SEC 002 / 2022-23

6th April 2022

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

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

Dear Sirs,

Sub: Quarterly Update – Q4 FY 2021-22

This is to provide the quarterly update for Q4 of FY 2021-22 as furnished in the attached document.

Thank you.

Yours truly,
For TITAN COMPANY LIMITED

Dinesh Shetty
General Counsel & Company Secretary

Encl. As stated

6th April 2022

Quarterly Update: Q4 FY22

The Company finished the quarter on a satisfactory note despite Q4 FY22 getting disrupted twice - first due to the partial lockdowns caused by Omicron wave in January and again during the month of March in which consumer sentiments got affected adversely due to (a) sharp increase and volatility in gold prices and (b) uncertainty due to a fragile geo-political situation. The underlying demand continued to be strong across all of its businesses with most segments posting Y-o-Y growth over a very strong Q4 FY21 base. The network expansion and campaigns have continued to progress well in anticipation of an upbeat Q1 FY23 which is expected to be normal after a gap of two years of lockdowns in the same period.

Revenue Metrics		New Store additions (Net) (Q4 FY22)	Total Stores (as of Mar '22)
Segment / Subsidiary	YoY Growth% (Q4 FY22 v/s Q4 FY21)	(#)	(#)
Jewellery	(4%)	16	444
Watches & Wearables	12%	34	843
Eyecare	5%	51	733
Other Businesses	23%	4	20
TCL (Standalone)	**(3%)**	**105**	**2,040**
TEAL	77%	-	-
CaratLane	51%	9	138

Note: Jewellery segment growth metric excludes bullion sale

Jewellery

Division ended the volatile quarter on a flat note over a strong Q4 FY21 base *(had a benefit of a large B2B order).* Business saw subdued activity in top cities due to the Omicron wave in Jan'22, a very strong resurgence in Feb'22 and again a drop in customer purchases in Mar'22 on the back of sharp rise in gold prices and sentiment impact due to the external geo-political conflict. While walk-ins saw minor decline, the customer conversions and ticket sizes grew marginally for the quarter compared to the same period last year. Sales from top 8 cities grew in single digits while the rest of India saw a small decline. Though the plain jewellery category bore the brunt of gold volatility in Mar'22 leading to a slight decline for the quarter, studded sales clocked in a high single digit growth, thereby partially cushioning the impact. Golden Harvest enrolments witnessed double digit growth rates. Store expansions (net) continued as per plan with commissioning of 7 new stores in Tanishq, 8 in Mia by Tanishq and 1 in Zoya.

Tanishq's Rivaah wedding jewellery collection '*Romance of Polki*' – a singular charm of uncut diamonds adding a new life to a bride's trousseau, was launched in Mar'22 for the upcoming wedding season. Mia by Tanishq's new collections of *'The Cupid Edit'* and *'Kiss of Spring-2'* focused on events of Valentine's Day, Women's Day and Mia's 10th anniversary. Zoya's marquee new collection *'Aeterna'* – ensconcing two new patents on stone cuts and an ode to infinite feminine energy marrying ancient symbolism with modern aesthetics beautifully underscored the brand's design legacy.

During the quarter, the Company acquired a minority stake in Great Heights Inc. (through its wholly-owned subsidiary TCL North America Inc.) to deepen its understanding of the *"Lab grown Diamonds"* space.

Watches & Wearables

The division saw good growth momentum amidst a challenging external environment with sales increasing across all offline channels on the back of Titan brand. Sales from Retail and Large Format Stores (LFS) clocked higher growth followed by Trade. West and North regions saw much higher growth amongst geographies. Store expansions (net) continued with 24 new stores in Titan World and 10 in Helios. Over 44 Titan World stores were renovated to a new format to offer a wider choice of premium brands enhancing the overall customer experience. Titan's new analog collections of *'Octane Aerobatics' (8 mechanical variants)*, *'Ladies Edge' (6 variants)* and *'Unending Beauty' (11 variants),* Fastrack's *'After Dark' (9 variants) and* Sonata's new collections of '*Versatyle*' *(10 variants)* and *'Women of Steel' (15 variants)* were well received. The smart watches and hearables segment saw significant acceleration in the quarter with the new launches across *'Titan Smart Pro' (6 variants), 'Fastrack Reflex Vox' (4 variants) and 'Reflex Tunes – FT3' (4 variants)* evoking a lot of interest and excitement.

TITAN
COMPANY

Eyecare

The division's growth was led by Frames and Sunglasses. Network expansion continued in line with ambitious growth plans for the next year. Product innovation continues to be the core focus area and center piece of Titan Eyeplus offerings. *'EyeX'* – launched in Jan'22 - a first of its kind *Smart Wearable* product has established the division as a pioneer in Smart Eyewear within a short span of time. The product bagged two prestigious awards at *RED DOT* - in Product Design and in Smart Category during the quarter.

Other Businesses – Fragrances & Fashion Accessories, Taneira

Increase in sales from departmental stores and ecommerce led to a healthy 21% YoY growth in Fragrances and 67% YoY growth in Fashion Accessories businesses respectively. Brand *SKINN* ran a Valentine's Day campaign garnering over 8 million views and 3.2 lakh engagements. Fastrack women's bags' Spring Summer collection *'Soft Cocooning'* was launched in Mar'22 with 96 variants. The collection plays with both PU and Nylon material and is an amalgamation of comfort driven yet trendy looks in summer pastel hues.

'Taneira' launched its stores in Jamshedpur and Lucknow extending its presence to eight cities taking the total tally to 20 stores. A hand weaving loom installation at the flagship store at Indiranagar, Bangalore saw a one-of-a-kind initiative to provide a first-hand experience of the complete saree making process to customers. "Sundarban" (manifesting the spirit of the forest into sublime sarees) and "Spring Summer" collections (weaving human emotions of healing, nostalgia and happiness in sarees and ready to wear products) and new bridal campaigns featuring rich opulent weaves from various clusters across the country, were launched in the quarter.

Key Subsidiaries:

Titan Engineering & Automation Limited *(Wholly-owned)*

The Automation Solutions business saw large dispatches in the quarter triggered due to postponement of deliveries on the back of supply chain disruptions earlier. The enquiries have shown gradual improvement but are still below normalized levels. The Aerospace Business achieved moderate growth with good recovery in orders. The manufacturing facility at Hosur has been upgraded to operationalize a State-of-Art ISO 6 (1000 Class) Clean Room and Cleaning Facility to serve customers in the precision component business.

CaratLane *(72.3% owned)*

Despite a disrupted quarter, CaratLane's digital first strategy enabled it to post a healthy 51% growth YoY across product categories and locations. The digital approach allowed for early trend detections leading to focused reactions in high potential micro-opportunities. Sales in Feb'22 nearly matched the highest monthly sales of Nov'21 (of Dhanteras) driven by the highly successful Valentine Day's campaign of *'Love it or Hate it, #GiftACaratLane'*. *'Harmony'*, a new collection inspired by the design of sound waves, was well received by the customers. Company's handcrafted silver jewellery brand, *'Shaya'*, opened its first-ever physical store at Mumbai and Bengaluru whilst deepening its presence in metro cities to improve accessibility.

The above information for the period ended 31st March, 2022 is provisional, and subject to annual audit by the Statutory Auditors of the Company.

For Titan Company Limited,

Ashok Sonthalia
Chief Financial Officer