

November 3, 2023

The Secretary  
BSE Limited  
PJ Towers, Rotunda Bldg.,  
Dalal Street, Fort  
Mumbai 400 001

**Scrip Code: 500414**

**Subject: Outcome of Board Meeting**

Dear Sir(s)

Please be informed that the Board of Directors has, in its meeting held today i.e. on November 3, 2023, *inter-alia*, considered and approved the Un-audited Financial Results of the Company for the quarter and half year ended on September 30, 2023 in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same along with the Limited Review Report is enclosed herewith.

Time of Commencement of Board Meeting: 4:30 PM

Time of Conclusion of Board Meeting: 7:30 PM

Also, please find attached herewith a copy of the Press Release on the Financial Results of the Company.

The above results are also being disseminated on Company's website at [www.timexindia.com](http://www.timexindia.com).

This is for your kind information and record.

Thanking you  
For Timex Group India Limited

Dhiraj Kumar Maggo  
Vice President – Legal, HR and Company Secretary

## **Timex Group India Ltd Continues Robust Growth in Q2 FY23-24.**

Performance is fuelled by e-commerce, licensed brands and channel expansion.

**New Delhi, November 3, 2023** – Timex Group India Ltd, a prominent watch manufacturer & marketer announced its financial results for the quarter ended September 2023. The company has maintained the momentum and achieved a revenue growth of 4% over a substantially large base. Additionally, Timex Group India Ltd accomplished an impressive 13% EBITDA-to-revenue ratio, underlining a sustainable growth.

The continued positive performance of the brand Timex can be attributed to a series of strategic business decisions and successful partnerships aimed at expanding Timex's consumer base nationwide. Strong momentum in e-commerce channel and expansion initiatives have been the key growth levers for the quarter. The quarter also saw the after effect of strong marketing investment made in the previous quarter IPL association. This continues further with the onboarding of Ananya Panday as the Brand Ambassador for the launch of its global campaign, Waste More Time. The addition of a fresh, youthful face to the Timex family reflects the brand's commitment to widening its consumer base.

Expressing his enthusiasm, **Mr. Deepak Chhabra, Managing Director**, said, "We are once again delighted to announce an impressive quarterly performance, reflecting Timex's accomplishments. Our unwavering commitment to innovation, and strategic expansion has been the driving force behind this milestone and the sales results. I am happy to share that we are now consistently among the top 1000 publicly listed companies on BSE, with current market capitalisation of over INR 1900Cr. We are thankful to our teams and our loyal consumers who continue to make us part of their good times."

### **Business Update**

Given a substantially strong quarter performance in the corresponding preceding year, this quarter growth indicates healthy business fundamentals. Timex India has strengthened its position through some of the strongest brands in the industry, with a vast and expanding distribution network. The growth is evidenced by its presence in over 6,000 physical retail outlets, the operation of 29 exclusive franchised stores under the brand name 'Timex World,'.

### **Trade, E-commerce & Retail Channel**

Timex India is delighted to report the robust performance on the e-commerce portals through the quarter. This channel continues to show a strong growth curve. The strategic acquisition of 'Just Watches' by Timex Group in the last quarter aligns perfectly with the company's future growth plans and has strengthened the direct connection with consumers. This expansion offers an extensive range of timepieces, resulting in a steady increase in the consumer base nationwide. The Trade channel on the other hand faced some challenges due to the seasonal phasing of the festive season.

## **Licensed Brands Performance**

Steady growth continued across Fashion & luxury segment through Guess, Gc and Versace. In the fashion segment, Guess watches have experienced substantial growth especially amongst the younger generation for whom style, design and aspiration are key factors to possess a watch brand. The brand's expanding network and impressive performance on e-commerce platforms also played a pivotal role in its success.

Versace on the other hand is driven by increasing indulgence and affinity for luxury watches in the Indian market. The company has also been on an expansion mode with Versace with increased retail footprint. Versace watches have garnered significant attention in India's authenticity-driven Swiss watch market.

## **H1 Performance**

- H1 results for revenue had a growth of 8% Vs Previous Year
- EBITDA at 10.4% of revenue
- E commerce channel as key contributor to profit
- Marketing continues to be in focus with IPL Campaign of first quarter and recent launch of Waste More Time campaign
- Expansion of retail footprint through “Just Watches” and licensed brand expansion continues

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF Timex Group India Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Timex Group India Limited ("the Company"), for the quarter and six months ended September 30, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For DELOITTE HASKINS & SELLS LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Pramod B. Shukla**  
(Partner)

(Membership No. 104337)  
(UDIN:23104337BGYFDV8948)

Place: Noida  
Date: November 3, 2023

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023**

(Rs. in lakhs except per share data)

| Sr. | Particulars  | Quarter ended         |                  |                       | Half year ended       |                       | Year ended        |
|-----|--|-----------------------|------------------|-----------------------|-----------------------|-----------------------|-------------------|
|     |  | September 30,<br>2023 | June 30,<br>2023 | September 30,<br>2022 | September 30,<br>2023 | September 30,<br>2022 | March 31,<br>2023 |
|     |  | Unaudited             | Unaudited        | Unaudited             | Unaudited             | Unaudited             | Audited           |
| 1   | Revenue from operations  | 12,636                | 10,629           | 12,123                | 23,265                | 21,550                | 38,345            |
| 2   | Other income   | 57                    | 37               | 2                     | 94                    | 28                    | 33                |
| 3   | <b>Total Income (1+2)</b>  | <b>12,693</b>         | <b>10,666</b>    | <b>12,125</b>         | <b>23,359</b>         | <b>21,578</b>         | <b>38,378</b>     |
| 4   | <b>Expenses</b>  |                       |                  |                       |                       |                       |                   |
|     | a. Cost of materials consumed  | 4,747                 | 4,790            | 4,452                 | 9,537                 | 8,711                 | 15,254            |
|     | b. Purchases of stock-in-trade   | 3,117                 | 1,657            | 3,889                 | 4,774                 | 6,273                 | 9,942             |
|     | c. Changes in inventories of finished goods, work-in-progress and stock-in-trade | (636)                 | (506)            | (1,530)               | (1,142)               | (3,068)               | (3,441)           |
|     | d. Employee benefits expense   | 1,217                 | 1,214            | 1,304                 | 2,431                 | 2,317                 | 4,639             |
|     | e. Finance costs   | 107                   | 113              | 72                    | 220                   | 149                   | 532               |
|     | f. Depreciation and amortisation expenses  | 90                    | 89               | 94                    | 179                   | 184                   | 360               |
|     | g. Other expenses  | 2,581                 | 2,742            | 1,963                 | 5,323                 | 3,930                 | 8,125             |
|     | <b>Total expenses (4)</b>  | <b>11,223</b>         | <b>10,099</b>    | <b>10,244</b>         | <b>21,322</b>         | <b>18,496</b>         | <b>35,411</b>     |
| 5   | <b>Profit before exceptional items and tax (3-4)</b>                             | <b>1,470</b>          | <b>567</b>       | <b>1,881</b>          | <b>2,037</b>          | <b>3,082</b>          | <b>2,967</b>      |
| 6   | Exceptional items  | -                     | -                | -                     | -                     | -                     | -                 |
| 7   | <b>Profit before tax (5-6)</b>   | <b>1,470</b>          | <b>567</b>       | <b>1,881</b>          | <b>2,037</b>          | <b>3,082</b>          | <b>2,967</b>      |
| 8   | Tax expense (Refer Note 5)   |                       |                  |                       |                       |                       |                   |
|     | - Current tax  | -                     | -                | -                     | -                     | -                     | -                 |
|     | - Deferred tax   | 370                   | 142              | -                     | 512                   | -                     | (1,685)           |
|     | <b>Total Tax expenses (8)</b>  | <b>370</b>            | <b>142</b>       | <b>-</b>              | <b>512</b>            | <b>-</b>              | <b>(1,685)</b>    |
| 9   | <b>Profit for the period (7-8)</b>   | <b>1,100</b>          | <b>425</b>       | <b>1,881</b>          | <b>1,525</b>          | <b>3,082</b>          | <b>4,652</b>      |
| 10  | <b>Other Comprehensive Income</b>  |                       |                  |                       |                       |                       |                   |
|     | Items that will not be reclassified to profit or loss                            |                       |                  |                       |                       |                       |                   |
|     | - Gain / (loss) on defined benefit obligations                                   | -                     | -                | -                     | -                     | -                     | 5                 |
|     | - income tax relating to items that will not be reclassified to profit or loss   | -                     | -                | -                     | -                     | -                     | (1)               |
| 11  | <b>Total Other Comprehensive Income</b>  | <b>-</b>              | <b>-</b>         | <b>-</b>              | <b>-</b>              | <b>-</b>              | <b>4</b>          |
| 12  | <b>Total Comprehensive Income for the period (9+11)</b>                          | <b>1,100</b>          | <b>425</b>       | <b>1,881</b>          | <b>1,525</b>          | <b>3,082</b>          | <b>4,656</b>      |
| 13  | Paid-up equity share capital (Re. 1 each fully paid-up)                          | 1,010                 | 1,010            | 1,010                 | 1,010                 | 1,010                 | 1,010             |
| 14  | Other equity   |                       |                  |                       | -                     |                       | 5,042             |
| 15  | Earnings per share   | Not Annualised        | Not Annualised   | Not Annualised        | Not Annualised        | Not Annualised        | Annualised        |
|     | -Basic   | 0.91                  | 0.24             | 1.69                  | 1.16                  | 2.70                  | 3.90              |
|     | -Diluted   | 0.91                  | 0.24             | 1.69                  | 1.16                  | 2.70                  | 3.90              |



## Balance sheet as at September 30, 2023

(Rs. in lakhs)

| Particulars  | As at                 | As at             |
|--|-----------------------|-------------------|
|  | September 30,<br>2023 | March 31,<br>2023 |
|  | Unaudited             | Audited           |
| <b>ASSETS</b>  |                       |                   |
| <b>Non-current assets</b>  |                       |                   |
| Property, plant and equipment  | 576                   | 586               |
| Capital work-in-progress   | -                     | 16                |
| Right-of-use assets  | 980                   | 1,054             |
| Other intangible assets  | 55                    | 16                |
| Other financial assets   | 91                    | 88                |
| Deferred tax assets  | 1,172                 | 1,684             |
| Income tax assets (net)  | 59                    | 45                |
| Other non-current assets   | 27                    | 25                |
| <b>Total non-current assets</b>  | <b>2,960</b>          | <b>3,514</b>      |
| <b>Current assets</b>  |                       |                   |
| Inventories  | 10,443                | 9,588             |
| Financial Assets   |                       |                   |
| Trade receivables  | 6,204                 | 5,237             |
| Cash and cash equivalents  | 0 #                   | 128               |
| Bank balances other than "cash and cash equivalents"                                     | 2                     | 2                 |
| Other financial assets   | 10                    | 10                |
| Other current assets   | 1,417                 | 953               |
| <b>Total current assets</b>  | <b>18,076</b>         | <b>15,918</b>     |
| <b>TOTAL ASSETS</b>  | <b>21,036</b>         | <b>19,432</b>     |
| <b>EQUITY AND LIABILITIES</b>  |                       |                   |
| <b>Equity</b>  |                       |                   |
| Equity share capital   | 1,010                 | 1,010             |
| Other equity   | 6,567                 | 5,042             |
| <b>Total equity</b>  | <b>7,577</b>          | <b>6,052</b>      |
| <b>Liabilities</b>   |                       |                   |
| <b>Non-current liabilities</b>   |                       |                   |
| Financial liabilities  |                       |                   |
| Borrowings   | 174                   | 167               |
| Lease-liabilities  | 888                   | 960               |
| Provisions   | 1,791                 | 1,428             |
| <b>Total non-current liabilities</b>   | <b>2,853</b>          | <b>2,555</b>      |
| <b>Current liabilities</b>   |                       |                   |
| Financial Liabilities  |                       |                   |
| Borrowings   | 523                   | 2,297             |
| Lease-liabilities  | 186                   | 174               |
| Trade payables   |                       |                   |
| - total outstanding dues of micro enterprises and small enterprises                      | 547                   | 508               |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 7,449                 | 6,094             |
| Other financial liabilities  | 683                   | 690               |
| Other current liabilities  | 625                   | 515               |
| Provisions   | 593                   | 547               |
| <b>Total current liabilities</b>   | <b>10,606</b>         | <b>10,825</b>     |
| <b>TOTAL LIABILITIES</b>   | <b>13,459</b>         | <b>13,380</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>  | <b>21,036</b>         | <b>19,432</b>     |



## Statement of Cash Flows for the Half year ended September 30, 2023

(Rs. in lakhs)

| Particulars   | Half year ended       | Half year ended       |
|---|-----------------------|-----------------------|
|   | September 30,<br>2023 | September 30,<br>2022 |
|   | Unaudited             | Unaudited             |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                                      |                       |                       |
| Profit before tax   | 2,037                 | 3,082                 |
| Adjustments for:  |                       |                       |
| Interest income   | (4)                   | (4)                   |
| Liabilities/provisions no longer required written back                            | -                     | (26)                  |
| Finance costs   | 220                   | 149                   |
| Depreciation and amortisation expenses  | 179                   | 184                   |
| Net loss on sale / discarding of property, plant and equipment                    | (0) #                 | -                     |
| Allowance for bad and doubtful debts (net)  | 39                    | 5                     |
| Net unrealised currency exchange fluctuation (gain)/loss                          | (51)                  | 169                   |
| Changes in working capital:   |                       |                       |
| Adjustments for (increase) / decrease in operating assets                         |                       |                       |
| Inventories   | (855)                 | (3,645)               |
| Trade receivables   | (997)                 | (1,150)               |
| Other financial assets (Current)  | -                     | 29                    |
| Other financial assets (Non-current)  | (3)                   | (19)                  |
| Other assets (Current)  | (464)                 | 65                    |
| Other assets (Non-current)  | 1                     | 2                     |
| Adjustments for increase / (decrease) in operating liabilities                    |                       |                       |
| Trade payables  | 1,435                 | 1,879                 |
| Other financial liabilities (Current)   | (7)                   | (60)                  |
| Provisions (Current)  | 46                    | 56                    |
| Provisions (Non-current)  | 363                   | 332                   |
| Other liabilities (Current)   | 110                   | (76)                  |
| <b>Cash generated / (outflow) from operations</b>                                 | <b>2,049</b>          | <b>972</b>            |
| Income taxes paid (net of refunds)  | (14)                  | (10)                  |
| <b>Net cash generated from / (used in) operating activities</b>                   | <b>2,035</b>          | <b>962</b>            |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                                      |                       |                       |
| Interest received   | 4                     | 4                     |
| Bank balances not considered as cash and cash equivalents                         | 0 #                   | 0 #                   |
| Payment for purchase of property, plant and equipment and other intangible assets | (95)                  | (51)                  |
| Proceeds from sale of property, plant and equipment                               | 1                     | -                     |
| <b>Net cash (used in) investing activities</b>                                    | <b>(90)</b>           | <b>(47)</b>           |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                                      |                       |                       |
| Net proceeds / (repayment) from borrowings (Current)                              | (1,774)               | (514)                 |
| Repayment of lease liabilities and Interest                                       | (139)                 | (135)                 |
| Finance costs paid  | (160)                 | (92)                  |
| <b>Net cash (used in) / generated from financing activities</b>                   | <b>(2,073)</b>        | <b>(741)</b>          |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>             | <b>(128)</b>          | <b>174</b>            |
| Cash and cash equivalents at the beginning of the year                            | 128                   | 34                    |
| <b>Cash and cash equivalents at the end of the year</b>                           | <b>0 #</b>            | <b>208</b>            |
| <b>Note:</b>  |                       |                       |
| <b>Component of cash and cash equivalents :</b>                                   |                       |                       |
| Balances with Banks   |                       |                       |
| -In current accounts  | -                     | 86                    |
| Cheques, drafts on hand   | -                     | 122                   |
| Cash on hand  | 0 #                   | 0                     |
| <b>Cash in cash equivalents in Statement Cash Flows</b>                           | <b>0 #</b>            | <b>208</b>            |

# Amount is below rounding off threshold adopted by the Company



**NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALY YEAR ENDED SEPTEMBER 30, 2023**

- 1 The above financial results have been prepared by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 3, 2023. The Statutory auditors of the Company have carried out the review of the above financial results.
- 2 The above financial results has been prepared in accordance with the recognition and measurement principles as laid down in the Indian Accounting Standards 34 (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended, from time to time.
- 3 As on September 30, 2023, the Company has accumulated losses of Rs. 1,233 lakhs which resulted in substantial erosion of total equity of the Company. The Company has reported profit of Rs. 1,525 lakhs for the six months ended September 30, 2023 (year ended March 31, 2023: Rs. 4,652 lakhs). As per business plan approved by the Board of Directors, the Company expects growth in its operations and continue to earn profits in ensuing year/s. The funding requirements of the Company will be met through flow of funds from operations and bank borrowings which have been fully guaranteed by Tanager Group B.V., the Intermediate Holding company.

Further, for the purpose of redemption of existing 1,57,00,000 13.88% Cumulative Redeemable Non-Convertible Preference Shares of Rs. 10 each aggregating Rs. 1,570 lakhs along with accumulated/ unpaid dividend thereon (subject to deduction of withholding tax), which would be falling due for redemption on March 26, 2024, the Board of Directors has, in its meeting held on July 14, 2023, approved the Issuance of upto 2,73,15,264, 10.75% Cumulative Redeemable Non-Convertible Preference shares of Rs.10/-each at par aggregating Rs.2,732 lakhs ("NCPS"), on private placement basis to M/s Timex Group Luxury Watches B.V., the holding company of the Company, in terms of Section 55(3) of the Companies Act, 2013 subject to approval of equity shareholders, Hon'ble National Company Law Tribunal and other authorities, as may be required. The tenure of the NCPS would be 20 years, with an option with either party for an early redemption anytime. The Members of the Company have approved this matter in their Annual General Meeting held on August 23, 2023 and the Company has filed an application dated October 19, 2023 with National Company Law Tribunal in this respect of the above matter for their approval.

Based on above, the Company is 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 and the use of going concern assumption has been considered appropriate by the Management in preparation of the above financial results of the Company.

- 4 The Company is primarily in the business of manufacturing and trading of watches and rendering of related after sales service. The other activities of the Company comprises of providing information & technology support services to the group companies. The Managing Director of the Company, who has been identified as the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment of the Company.
- 5 As the Company opted for lower corporate tax rate as provided under section 115BAA of the Income-tax Act, 1961 from financial year 2019-20, the Company is not required to pay minimum alternate tax (MAT). In view of the available carried forward unabsorbed depreciation, the management has estimated that no current tax expense is required to be recognised during the half year ended September 30, 2023.

Considering the fact that the Company was making taxable profits in the recent years owing to improvements in business conditions and financial performance, on March 31, 2023 the Company recognised deferred tax assets amounting Rs. 1,684 lakhs (including Rs. 1,010 lakhs in respect of unabsorbed depreciation) in the financial results for the quarter and year ended March 31, 2023 as it is considered probable that future taxable profits will be available.

- 6 The Code on Social Security, 2020 ('code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Place: Noida  
Date : November 3, 2023

For and on behalf of the Board of directors of  
Timex Group India Limited



*Deepak Chhabra*  
Deepak Chhabra  
Managing Director

