.96%	29.03%
k)	Return on investment	Income generated from invested funds	Average invested funds in treasury investments	9.46%	7.82%

**finance cost includes only interest paid on debt and leases excluding interest expense on gold on loan*

Explanation for ratios where the variance is beyond 25% compared to previous year:

a) Increase in borrowings during the current year resulted in change in the ratio.

38 Details of transactions with struck off companies during the year:

Name of Struck off Company	Nature of Transactions	Transactions during the year 31st March, 2023	Balance outstanding as at 31st March, 2023	Relationship with Struck off Company
Octel Cloud Solutions Private Limited	Payables	0.00	-	Vendor

Details of transactions with struck off companies during the previous year:

Name of Struck off Company	Nature of Transactions	Transactions during the year 31st March, 2022	Balance outstanding as at 31st March, 2022	Relationship with Struck off Company
Wezkoz Consulting Company Private Limited	Payables	0.00	0.00	Vendor
Digimind Embedded Systems Private Limited	Payables	0.00	0.00	Vendor
Octel Cloud Solutions Private Limited	Payables	0.00	0.00	Vendor

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Notes to standalone financial statements

for the year ended 31st March 2023

39 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

40 Other statutory information:

i) The Company does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.

ii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

iv) The Company is not classified as wilful defaulter.

v) The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan *Chairman*
N N Tata *Vice Chairman*
Ashwani Puri *Director*
C K Venkataraman *Managing Director*
Ashok Sonthalia *Chief Financial Officer*
Dinesh Shetty *General Counsel and Company Secretary*

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture

Part "A": Subsidiaries

(₹ in crore)

1	Name of the subsidiary	TCL Watches Switzerland AG (formerly known as Favre Leuba AG)	Titan Watch Company Limited	Titan Holdings International FZCO	Titan Global Retail LLC	Titan International QFZC	TCL North America Inc	Titan Engineering & Automation Limited	TEAL USA Inc	CaratLane Trading Private Limited	StudioC Inc	Titan Commodity Trading Limited
2	Reporting period	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023	31st March 2023
3	Reporting currency	CHF	HKD	AED	AED	QAR	USD	INR	USD	INR	USD	INR
4	Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	1 CHF = ₹ 89.57	1 HKD = ₹ 10.47	1 AED = ₹ 22.37	1 AED = ₹ 22.37	1 QAR = ₹ 22.26	1 USD = ₹ 82.17	Not applicable	1 USD = ₹ 82.17	Not applicable	1 USD = ₹ 82.22	Not applicable
5	Share capital	140	1	0	1	0	161	47	-	7	-	15
6	Reserves & surplus	(126)	(1)	(8)	(93)	(0)	(10)	317	-	214	(28)	2
7	Total assets	25	-	64	586	0	333	578	-	1,555	23	512
8	Total liabilities	11	-	73	678	0	181	214	-	1,334	51	495
9	Investments	-	-	1	-	-	164	21	-	1	-	-
10	Turnover	1	-	-	345	-	57	510	-	2,155	53	7
11	Profit/(loss) before taxation	(1)	-	(4)	(58)	(0)	(20)	26	-	140	(20)	3
12	Provision for taxation	-	-	-	-	-	-	4	-	37	0	1
13	Profit after taxation	(1)	-	(4)	(58)	(0)	(20)	21	-	102	(20)	2
14	Proposed dividend	-	-	-	-	-	-	-	-	-	-	-
15	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	72.31%	72.31%	100%

Name of subsidiary which are yet to commence operations:

Sl. No.	Name of the Company
1	Titan Watch Company Hong Kong Limited
2	TEAL USA Inc

Name of subsidiary which have been sold during the year:

Sl. No.	Name of the Company
1	None

Part "B": Associate and Joint Venture

	Name of Associate	Green Infra Wind Power Theni Limited
1	Latest audited Balance Sheet date	31st March 2023
2	Shares of Associate held by the Company on the year end	
	- No.	15,00,000
	- Amount of Investment in Associate (₹ crore)	1.50
	- Extent of Holding %	26.79%
3	Description of how there is significant influence	There is a significant influence due to percentage of Share Capital held
4	Reason why the associate is not consolidated	Not applicable
5	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crore)	3
6	Profit/(loss) for the year	
	- Considered in Consolidation (₹ crore)	1
	- Not considered in Consolidation (₹ crore)	-

Name of joint venture which have been sold during the year:

Sl. No.	Name of the Company
1	None

Independent Auditor's Report

To the Members of Titan Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Titan Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditor(s) referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

See Note 2(ix) and note 20 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group recognises revenue when the control of goods being sold is transferred to the customer. A substantial part of the Group's revenue relates to jewellery and watches which involves large number of individual sales contracts having varied contractual terms with retail customers, distributors and franchisees.	In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: i. Assessed the appropriateness of the accounting policy for revenue recognition as per relevant accounting standard.
The Group and its external stakeholders focus on revenue as one of the key performance indicators. This increases the risk of misstatement of the timing and existence of revenue recognised. In view of the above, we have identified revenue recognition as a key audit matter.	ii. We evaluated the design and implementation of key internal financial controls and their operating effectiveness with respect to revenue recognition transactions selected on a sample basis. These included general IT controls and key application controls over the IT systems which govern revenue recognition, including access controls, controls over program changes and interfaces between different systems

The key audit matter	How the matter was addressed in our audit
	iii. We perused selected samples of key contracts with customers, distributors and franchisees to understand terms and conditions particularly relating to acceptance of goods. iv. We performed substantive testing of retail sales by selecting samples of sales made at the retail outlets using statistical sampling and tested the underlying documents, which included tracing sales to collection reports and bank statements. For sales (other than retail sales), we performed substantive testing using statistical sampling and tested the underlying documentation including verification of invoices and collections thereon. v. We tested, selected samples of sales transactions made immediately pre and post year end, agreed the period of revenue recognition to the underlying documents.

Inventories

See Note 2(xix) and note 10 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group's inventories primarily comprise high value items like jewellery (gold, diamonds, gemstones etc.) and watches. The Group holds inventory at various locations including factories, stores (retail outlets) and third-party locations. There is a significant risk of loss of inventory given the high value and nature of the inventory involved. In view of the above, we have identified existence of physical inventories as a key audit matter	In view of the significance of the matter we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: i. We evaluated the design, implementation and tested the operating effectiveness of key controls that the Company has in relation to safeguarding and physical verification of inventories including the appropriateness of the Group's standard operating procedures for conducting, recording and reconciling physical verification of inventories and tested the implementation thereof. ii. We evaluated the design, implementation and operating effectiveness of general IT controls and key application controls over the Group's IT systems including those relating to recording of inventory quantities on occurrence of each transaction, including access controls, controls over program changes, interfaces between different systems.

The key audit matter	How the matter was addressed in our audit
	iii. For the sampled locations, we attended physical verification of stocks conducted by the Group and performed roll-forward procedures as at the year end, where applicable. We also performed surprise stock counts at selected stores on a sample basis. We also checked on a sample basis reconciliation of inventories as per physical inventory verification and book records. iv. For samples selected using statistical sampling, we obtained independent confirmations of inventories held with third parties.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report(s) thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph
(a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of three subsidiaries (including two step down subsidiaries), whose financial statements reflects total assets (before consolidation adjustments) of Rs. 613 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 398 crores and net cash inflows (before consolidation adjustments) amounting to Rs. 2 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

   Certain of these subsidiaries located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the work done and the reports of the other auditors.

b. The financial information of five subsidiaries, whose financial information reflects total assets (before consolidation adjustments) of Rs. 356 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs. 59 crores and net cash inflows (before consolidation adjustments) amounting to Rs. 12 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor(s). The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 72 lakhs for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of one associate, whose financial information has not been audited by us or by other auditor(s). These unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub- section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial informations are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of subsidiaries, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group and its associate. Refer Note 30 to the consolidated financial statements.

b. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company incorporated in India during the year ended 31 March 2023.

d (i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 42 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(i) The management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act has represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, as disclosed in the Note 42 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 13.3 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:23218495BGYWCA8359

Place: Bengaluru
Date: 03 May 2023

Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of Titan Company Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Relationship
Green Infra Wind Power Theni Limited	U40105HR2011PLC070256	Associate

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Arjun Ramesh

Partner

Membership No.: 218495

ICAI UDIN:23218495BGYWCA8359

Place: Bengaluru

Date: 03 May 2023

Annexure B to the Independent Auditor's Report

on the consolidated financial statements of Titan Company Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In conjunction with our audit of the consolidated financial statements of Titan Company Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and its associate company, as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Titan Company Limited for the year ended 31 March 2023 (Continued)

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note.

Other Matter(s)

The internal financial controls with reference to financial statements insofar as it relates to one associate, which is a company incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditor. In our opinion and according to the information and explanations given to us by the Management, such unaudited associate is not material to the Holding Company.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:23218495BGYWCA8359

Place: Bengaluru
Date: 03 May 2023

Consolidated balance sheet

as at 31st March 2023

₹ in crore

Particulars	Note	As at 31st March 2023	As at 31st March 2022
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,343	1,218
(b) Capital work-in-progress	3	133	69
(c) Right-of-use assets	4	1,285	973
(d) Investment property	5.1	1	1
(e) Goodwill	5.2	123	123
(f) Other intangible assets	6.1	246	229
(g) Intangible assets under development	6.2	11	16
(h) Financial assets			
(i) Investments	7.1	351	279
(ii) Loans	7.2	54	42
(iii) Other financial assets	7.3	595	382
(i) Deferred tax assets (net)	8	158	187
(j) Income tax assets (net)	8	151	137
(k) Other non-current assets	9	165	84
		4,616	**3,740**
(2) Current assets			
(a) Inventories	10	16,584	13,609
(b) Financial assets			
(i) Investments	11.1	2,164	15
(ii) Trade receivables	11.2	674	565
(iii) Cash and cash equivalents	11.3	232	219
(iv) Bank balances other than (iii) above	11.3	1,111	1,354
(v) Loans	11.4	135	423
(vi) Other financial assets	11.5	201	291
(c) Other current assets	12	1,288	978
(d) Assets held for sale		18	-
		22,407	**17,454**
TOTAL ASSETS		**27,023**	**21,194**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13.1	89	89
(b) Other equity	13.2	11,762	9,214
Equity attributable to the equity holders of the Company		11,851	9,303
Non-controlling interest		53	30
TOTAL EQUITY		**11,904**	**9,333**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14.1	-	2
(ii) Lease liabilities	14.2	1,607	1,138
(iii) Other financial liabilities	14.3	4	4
(b) Provisions	15	240	198
(c) Deferred tax liability (net)	8	3	6
(d) Other non-current liabilities	16	1	1
		1,855	**1,349**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17.1	2,195	516
(ii) Gold on loan	17.2	5,299	5,398
(iii) Lease liabilities	17.3	266	221
(iv) Trade payables			
- Total outstanding dues of micro and small enterprises	17.4	181	242
- Total outstanding dues of creditors other than micro and small enterprises	17.4	1,033	1,052
(v) Other financial liabilities	17.5	568	440
(b) Other current liabilities	18	3,517	2,523
(c) Provisions	19	132	38
(d) Current tax liabilities (net)	8	73	82
		13,264	**10,512**
TOTAL EQUITY AND LIABILITIES		**27,023**	**21,194**
Significant accounting policies	2		

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan Chairman
N N Tata Vice Chairman
Ashwani Puri Director
C K Venkataraman Managing Director
Ashok Sonthalia Chief Financial Officer
Dinesh Shetty General Counsel and Company Secretary

Place: Bengaluru
Date: 3rd May 2023

Consolidated statement of profit and loss

for the year ended 31st March 2023

₹ in crore

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
I. Revenue from operations	20	40,575	28,799
II. Other income	21	308	234
III. Total income (I +II)		**40,883**	**29,033**
IV. Expenses:			
Cost of materials and components consumed		26,891	22,108
Purchase of stock-in-trade		5,698	4,328
Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	(2,234)	(4,795)
Employee benefits expense	23	1,647	1,349
Finance costs	24	300	218
Depreciation and amortisation expense	25	441	399
Other expenses	26	3,694	2,468
Total expenses		**36,437**	**26,075**
V. Profit before share of profit/(loss) of an associate and exceptional item and tax (III - IV)		4,446	2,958
VI. Share of profit/(loss) of:			
- Associate		1	0
VII. Profit before exceptional item and tax (V - VI)		4,447	2,958
VIII. Exceptional item	40	-	54
IX. Profit before tax (VII - VIII)		**4,447**	**2,904**
X. Tax expense:			
Current tax	8	1,150	786
Deferred tax	8	26	(80)
Tax Expense of earlier year	8	(3)	-
Total tax		1,173	706
XI. Profit for the year (IX-X)		**3,274**	**2,198**
XII. Other comprehensive income			
(i) Items that will not be reclassified to the statement of profit and loss			
- Remeasurement of employee defined benefit plans		(67)	9
- Income-tax on (i) above		17	(1)
(ii) Items that will be reclassified to the statement of profit and loss			
- Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		3	(19)
- Exchange differences in translating the financial statements of foreign operations		8	(5)
- income-tax on (ii) above		-	4
Total other comprehensive income		**(39)**	**(12)**
XIII. Total comprehensive income (XI + XII)		**3,235**	**2,186**
Profit for the year attributable to:			
- Owners of the Company		3,250	2,173
- Non-controlling interest		24	25
		3,274	**2,198**
Other comprehensive income for the year attributable to:			
- Owners of the Company		(38)	(12)
- Non-controlling interest		(1)	(0)
		(39)	**(12)**
Total comprehensive income for the year attributable to:			
- Owners of the Company		3,212	2,161
- Non-controlling interest		23	25
		3,235	**2,186**
XIV. Earnings per equity share of ₹ 1			
Basic	28	36.61	24.48
Diluted		36.61	24.48
Significant accounting policies	2		

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan Chairman
N N Tata Vice Chairman
Ashwani Puri Director
C K Venkataraman Managing Director
Ashok Sonthalia Chief Financial Officer
Dinesh Shetty General Counsel and Company Secretary

Place: Bengaluru
Date: 3rd May 2023

Consolidated statement of changes in equity

as at 31st March 2023

(a) Equity share capital

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening balance	89	89
Changes in equity share capital due to prior period errors	-	-
Changes in equity share capital during the year	-	-
Closing balance	**89**	**89**

(b) Other equity

	Reserves and surplus										Capital reserve on consolidation	Attributable to the Owners of the Company	Non-controlling interest	Total
							Items of other comprehensive income (refer note 13.2)							
	Capital reserve	Capital redemption reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Remeasurement of employee defined benefit plans	Foreign currency translation reserve	Cash flow hedge reserve	Total				
Balance as at 1st April 2021	**0**	**1**	**141**	**4**	**3,066**	**4,210**	**(36)**	**10**	**12**	**(14)**	**-**	**7,408**	**5**	**7,413**
Profit for the year (net of taxes)	-	-	-	-	-	2,173	-	-	-	-	-	2,173	25	2,198
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	-	8	(7)	(15)	(14)	-	(14)	(0)	(14)
Transactions with non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Employee stock compensation	-	-	-	2	-	-	-	-	-	-	-	2	-	2
Total comprehensive income for the year	**-**	**-**	**-**	**2**	**-**	**2,173**	**8**	**(7)**	**(15)**	**(14)**	**-**	**2,161**	**25**	**2,186**
Payment of dividends (refer note 13.3)	-	-	-	-	-	(355)	-	-	-	-	-	(355)	-	(355)
Balance as at 31st March 2022	**0**	**1**	**141**	**6**	**3,066**	**6,028**	**(28)**	**3**	**(3)**	**(28)**	**-**	**9,214**	**30**	**9,244**
Balance as at 1st April 2022	**0**	**1**	**141**	**6**	**3,066**	**6,028**	**(28)**	**3**	**(3)**	**(28)**	**-**	**9,214**	**30**	**9,244**
Profit for the year (net of taxes)	-	-	-	-	-	3,250	-	-	-	-	-	3,250	24	3,274
Other comprehensive income for the year (net of taxes)	-	-	-	-	-	-	(49)	8	3	(38)	-	(38)	(1)	(39)
Transactions with non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee stock compensation	-	-	-	1	-	-	-	-	-	-	-	1	-	1
Premium on share issued during the year	-	-	1	-	-	-	-	-	-	-	-	1	-	1
Total comprehensive income for the year	**0**	**-**	**1**	**1**	**-**	**3,250**	**(49)**	**8**	**3**	**(38)**	**-**	**3,214**	**23**	**3,237**
Payment of dividends (refer note 13.3)	-	-	-	-	-	(666)	-	-	-	-	-	(666)	-	(666)
Balance as at 31st March 2023	**0**	**1**	**142**	**7**	**3,066**	**8,612**	**(77)**	**11**	**(0)**	**(66)**	**-**	**11,762**	**53**	**11,815**

Significant accounting policies Note 2

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan Chairman
N N Tata Vice Chairman
Ashwani Puri Director
C K Venkataraman Managing Director
Ashok Sonthalia Chief Financial Officer
Dinesh Shetty General Counsel and Company Secretary

Place: Bengaluru
Date: 3rd May 2023

Consolidated statement of cash flow

for the year ended 31st March 2023

₹ in crore

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
A. Cash flow from operating activities			
Net profit before tax		4,447	2,904
Adjustments for :			
- Depreciation and amortisation expense		441	399
- Net unrealised exchange loss/(gain)		7	(3)
- Share of profit/(loss) of the associate		(1)	0
- Employee stock compensation expense		1	2
- Loss on sale/disposal/scrapping of property, plant and equipment (net)		3	3
- Provision for doubtful trade receivables (net) and bad trade receivables written off		4	3
- Provision for asset write off of a subsidiary		-	9
- Interest income		(143)	(96)
- Gain on investments carried at fair value through profit and loss		(106)	(87)
- Gain on pre-closure of lease contracts		(14)	(20)
- Rent waiver		(2)	(34)
- Finance costs		300	218
Operating profit before working capital changes		**4,937**	**3,298**
Adjustments for :			
- (increase)/decrease in trade receivables		(112)	(207)
- (increase)/decrease in inventories		(2,977)	(5,199)
- (increase)/decrease in financial assets-loans		(18)	(3)
- (increase)/decrease in other financial assets		74	(29)
- (increase)/decrease in other assets		(363)	(223)
- (increase)/decrease in other bank balances		-	1
- increase/(decrease) in gold on loan		(99)	1,188
- increase/(decrease) in trade payables		(89)	504
- increase/(decrease) in other financial liabilities		108	179
- increase/(decrease) in other liabilities		994	510
- increase/(decrease) in provisions		69	59
Cash generated from operating activities before taxes		**2,524**	**78**
- Direct taxes paid, net		(1,154)	(802)
Net cash generated from/(used in) operating activities	A	**1,370**	**(724)**
B. Cash flow from investing activities			
Purchase of property, plant and equipment, intangible assets and investment property		(432)	(224)
Proceeds from sale of property, plant and equipment		12	8
Investment in non convertible debentures and government bonds		(353)	(100)
Inter-corporate Deposits placed		(570)	(1,094)
Proceeds from inter-corporate Deposits		864	750
Bank Deposits (placed)/matured, net		243	(975)
Proceeds from sale of investment in joint venture		-	-
Purchase of investments in other equity instruments		(1)	(153)
Sale/(purchase) of mutual funds, net		(1,750)	2,870
Loan given to Group's franchisees and vendors		-	(34)

Consolidated statement of cash flow

for the year ended 31st March 2023

₹ in crore

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Proceeds from loan given to Group's franchisees and vendors		3	34
Lease payments received from sub-lease (excluding interest received)		30	26
Interest received		143	56
Net cash (used in)/generated from investing activities	B	**(1,811)**	**1,164**
C. Cash flow from financing activities			
Repayment from long term borrowings, net		(7)	(7)
Proceeds from Short term borrowings, net		1,684	349
Dividends paid		(666)	(355)
Payment of lease liabilities excluding interest paid		(254)	(172)
Finance costs paid		(300)	(218)
Net cash generated from/(used) in financing activities		**457**	**(403)**
Net increase in cash and cash equivalents during the year (A+B+C)		**16**	**37**
Cash and cash equivalents (opening balance)	11.3	219	181
Add: Unrealised exchange gain		(3)	1
Cash and cash equivalents (closing balance)	**11.3**	**232**	**219**
Debt reconciliation statement in accordance with Ind AS 7			
Borrowings	17.1		
Opening balance		518	172
Repayment from long term borrowings, net		(7)	(7)
Proceeds from Short term borrowings, net		1,684	349
Foreign Currency Translation Reserve adjustments		-	4
Closing balance		**2,195**	**518**
Reconciliation of Lease liability			
Opening balance		1,359	1,256
Payments made during the year		(254)	(172)
Non-cash changes		768	275
Closing balance		**1,873**	**1,359**
Significant accounting policies	2		

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan Chairman
N N Tata Vice Chairman
Ashwani Puri Director
C K Venkataraman Managing Director
Ashok Sonthalia Chief Financial Officer
Dinesh Shetty General Counsel and Company Secretary

Place: Bengaluru
Date: 3rd May 2023

Notes to Consolidated financial statements

for the year ended 31st March 2023

1. Corporate Information

Titan Company Limited ('Titan' or 'the Company'), and its subsidiaries (collectively, the "Group"), associate is primarily involved in manufacturing and sale of watches, jewelry, eyewear and other accessories and products.

Titan is a public Company domiciled in India, with its registered office situated at 3, SIPCOT Industrial Complex, Hosur - 635 126, Tamil Nadu, India. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and BSE Limited in India.

2. Significant Accounting Policies

This note provides a list of significant accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. These consolidated financial statements are the separate financial statements of the Group.

Basis of Preparation

i. Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, read with section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

ii. Basis of measurement

The consolidated financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:

a) Certain financial assets and liabilities (including derivative instruments).

b) The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets.

c) Valuation of grants under Employees Share Options (ESOPs).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

iii. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to rupees crores as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

iv. Use of estimates and judgement

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of consolidated financial statements. The actual outcome may diverge from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Assumptions and estimation

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31st March 2023 is included in the following notes:

- Note 3 – Useful life of the Property, Plant and Equipment;
- Note 6 – Useful life of the Intangible assets;
- Note 8 – Valuation of deferred tax assets;
- Note 4, 14.2, 16.3 and 28 – Leases;
- Note 29 – Contingent liabilities;
- Note 31 – Measurement of defined benefit obligations: key actuarial assumptions;

Notes to Consolidated financial statements

for the year ended 31st March 2023

- Notes 35.1 and 35.2 – Fair value measurement of financial instruments.

v. Basis of consolidation

The consolidated financial statements relate to Titan Company Limited and entities controlled by the Company. Control is achieved when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect the entity's returns by using its power over the entity.

The consolidated financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profit or losses. These financial statements are prepared by applying uniform accounting policies in use at the Group. The excess of the Company's portion of equity of the subsidiaries as at the date of its investment over the cost of its investment is treated as Capital Reserve on consolidation. The excess of cost to the Company of its investment over the Company's portion of equity as at the date of investment is treated as Goodwill on consolidation.

Investment in associate and joint venture are accounted for using the equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of consolidated profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Entities controlled by the Company are consolidated from the date the control commences until the date control ceases.

The subsidiary companies which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Country of incorporation	Ownership interest 31st March 2023	Ownership interest 31st March 2022
Titan Engineering & Automation Limited ("TEAL")	India	100%	100%
TCL Watches Switzerland AG (formerly known as Favre Leuba AG)	Switzerland	100%	100%
Titan Watch Company Hong Kong Limited (100% subsidiary of Titan Holdings International FZCO)	Hong Kong	100%	100%
CaratLane Trading Private Limited	India	72.31%	72.31%
StudioC (from 11th February 2021) (100% subsidiary of CaratLane Trading Private Limited)	United States of America	100%	100%
Titan Holdings International FZCO	Dubai	100%	100%
Titan Global Retail L.L.C (Subsidiary of Titan Holdings International FZCO)	Dubai	100%	100%
Titan International QFZC (Subsidiary of Titan Holdings International FZCO) (from 1st Dec 2022)	Qatar	100%	
Titan Commodity Trading Limited (from 10th August 2020)	India	100%	100%
TCL North America Inc. (from 15th April 2021)	United States of America	100%	100%
TEAL USA Inc. (from 15th April 2021) (Wholly owned subsidiary of Titan Engineering & Automation Limited)	United States of America	100%	100%

Notes to Consolidated financial statements

for the year ended 31st March 2023

The jointly controlled entity and associate company which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Country of incorporation	Ownership interest 31st March 2023	Ownership interest 31st March 2022
Green Infra Wind Power Theni Limited - Associate company	India	26.79%	26.79%

The financial statements of the subsidiary companies and associate company which are included in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31st March 2023. The figures used in consolidation for equity accounting of the investment in the associate companies are audited.

vi. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfer of interests in entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entities are recorded in shareholders' equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

vii. Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Company operates (i.e., the "functional currency"). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

viii. Measurement of fair values

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Notes to Consolidated financial statements

for the year ended 31st March 2023

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 5.1 – Investment property

- Note 35 - financial instruments.

ix. Revenue recognition

The Group recognises revenue when the control of goods being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled based on various customer terms including at the time of delivery of goods, dispatch or upon customer acceptance based on various distribution channels. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

a) Sale of goods: Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets are classified as other assets. Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Customer loyalty programmes

The Group has a customer loyalty programme for selected customers. The Group grants credit points to those customers as part of a sales transaction which allows them to accumulate and redeem those credit points. The consideration is allocated between the loyalty programme and the goods based on their relative standalone selling prices. The credit points have been deferred and will be recognised as revenue when the reward points are redeemed or lapsed.

b) Service income: Service income is recognised on rendering of services based on the agreements/arrangements with the concerned parties.

c) Dividend and interest income: Dividend income from investments is recognised when the Group's right to receive the payment has been established i.e., either when the dividend is declared or when shareholders approve the dividend in case of equity investments.

For all financial instruments measured at amortised cost, interest income is recorded

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using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of profit and loss.

Other Operating Income:

Indirect tax incentives are recognised when the right to receive the amount as per the terms of scheme is established in respect of industrial promotion scheme applicable to the respective units.

Use of significant judgements in revenue recognition:

a) The Group's contracts with customers could include promises to transfer multiple goods to a customer. The Group assesses the goods promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

c) The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Interest income is recognised as it accrues in the consolidated statement of profit and loss using effective interest rate method.

Commission income is generally recognised when the related sale is executed as per the terms of the agreement.

The Group has determined that the revenues as disclosed in Note 19 are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

x. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease i.e., if the contract conveys the right to control the use of an identified asset for a period in exchange of consideration.

<u>Group as a Lessee</u>

The Group applies a single recognition and measurement approach for all leases except for short-term leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The nature of expenses related to those leases has changed from lease rent in previous periods to (i) amortisation for the right-to-use asset, and (ii) interest accrued on lease liability.

a) Right-of-use assets:

Right-of-use assets are measured at cost comprising the following:

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i) the amount of the initial measurement of lease liability

ii) any initial direct costs

iii) restoration costs

Right-of-use assets are depreciated over the lease term on a straight-line basis.

b) Lease Liabilities:

Lease liabilities are measured at present value of following components:

i) fixed payments less any lease incentives receivable

ii) amounts expected to be payable by the Group under residual value guarantee

Incremental borrowing rate used for discounting has been determined by taking the interest rates obtained from financial institutions for borrowing the similar value of right of use assets for similar tenure. The rates will be reassessed on a yearly basis at the beginning of each accounting period to reflect changes in financial conditions.

c) Short-term leases:

The Group applies the short-term lease recognition exemption to its short-term lease contracts (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on a short-term leases are recognised as expense on a straight-line basis over the lease term.

d) Variable payments:

Variable lease payments that depend on sales are recognised in the Statement of profit or loss in the period in which the condition that triggers those payments occurs.

Group as a Lessor:

In case of sub-leasing, where the Group, being the original lessee and intermediate lessor, grants a right to use the underlying asset to a third party, the head lease is recognised as lease liability and sub-lease is recognised as lease receivables in the Balance Sheet of the Group. Interest expense is charged on the lease liability and interest income is recognised on lease receivables in the statement of profit or loss.

xi. Foreign currencies

a) Transactions and balances:

In preparing the consolidated financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currency are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in the statement of consolidated profit and loss in the period in which they arise except for exchange differences on transactions designated as cash flow hedge (refer note xxii(b)).

b) Foreign operations:

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Company's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity, except to the extent that the translation difference is allocated to non-controlling interest. When a foreign operation is disposed off, the relevant amount recognised in FCTR is transferred to the statement of consolidated profit and

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loss as part of the profit or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rate prevailing at the reporting date.

xii. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with borrowing of funds. The borrowing cost includes interest expense accrued on gold on loan taken from banks. Borrowing costs attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

xiii. Employee benefits

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, special awards and medical benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of consolidated profit and loss.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plan

The Group's contributions to the Superannuation Fund which is managed by a Trust and Pension Fund administered by Regional Provident Fund Commissioner and Group's contribution to National pension Scheme are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

The contribution to the Group's Gratuity Trust and liability towards pension of retired managing directors are provided using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses is reflected immediately in the consolidated balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of consolidated profit and loss.

The contribution to the Group's Provident Fund Trust is made at predetermined rates and is charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the consolidated balance sheet date.

xiv. Taxation

Income tax comprises of current tax and deferred tax. It is recognised in the statement of consolidated profit and loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

a) Current tax: The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of consolidated profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax: Deferred tax assets and liabilities are recognised on temporary differences

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between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the consolidated balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax assets are not recognised, when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

The Group offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xv. Property, Plant and Equipment

a) *Recognition and measurement:*

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Machine spare parts are recognised in accordance with this

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Ind AS when they meet the definition of property, plant and equipment, otherwise, such items are classified as inventory. Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

The estimated useful life of the tangible assets and the useful life are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of consolidated profit and loss.

b) *Depreciation*

Depreciable amount for assets is the cost of an asset, or other substituted for cost, less its estimated residual value. Depreciation is calculated on the basis of the estimated useful lives using the straight line method and is generally recognised in the statement of consolidated profit and loss. Depreciation for assets purchased/sold during the year is proportionately charged from/upto the date of disposal. Free hold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Building	30 to 60 years	30 to 60 years
Plant, machinery and equipment	5 to 15 years	10 to 15 years
Computers and server	3 to 6 years	3 to 6 years
Furniture and Fixtures	5 to 10 years	10 years
Office equipment	5 years	5 years
Vehicles	4 to 5 years	8 years

Leasehold improvements are depreciated over the lease term ranging from 1-9 years.

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above represents the period over which the management expects to use these assets.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Repairs and maintenance costs are recognised in the statement of consolidated profit and loss when incurred.

The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognised in the statement of consolidated profit and loss.

Advance paid towards acquisition of fixed assets outstanding at each consolidated balance sheet date is disclosed as capital advances under non-current assets.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the consolidated balance sheet date.

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xvi. Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of consolidated profit and loss in the period in which the property is derecognised.

The investment property includes only land held by the Group and accordingly no amortisation of the investment property is recorded in the statement of consolidated profit and loss.

The fair values of the investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

xvi. Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The estimated useful lives of intangible assets are as follows:

Software - License period or 5 years, whichever is lower.

Intellectual properties - 5 years

Patents - 5 years

Brand and trademark - Infinite period.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

xvii. Impairment

Impairment of financial assets:

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to life time ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the statement of consolidated profit and loss.

Impairment of non-financial assets:

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets are also allocated to individual cash-generating units, or

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otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of consolidated profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of impairment loss is recognised immediately in the statement of consolidated profit and loss.

Impairment of Goodwill:

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the statement of consolidated profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

xviii. Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold)] are stated at the lower of cost and net realisable value determined on an item-by-item basis. Cost is determined as follows:

a) Gold is valued on first-in-first-out basis.

b) Stores and spares, loose tools and raw materials are valued on a moving weighted average rate.

c) Work-in-progress and finished goods (other than gold) are valued on full absorption cost method based on the moving average cost of production.

d) Traded goods are valued on a moving weighted average rate/cost of purchases.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Group), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, other taxes.

Unfixed gold and quantities of gold covered under fair value hedge have been entered into is valued at the gold prices prevailing on the period closing date.

Net realisable value represents the estimated selling price for inventories less estimated costs of completion and costs necessary to make the sale.

xix. Provisions and contingencies

Provisions: A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

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The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Product warranty expenses: Product warranty costs are determined based on past experience and provided for in the year of sale.

Contingent liabilities: A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made in the consolidated financial statements.

Provision for onerous contracts. i.e., contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised

when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

xx. Financial instruments

Recognition of financial assets:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of consolidated profit and loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of financial assets.

A) Financial Assets

Classification of financial assets:

On initial recognition, a financial asset is classified at

(i) Amortised cost

(ii) Fair value through other comprehensive income (FVOCI)

(iii) Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the group changes its business model for managing financial assets.

i) Financial assets at amortised cost:

A financial asset is measured at amortised cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate that exactly discounts

estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item.

ii) Investments in equity instruments at Fair Value Through Other Comprehensive Income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value either in the statement of consolidated profit and loss or in other comprehensive income pertaining to equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to the statement of consolidated profit and loss on disposal of the investment.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or

- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

iii) Investments in equity instruments at FVTPL

A financial asset that meets the amortised cost criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the statement of consolidated profit and loss. The net gain or loss recognised in the statement of consolidated profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of the cost of the investment and the amount of dividend can be measured reliably.

c) Derecognition of financial assets

A financial asset is derecognised only when

- The Group has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Whether the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. When the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

The Group has applied derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date of Ind AS.

d) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the statement of consolidated profit and loss except for those which are designated as hedging instruments in a hedging relationship.

- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the statement of consolidated profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

B) Financial liabilities: classification, subsequent measurement and derecognition:

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Other Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such in initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of consolidated profit and loss. The net gain or loss recognised in the statement of consolidated profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income/Other expenses' line item.

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The Group has designated amount payable for gold taken on loan from banks on initial recognition as fair value through profit and loss.

Financial liabilities subsequently measured at amortised cost.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of consolidated profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of consolidated profit and loss.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The Group has applied derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date of Ind AS.

xxi. Derivative financial instruments

a) *Derivative instruments not designated as Cash flow hedges:*

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts, future contracts and options.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of consolidated profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

b) *Cash flow hedges*

The Group uses derivative financial instruments to manage risks associated with gold price fluctuations relating to certain highly probable forecasted transactions, foreign currency fluctuations relating to certain firm commitments. The Group has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable forecasted transactions.

The use of derivative financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Group's risk management strategy.

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Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under the heading reserve and the ineffective portion is recognised immediately in the statement of consolidated profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in hedging reserve is retained until the forecast transaction occurs upon which it is recognised in the statement of consolidated profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognised immediately to the statement of consolidated profit and loss.

The Group has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable forecasted transactions. The Company has followed cashflow hedge for hedging contracts taken till 30th June 2021.

c) ***Fair Value Hedge:***

With effect from 1st July 2021, the Company adopted fair value hedge for the derivative contracts entered into and designated derivative contracts or non-derivative financial liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss with an adjustment to the carrying value of the hedged item. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

The Group designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item i.e., fixed gold inventory due to movement in gold prices.

The Group also designated the trade payables pertaining to gold taken on loan from banks ('unfixed gold') as a fair value hedge to the corresponding gold inventory purchased on loan.

The Group designates non derivative financial liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the statement of consolidated profit and loss with an adjustment to the carrying value of the hedged item. The Group has designated the trade payables pertaining to gold taken on loan from banks ('unfixed gold') as a fair value hedge to the corresponding gold inventory purchased on loan.

xxii. Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM).

The Group's primary segments consist of Watches and wearables, Jewellery, Eyewear, Corporate and Others, where 'Others' include Aerospace & Defence, Automation Solutions, Fragrances, Accessories and Indian dress wear. Secondary information is reported geographically.

Segment assets and liabilities include all operating assets and liabilities. Segment results include all related income and expenditure. Corporate (unallocated) represents other income and

Notes to Consolidated financial statements

for the year ended 31st March 2023

expenses which relate to the Group as a whole and are not allocated to segments.

xxii. Consolidated cash flow statement

Consolidated cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The consolidated cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

xxiii. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand Deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

xxiv. Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

xxv. Share based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

xxvi. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Notes to Consolidated financial statements

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3.1 Property, plant and equipment

₹ in crore

Particulars	Land	Buildings	Plant, machinery and equipment	Computer and Servers	Leasehold improvements	Furniture and fixtures	Office equipments	Vehicles	Total
Gross block									
As at 1st April 2021	85	414	727	142	13	309	76	30	1,796
Additions	23	8	53	20	5	40	25	16	190
Deletion due to sale of subsidiary*	-	-	-	-	-	-	-	-	-
Disposals/other adjustment	-	-	(12)	(3)	(1)	(28)	(5)	(8)	(57)
As at 31st March 2022	**108**	**422**	**768**	**159**	**17**	**321**	**96**	**38**	**1,929**
As at 1st April 2022	108	422	768	159	17	321	96	38	1,929
Additions*	8	5	91	57	38	71	37	12	319
Disposals/other adjustment	-	(0)	(21)	(12)	(1)	(16)	(3)	(10)	(63)
As at 31st March 2023	**116**	**427**	**838**	**204**	**54**	**376**	**130**	**40**	**2,185**
Accumulated depreciation									
As at 1st April 2021	-	52	247	76	6	147	38	14	580
Depreciation expense	-	12	64	28	3	47	15	8	177
Disposals	-	(0)	(9)	(3)	(0)	(23)	(4)	(7)	(46)
As at 31st March 2022	**-**	**64**	**302**	**101**	**9**	**171**	**49**	**15**	**711**
As at 1st April 2022	-	64	302	101	9	171	49	15	711
Depreciation expense	-	12	61	31	5	44	17	9	179
Disposals	-	-	(16)	(11)	-	(11)	(2)	(8)	(48)
As at 31st March 2023	**-**	**76**	**347**	**121**	**14**	**204**	**64**	**16**	**842**
Net carrying value									
As at 31st March 2022	**108**	**358**	**466**	**58**	**8**	**150**	**47**	**23**	**1,218**
As at 31st March 2023	**116**	**351**	**491**	**83**	**40**	**172**	**66**	**24**	**1,343**

* Land amounting to value of ₹ 23 crore which was classified as "Investment Property" has been reclassified to "Property, plant and equipment" in the previous year as the Company is using this land for its business purposes.

3.2 Capital work-in-progress

₹ in crore

Particulars	Capital work-in-progress
As at 1st April 2021	19
Additions	240
Capitalisations	(190)
As at 31st March 2022	**69**
As at 1st April 2022	69
Additions	314
Capitalisations	(250)
As at 31st March 2023	**133**

Notes to Consolidated financial statements

for the year ended 31st March 2023

₹ in crore

Capital work-in-progress	Amount in CWIP as at 31st March 2023				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	90	39	4	-	133
Projects temporarily suspended	-	-	-	-	-

₹ in crore

Capital work-in-progress	Amount in CWIP as at 31st March 2022				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	65	4	0	-	69
Projects temporarily suspended	-	-	-	-	-

Capital-Work-in Progress (CWIP) schedule whose completion is overdue as on 31st March 2023

₹ in crore

Projects	To be completed in			
	< 1 year	1-2 years	2-3 years	> 3 years
Building - Jewellery	-	-	-	-
Building - Watches	-	-	-	-

Note: 1) Group does not have any overdue projects as of 31st March 2022.

2) Group does not have any projects where its cost is exceeded its original budget value.

4 Right-of-use assets*

₹ in crore

Particulars	Leasehold land	Buildings	Plant and Machinery	Total
As at 1st April 2021	23	1,190	12	1,225
Additions	5	300	-	305
Modifications/terminations	-	(76)	(12)	(88)
As at 31st March 2022	**28**	**1,414**	**-**	**1,442**
As at 1st April 2022	28	1,414	-	1,442
Additions	0	635	-	635
Modifications/terminations	-	(127)	-	(127)
As at 31st March 2023	**28**	**1,922**	**-**	**1,950**
Accumulated amortisation				
As at 1st April 2021	2	305	1	308
Amortisation expense	1	185	-	186
Modifications/terminations	-	(24)	(1)	(25)
As at 31st March 2022	**3**	**466**	**-**	**469**
As at 1st April 2022	3	466	-	469
Amortisation expense	1	243	-	244
Modifications/terminations	-	(48)	-	(48)
As at 31st March 2023	**4**	**661**	**-**	**665**
Net carrying value				
As at 31st March 2022	**25**	**948**	**-**	**973**
As at 31st March 2023	**24**	**1,261**	**-**	**1,285**

*Also, refer note 29.2

Notes to Consolidated financial statements

for the year ended 31st March 2023

5.1 Investment property

₹ in crore

Particulars	Land
As at 1st April 2021	24
Additions	-
Disposals/transfer	(23)
As at 31st March 2022	**1**
As at 1st April 2022	1
Additions	-
Disposals/transfer {refer note (c)}	-
As at 31st March 2023	**1**
Net carrying value	
As at 31st March 2022	**1**
As at 31st March 2023	**1**

a) The Company's investment properties consist of freehold land and therefore no depreciation is chargeable.

b) Fair market value of land at ₹ 54 crore (Previous year: ₹ 54 crore) have been arrived at on the basis of valuations carried out by Chartered Engineer during the years ended 31st March 2023 and 31st March 2022.

c) Land amounting to value of ₹ 23 crore which was classified as "Investment Property" in the previous year has been reclassified to "Property, plant and equipment" in the previous year as the Company is using this land for its business purposes.

d) No rental income has been accrued against these properties.

5.2 Goodwill

₹ in crore

Particulars	Land
Opening Goodwill as at 1st April 2021	123
Movement during the year	-
Closing Goodwill as at 31st March 2022	**123**
Opening Goodwill as at 1st April 2022	123
Movement during the year	-
Closing Goodwill as at 31st March 2023	**123**

Name of the CGU	Operating Segment
Jewellery business of Titan Company Limited	Jewellery
CaratLane Trading Private Limited	Jewellery
Watches business of Titan Company Limited	Watches
TCL Watches Switzerland AG	Watches
Eyecare business of Titan Company Limited	Eyecare
Other business of Titan Company Limited	Other business
Titan Engineering & Automation Limited	Other business
Titan Holdings International FZCO	Other business
Titan Global Retail L.L.C.	Jewellery & Watches
Titan Commodity Trading Limited	Other business

Notes to Consolidated financial statements

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Goodwill is tested for impairment at least annually in accordance with the Company's procedure for determining the recoverable value of such assets. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level/group of CGUs within the Group at which goodwill is monitored for internal management purposes, and which is not higher than the Company's operating segment. The goodwill has been entirely allocated to the CaratLane CGU.

The recoverable amount of the CaratLane CGU is determined on the basis of value-in-use (VIU). The VIU of the CGU is determined based on discounted cash flow projections. Key assumptions on which the Company has based its determination of VIU include estimated cash flows, terminal value and discount rates.

Value-in-use is calculated using after tax assumptions. The use of after tax assumptions does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using before tax assumptions.

The key assumptions used in the estimation of the recoverable amount are set out below. The value assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

a) Terminal value growth rate 5%
b) Discount rate post tax 14.4%

The discount rate is a post-tax measure estimated based on the historical industry average weighted-average cost of capital, with a possible debt leveraging applicable to the region at a market interest rate applicable to the respective region.

The cash flow projections include specific estimates for ten years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make. Revenue growth has been projected taking into account the average growth levels experienced over the past years and the estimated sales volume and price growth for the coming years. It has been assumed that the sales price would increase in line with forecast inflation over the next ten years.

An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, operating margin, discount rate and long-term growth rate) based on reasonably probable assumptions, did not identify any probable scenarios where the CGU's/group of CGU's recoverable amount would fall below its carrying amount.

6.1 OTHER INTANGIBLE ASSETS

₹ in crore

Particulars	Trademarks	Intellectual properties	Patents	Computer software	Brand	Total
Owned						
As at 1st April 2021	3	6	8	134	180	331
Additions	-	-	-	22	-	22
Disposals/other adjustment	-	-	-	-	-	-
As at 31st March 2022	**3**	**6**	**8**	**156**	**180**	**353**
As at 1st April 2022	3	6	8	156	180	353
Additions	-	-	-	49	-	49
Disposals/other adjustment	-	-	-	(1)	-	(1)
As at 31st March 2023	**3**	**6**	**8**	**204**	**180**	**401**
Accumulated amortisation						
As at 1st April 2021	3	1	2	82	-	88
Amortisation expense	-	1	2	33	-	36
Disposals/other adjustment	-	-	-	-	-	-
As at 31st March 2022	**3**	**2**	**4**	**115**	**-**	**124**

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₹ in crore

Particulars	Trademarks	Intellectual properties	Patents	Computer software	Brand	Total
As at 1st April 2022	3	2	4	115	-	124
Amortisation expense	-	-	-	32	-	32
Disposals	-	-	-	(1)	-	(1)
As at 31st March 2023	**3**	**2**	**4**	**146**	**-**	**155**
Net carrying value						
As at 31st March 2022	**-**	**4**	**4**	**41**	**180**	**229**
As at 31st March 2023	**-**	**4**	**4**	**58**	**180**	**246**

6.2 INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in crore

As at 1st April 2021	8
Additions	30
Capitalisations	(22)
As at 31st March 2022	**16**
As at 1st April 2022	16
Additions	23
Capitalisations	(28)
As at 31st March 2023	**11**

a) Intangible assets under development aging schedule

₹ in crore

Particulars	As at 31st March 2023				
	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
i) Projects in progress	9	2	0	-	11
ii) Projects temporarily suspended	-	-	-	-	-
	9	**2**	**0**	**-**	**11**

b) Intangible assets under development aging schedule

₹ in crore

Particulars	As at 31st March 2022				
	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
i) Projects in progress	9	6	1	-	16
ii) Projects temporarily suspended	-	-	-	-	-
	9	**6**	**1**	**-**	**16**

c) Intangible assets under development schedule whose completion is overdue

₹ in crore

	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	Total
Software upgradation at stores	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

Note: 1) Group does not have any overdue projects as of 31st March 2023.

2) Group does not have any projects where its cost is exceeded its original budget value.

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7 Financial assets

7.1 Investments

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
1) Investment in equity instruments - unquoted		
(i) In associate company (at cost unless stated otherwise)		
1,500,000 (Previous year: 1,500,000) fully paid equity shares of ₹ 10 each in Green Infra Wind Power Theni Limited {refer note (a) below}	3	3
	3	**3**
2) Other investments		
i) Investments in equity instruments - quoted (at fair value through profit or loss)		
1,000 (Previous year: 1,000) fully paid equity shares of ₹ 10 each in National Radio Electronics Company Limited	0	0
2,511 (Previous year: 2,511) fully paid equity shares of ₹ 10 each in Tata Steel Limited	0	0
6,638 (Previous year: 6,638) fully paid equity shares of ₹ 1 each in Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited)	1	1
560 (Previous year: 560) fully paid equity shares of ₹ 10 each in Tata Chemicals Limited	0	0
3,000 (Previous year: 3000) fully paid equity shares of ₹ 1 each in Trent Limited	0	0
	1	**1**
ii) Investments in equity instruments - unquoted (at fair value through profit or loss)		
525,000 (Previous year: 525,000) fully paid equity shares of ₹ 10 each in Innoviti Payment Solutions Private Limited (formerly known as Innoviti Embedded Solutions Private Limited)	18	18
91,200 (Previous year: 91,200) fully paid equity shares of ₹ 10 each in Green Infra Wind Generation Limited	0	0
18,000 (Previous year: 18,000) fully paid equity shares of ₹ 10 each in Clean Wind Power (Pratapgarh) Private Limited	0	0
40,00,000 (Previous year: 40,00,000) fully paid equity shares of $ 0.001 each in Investment in Great Heights Inc. (from 14th March 2022)	164	152
	182	**170**
iii) Investments in non-convertible debentures carried at amortised cost - unquoted		
Investment in non-convertible debentures	51	100
Investment in Government Securities	114	5
	165	**105**
	351	**279**
Aggregate value of investments		
Aggregate book value of quoted investments	**1**	**1**
Aggregate market value of quoted investments	**1**	**1**
Aggregate book value of unquoted investments	**350**	**278**

Notes:

a) The Company has given an undertaking not to sell or encumber in any manner its investments in Green Infra Wind Power Theni Limited in accordance with the Equity Participation agreement.

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for the year ended 31st March 2023

7.2 Loans

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Employee loans	54	42
	54	**42**

7.3 Other financial assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Lease receivables	436	251
Security Deposits	153	126
Other assets	6	5
	595	**382**

8 Income tax

a) The following is the analysis of deferred tax assets/(liabilities):

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred tax assets	158	187
Deferred tax liabilities	(3)	(6)
Net deferred tax asset	**155**	**181**

₹ in crore

Particulars	As at 1st April 2022	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	As at 31st March 2023
Deferred tax assets				
Provision for doubtful trade receivables	10	(8)	-	2
Employee benefits	44	13	-	57
Compensation towards voluntary retirement of employees	14	(1)	-	13
Fair value of investments	37	-	-	37
Cash flow hedges	-	-	-	-
Lease liabilities (net of Right-of-use assets)	44	4	-	48
Business Loss	51	(39)	-	12
Others		1	-	1
Sub-total	**199**	**(30)**	**-**	**169**
Deferred tax liability				
Property, plant and equipment	(17)	3	-	(14)
Others	(1)	1	-	-
	(18)	**4**	**-**	**(14)**
	181	**(26)**	**-**	**155**

Notes to Consolidated financial statements

for the year ended 31st March 2023

₹ in crore

Particulars	As at 1st April 2021	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	As at 31st March 2022
Deferred tax assets				
Provision for doubtful trade receivables	11	(1)	-	10
Employee benefits	38	6	-	44
Compensation towards voluntary retirement of employees	1	13	-	14
MAT credit entitlement	-	-	-	-
Fair value of investments	35	2	-	37
Cash flow hedges	(4)	-	4	-
Lease liabilities (net of Right-of-use assets)	44	0	-	44
Business Loss	-	51	-	51
Sub-total	**124**	**71**	**4**	**199**
Deferred tax liability				
Property, plant and equipment	(27)	10	-	(17)
Others	-	(1)	-	(1)
	(27)	**9**	**-**	**(18)**
	97	**80**	**4**	**181**

b) Amounts recognised in statement of profit and loss and other comprehensive income

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Income tax expenses		
Current tax	1,150	786
Tax Expense of earlier year	(3)	
Deferred tax	26	(80)
Income tax included in other comprehensive income on:		
- Remeasurement of employee defined benefit plans	(17)	1
- Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	-	(4)
Tax expense for the year	**1,156**	**703**

c) The reconciliation between the provision of income tax of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit before tax	4,446	2,904
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	1,119	731
Effect of:		
Expenses that are not deductible in determining taxable profit	10	17
Effect of concessions	-	(6)
Unrecognised deferred tax for losses of subsidiaries	47	(38)
Others	(3)	2
Income tax expense recognised in the statement of profit and loss	**1,173**	**706**

Notes to Consolidated financial statements

for the year ended 31st March 2023

d) **The following table provides the details of income tax assets and income tax liabilities as of 31st March 2023 and 31st March 2022:**

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Income tax assets (net)	151	137
Current tax liabilities (net)	73	82
Net current income tax assets at the end of the year	**78**	**55**

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Net current income tax assets at the beginning of the year	55	41
Income tax paid	1,157	802
Current income tax expense	(1,151)	(786)
Interest on income tax refund	0	-
Income tax on other comprehensive income and others	17	(1)
Net current income tax assets at the end of the year	**78**	**55**

9 Other non-current assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Capital advances	56	29
Balance with revenue authorities	104	50
Other assets (includes deferred lease cost and deferred employee cost)	5	5
	165	**84**

10 Inventories

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Raw materials	2,992	2,268
Work-in-progress {refer (a) below}	397	421
Finished goods	9,748	8,585
Stock-in-trade	3,409	2,304
Stores and spares	33	25
Loose tools	5	6
	16,584	**13,609**

Notes to Consolidated financial statements

for the year ended 31st March 2023

₹ in crore

Particulars		As at 31st March 2023	As at 31st March 2022
Included above, goods- in- transit			
Raw materials		27	15
Stock-in-trade		-	9
		27	**24**
a)	Details of inventory of work-in-progress		
	Watches	204	165
	Jewellery	141	164
	Others	52	92
		397	**421**

(i) The cost of inventories recognised as an expense during the year is ₹ 30,355 crore (Previous year: ₹ 21,641 crore).

(ii) The cost of inventories recognised as an expense includes ₹ 3 crore (Previous year: ₹ 11 crore) in respect of write down of inventory to net-realisable value.

(iii) The inventory includes Gold purchased on loan from banks amounting to ₹ 5,681 crore (Previous year: ₹ 5,448 crore).

(iv) Refer point (xix) under significant accounting policies for method of valuation.

11 Financial assets

11.1 Investments

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No of units	Amount	No of units	Amount
i) Investments in mutual funds (Unquoted)- {at fair value through profit or loss}				
Name of the fund				
Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan	9,51,616	35	-	-
Bandhan Liquid Fund -Direct Plan-Growth	14,721	4		
Axis Liquid Fund - Direct Growth	9,70,992	243	-	-
DSP Liquidity Fund - Direct Plan - Growth	6,27,025	202	-	-
ICICI Prudential Liquid Fund -Direct-Growth	60,73,412	202	-	-
Kotak Liquid Fund-Direct-Growth	4,43,388	202	-	-
SBI Liquid Fund - Direct Plan - Growth	1,47,302	52	-	-
IDFC Cash Fund-Growth-(Direct Plan)	7,42,561	202	-	-
Nippon India Liquid Fund - Direct Growth Plan - Growth Option	4,04,634	202	-	-
UTI Liquid Cash Plan Direct Growth	5,63,177	208	-	-
Invesco India Liquid Fund - Direct Plan Growth	81,039	25	-	-
Tata Liquid Fund- Direct Plan - Growth	4,38,841	156	-	-
Tata Liquid Fund- Regular Plan - Growth	1,44,903	51		
HSBC Liquid Fund - Direct Growth	3,24,112	72	-	-
		1,856		**-**

Notes to Consolidated financial statements

for the year ended 31st March 2023

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No of units	Amount	No of units	Amount
ii) Investments in non-convertible debentures carried at amortised cost - unquoted				
Investment in non convertible debentures		308		15
		308		**15**
		-		-
Aggregate value of unquoted investments		**2,164**		**15**

11.2 Trade receivables

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Considered good- unsecured*	682	569
Less: Allowance for doubtful trade receivables	(8)	(4)
	674	**565**
Credit impaired	2	3
Less: Allowance for doubtful trade receivables	(2)	(3)
	-	-
	674	**565**

* Includes dues from related parties - refer note 34.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The Provision matrix at the end of reporting period as follows:

11.2 Trade receivables (continued)

Age of receivables	Expected credit loss (%)					
	Watches	Jewellery	Eyecare	New Category	Automated Solution	Aerospace & Defence
With in credit period	0%	0%	(1%)	4%	2%	1%
Less than 1 year	1%	0%	2%	2%	0%	2%
1 to 2 years	31%	8%	20%	28%	4%	28%
2 to 3 years	36%	12%	51%	38%	19%	46%
Over 3 years	100%	37%	100%	54%	100%	100%

Movement in expected credit loss allowance

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Balance at the beginning of the year	7	9

Notes to Consolidated financial statements

for the year ended 31st March 2023

Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	3	(2)
Balance at the end of the year	**10**	**7**

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

a) Trade Recievables Ageing Schedule

₹ in crore

Particulars	Outstanding as at 31st March 2023						
	Not Due	< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed Trade Receivables - Considered Good	400	242	21	15	2	3	683
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	0	1	0	1
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0	-	-	-	-	-
	400	**242**	**21**	**15**	**3**	**3**	**684**
Less: Allowance for doubtful trade receivables							(10)
Trade Receivables - Net							**674**

b) Trade Recievables Ageing Schedule

₹ in crore

Particulars	Outstanding as at 31st March 2022						
	Not Due	< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Undisputed Trade Receivables - Considered Good	471	69	8	19	1	1	569
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	1	1	1	0	3
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-

Notes to Consolidated financial statements

for the year ended 31st March 2023

₹ in crore

Particulars	Outstanding as at 31st March 2022						
	Not Due	< 6 months	6 months to 1 year	1-2 years	2-3 years	> 3 years	Total
	471	**69**	**9**	**20**	**2**	**1**	**572**
Less: Allowance for doubtful trade receivables							(7)
Trade Receivables - Net							**565**

11.3 Cash and bank balances

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents		
Cash on hand	13	10
Cheques, drafts on hand	7	7
Balances with banks		
(i) Current account {refer note (a) below}	212	202
(ii) Demand Deposit	-	0
Total cash and cash equivalents	**232**	**219**
Other bank balances		
(iii) Earmarked accounts		
- Unclaimed dividend	11	10
(iv) Demand Deposit	436	422
(v) Fixed Deposits held as margin money against bank guarantee	344	706
(vi) Fixed Deposits held as Deposit reserve fund {refer note (b) below}	320	216
Total other bank balances	**1,111**	**1,354**
	1,343	**1,573**

Notes:

(a) The balance under current account includes funds in transit primarily for credit card receipts yet to be credited to the Company ₹ 44 crore (Previous year: ₹ 30 crore).

(b) This amount represents restricted cash maintained for the gold harvest scheme for compliance with the Companies (Acceptance of Deposit) Rules, 2014 as per the Companies Act 2013 as amended.

Notes to Consolidated financial statements

for the year ended 31st March 2023

11.4 Loans

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Inter-corporate Deposits	245	539
Less: Provision for impairment	(145)	(145)
Inter-corporate Deposits, net	100	394
Employee loans	35	29
	135	**423**

11.5 Other financial assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good		
Refunds due from government authorities	34	91
Margin money for gold future contracts	10	89
Provision for doubtful margin money Deposits {refer note (a) below}	-	(34)
	10	55
Derivative instruments other than in designated hedge accounting relationships	0	4
Lease receivables	45	32
Security Deposits	35	24
Other receivables	10	7
Other assets (Mark to market gain on gold future contracts, interest accrued on fixed Deposits and ICDs)	67	78
	201	**291**

(a) Based on its assessment of recoverability during the earlier years, the Company had made a provision of ₹ 34 crore against receivables from one of the brokers with whom the Company was transacting. The Company has written off the amount during the current year after assessment of the recoverability.

12 OTHER CURRENT ASSETS

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured and considered good		
Advances to suppliers	179	107
Provision for doubtful advances	-	(1)
	179	106
Prepaid expenses	98	73
Balance with revenue authorities {refer note (a) below}	829	685
Contract asset {refer note (b) below}	158	94
Gratuity {refer note 32}	0	8
Other assets (includes deferred lease cost and deferred employee cost)	24	12
	1,288	**978**

(a) Balance with revenue authorities includes GST credits of ₹ 779 crore (Previous year: ₹ 632 crore) in respect to GST input credit, transitional credit and deemed credit.

(b) Contract asset represents the amount of goods expected to be received by the Company on account of sales return. Also, refer disclosure made under note 18.

Notes to Consolidated financial statements

for the year ended 31st March 2023

13.1 Share capital

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of shares (in crore)	Amount	No. of shares (in crore)	Amount
a) Authorised				
Equity share of ₹ 1 each with voting rights	120	120	120	120
Redeemable cumulative preference shares of ₹ 100 each	0.40	40	0.40	40
b) Issued, subscribed and fully paid up				
Equity share of ₹ 1 each with voting rights	89	89	89	89

c) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholdings.

d) Reconciliation of the shares outstanding at the beginning and at the end of the year:

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. crore	₹ crore	No. crore	₹ crore
Equity shares with voting rights				
At the beginning of the year	89	89	89	89
At the end of the year	**89**	**89**	**89**	**89**

e) Shareholders holding more than 5% shares in the Company

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of shares held*	% of total holding	No. of shares held*	% of total holding
Tamilnadu Industrial Development Corporation Limited	25	27.88	25	27.88
Tata Group				
Tata Sons Limited	19	20.85	19	20.85
Tata Investment Corporation Limited	2	2.01	2	2.01
Tata Chemicals Limited	1	1.56	1	1.56
Ewart Investments Limited	0	0.56	0	0.56
Piem Hotels Limited	0	0.05	0	0.06
Total - Tata Group	**22**	**25.03**	**22**	**25.04**

Notes to Consolidated financial statements

for the year ended 31st March 2023

f) Shares held by promoters

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022		% of change
	No. of shares held*	% of total Shares	No. of shares held*	% of total Shares	
Tamilnadu Industrial Development Corporation Limited	25	27.88	25	27.88	-
Tata Sons Private Limited	19	20.85	19	20.85	-
	43	**48.73**	**43**	**48.73**	**-**

₹ in crore

Particulars	As at 31st March 2022		As at 31st March 2021		% of change
	No. of shares held*	% of total Shares	No. of shares held*	% of total Shares	
Tamilnadu Industrial Development Corporation Limited	25	27.88	25	27.88	-
Tata Sons Private Limited	19	20.85	19	20.85	-
	43	**48.73**	**43**	**48.73**	**-**

** Number of shares held are in crore*

13.2 Other equity

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Capital reserve	0	0
(Surplus on re-issue of forfeited shares and debentures)		
Capital redemption reserve	1	1
(Reserve created on redemption of capital)		
Securities premium	142	141
(Amounts received on issue of shares in excess of the par value has been classified as securities premium)		
General reserve	3,066	3,066
(Represents appropriation of profit by the Company)		
Retained earnings	8,612	6,028
(Retained earnings comprise of the Company's prior years' undistributed earnings after taxes)		
Other comprehensive income	(66)	(28)
(Items of other comprehensive income consist of cash flow hedge reserve, foreign currency translation reserve and remeasurement of net defined benefit obligation.)		
Share options outstanding	7	6
(Share options granted by a subsidiary to its employees)		
	11,762	**9,214**

Notes to Consolidated financial statements
for the year ended 31st March 2023

13.3 Distributions made and proposed

The Board of Directors, in its meeting on 3rd May 2022, have proposed a final dividend of ₹ 7.50 per equity share for the financial year ended 31st March 2022. The proposal was approved by shareholders at the Annual General Meeting held on 25th July 2022 and the same was paid during the year ended 31st March 2023. This has resulted in a total outflow of ₹ 666 crore.

The Board of Directors, in its meeting on 3rd May 2023, have proposed a final dividend of ₹ 10 per equity share for the financial year ended 31st March 2023. The proposal is subject to the approval of shareholders at the ensuing Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 888 crore.

14 Financial liabilities

14.1 Borrowings

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unsecured	-	2
Term loan	**-**	**2**

The effective interest rate of the term loan was 8.19% per annum and is payable over 48 equal monthly installments begining from 1st June 2019. Current revised rate as per the bank is 5.5% from 22nd March 2021. Balance outstanding as on 31st March 2022 repaid during the year.

14.2 Lease liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Lease liabilities (refer note 29)	1,607	1,138
	1,607	**1,138**

14.3 Other financial liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Others (includes rental Deposits)	4	4
	4	**4**

15 Provisions

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for compensated absences {refer note 32}	184	144
Provision for pension	29	31
Provision for long service award	19	18
Provision for gratuity {refer note 32}	8	5
	240	**198**

Notes to Consolidated financial statements

for the year ended 31st March 2023

16 Other non-current liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Others (deferred rental)	1	1
	1	**1**

17 Financial liabilities

17.1 Borrowings

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Secured		
Bank overdraft and cash credit {refer note (a) below}	391	126
Commercial paper {refer note 39 and note (b) below}	212	149
Unsecured		
Current maturities of long term borrowings {refer note (c) below}	2	7
Loan from bank and cash credit {refer note (d) below}	1,590	235
	2,195	**516**

(a) Secured against the Company's inventory, receivables and movable fixed assets on pari-passu basis. The interest rate on the overdraft varies from 4.1% to 8.6% per annum and is payable at monthly intervals. The overdraft is payable on demand. (Previous year the interest rate was 4.3% to 8.6% per annum).

(b) Secured against the inventory, receivables and movable fixed assets on pari-passu basis. The Company has filed statements as at the quarter end with the banks which are in agreement with the books of accounts as at respective quarter ends.

(c) Given against Corporate Guarantee issued by Titan Company Limited at an interest rate of 0.5% per annum.

(d) The interest rate on the short term loan is 4.1% to 7.45% p.a. The interest is payable at monthly intervals. (Previous year the interest rate was 4.1% to 4.25% per annum).

17.2 Gold on loan

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Secured #		
Payable to banks*	1,298	2,936
Unsecured		
*Payable to banks**	4,001	2,462
	5,299	**5,398**

 # Secured against letter of credit, inventories and receivables.

** Includes amounts payable against gold purchased from various banks under Gold on loan scheme. The interest rate of the same varies from 1.5% to 2.6% per annum (Previous year: 1.58% to 2.05%) and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of the delivery of gold.*

Notes to Consolidated financial statements
for the year ended 31st March 2023

17.3 Lease liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Lease liabilities (refer note 29)	266	221
	266	**221**

17.4 Trade payables

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Total outstanding dues of micro and small enterprises {Refer note (a) below}	181	242
Total outstanding dues of other than micro and small enterprises	1,033	1,052
	1,214	**1,294**

a) Ageing of trade payables

₹ in crore

Particulars	Outstanding as at 31st March 2023				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	181	0	-	-	181
Others	1,023	4	3	3	1,033
Disputed dues – MSME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-
Total	**1,204**	**4**	**3**	**3**	**1,214**

₹ in crore

Particulars	Outstanding as at 31st March 2022				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	242	0	-	-	242
Others	1,037	11	2	2	1,052
Disputed dues – MSME	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-
Total	**1,279**	**11**	**2**	**2**	**1,294**

Note (a) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Notes to Consolidated financial statements

for the year ended 31st March 2023

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	181	242
- Interest	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.*	153	82
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

** The payment was made beyond appointed day due to delay in receipt of invoices. Accordingly, management believes that no interest is payable on the same.*

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

17.5 Other financial liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unclaimed dividends {refer note (a) below}	11	10
Payables on purchase of property, plant and equipment	50	28
Derivative instruments in designated hedge accounting relationship	27	-
Derivative instruments other than in designated hedge accounting relationships	2	-
- Employee related	321	301
- Others	157	101
	568	**440**

Note:

(a) Unclaimed dividends do not include any amount credited to Investor Education and Protection Fund except where there are pending legal cases amounting to ₹ 0.18 crore (Previous year: ₹ 0.15 crore) and therefore amounts relating to the same have not been transferred.

Notes to Consolidated financial statements
for the year ended 31st March 2023

18 Other current liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Advance from customers	682	483
Golden harvest scheme (Deposit)	2,291	1,574
Liability towards award credit for customers	36	49
Statutory dues	76	51
Contract liability {refer note (a) below}	208	126
Other liabilities	224	240
	3,517	**2,523**

a) Contract liability represents the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period. Thus, it represents the value of sales the Company estimates to be returned on account of sales return.

19 Provisions

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for compensated absences {refer note 32}	29	23
Provision for gratuity {refer note 32}	81	1
Provision for other employee benefits	8	4
Provision for warranty { refer note (a) below}	10	10
Provision for pension	4	-
	132	**38**

Note (a): Provision for warranty

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening balance	10	9
Provisions made during the year	7	7
Utilisations/reversed during the year	(7)	(6)
Provision at the end of the year	**10**	**10**

Notes to Consolidated financial statements

for the year ended 31st March 2023

20 Revenue from operations

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Sale of products		
Manufactured goods		
Watches	2,546	1,804
Jewellery	25,576	19,427
Eyecare	373	293
Others	487	354
	28,982	**21,878**
Traded goods		
Watches	633	433
Jewellery	7,685	4,710
Eyecare	305	213
Others	291	149
	8,914	**5,505**
Total - Sale of products (a)	**37,896**	**27,383**
Income from services provided (b)	**28**	**34**
Other operating revenue		
Indirect tax incentive { refer note (a) below}	65	43
Sale of precious/semi-precious stones	111	198
Sale of gold/platinum { refer note (b) below}	2,412	1,121
Other operating revenue		
Scrap sales	63	20
Total - Other operating revenue (c)	**2,651**	**1,382**
Revenue from operations (a+b+c)	**40,575**	**28,799**

a) Represents benefits accrued on account of budgetary support for the existing eligible units under different industrial promotion schemes.

b) Include sale of gold-ingots aggregating ₹ 2,208 crore (Previous year : ₹ 1,045 crore) to various customers dealing in bullion.

c) As per the requirements of Ind AS 115, the Group disaggregates revenue based on line of business, geography (as given in note 27) and between manufactured and traded goods as given above.

d) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Contracted price	47,782	33,851
Reductions towards variable consideration components	7,207	5,052
Revenue recognised	**40,575**	**28,799**

The reduction towards variable consideration comprises of scheme discounts, incentives, taxes etc.

Notes to Consolidated financial statements

for the year ended 31st March 2023

21 Other income

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest income on financial assets carried at amortised cost	117	77
Interest income on income tax refund	0	-
Gain on investments carried at fair value through profit and loss	106	87
Interest income on sub-lease	26	19
Miscellaneous income {refer note (a) below}	59	51
	308	**234**

a) Miscellaneous income includes gain on preclosure of lease contract and lease concessions (net) as defined in note 29.2(c).

22 Changes in inventories of finished goods, stock-in-trade and work-in-progress

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Closing stock		
Finished goods	9,748	8,585
Work-in progress	397	421
Stock-in-trade	3,409	2,304
	13,554	11,310
Opening stock		
Finished goods	8,585	6,082
Work-in progress	421	375
Stock-in-trade	2,304	58
	11,310	6,515
(Increase)/decrease in inventory	**(2,244)**	**(4,795)**

23 Employee benefits expense

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries, wages and bonus	1,444	1,177
Contribution to provident and other funds		
- Gratuity {refer note 32 (b)}	22	21
- Provident and other funds {refer note 32 (a) and 32 (b) }	64	52
Staff welfare expenses	116	98
Employee stock compensation expense (refer note 33)	1	2
	1,647	**1,349**

Notes to Consolidated financial statements

for the year ended 31st March 2023

24 Finance costs

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest expense on :		
Borrowings	52	15
Interest on lease liability	134	116
Gold on loan*	109	87
Others	5	0
	300	**218**

Refer note 17.2

25 Depreciation and amortisation expense

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Depreciation of property, plant and equipment (refer note 3.1)	179	177
Amortisation of ROU and Intangible assets (refer note 4, 6.1)	262	222
	441	**399**

26 Other expenses

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Loose tools, stores and spare parts consumed	56	44
Agency labour	125	100
Power and fuel	59	45
Repairs and maintenance		
- buildings	8	1
- plant and machinery	28	9
- others	8	29
Advertising	966	590
Selling and distribution expenses	1,353	893
Insurance	32	21
Rent	35	4
Rates and taxes	18	13
Travel	87	26
Bad debts and advances written off	39	7
Less : Provision released	35	4
	4	3
Loss on sale/disposal/scrapping of property, plant and equipment (net)	3	3
Gold price hedge ineffectiveness	-	1
Legal and professional charges {refer note (a) below}	224	150

Notes to Consolidated financial statements

for the year ended 31st March 2023

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Expenditure on corporate social responsibility {refer note (b) below}	43	37
Miscellaneous expenses	636	474
Directors' fees	0	0
Commission to non Whole-time Directors	9	7
Provision for impairment of assets of a subsidiary {refer note (c) below}	-	18
	3,694	**2,468**

Notes:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
a) Auditors remuneration comprises fees for audit of :		
Statutory account	3	2
Other services including tax audit and out of pocket expenses	1	1
Total	**4**	**3**

b) Corporate Social Responsibility:

(i) Gross amount required to be spent towards corporate social responsibility by the group during the year: ₹ 42 crore (Previous year ₹ 37 crore)

(ii) Amount spent during the year on:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
1. Amount required to be spent by the Company during the year	42	37
2. Amount of expenditure incurred on:		
- Construction/acquisition of any asset	-	-
- On purposes other than above	42	37
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for short fall	NA	NA
6. Nature of CSR Activities	Health, Education, Skill development, disaster relief, Wellness and Water, Sanitation and Hygiene, Entrepreneurship.	

c) Provision for impairment of asset includes amounts pertaining to Property, plant and equipments, Other intangible assets (Trademarks) and Trade receivables for a subsidiary - TCL Watches Switzerland AG. (Formerly Favre Leuba, AG)

Notes to Consolidated financial statements
for the year ended 31st March 2023

27 Segment information

a) Description of segments

The Company's Chief Operating Decision Maker (CODM) examines the performance both from a product perspective and geography perspective and has identified the reportable segments Watches and wearables, Jewellery, Eyecare and Others, where 'Others' include Aerospace & Defence, Automation Solutions, Accessories, Fragrances and Indian dress wear. The CODM is Managing Director.

Corporate (unallocated) represents income, expenses, assets and liabilities which relate to the Company as a whole and are not allocated to segments.

b) Segment revenues and segment profit/loss

	Revenue		Profit/(loss)	
	For the year ended 31st March 2023	**For the year ended 31st March 2022**	**For the year ended 31st March 2023**	**For the year ended 31st March 2022**
Watches and wearables	3,310	2,317	408	74
Jewellery	35,914	25,523	4,387	3,055
Eyecare	689	517	98	51
Others	805	545	(47)	(14)
Corporate (unallocated)	165	131	(100)	(44)
	40,883	**29,033**	**4,746**	**3,122**
Finance costs			300	218
Profit before taxes			**4,446**	**2,904**

There is no inter segment revenue.

c) Profit/(loss) from segments before exceptional items, finance costs and taxes are as below:

₹ in crore

Segment	**For the year ended 31st March 2023**	**For the year ended 31st March 2022**
Watches and wearables	408	100
Jewellery	4,387	3,068
Eyecare	98	56
Others	(47)	(10)
Corporate (unallocated)	(100)	(38)
Total	**4,746**	**3,176**

Notes to Consolidated financial statements

for the year ended 31st March 2023

d) Segment assets and liabilities

₹ in crore

Segment assets	As at 31st March 2023	As at 31st March 2022
Watches and wearables	2,808	2,276
Jewellery	18,516	15,302
Eyecare	644	463
Others	932	736
Corporate (unallocated)	4,123	2,417
	27,023	**21,194**
Segment liabilities		
Watches and wearables	1,018	915
Jewellery	11,869	9,949
Eyecare	388	268
Others	380	272
Corporate (unallocated)	1,464	457
	15,119	**11,861**

e) Other segment information

₹ in crore

	Depreciation and amortisation	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Watches and wearables	96	96
Jewellery	208	172
Eyecare	50	43
Others	49	41
Corporate (unallocated)	38	47
	441	**399**

f) Geographical information

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue		
India	39,601	28,479
Others	1,282	554
Total	**40,883**	**29,033**

₹ in crore

	As at 31st March 2023	As at 31st March 2022
Assets*		
India	25,697	20,725
Others	1,326	469
Total	**27,023**	**21,194**

**Trade receivables are disclosed based on geographical location of customers. Other assets are not identifiable separately to any reportable segments as these are used inter changeably between segments and are disclosed under "India".*

Details of geographical segments for individual markets outside India are not disclosed as the same do not account for more than 10% of the total segment revenues or results or assets.

Notes to Consolidated financial statements

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28 Earnings per share

The following table sets forth the computation of basic and diluted earnings per share

₹ in crore

	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit for the year (₹ crore)	3,250	2,173
Weighted average number of equity shares	88,77,86,160	88,77,86,160
Nominal value of shares (₹)	1	1
Earnings per share - Basic and diluted (₹)	36.61	24.48

29 Leases

29.1 Amounts recognised in Balance Sheet

₹ in crore

	Note	As at 31st March 2023	As at 31st March 2022
(i) Right-of-use assets	4		
Buildings		1,261	948
Leasehold land		24	25
Plant and machinery		-	-
		1,285	**973**
(ii) Lease liabilities			
Non-current	14.2	1,607	1,138
Current	17.3	266	221
		1,873	**1,359**
(iii) Lease receivables			
Non-current	7.3	436	251
Current	11.5	45	32
		481	**283**

29.2 Amounts recognised in the statement of profit and loss

₹ in crore

		Note	As at 31st March 2023	As at 31st March 2022
(i)	Depreciation and amortisation expense	4		
	Buildings		243	185
	Leasehold land		**1**	**1**
	Plant and machinery		-	-
			244	**186**
(ii)	Interest expense (included in finance cost)	24	134	116
(iii)	Interest income on sub-lease (included in other income)	21	26	19
(iv)	Expense relating to short-term leases	26	20	20
(v)	Expense relating to variable lease payments	26	8	7
(vi)	Rent concessions received during the year	21	2	33

(a) Short-term leases has been accounted for applying Paragraph 6 of Ind AS 116- Leases and accordingly recognised as expense in the statement of profit and loss.

Notes to Consolidated financial statements

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(b) The total cash outflow for the year ended 31st March 2023 amounts to ₹ 339 crore (Previous year : ₹ 286 crore).

29.3 Additional information on variable lease payment:

During the year ended 31st March 2023, the Group has incurred an amount of ₹ 8 crore (Previous year: ₹ 7 crore) on account of variable lease payments. Variable payment terms ranges from 1% to 15% of net sales from a particular store. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores and stores in malls. Excess of variable lease payments that depend on sales, over the fixed rental, are recognised in the statement of profit or loss in the period in which the condition that triggers those payments occur.

29.4 Additional information on extension/termination options:

Extension and termination options are included in a number of property lease arrangements of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable based on mutual consent of the Company and respective lessors.

30 Contingent liabilities and commitments

Contingent liabilities not provided for - ₹ 440 crore (Previous year: ₹ 410 crore) comprising of the following:

a) Goods and Service Tax - ₹ 5 crore (Previous year: ₹ 1 crore)
(relating to mismatch in statutory returns)

b) Sales tax - ₹ 58 crore (Previous year: ₹ 63 crore)
(relating to the applicability of rate of tax, computation of tax liability, submission of certain statutory forms)

c) Customs duty - ₹ 37 crore (Previous year: ₹ 5 crore)
(relating to denial of benefit of exemptions)

d) Excise duty - ₹ 93 crore (Previous year: ₹ 134 crore)
(relating to denial of exemption by amending the earlier notification, computation of the assessable value, denial of input credit on service tax and excise duty on jewellery)

e) Income tax - ₹ 236 crore (Previous year: ₹ 199 crore)
(relating to disallowance of deductions claimed)

f) Others - ₹ 11 crore (Previous year: ₹ 9 crore)
(relating to miscellaneous claims)

The above amounts are based on the notice of demand or the Assessment Orders or notification by the relevant authorities, as the case may be, and the Group is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Group's rights for future appeals before the judiciary. No reimbursements are expected.

g) The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act,1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Group has made a provision for provident fund contribution based on its interpretation of the said judgement, wherever applicable. The Group will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Group does not expect any material impact of the same.

h) CaratLane Trading Private Limited (a subsidiary of Titan Company Limited) had received a Show Cause Notice ('SCN') dated 28th March 2022, from the office of the Directorate of Enforcement, Government of India ('DOE') alleging that

Notes to Consolidated financial statements

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it had received Foreign Direct Investment ('FDI') during the years 2011 to 2014 in violation of FEMA Rules as Foreign Direct Investment in single-brand retail was not permitted then.

CaratLane, had approached a former Chief Justice of India who had opined that it was not in violation of the FEMA rules as at the relevant period, it was only in the B2B sector and was not in retail trade.

Based on the legal opinion and its assessment of transactions for the years under consideration, CaratLane management believes that no provision is required in the financial statements for the year ended 31th March 2023.

31 Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 284 crore (Previous year: ₹ 159 crore)

32 Employee Benefits

(a) Defined Contribution Plans

The contributions recognised in the statement of profit and loss during the year are as under:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
National Pension Scheme	6	2
Superannuation fund	10	9
Employee Pension Fund	12	14
	28	**25**

b) Defined Benefit Plans

The expense recognised in the statement of profit and loss during the year are as under:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Provident fund*	36	28
Superannuation fund	-	-
	36	**28**

** Contributions are made to the Group's Employees Provident Fund Trust at predetermined rates in accordance with the Fund rules. The interest rate payable by the Trust to the beneficiaries is as notified by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate and recognises such shortfall as an expense.*

i) Gratuity (Funded)

The Company makes annual contributions to The Titan Industries Gratuity Fund. The scheme provides for lump sum payment to vested employees at retirement, death while in employment, or on termination of employment as per the Group's Gratuity Scheme. Vesting occurs upon completion of five years of service.

The gratuity benefit of the CaratLane is non-funded.

Notes to Consolidated financial statements

for the year ended 31st March 2023

The plan is defined benefit plan which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Group that an adverse salary growth or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longetivity risks.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31st March 2023	As at 31st March 2022
Discount rate (p.a.)	7.3% - 7.45%	6% - 7.2%
Salary escalation rate (p.a.)		
- Non-management	8% - 9.76%	7% - 8.56%
- Management	8% - 10.8%	7% - 10.6%

- The retirement age of employees of the Company varies from 58 to 65 years.
- The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult table.
- Rates of leaving service (leaving service due to disability included) at specimen ages for the Company and Titan Engineering & Automation Limited ('TEAL') are as shown below:

Age (Years)	Rates (p.a.)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
21-44	6%	6%
45 and above	2%	2%

Components of defined benefit costs recognised in the consolidated statement profit and loss are as follows:

₹ in crore

Particulars	For the year ended 31st march 2023		For the year ended 31st march 2022	
	Funded	Non Funded	Funded	Non Funded
Current service cost	22	1	22	1
Past service cost	-		-	-
Interest on net defined benefit liability/(asset)	(1)	0	(2)	0
(Gains)/losses on settlement	-	-	-	-
Total component of defined benefit costs charge to the statement of consolidated profit and loss	**21**	**1**	**20**	**1**

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for the year ended 31st March 2023

Components of defined benefit costs recognised in other comprehensive income are as follows:

₹ in crore

Particulars	For the year ended 31st march 2023		For the year ended 31st march 2022	
	Funded	Non Funded	Funded	Non Funded
Opening amount recognised in Other comprehensive Income outside the consolidated statement of profit and loss	19	1	28	1
Remeasurements during the period due to:				
- Adjustment on account of sale of Subsidiary	-	-	-	-
- Changes in financial assumptions*	31	-	(12)	-
- Changes in demographic assumptions	-	-	-	-
- Experience adjustments	35	-	5	-
- Actual return on plan assets less interest on plan assets	2	-	(2)	-
Closing amount recognised in other comprehensive income	**87**	**1**	**19**	**1**

** Other comprehensive income disclosed above is gross of tax.*

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss.

The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Funded	Non Funded	Funded	Non Funded
Opening net defined benefit liability/(asset)	(7)	7	(19)	4
Expense charged to the consolidated statement of profit and loss	21	2	20	1
Amount recognised outside the consolidated statement of profit and loss	66	1	(8)	2
Employer contributions	-	(0)	-	-
Closing net defined benefit liability/(asset)	**79**	**10**	**(7)**	**7**

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for the year ended 31st March 2023

Movements in the present value of the defined benefit obligation are as follows:

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Funded	Non Funded	Funded	Non Funded
Opening defined benefit obligation	367	5	342	4
Current service cost	22	-	22	1
Past service cost	-	0	-	-
Interest cost	26	-	23	-
Remeasurement due to				
- Actuarial gains and losses arising from changes in demographic assumptions	2	0	-	-
- Actuarial gains and losses arising from changes in financial assumptions	27	0	(10)	-
- Actuarial gains and losses arising from experience adjustments	35	-	5	-
Benefits paid	(22)	-	(15)	-
Closing defined benefit obligation	**457**	**5**	**367**	**5**

Movements in the fair value of plan assets are as follows:

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Funded	Non Funded	Funded	Non Funded
Opening fair value of plan assets	373	-	362	-
Employer contributions	-	-	-	-
Interest on plan assets	26	-	24	-
Remeasurements due to actuarial return on plan assets less interest on plan assets	(1)	-	2	-
Benefits paid	(22)	-	(15)	-
Closing fair value of plan assets	**376**	**-**	**373**	**-**

Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The following table summarises the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the assumption by 50 basis points:

₹ in crore

Particulars	As at 31st March 2023		
	Discount rate	Salary growth	Attrition rate
Defined benefit obligation on plus 50 basis points	438	477	452
Defined benefit obligation on minus 50 basis points	478	438	462

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₹ in crore

Particulars	As at 31st March 2022		
	Discount rate	Salary growth	Attrition rate
Defined benefit obligation on plus 50 basis points	357	389	363
Defined benefit obligation on minus 50 basis points	389	357	370

Maturity profile of defined benefit obligation

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
With in year 1	28	21
1 year to 2 years	22	21
2 years to 3 years	35	20
3 years to 4 years	40	31
4 years to 5 years	51	37
Over 5 years	837	659

The Company is expected to contribute ₹ 11 crore to the gratuity fund next year.

A split of plan asset between various asset classes is as below:

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Quoted	Unquoted	Quoted	Unquoted
Government debt instruments	212	-	187	-
Other debt instruments	112	-	142	-
Entity's own equity instruments	36	-	28	-
Others	-	18	-	17
	360	**18**	**357**	**17**

c) Unfunded

The defined benefit obligation pertaining which are provided for but not funded are as under:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Compensated absences		
Non-current	184	144
Current	29	23
	213	**167**

33 Note on Employee Stock Option Plan

During the financial year 2017-18, CaratLane Trading Private Limited (CTPL) introduced CaratLane Stock Option Plan 2017 ('the Plan'). This Plan supersedes the following stock options and stock option plans:

a. Executive Management Stock Option Scheme 2009

b. CaratLane Trading India Private Limited Stock Option Scheme for Consultants, 2013

c. Senior Management Stock Option Scheme, 2012

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As per the plan, Board of Directors grants options to the employees of the Company. The vesting period of the option is one to four years from the date of grant. Options granted under the Scheme can be exercised within a period of six years from the date of vesting. For employees leaving the organisation, an option can be exercised within 3 months from the date of resignation.

During the year the Company granted 2,500 options to employees.

A maximum of 714,017 options are issuable under this plan. The movement in options issued are as below:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Outstanding at the beginning of the year	5,74,000	5,52,000
Options granted during the year	2,500	43,000
Options forfeited during the year	(9,000)	(2,600)
Options exercised during the year	(75,789)	(18,400)
Outstanding at the end of the year	**4,91,711**	**5,74,000**
Options exercisable at the end of the year	**3,79,711**	**4,24,900**
Weighted average excercise price per option (₹)	**133**	**106**

Fair value measurement

The fair value at grant date is determined using the Black-Scholes-Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The key inputs used in Black-Scholes-Merton Model for calculating fair value of options under the scheme as on the date of grant are as follows:

The weighted average remaining contractual life of the options outstanding as of 31st March 2023 and 31st March 2022 under the CaratLane stock Options Plan was 6 years and 7 years respectively.

The fair value of the options is estimated on the date of grant using the Black-Scholes-Merton Model with the following assumptions:

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
No of options granted	2,500	43,000
Date of grant	28th July 2021	28th July 2021
Vesting period	For 1,375 shares immediate vesting and 1,125 graded vesting over 4 years	4 years
Dividend yield (%)	-	-
Volatility rate (%)	**-**	**-**
Risk free rate	**7.21%**	**6.05%**
Expected life of options (years)	**5.5**	**5.5**
Weighted average fair value of options per share (₹)	**1,128**	**609**

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34 Related party disclosures :

i) Relationships

Names of related parties and description of relationship:			
a) Promoters		Tamilnadu Industrial Development Corporation Limited	
		Tata Sons Private Limited	
b) Associate		Green Infra Wind Power Theni Limited	
c) Key Management Personnel		Mr. C K Venkataraman, Managing Director	
		Mr. Ashok Sonthalia, Chief Financial Officer	
		Mr. Dinesh Shetty, General Counsel and Company Secretary	
		Mr. S.Subramaniam, Chief Financial Officer (up to 30th June 2021)	
		Non - executive Directors	
		Mr. N N Tata	
		Mr. Bhaskar Bhat	
		Mr. Ashwani Puri	
		Mr. B Santhanam	
		Mr. Pradyumna Rameshchandra Vyas	
		Dr. Mohanasankar Sivaprakasam	
		Ms. Sindhu Gangadharan	
		Mr. Sandeep Singhal	
		Mrs. Jayashree Muralidharan (from 11th August 2021)	
		Mr. Krishnan S (from 10th December 2021)	
		Ms. Mariam Pallavi Baldev (from 4th January 2023)	
		Mr. Pankaj Kumar Bansal (upto 26th July 2022)	
		Mr. N. Muruganandam (Chairman) (up to 10th December 2021)	
		Mr. V Arun Roy (upto 11th August 2021)	
		Mrs. Kakarla Usha (upto 16th June 2021)	
d) Group entities (Wherever there are transactions)		Tata Capital Financial Services Limited	Tata West Asia FZE
		Tata Capital Housing Finance Limited	Tata Unistore Limited
		Infiniti Retail Limited	Tata Consultancy Services Limited
		Kriday Realty Private Limited	Tata Housing Development Company Limited
		Tata International Limited	Smart Value Homes (Peenya Project) Private Limited
		Tata Limited	Tata Capital Limited
		Tata AIG General Insurance Company Limited	Tata Sky Limited
		Tata Industries Limited	Promont Hilltop Private Limited
		Tata Value Homes Limited	Tata Interactive Systems AG
		Ardent Properties Private Limited	Tata Advanced Material Limited
		Tata AIA Life Insurance Company Limited	Tata Autocomp Systems Limited
		Tata Teleservices (Maharashtra) Limited	Tata Teleservices Limited
		Tata Cleantech Capital Limited	Sector 113 Gatevida Developers Private Limited
		Tata Realty and Infrastructure Limited	Tata Electronics Private Limited

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Names of related parties and description of relationship:			
		Supermarket Grocery Supplies Private Limited	915 Labs LLC
		Starfire Gems Private Limited	Stryder Cycle Private Limited
		Tata Communications Limited	Innovative Retail Concepts Private Limited
		HL Promoters Private Limited	
		Tata Steel Downstream Products Limited	
e)	Post employee benefit plan entities	Titan Watches Provident Fund	
		Titan Watches Super Annuation Fund	
		Titan Industries Gratuity Fund	

ii) Related party transactions during the year :

₹ in crore

	Relationship	For the year ended 31st March 2023	For the year ended 31st March 2022
Purchase of property, plant and equipment			
Infiniti Retail Limited	Group entity	0	0
Voltas Limited	Group entity	0	-
Other Purchases			
Supermarket Grocery Supplies Private Limited	Group entity	0	0
Tata Steel Limited	Group entity	2	-
Starfire Gems Private Limited	Group entity	-	4
Harita NTI Limited	Group entity	0	-
Purchases of services (other expenses)			
Tata Sons Private Limited	Promoter	0	0
Tata Consultancy Services Limited	Group entity	16	9
Tata AIG General Insurance Company Limited	Group entity	1	-
Indian Hotels Company Limited	Group entity	2	-
Tata Teleservices Limited	Group entity	0	-
Tata Communications Limited	Group entity	9	6
Others	Group entity	6	4
Revenue from operations			
Tata Sons Private Limited	Promoter	0	0
Tata Play Limited (Formerly Tata Sky Limited)	Group entity	0	2
Tata Consultancy Services Limited	Group entity	5	6
Infiniti Retail Limited	Group entity	10	2
Tata Electronics Private Limited	Group entity	1	30
Stryder Cycle Private Limited	Group entity	1	1
915 Labs LLC	Group entity	-	1
Titanx Engine Cooling Inc	Group entity	4	-
Tata SmartFoodz Limited	Group entity	0	19
Indian Hotels Company Limited	Group entity	3	-
Others	Group entities	8	4

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for the year ended 31st March 2023

₹ in crore

	Relationship	For the year ended 31st March 2023	For the year ended 31st March 2022
Rent			
Tata Sons Private Limited	Promoter	1	0
Indian Hotels Company Limited	Group entities	1	-
Others	Group entities	0	0
Power and fuel			
Green Infra Wind Power Theni Limited	Associate	6	2
Others	Group entities	0	-
Dividend paid			
Tamilnadu Industrial Development Corporation Limited	Promoter	186	99
Tata Sons Private Limited	Promoter	139	74
Key managerial personnel compensation			
Commission and sitting fees	Promoter	3	2
Commission and sitting fees	KMP	13	6
Managerial remuneration	KMP	25	20
Pension paid	Director	1	1
Miscellaneous expense			
Tata Sons Private Limited (Royalty)	Promoter	57	41
Tata Electronics Private Limited	Group entities	0	0
Reimbursement towards rendering of services/expenses			
Tata Sons Private Limited	Promoter	0	0
Tata Consultancy Services Limited	Group entity	-	0
Others	Group entity	0	1
Recovery towards rendering of services			
Tata Electronics Private Limited	Group entity	0	0
Others	Group entity	-	-
Inter-corporate Deposit placed			
Tata Value Homes Limited	Group entity	-	50
Tata Capital Financial Services	Group entity	150	400
Tata Realty & Infrastructure Limited	Group entity	120	-
Inter-corporate Deposit redeemed			
Tata Value Homes Limited	Group entity	-	-
Tata Capital Financial Services	Group entity	150	400
Tata Realty and Infrastructure Limited	Group entity	120	-
Interest and Corporate guarantee commission income			

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₹ in crore

	Relationship	For the year ended 31st March 2023	For the year ended 31st March 2022
Tata Capital Financial Services	Group entity	2	0
Tata Motors Finance Limited	Group entity	8	-
Tata Value Homes Limited	Group entity	1	1
Contribution to Trust funds			
Titan Watches Provident Fund	Others	112	97
Titan Watches Super Annuation Fund	Others	16	8
Titan Industries Gratuity Fund	Others	-	-

iii) Related party closing balances as on balance sheet date:

₹ in crore

	Relationship	As at 31st March 2023	As at 31st March 2022
Outstanding - net receivables/(payables)			
Tamilnadu Industrial Development Corporation Limited	Promoter	(48)	(2)
Tata Sons Private Limited	Promoter	0	(34)
Tata Consultancy Services Limited	Group entity	0	1
Bhaskar Bhat	KMP		-
C K Venkataraman	KMP	(8)	(7)
Others		(9)	(5)
Tata Electronics Private Limited	Group entities	1	-
Tata Electronics Private Limited	Group entity	-	6
Tata SmartFoodz Limited	Group entity	-	2
TitanX Engine Cooling Inc	Group entity	1	
Others	Group entities	1	2

Note:

a) Entities controlled or promoted by Tamilnadu Industrial Development Corporation Limited are not considered as related party since, the same is a Government-related entity.

b) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

c) The above figures do not include provisions for encashable leave, gratuity and pension, as separate actuarial valuation are not available.

Notes to Consolidated financial statements
for the year ended 31st March 2023

35 Financial instruments

35.1 Categories of financial instruments

Financial assets

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Measured at fair value through profit or loss (FVTPL)		
Designated as FVTPL-Equity investments and mutual funds	2,347	186
Total financial assets measured at FVTPL (a)	**2,347**	**186**
Measured at amortised cost		
- Trade receivables	674	565
- Cash and cash equivalents	232	219
- Bank balances other than cash and cash equivalents	1,111	1,354
- Inter-corporate Deposits	100	394
- Security Deposits	188	151
- Investment in non-convertible debentures	165	105
- Employee loans	89	71
- Other financial assets	608	518
Total financial assets measured at amortised cost (b)	**3,167**	**3,377**
Derivative instruments other than in designated hedge accounting relationships (c)	0	4
Total financial assets (a + b + c)	**5,514**	**3,567**

Financial liabilities

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Measured at fair value through profit or loss (FVTPL)		
- Derivative instruments other than in designated hedge accounting relationships	2	-
- Gold on loan	5,299	5,398
Total financial liabilities measured at FVTPL (a)	**5,301**	**5,398**
Measured at amortised cost		
- Borrowings	2,195	518
- Trade payables	1,214	1,294
- Lease liability	1,873	1,359
- Other financial liabilities	543	444
Total financial liabilities measured at amortised cost (b)	**5,825**	**3,615**
Derivative instruments in designated hedge accounting relationships (c)	27	-
Total financial liabilities (a+b)	**11,153**	**9,013**

Notes to Consolidated financial statements
for the year ended 31st March 2023

35.2 (i) Fair value hierarchy

This note explains about basis for determination of fair values of various financial assets and liabilities:

Particulars	As at 31st March 2023			
	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value				
Financial assets				
- Quoted investments at FVTPL	1	1,856	-	1,857
- Other unquoted investments	-	-	182	182
- Derivative instruments other than in designated hedge accounting relationships	-	0	-	0
Total financial assets	**1**	**1,856**	**182**	**2,039**
Financial liabilities				
- Gold on loan	5,299	-	-	5,299
- Derivative instruments in designated hedge accounting relationship	-	27	-	27
- Derivative instruments other than in designated hedge accounting relationships	-	2	-	2
Total financial liabilities	**5,299**	**29**	**-**	**5,328**

Particulars	As at 31st March 2022			
	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value				
Financial assets				
- Quoted investments at FVTPL	1	-	-	1
- Other unquoted investments	-	-	170	170
- Derivative instruments other than in designated hedge accounting relationships	-	4	-	4
Total financial assets	**1**	**4**	**170**	**175**
Financial liabilities				
- Gold on loan	5,398	-	-	5,398
- Derivative instruments in designated hedge accounting relationship	-	-	-	-
- Derivative instruments other than in designated hedge accounting relationships	-	-	-	-
Total financial liabilities	**5,398**	**-**	**-**	**5,398**

Notes to Consolidated financial statements

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35.2 (ii) Valuation technique used to determine fair value

Specific value techniques used to value financial instruments include:

- the use of quoted market prices for listed instruments.
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of foreign currency option contracts is determined using option prices obtained from banks.
- the fair value of remaining financial instruments is determined using market comparables, discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities that are not measured at fair value but fair value disclosures are required

The carrying values of financial assets and liabilities approximate the fair values.

35.3 Financial risk management objective

The Group has constituted a Risk Management Committee. The group has in place a Risk management framework to identify, evaluate business risks and challenges across the Companies both at corporate level as also separately for each business division. These risks include market risk, credit risk and liquidity risk.

The Group minimises the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of derivative financial instruments and investment of excess liquidity is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Group's risk management strategy. The Group does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

35.4 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Credit risk is managed by the Group through approved credit norms, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. Credit risk arises principally from the Group's receivables from customers. Refer Note 11.2 for the disclosures for trade receivables.

Credit risk on liquid funds, Inter Corporate Deposits and derivative financial instruments is limited because the counterparties are banks and Companies with high credit-ratings assigned by credit-rating agencies.

35.5 Liquidity risk

The Group has an approved policy to invest surplus funds from time-to-time in various short-term instruments. Security of funds and liquidity shall be the primary consideration while deciding on the type of investments.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Notes to Consolidated financial statements

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Liquidity risk tables

The following table below analyses the Group's financial liabilities into relevant maturity groupings based on their maturities for:

- all non-derivative financial liabilities, and
- derivative financial liabilities, that are net settled.

The tables have been drawn on an undiscounted basis based on the earliest date on which the Group can be required to pay.

₹ in crore

Contractual maturities of financial liabilities	As at 31st March 2023			
	Less than 3 months	3 to 12 months	More than 12 months	Total
Non-derivative				
Borrowings	1,757	390	48	2,195
Gold on loan	2,816	2,483	-	5,299
Trade payables	1,141	34	39	1,214
Lease liability	94	403	1,376	1,873
Other financial liabilities	543	0	-	543
Total non-derivative liabilities	**6,351**	**3,310**	**1,463**	**11,124**
Derivatives (net settled)				
Derivative instruments other than in designated hedge accounting relationships	2	-	-	2
Derivative instruments in designated hedge accounting relationship	27		-	27
Total derivative liabilities	**29**	**-**	**-**	**29**

₹ in crore

Particulars	As at 31st March 2022			
	Less than 3 months	3 to 12 months	More than 12 months	Total
Non-derivative				
Borrowings	445	73	-	518
Gold on loan	1,894	3,504	-	5,398
Trade payables	1,159	119	16	1,294
Lease liability	80	141	1,138	1,359
Other financial liabilities	410	30	4	444
Total non-derivative liabilities	**3,988**	**3,867**	**1,158**	**9,013**
Derivatives (net settled)				
Derivative instruments other than in designated hedge accounting relationships	-	-	-	-
Total derivative liabilities	**-**	**-**	**-**	**-**

Notes to Consolidated financial statements

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35.6 Market risk

The market risks to which the Group is exposed are price risk {Refer note (a) below} and foreign currency risk {Refer note (b) below}.

(a) Price Risk:

The Group is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/sale of gold.

To manage the variability in cash flows, the Group enters into derivative financial instruments to manage the risk associated with gold price fluctuations relating to all the highly probable forecasted transactions. Such derivative financial instruments are primarily in the nature of future commodity contracts and forward foreign exchange contracts. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan.

The use of such derivative financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Group's risk management strategy.

As the value of the derivative instrument generally changes in response to the value of the hedged item, the economic relationship is established.

The Group assesses the effectiveness of its designated hedges by using the same hedge ratio as that resulting from the quantities of the hedged item and the hedging instrument that the Group actually uses. However, this hedge ratio will be rebalanced, when required (i.e., when the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting), by adjusting weightings of the hedged item and the hedging instrument.

Sources of hedge ineffectiveness include mismatch in the weightings of the hedged item and the hedging instrument and the selling rate.

The following table gives details of contracts as at the end of the reporting period.

Particulars	Nature of hedge	Average rate (Per gram)	Quantity of hedge instruments (KGS)	Nominal amount (₹ in crore)
31st March 2023	Fair Value	5,727	8,656	4,958
31st March 2022	Fair Value	4,848	8,120	3,925

- The line items in the Balance Sheet that include the above hedging instruments are other financial assets and other financial liabilities.

As at 31st March 2023 the aggregate amount of gains under forward/future contracts is recognised in "Other Comprehensive Income" and accumulated in the cash flow hedging reserve. It is anticipated that the sales will take place during 6 months of the next financial year, at which time the amount deferred in equity will be reclassified to the statement of profit and loss. Details of movements in hedging reserve is as follows:

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for the year ended 31st March 2023

₹ in crore

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Balance at beginning of the year (Net of tax)	**(3)**	**12**
Movement in cash flow hedges during the year		
Changes in fair value of effective portion of cash flow hedges	3	(19)
Deferred tax on fair value of effective portion of cash flow hedges	-	4
Cumulative gain/(loss) arising on changes in fair value of cash flow hedges reclassified to the consolidated statement of profit and loss	-	-
Deferred tax on gain/(loss) arising on changes in fair value of cash flow hedges reclassified to the consolidated statement of profit and loss	-	-
Movement in cash flow hedges	**3**	**(19)**
Deferred tax on movement in cash flow hedge	**-**	**4**
Balance at end of the year (net of taxes)	**(0)**	**(3)**

Fair value hedge

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in gold prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. Therefore, there will be no impact of the fluctuation in the price of the gold on the Company's profit for the period.

The table below shows the position of hedging instruments and hedged items as at 31st March 2023 and 31st March 2022:

Commodity Price Risk	Carrying value of		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	5,163	-	2 to 6 months	205	Inventories
Hedging Instrument - Derivatives	-	205	2 to 6 months	(205)	Other Financial Assets/Liabilities

Commodity Price Risk	Carrying value of		Maturity date	Impact of fair value hedge	Balance Sheet Disclosure
	Hedged item	Hedging Instrument			
Hedged item - fixed Gold	4,167	-	2 to 6 months	243	Inventories
Hedging Instrument - Derivatives	-	243	2 to 6 months	(243)	Other Financial Assets/Liabilities

b) Foreign currency risk management

The Company is exposed to foreign exchange risk arising through its sales and purchases denominated in various foreign currencies.

(i) The risk management strategy on foreign currency exchange fluctuation arising on account of purchase/sale of gold is covered in Note 35.6 above.

(ii) In respect of normal purchase and sale transactions denominated in foreign currency, the Company enters into forward foreign exchange contracts and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. These contracts are measured at fair value through profit and loss.

Foreign currency sensitivity analysis:

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The Company is mainly exposed to USD, CHF and EURO currencies. The Company's sensitivity to a 1% increase and decrease in ₹ against the relevant foreign currencies is presented below:

As on 31st March 2023

₹ in crore

Particulars	% variance	Impact on equity (Increase/ decrease)
Titan Company Limited	1.0%	4
Titan Engineering & Automation Limited	0.5%	0
CaratLane Trading Private Limited	1.0%	0

As on 31st March 2022

₹ in crore

Particulars	% variance	Impact on equity (Increase/ decrease)
Titan Company Limited	1.0%	2
Titan Engineering & Automation Limited	0.5%	0
CaratLane Trading Private Limited	1.0%	0

35.7 The Group's exposure to Forward foreign exchange contracts at the end of the reporting year are as follows:

The Group has 237 forward exchange contracts in USD 7 crore equivalent to ₹ 552 crore as at 31st March 2023 (Previous year: 40 forward exchange contracts in USD 6 crore equivalent to ₹ 456 crore)

In addition to the above, the Group has 4 Option contract in USD 0.77 crore equivalent to ₹ 64 crore (Previous year : 5 Option contracts in USD 1.16 crore equivalent to ₹ 89.91 crore).

36 Details of Inter-corporate Deposits given and investments made during the year:

₹ in crore

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2022	Given during the year	Receipt during the year	As at 31st March 2023
Inter-corporate Deposits									
IL & FS Financial Services Limited	Others	Unsecured	Trade Deposits	8.75%	6 months	-	-	-	-
Infrastructure Leasing & Financial Services Limited	Others	Unsecured	Trade Deposits	8.55%	6 months	-	-	-	-
Tata Motors Finance Limited	Others	Unsecured	Trade Deposits	5.20%	1 Year	150	-	150	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.50%	7 Days	-	-	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.25%	7 Days	-	-	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.75%	7 Days	-	-	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	-	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	-	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.40%	9 months	50	-	50	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.50%	7 Days	-	-	-	-

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₹ in crore

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2022	Given during the year	Receipt during the year	As at 31st March 2023
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.90%	1 Year	50	-	50	-
Tata Value Homes Limited	Group entity	Unsecured	Trade Deposits	6.00%	3 months	-	-	-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.50%	9 months	-	-	-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.90%	15 months	50	-	50	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	20	-	20	-
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	14	-	14	-
Bajaj Finserv	Others	Unsecured	Trade Deposits	4.80%	3 months	-	50	50	-
Bajaj Finserv	Others	Unsecured	Trade Deposits	7.10%	1 Year	-	100	-	100
Bajaj Finserv	Others	Unsecured	Trade Deposits	7.00%	4 months	-	50	50	-
Tata Capital Financial Services Limited	Group entity	Unsecured	Trade Deposits	5.25%	72 days	-	150	150	-
Tata Realty & Infrastructure Limited	Group entity	Unsecured	Trade Deposits	5.25%	51 days	-	60	60	-
Tata Realty & Infrastructure Limited	Group entity	Unsecured	Trade Deposits	5.25%	50 days	-	60	60	-
Aditya Birla Finance Limited	Others	Unsecured	Trade Deposits	5.25%	2 months	-	100	100	-
						394	**570**	**864**	**100**

₹ in crore

Particulars	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2022	Loans given during the year	Loans recovered during the year	As at 31st March 2023
Loan to company franchisees and vendors*	Franchisees & Vendors	Unsecured	Business support	4.00%	12 months	3	-	3	0

** During the year the Company has not given any loans to its franchisees and vendors.*

₹ in crore

Name of the entity	Nature of relationship	Purpose	As at 1st April 2022	Investment made during the year	Share of Profit /(loss) during the year	Investment sold during the year	As at 31st March 2023
Investments							
Investment in equity instruments (unquoted)							
Green Infra Wind Power Theni Limited	Associate	Strategic investment	3	-	1	-	3
			3	**-**	**1**	**-**	**3**

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₹ in crore

Name of the entity	Nature of relationship	Purpose	As at 1st April 2022	Investment made during the year	Investment sold/ impaired during the year	Foreign Exchange Fluctuation	As at 31st March 2023
Investments							
Investments in equity instruments (quoted)							
National Radio Electronics Company Limited*	Others	Wealth creation	0	0	-	-	0
Tata Steel Limited*	Others	Wealth creation	0	0	-	-	0
Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited)*	Others	Wealth creation	0	(0)	-	-	1
Tata Chemicals Limited*	Others	Wealth creation	0	0	-	-	0
Trent Limited*	Others	Wealth creation	0	0	-	-	0
Other investments in equity instruments (unquoted)				-	-	-	-
Innoviti Payment Solutions Private Limited	Others	Strategic investment	18	0	-	-	18
Investment in Great Heights Inc.	Others	Strategic investment	152	-	-	12	164
Green Infra Wind Generation Limited	Others	Wealth creation	0	-	-	-	0
Clean Windpower (Pratapgarh) Private Limited	Others	Wealth creation	0	-	-	-	0
Investments in non-convertible debentures carried at amortised cost - unquoted			0	-	-	-	-
Investment in non convertible debentures	Others	Wealth creation	115	444	200		359
Investment in Government Securities	Others	Wealth creation	5	109	-	-	114
			290	**553**	**200**	**12**	**656**

** The movement is on account of fair valuation as at the year end.*

Details of Inter-corporate Deposits given and investments made during the previous year:

₹ in crore

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2021	Given during the year	Receipt during the year	Provision for impairment	As at 31st March 2022
Inter-corporate Deposits										
IL & FS Financial Services Limited	Others	Unsecured	Trade Deposits	8.75%	6 months	-	-	-	-	-
Infrastructure Leasing & Financial Services Limited	Others	Unsecured	Trade Deposits	8.55%	6 months	-	-	-	-	-
Tata Motors Finance Limited	Others	Unsecured	Trade Deposits	5.20%	1 Year	-	150	-	-	150
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.50%	7 Days	-	150	150	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.25%	7 Days	-	100	100	-	-
Tata Capital Financial Services	Group entity	Unsecured	Trade Deposits	4.75%	7 Days	-	150	150	-	-

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₹ in crore

Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2021	Given during the year	Receipt during the year	Provision for impairment	As at 31st March 2022
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	100	100	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.00%	7 Days	-	100	100	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.40%	9 months	-	50	-	-	50
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	5.50%	7 Days	-	50	50	-	-
Bajaj Finance Limited	Others	Unsecured	Trade Deposits	4.90%	1 Year	-	50	-	-	50
Tata Value Homes Limited	Group entity	Unsecured	Trade Deposits	6.00%	3 months	-	50	50	-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.50%	9 months	50	-	50	-	-
HDFC Limited	Others	Unsecured	Trade Deposits	4.90%	15 months	-	50	-	-	50
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	20	-	-	20
LIC Housing Finance Limited	Others	Unsecured	Trade Deposits	5.25%	1 Year	-	14	-	-	14
						50	**1,094**	**750**	**-**	**394**

₹ in crore

Particulars	Nature of relationship	Secured/ unsecured	Purpose	Rate of interest	Term	As at 1st April 2021	Loans given during the year	Loans recovered during the year	As at 31st March 2022
Loan to company franchisees and vendors*	Franchisees & Vendors	Unsecured	Business support	4.00%	12 months	3	34	3	3

** During the year, the Group has given loans to its franchisees and vendors to support them during the pandemic crisis.*

₹ in crore

Name of the entity	Nature of relationship	Purpose	As at 1st April 2022	Investment made during the year	Share of Profit / (loss) during the year	Investment sold during the year	As at 31st March 2023
Investments							
Investment in equity instruments (unquoted)							
Green Infra Wind Power Theni Limited	Associate	Strategic investment	3	-	0	-	3
			3	**-**	**0**	**-**	**3**

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₹ in crore

Name of the entity	Nature of relationship	Purpose	As at 1st April 2021	Investment made during the year	Investment sold/ impaired during the year	As at 31st March 2022
Investments						
Investments in equity instruments (quoted)						
National Radio Electronics Company Limited*	Others	Wealth creation	0	0	-	0
Tata Steel Limited*	Others	Wealth creation	0	0	-	0
Tata Consumer Products Limited (formerly known as Tata Global Beverages Limited)*	Others	Wealth creation	0	0	-	0
Tata Chemicals Limited*	Others	Wealth creation	0	0	-	0
Trent Limited*	Others	Wealth creation	0	0	-	0
Other investments in equity instruments (unquoted)						0
Innoviti Payment Solutions Private Limited	Others	Strategic investment	10	8	-	18
Investment in Great Heights Inc.	Others	Strategic investment	0	152	-	152
Green Infra Wind Generation Limited	Others	Wealth creation	0	0	-	0
Clean Windpower (Pratapgarh) Private Limited	Others	Wealth creation	0	0	-	0
Investments in non-convertible debentures carried at amortised cost - unquoted						0
Investment in non convertible debentures	Others	Wealth creation	5	175	65	115
Investment in Government Securities	Others	Wealth creation	-	5	-	5
			15	**340**	**65**	**290**

** The movement is on account of fair valuation as at the year end.*

37 Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements:

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the 2013 Act.

₹ in crore

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit/(loss)		Share in other comprehensive income		Share of profit/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit/(loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated profit/(loss)	Amount
Parent : Titan Company Limited	94.97%	11,994	99.35%	3,334	98.04%	(47)	99.36%	3,287
Subsidiaries:								
Indian								
1) Titan Commodity Trading Limited	0.14%	18	0.06%	2	0.00%	-	0.06%	2
2) Titan Engineering & Automation Limited	2.88%	364	0.63%	21	5.88%	(3)	0.55%	18

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₹ in crore

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit/(loss)		Share in other comprehensive income		Share of profit/(loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit/(loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated profit/(loss)	Amount
3) CaratLane Trading Private Limited	1.50%	190	2.44%	82	1.69%	(1)	2.45%	81
Foreign								
1) TCL Watches Switzerland AG	0.11%	14	(0.03%)	(1)	0.00%	-	(0.03%)	(1)
2) Titan Watch Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
3) Titan Holdings International FZCO	(0.07%)	(9)	(0.12%)	(4)	0.00%	-	(0.12%)	(4)
4) Titan Global Retail L.L.C	(0.73%)	(92)	(1.73%)	(58)	(5.60%)	3	(1.67%)	(55)
5) Titan International QFZC	0.00%	0	0.00%	(0)	0.00%	-	0.00%	(0)
6) TCL North America	1.19%	150	(0.60%)	(20)	0.00%	-	(0.60%)	(20)
	100.00%	**12,629**	**100.00%**	**3,356**	**100.00%**	**(48)**	**100.00%**	**3,308**
Adjustment arising out of consolidation		**(674)**		**(107)**		**1**		**(106)**
		11,955		**3,249**		**(47)**		**3,202**
Associate:								
Green Infra Wind Power Theni Limited		2		1		-		1
Sub-total		11,957		3,250		(47)		3,203
Non controlling interest in subsidiary								
CaratLane Trading Private Limited		(53)		24		(1)		23
		11,904		**3,274**		**(48)**		**3,226**

38 Capital management

The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plan and other strategic investment plans. The funding requirements are primarily met through equity and operating cash flows generated. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. Gold on loan as disclosed in the financial statements represents amounts due to banks for the procurement of gold under 'Gold (Metal) loan scheme' by the Group. The Group is not subject to any externally imposed capital requirements.

Notes to Consolidated financial statements

for the year ended 31st March 2023

39 Commercial paper

The following tables set forth, for the period indicated, details of commercial paper issued by CaratLane Trading Private Limited:

₹ in crore

Maturities	As at 31st March 2023		
	0-1 Month	2-3 Months	4-6 Months
Face value	-	215	-
Carrying value	-	213	-

₹ in crore

Maturities	As at 31st March 2022		
	0-1 Month	2-3 Months	4-6 Months
Face value	-	150	-
Carrying value	-	148	-

The following tables set forth, ratings assigned by credit rating agency for commercial paper instrument

Instrument	ICRA	BRICKWORKS
CaratLane Trading Private Limited (as at 31st March 2023)	A1+	-
CaratLane Trading Private Limited (as at 31st March 2022)	A1+	-

40 Exceptional item

During the year ended 31st March 2022, the Group has announced Voluntary Retirement Scheme (VRS) to its employees. The scheme includes future deferred payouts to its employees. The present value of scheme expenses amounting to 51 crore is disclosed as exceptional items during the previous year.

41 Details of transactions with struck off companies during the year:

Name of Struck off Company	Nature of Transactions	Transactions during the year 31st March 2023	Balance outstanding as at 31st March 2023	Relationship with Struck off Company
Octel Cloud Solutions Private Limited	Payables	0	-	Vendor

Details of transactions with struck off companies during the previous year:

Name of Struck off Company	Nature of Transactions	Transactions during the year 31st March 2022	Balance outstanding as at 31st March 2022	Relationship with Struck off Company
Wezkoz Consulting Company Private Limited	Payables	0	-	Vendor
Digimind Embedded Systems Private Limited	Payables	0	-	Vendor
Octel Cloud Solutions Private Limited	Payables	-	0	Vendor

Notes to Consolidated financial statements

for the year ended 31st March 2023

42 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

43 Other statutory information :

(i) The Group does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.

(ii) The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(iv) The Group is not classified as wilful defaulter.

(v) The Group doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

See accompanying notes to the standalone financial statements.
As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Arjun Ramesh
Partner
Membership Number: 218495

Place: Bengaluru
Date: 3rd May 2023

for and on behalf of the Board of Directors

S Krishnan Chairman
N N Tata Vice Chairman
Ashwani Puri Director
C K Venkataraman Managing Director
Ashok Sonthalia Chief Financial Officer
Dinesh Shetty General Counsel and Company Secretary

Place: Bengaluru
Date: 3rd May 2023

Financial Statistics under Ind AS - Last 5 years

₹ in crore

BALANCE SHEET	2018-19	2019-20	2020-21	2021-22	2022-23
(1) Non-current assets					
Property, plant and equipment, Capital Work-in-progress, Right of use assets and Intangible assets	1,095	2,067	1,984	1,996	2,288
Financial assets					
- Investments	807	909	759	869	1,116
- Other financial assets	126	300	324	548	574
Deferred tax asset (net)	85	172	105	136	144
Tax assets (net)	121	141	120	135	146
Other non-current assets	151	65	67	74	134
(2) Current assets					
Inventories	6,719	7,741	7,984	12,787	14,952
Financial assets					
- Investments	69	74	2,753	15	2,143
- Trade receivables	358	214	291	495	908
- Cash and cash equivalents	1,001	356	512	1,049	792
- Other financial assets	343	512	290	1181	790
Other current assets	595	637	671	852	1,101
TOTAL APPLICATION OF FUNDS	**11,470**	**13,188**	**15,860**	**20,137**	**25,088**
Equity share capital	89	89	89	89	89
Other equity	6,093	6,736	7,464	9,284	11,905
Non-current liabilities					
- Lease liabilities	0	967	971	1,026	1,359
- Provisions	119	152	143	179	214
- Deferred tax liability (net)	0	0	0	0	0
Current liabilities					
Financial liabilities					
- Borrowings	0	626	0	225	1190
- Gold on loan	2,288	1,507	4,094	5,161	5,090
- Lease liabilities	0	169	178	193	223
- Trade payables	772	510	695	1,055	965
- Other financial liabilities	214	191	218	429	497
Other current liabilities	1,828	2,123	1,905	2,386	3,365
Provisions	58	109	23	30	118
Current tax liabilities (net)	9	9	80	80	73
TOTAL SOURCES OF FUNDS	**11,470**	**13,188**	**15,860**	**20,137**	**25,088**

Financial Statistics under Ind AS - Last 5 years

₹ in crore

PROFIT & LOSS ACCOUNT	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue from operation	19,070	20,010	20,602	27,210	38,270
Expenses	17,069	17,592	18,901	23,931	33,500
Interest	44	149	181	195	240
Depreciation/Amortisation	139	310	331	347	364
Operating Profit/ (loss)	1,819	1,959	1,189	2,737	4,166
Add: Other Income	179	146	181	246	299
Less: Exceptional Item	70	0	137	51	0
Profit before tax	1,927	2,105	1,233	2,932	4,465
Tax expense	553	588	356	752	1132
Profit for the year	1,374	1,517	877	2,180	3,333
Other comprehensive income	15	-238	206	-5	-46
Total comprehensive income	**1,389**	**1,279**	**1,083**	**2,175**	**3,287**
Equity Dividend (%)	500%	400%	400%	750%	1000%
Equity Dividend (₹)	444	355	355	666	888
Employee costs (excluding VRS)	879	1040	911	1143	1362
% to Sales Income	4.40%	5.20%	4.40%	4.20%	3.56%
Advertising	523	477	232	474	739
% to Sales Income	2.60%	2.40%	1.10%	1.70%	1.93%

TITAN
COMPANY

TITAN SONATA A TATA PRODUCT fastrack xylys Swiss made Octane by TITAN

TANISHQ A TATA PRODUCT ZOYA A TATA PRODUCT TITAN EYE+ SKINN by TITAN IRTH NEBULA by TITAN

Mia by TANISHQ HELIOS THE WATCH STORE CARATLANE A TANISHQ Partnership TANEIRA A TATA PRODUCT RAGA by TITAN ZOOP by TITAN

3 SIPCOT Industrial Complex Hosur 635 126

CIN : L74999TZ1984PLC001456

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