



SEC 45 / 2020-21

12th August 2020

The General Manager, DCS – CRD
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
MUMBAI - 400 001
Scrip Code: **500114**

The General Manager, DCS – CRD
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
MUMBAI - 400 051
Symbol: **TITAN**

Dear Sirs,

Sub: Newspaper publication for Form DPT-1

Pursuant Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed copies of the Newspaper Advertisements published in Business Standard (English version) and Dhina Thanti (Tamil version) on 12th August 2020 with regard to Form DPT-1 (Circular or circular in the form of advertisement inviting deposits).

We request you to kindly take the above on record.

Thank you.

Yours truly,
For TITAN COMPANY LIMITED

Dinesh Shetty
General Counsel & Company Secretary

Encl. As stated

Titan Company Limited

'INTEGRITY' No.193, Veerasandra, Electronics City P.O Off Hosur Main Road, Bengaluru - 560 100 India, Tel : 91 80 - 67047000, Fax : 91 80 - 67046262
Registered Office No.3, SIPCOT Industrial Complex Hosur 635 126 TN India, Tel 91 4344 664 199, Fax 91 4344 276037, CIN: L74999TZ1984PLC001456
www.titancompany.in

A **TATA** Enterprise



TITAN COMPANY LIMITED

Registered Office: 3, SIPCOT Industrial Complex, Hosur 535 126, Tamil Nadu.
E-mail: investor@titan.co.in Website: www.titancompany.in Tel.: +91-80-6704 7000 CIN: L74999TZ1984PLC001456
A TATA Enterprise

FORM DPT-1

CIRCULAR OR CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS [Pursuant to section 73 (2)(a) and section 76 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014]

Sl. No.	PARTICULARS	INFORMATION
1. GENERAL INFORMATION		
a.	Name, address, website and other contact details of the company.	Titan Company Limited, No. 3, SIPCOT Industrial Complex, Hosur, 535 126, Tamil Nadu. www.titancompany.in; Ph.: 04344 - 276037
b.	Date of incorporation of the company.	26 th July, 1984
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any.	The Company is engaged in business of : - Watches and Wearables - Jewellery - Eyewear - Others (Accessories, Fragrances and Indian dress wear) BUSINESS CARRIED ON BY THE SUBSIDIARIES OF THE COMPANY: 1) Favre Leuba AG, Switzerland: Owns the Favre Leuba brand and markets Premium Swiss made Watches 2) Titan Engineering & Automation Limited: In the business of precision engineering and automation. 3) Titan Watch Company Limited, HongKong: Titan Watch Company is a subsidiary of the Company's subsidiary Favre Leuba AG, Switzerland. It has a capital of HK \$ 10,000 and no Profit and Loss account has been prepared as it has not yet commenced business. 4) CaratLane Trading Private Limited: One of India's leading e-commerce company with online and offline presence in which the Company has majority stake. 5) Titan Holdings International FZCO, Dubai: Titan Holdings International FZCO is a company formed as a Free Zone Company on 22nd October 2019 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. 6) Titan Global Retail LLC, Dubai: Titan Global Retail LLC was formed on 15th December 2019 as a subsidiary of Titan Holdings International FZCO to carry out business activities and retail trade in the industry in which Titan Company operates. DETAILS OF BRANCHES/ UNITS OF THE COMPANY: The Company has: - Regional offices at Bengaluru, New Delhi, Mumbai and Kolkata - Manufacturing & assembly units at Hosur (Tamil Nadu), Coimbatore (Tamil Nadu), Chikballapur (Karnataka), Bommasandra (Karnataka), Chennai (Tamil Nadu), Mumbai (Maharashtra), Noida (Uttar Pradesh), Dehradun (Uttarakhand), Roorkee (Uttarakhand), Patna (Bihar), Kolkata (West Bengal) and Raigarh (Jharkhand)
d.	Brief particulars of the management of the company.	The Company is managed by the Managing Director and a team of professional managers, subject to the superintendence, control and direction of the Board of Directors.
e.	Names, addresses, DIN and occupations of the directors.	

Name	Address	DIN	Occupation
Mr. N. Muruganandam, IAS (Chairman)	Principal Secretary to the Government of Tamil Nadu, Industries Department, Secretariat, Chennai 600 009	00540135	Indian Administrative Service
Mrs. Kakerla Usha, IAS	Principal Secretary / Chairperson and Managing Director, Tamilnadu Industrial Development Corporation Limited, 19-A, Rukumni Lakshmiappay Road, Egmore, Chennai - 600 008	07283218	Indian Administrative Service
Mr. Anun Roy, IAS	Additional Secretary to the Government of Tamil Nadu, Industries Department, Secretariat, Chennai - 600 009.	01728117	Indian Administrative Service
Mr. Bhaskar Bhat	No. 884, Chaitanya, Indiranagar I Stage, Bengaluru - 560 038.	00148778	Company Director
Mr. C K Venkataraman	'INTEGRITY', #193, Veerasandra, Electronics City P.O., Off Hosur Main Road, Bengaluru 560 100	05298157	Managing Director
Mr. N. N. Tata	Bombay House, 24 Homi Mody Street, Mumbai - 400 001.	00024713	Company Director
Mrs. Hema Ravichandrar	No. 17, Moyamvill Road, Langford Town, Bengaluru - 560 025.	00032929	Strategic HR Advisor
Mrs. Irene Vitthal	A2 / 1202, World Spa East, Sector 30/41, Gurgaon - 122 001.	05195656	Independent Strategy Advisor
Mr. Ashward Puri	28/2, Friends Colony (West), New Delhi - 110 065.	00160662	Chartered Accountant & Management Consultant
Mr. B Santhanam	Saint-Gobain India Private Limited, 7 th Floor, Sigapi Achi Building, 18/3 Rukumni Lakshmiappay Road, Egmore, Chennai - 600 008.	00494806	Company Director
Mr. Pradyumna Vyasa	E/5, Faculty House, Nr. Museum, Paldi, Ahmedabad, Gujarat - 380 007.	02356563	Company Director
Dr. Mohanaraker Shivaprakasam	Department of Electrical Engineering, Indian Institute of Technology Madras, Chennai 600 036.	08497296	Company Director
Ms. Sindhu Gangacharan	Villa 52, Prestige White Meadows, Sai Layout Road, Sathyasa Sai Layout, Whitefield, Bengaluru - 560 066.	08572868	Company Director

f. Management's perception of risk factors: Titan Company Limited is a joint venture between the Tamil Nadu Industrial Development Corporation Limited and Tata Group and is listed on the BSE Limited and National Stock Exchange of India Limited. The Company has been in existence for over 35 years and has grown from a one product Company to a multi-divisional multinationals entity with revenues of ₹20,00,964 lakhs and profits before tax of over ₹2,10,497 lakhs for the year ended 31st March 2020. The net worth of the Company is ₹8,825 crore (as on 31st March 2020) and the Company has consistently paid equity dividends for 25 years. The Company does not have any long term debt in its capital. The monies being raised under the deposit scheme are purely advances from its customers towards jewellery purchases and hence do not pose any financial risk except normal business risk that any company in business may face.

g. Details of default, including the amount involved, duration of default and present status, in repayment of:
(i) Statutory dues: Nil
(ii) Debentures and interest thereon: Nil
(iii) Loan from any bank or financial institution and interest thereon: Nil

2. PARTICULARS OF THE DEPOSIT SCHEME	
a.	Date of passing of Board resolution.
b.	Date of passing of resolution in the general meeting authorizing the invitation of such deposits.
c.	Type of deposits, i.e., whether secured or unsecured.
d.	(i) Amount which the Company can raise by way of deposits as per the Act & Rules made thereunder (25% from Public - ₹176,279 Lakhs; 10% from Members - ₹70,512 Lakhs) (ii) Aggregate of deposits actually held on: a) Last day of the immediately preceding financial year b) On the date of issue of circular or advertisement (Opening balance as on 8 th June 2020) (iii) Amount of deposits proposed to be raised (iv) Amount of deposit repayable within the next twelve months (v) Being the total limit permissible as mentioned under 2 d (i) above and including amount actually held as mentioned under 2 d (ii) above
e.	Terms of raising of deposits:
Duration of scheme	12 months scheme
Key conditions	The scheme will allow the customer to pay 10 fixed monthly installments of minimum of ₹2,000/- or above (in multiples of ₹1,000), in a span of 10 months, customer has to pay one installment every month. The installments have to be paid as per the due dates based on the date of enrollment. The customer is mandatorily required to redeem before 400 days from the date of payment of first installment.
Rate of interest	Since, it is a jewellery purchase scheme, there is no return offered as interest. However, discount is offered at the time of purchase of jewellery by the customer on purchasing full value of installments paid as below: - Discount offered under GHS at the time of redemption of the scheme is 75% (seventy five percent) of 1 (one) month installment upon completion of 366 (three hundred and sixty six) days from the date of joining the scheme. - If a customer wishes to redeem prior to maturity and redeems after 300 (three hundred) days but before the completion of 366 (three hundred and sixty six) days, eligible discount will be ranging between 55% (fifty five percent) and 75% (seventy five percent) of 1 (one) month installment based on number of days. Such discount will be variable, based on when the deposit is redeemed by the customer. - Further, where a depositor: Does not redeem the deposit under GHS within 400 (Four hundred) days; or pre-closes their account after 180 days and prior to 300 days, the Company shall refund the amounts aggregating to the installments paid by the depositors until the date of the refund and provide a prorated discount voucher that the customers can utilize on purchase of jewellery from the Company for full value of installments paid.
Mode of payment	Cash/ Cheque/ DD/ ECS/ ACH/ Credit Card Electronic payment by way of monthly advances
Mode of repayment	Redemption of the advance will generally be by way of purchase of jewellery. In case the customer requests refund in cash, payment will be made by cheque/ DD/ Electronic transfer. In case the customer does not redeem within 400 days the installment amount will be refunded by way of cheque/ DD/ Electronic transfer. A discount voucher for the eligible discount amount will be provided which can be utilized subject to the conditions above.

f.	Proposed time schedule mentioning the date of opening of the scheme and the time period for which the circular or advertisement is valid.		
g.	Reasons or objects of raising the deposits.		
h.	Credit rating obtained (i) Name of the Credit Rating Agency: ICRA Limited (ii) Rating obtained: MAAA (pronounced as M Triple A) (iii) Meaning of rating obtained: The outlook on the rating is 'stable'. MAAA is the highest-credit-quality rating assigned by ICRA. The rated deposits programme carries lowest credit risk. Valid till 31 st July 2020 (iv) Date on which rating is obtained: Rating was obtained before the date of expiry of previous rating and a fresh rating will be obtained upon expiry of the rating.		
i.	Short particulars of the charge created or to be created for securing such deposits, if any.		
j.	Any financial or other material interest of the directors, promoters or key managerial personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons.		
3. DETAILS OF ANY OUTSTANDING DEPOSITS			
a.	Amount outstanding:		
b.	Date of acceptance:		
c.	Total amount accepted:		
d.	Rate of interest:		
e.	Total number of depositors:		
f.	Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount and duration of default involved:		
g.	Any waiver by the depositors, of interest accrued on deposits.		
4. FINANCIAL POSITION OF THE COMPANY			
a.	Profits of the company, before and after making provision for tax for the three financial years immediately preceding the date of issue of circular or advertisement		
Financial Year	Profit Before Tax (₹ in lakhs)	Profit After Tax (₹ in lakhs)	
2019-20	210,497	151,763	
2018-19	192,737	137,436	
2017-18	157,072	116,287	
b.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)		
Financial Year	Dividend Declared Amount (₹ in lakhs)	%	Interest Coverage Ratio
2019-20 (*subject to shareholder approval)	35,511	400	143.04
2018-19	44,389	500	1198.12
2017-18	33,291	375	406.87
c.	Summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement (figures of previous years were regrouped wherever necessary).		
Particulars	As at 31-03-2020	As at 31-03-2019	As at 31-03-2018
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	109,454	100,704	92,107
(b) Capital work-in-progress	1,072	2,511	4,081
(c) Right-of-use asset	87,038	-	-
(d) Investment property	2,402	2,402	2,268
(e) Intangible assets	6,453	3,829	3,010
(f) Intangible assets under development	306	52	36
(g) Financial assets			
(i) Investments	90,910	80,670	73,375
(ii) Other financial assets	29,909	12,601	11,560
(h) Deferred tax assets (net)	17,209	8,478	4,805
(i) Tax assets (net)	14,069	12,068	10,067
(j) Other non-current assets	6,490	15,143	10,800
	365,312	238,456	211,909
(2) Current assets			
(a) Inventories	774,062	671,918	574,920
(b) Financial assets			
(i) Investments	7,401	6,922	-
(ii) Trade receivables	21,444	36,823	19,298
(iii) Cash and cash equivalents	35,600	100,100	61,228
(iv) Other financial assets	51,266	34,300	35,378

(c) Other current assets	63,710	59,463	36,907
	953,483	908,526	727,732
TOTAL ASSETS	1,318,795	1,146,982	939,641
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	8,878	8,878	8,878
(b) Other equity	673,608	609,294	510,521
	682,486	618,172	519,399
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liability	96,675	-	-
(ii) Provisions	15,246	11,895	10,394
	111,921	11,895	10,394
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	62,622	-	-
(ii) Lease liability	16,945	-	-
(iii) Trade payables & gold on loan	201,689	305,997	239,018
(iv) Other financial liabilities	19,091	21,401	25,125
(b) Provisions	10,862	5,834	2,125
(c) Other current liabilities	212,328	182,842	141,410
(d) Current tax liabilities (net)	851	851	2,170
	524,388	516,925	409,848
TOTAL EQUITY AND LIABILITIES	1,318,795	1,146,982	939,641
d.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of circular or advertisement (figures of previous years were regrouped wherever necessary).		
Particulars	2019-20	2018-19	2017-18
A. Cash flow from operating activities			
Net profit before tax	210,497	192,737	157,072
Adjustments for:			
- Depreciation/amortization expense	30,969	13,889	10,967
- Net unrealised exchange gain/(loss)	(292)	(173)	(126)
- Marked to Market loss	-	-	-
- (Gain)/ loss on sale/disposal/scrapping of fixed assets (net)	(315)	422	219
- Bad trade receivables written off	-	-	-
- Provision for doubtful trade receivables/ advances (net)	215	(140)	367
- Interest income	(9,456)	(10,278)	(6,358)
- Dividend income	-	-	-
- Net gain on sale of current investments	(3,128)	(4,459)	(1,930)
- Impairment of investment in subsidiary	-	21,500	7,500
- Gain on pre-closure of lease contracts	(864)	-	-
- Finance costs	14,948	4,445	4,768
Operating profit before working capital changes	242,574	217,943	172,748
Adjustments for:			
- (Increase)/ decrease in trade receivables	14,369	(16,384)	(8,398)
- (Increase)/ decrease in inventories	(102,113)	(98,998)	(94,271)
- (Increase)/ decrease in other financial assets	(35,725)	(1,632)	15,104
- (Increase)/ decrease in other assets	5,312	(27,347)	(25,138)
- (Increase)/ decrease in other bank balances	42	(990)	-
- (Increase)/ decrease in trade payables including gold on loan	(104,365)	86,979	(18,757)
- Increase/ (decrease) in other financial liabilities	(28,157)	861	(1,986)
- Increase/ (decrease) in other current liabilities	29,486	41,432	34,861
- Increase/ (decrease) in provisions	3,481	2,613	(222)
Cash (used in)/ generated from operations	24,904	187,077	79,940
- Direct taxes paid	(53,717)	(62,177)	(45,016)
Net cash from/ (used in) operating activities	(28,813)	124,899	29,924
B. Cash flow from investing activities			
Additions to property, plant and equipment, intangible assets (including capital work-in-progress, intangible assets under development and capital advances)	(31,046)	(22,647)	(26,360)
Proceeds from sale of property, plant and equipment	803	103	301
Purchase of investments in subsidiaries, joint venture and other equity instruments	(10,093)	(14,959)	(28,702)
Loans to Subsidiaries	(195)	-	-
Proceeds from sale of investment in subsidiaries	-	1,850	-
Inter-corporate deposits placed	(10,000)	(91,000)	(67,000)
Proceeds from inter-corporate deposits	30,000	79,500	63,500
Bank deposits matured/ placed, net	33,099	(48,721)	(4,491)
Purchase/ sale of mutual funds, net	2,649	(3,649)	39,370
Dividends received	-	-	-
Lease payments received from sub-lease	2,117	-	-
Interest received	6,891	8,395	6,299
Net cash used in investing activities	24,225	(91,128)	(18,083)
C. Cash flow from financing activities			
Borrowings(not)	62,622	-	-
Dividends paid including dividend distribution tax	(53,555)	(39,738)	(27,736)
Payment of lease liabilities	(20,895)	-	-
Finance costs	(14,948)	(4,445)	(4,768)
Net cash from/ (used in) financing activities	(26,776)	(44,183)	(32,504)
Net cash flows during the year (A+B+C)	(31,384)	(10,412)	(20,663)
Cash and cash equivalents (opening balance)	36,405	46,844	67,181
Add/ (Less): Unrealised exchange (gain)/ loss	5	173	126
Cash and cash equivalents (closing balance)	5,046	36,405	46,844

Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.

The financial statements of the Company are prepared in accordance with Indian Accounting Standard ("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 Companies Act, 2013. Effective 1st April 2018, the Company has adopted Ind AS 115 - Revenue from contracts with customers, which had nil impact on the profits and reserves of the Company. With effect from 1st April 2019, the Company has adopted Ind AS 116 - Leases. The application of this standard has reduced retained earnings as on 31st March 2019 by ₹10,081 lakhs, net of taxes and has resulted in lower Profit before tax by ₹461 lakhs for the year ended 31st March 2020.

5. DECLARATION BY DIRECTORS

- The Board of Directors hereby declare that -
- The Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest on such deposits and where a default had occurred, the Company made good the default and a period of five years had lapsed since the date of making good the default.
 - They have satisfied themselves fully with respect to the affairs and prospects of the Company and that they are of the opinion that having regard to the estimated future financial position of the Company, the Company will be able to meet its liabilities as and when they become due and that the Company will not become insolvent within a period of one year from the date of issue of the circular or advertisement.
 - The Company has complied with the provisions of the Act and the rules made thereunder.
 - The compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government.
 - The deposits accepted by the Company before the commencement of the Act have been repaid and unclaimed amounts will be returned to customers and balance unclaimed subscription amounts will be treated as unsecured and ranking pari passu with other unsecured liabilities.
 - In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
 - The deposits shall be used only for the purposes indicated in the Circular or Advertisement in the form of advertisement.
 - The deposits accepted by the Company (other than the secured deposits, if any, aggregate amount of which to be indicated) are unsecured and rank pari passu with other unsecured liabilities of the Company.

Date: 8th June 2020

Place: Bengaluru

BY ORDER OF THE BOARD
C K VENKATARAMAN
Managing Director

Independent Auditor's Certificate

The Board of Directors
Titan Company Limited,
'Integrity', #193, Veerasandra, Electronic City P.O.,
Off Hosur Main Road, Bengaluru, Karnataka - 560 100, India.
Dear Sirs,

Independent Auditor's Certificate pursuant to the requirement of Rule 4 of the Companies (Acceptance of Deposits) Rules, 2018 ("the Rules") relating to 'circular or circular in the form of advertisement inviting deposits' ("Form DPT 1" and Section 73 of the Companies Act, 2013 ("the Act")).

- This report is issued in accordance with the terms of our engagement letter dated 3rd June 2020.
- We, B S R & Co. LLP, the statutory auditors of Titan Company Limited ("the Company") have been requested to certify that the Company has not committed default in the repayment of deposits which are outstanding as on 31st March 2020 as stated in Annexure 1.

Management's Responsibility

- The Company's management is responsible for the preparation of the accompanying Form DPT 1 including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.
- The Company's Management is responsible to repay/redem the deposits as and when such deposits become due as per the scheme formulated by the Company. Also, the Company's Management is responsible for ensuring that the Company is in compliance with the requirements of the Rules relating to 'circular or circular in the form of advertisement inviting deposits' ("Form DPT 1") and Section 73 of the Act.

Auditor's Responsibility

- Our responsibility is to provide a reasonable assurance that the Company has not committed a default in the repayment of deposits which are outstanding as on 31st March 2020 as per the audited books of account and other relevant records and documents maintained by the Company.
- For the purpose of this certification, as per the request from the Management, we have restricted our verification for the deposits outstanding as at 31st March 2020 and thus we do not comment on compliance with the defaults, if any, in earlier years. We have carried out the following procedures as part of our examination:
- Traced the amounts outstanding as on 31st March 2020 to the standalone financial statements, books of accounts, the Register of deposits, and other relevant records maintained by the Company.
- We have tested the details included in the Register of deposits and other relevant records on a sample basis to determine the accuracy of the information included.
- We have tested the ageing of the outstanding deposits as on 31st March 2020 to determine whether the deposits are overdue.
- The financial statements for the financial year ended 31st March 2020 have been audited by us on which we have issued an unmodified audit opinion vide our report dated 8th June 2020. Our audit of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
- We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2018) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Information, and Other Assurance and Related Services Engagements.
- We have obtained appropriate representations from the Company's management.

Opinion

Based on our examination as above, and according to the information and explanations given to us by the Management of the Company, we are of the opinion that:-
- The Company has not defaulted in the repayment of deposits which are outstanding as on 31st March

