



TITAN
COMPANY

Creating Elevating Experiences

Innovation – A way of life

We like to create brands



Watches

Jewelry

Eyewear

Accessories

Luxury



Premium



*Licensed
Brands*

*International
Brands*



*Mid
Market*



*Mass
Market*





India's Largest Specialty retailer :
1000+ Exclusive outlets, 175 towns, 1.4 mn sft, 12mn active customers

Watches

Jewelry

Eyewear

Luxury



Premium



*Mid
Market*



*Mass
Market*





Our definition of Innovation...

“Unique or differentiated

Products , Processes or Business-Models

that deliver Elevating Experiences for the people we touch

creating Significant Impact & Value”



Enablers of Innovation

Culture

Non – hierarchical, informal, Open and transparent, Freedom to fail

People:

Age and gender diversity. Talented and entrepreneurial workforce

Process

Generating and capturing ideas, Evaluation, Experimenting

Formal process for Cross-Pollination, Measuring Innovation

Strategy

Innovation thrust in short *and* long term including an approach for identifying new opportunities,

Review mechanism for innovation

Innovation Pipeline

TITAN EXAMPLES



Marketing

CUSTOMER SEGMENTATION

WWW.FASTRACK.IN

SORRY FOR WHAT?



CALL US: 1800-266-0123

fastrack 
move on

WWW.FASTRACK.IN

SORRY FOR WHAT?



CALL US: 1800-266-0123

fastrack 
move on

A TATA PRODUCT

The LIGHTER SIDE - OF WORK. -

Mia π
by TANISHQ

Light weight fine jewellery for
everyday at work, starting ₹3999.

Earrings | Rings
Pendants | Bracelets



₹5362



₹8531



₹12921

titaneyeplus.com

TITAN EYE+
WORLD CLASS OPTICAL STORES

Enigma
by TITAN

Love your new look

Flaunt this season's finest looks with Enigma, a unique collection of eyewear created exclusively for women. Choose from over 100 designs that send your style quotient soaring. Talk about love at first sight.

STARTING AT ₹ 995 | follow us  and 



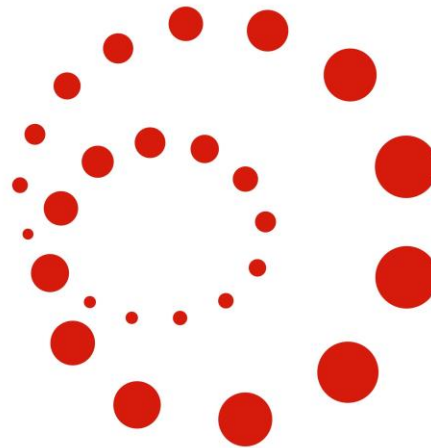


CUSTOMER EXPERIENCE

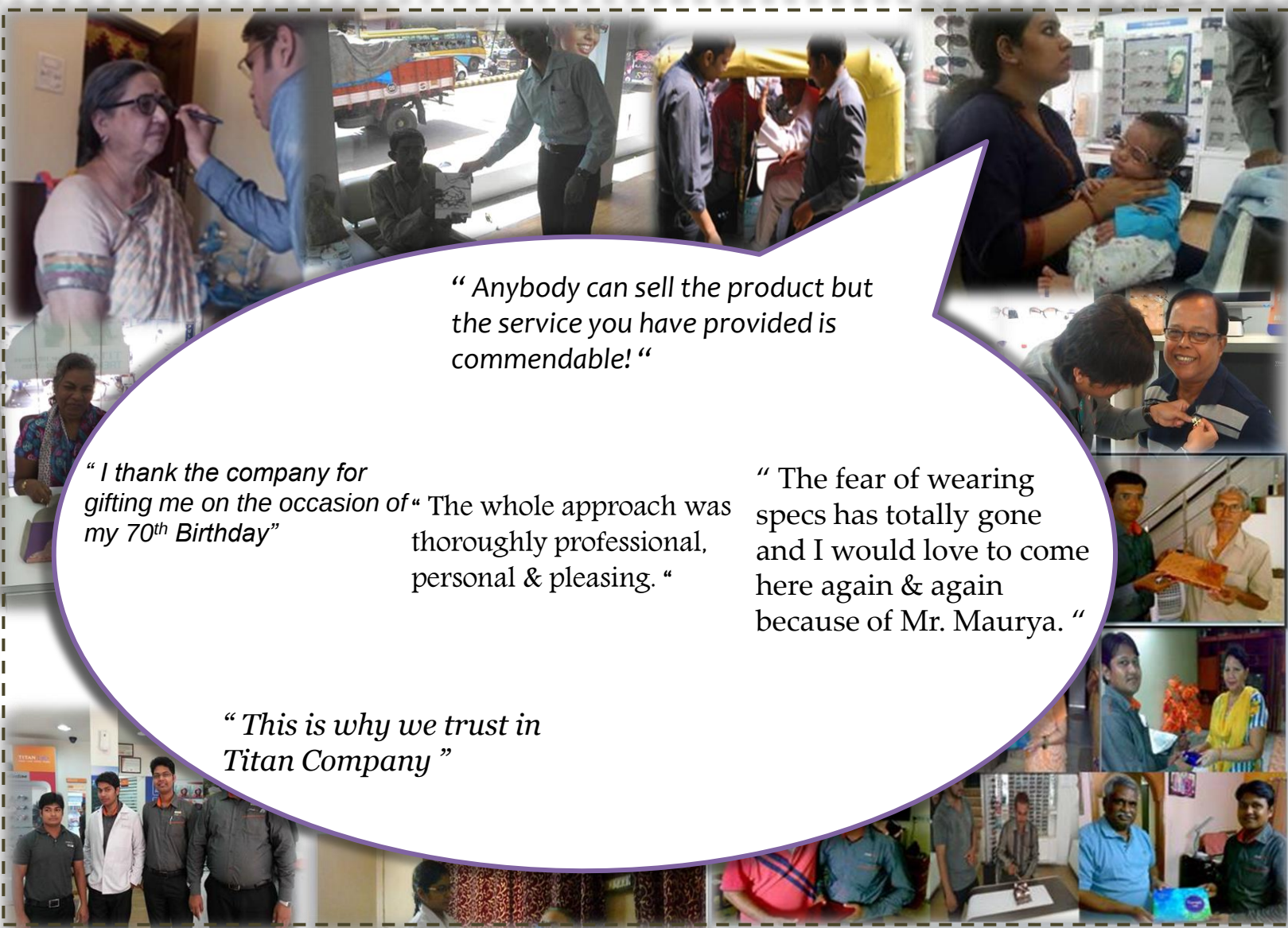


Encircle

encircle
Happiness within



Make hearts beat



“ Anybody can sell the product but the service you have provided is commendable! “

“ I thank the company for gifting me on the occasion of my 70th Birthday”

“ The whole approach was thoroughly professional, personal & pleasing. “

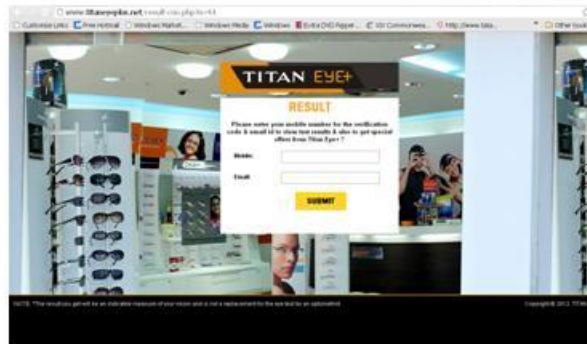
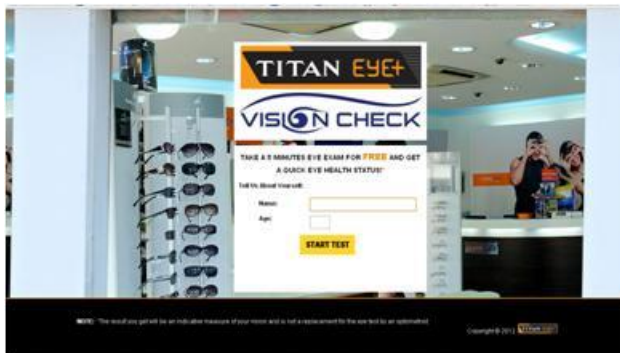
“ The fear of wearing specs has totally gone and I would love to come here again & again because of Mr. Maurya. “

“ This is why we trust in Titan Company ”

Online Eye Testing

TITAN EYE+

www.titaneyeplus.net



Web site developed

Inbuilt capturing
mechanism of
mobile & person

Triggers in
prompting
closest points

Follow-up
possibility



MANUFACTURING

Mould Setting

Conventional Setting

- 100 stones

Conventional



Conventional Setting

- 100 to 1500 stones
- 163 % Improvement
- No Rejections
- Applied for patent

Mould Setting





Design and Marketing

RESPONSE TO NEW REGULATIONS

APPROACH & PROCESS

Our 5 years strategic planning process



Process involved:

- Board of Directors
- Voice of customers
- Middle mgmt. / Frontline
- Senior team as mentors
- External strategy panel
- Inputs from Tata GEC
- Voice of Dalal street (Investment analysts)



- Developed to tap into the entrepreneurial urge amongst a younger work force
- Bangalore: a city for “Start ups”
- Unleashed energy and enthusiasm: 700+ entries
- After filtering and hearing out pitches, shortlisted 3 ideas
- Work space like a hang out garage. Access to mentors
- “Ignitors” spend time over and above their day job

Economic & Regulatory Environment

Current Economic environment still unhappy

- Improved consumer & economic sentiment
- However translation to higher economic growth will take time
- Investment cycle yet to kick in. Credit uptake is still very slow, many loans are for refinancing
- Pvt. sector trying to deleverage balance sheets
- Job creation will take more time
- Reduction in interest rates crucial to this

Economic environment – acche din aayenge!

- Inflation reduced sharply – averaging 5% (CPI) driven by low oil prices
- Interest rates started reducing – another 50-75 bps drop can be expected in the next 2-3 quarters
- Salaries expected to increase by 11% → significant real wage increase, should spur higher discretionary spends, but greater impact if jobs increase (investment cycle)
- Gold rates expected to be range bound, not expected to fall much
- Comfortable CAD situation → curbs on gold might not be imposed coupled with slight reduction in customs duty, gold could be more affordable and smuggling could drop

Regulatory impact on the Jewelry business

- CAD situation forces Govt. to impose curbs on gold imports from May'13
 - 80:20 rule linking gold imports for domestic consumption to gold exported to drastically reduce import volumes
 - Import of gold on Gold-on-lease scheme suspended
 - Customs duty raised to 10%
 - EMI schemes on gold jewelry purchases through credit card suspended
- Ministry of Corporate Affairs joins in the action in Apr'14 - restrictions on schemes like “Golden Harvest Scheme” under the new Companies Act
- RBI allows some banks to import gold on lease basis for domestic consumption in May'14
- End Nov'14, the 80:20 rule is revoked. However, gold on lease scheme suspended pending clarifications from RBI



Implications of Regulatory changes on Titan

- Supply of gold (raw material) under threat
- Cost of funding increased significantly with suspension of Gold on lease scheme
- Hedging of gold became a major issue. Natural hedging mechanism of gold on lease gone
- Hedging in local commodity exchanges severely limited due to low volumes and lower tenor
- Smuggling increased substantially giving an unfair advantage to many jewelers choosing that route
- Direct import license issued to Titan became redundant as imports not possible due to lack of exports



How did we handle this?

Securing Gold Supply

- Negotiated with banks, bullion dealers and non conventional sources copper mines and e-recycling companies that produce gold as a byproduct
- Leveraged relations to get as much credit as possible under Gold Deposit scheme

Borrowing cost:

- Kept bank facilities (funded and non-funded) flexible so that we would swap facilities easily depending on whether credit was available or not
- Resorted to Commercial paper to keep interest rates well below bank rates

Hedging:

- Started hedging in the domestic commodity exchanges immediately and reached out to MCX/FMC to get limits enhanced significantly
- Sought RBI approvals for hedging gold in international markets to overcome limit issues and hedging is more efficient



Responding to regulatory impact of Golden Harvest scheme withdrawal

- Proactively approached the Ministry of Corporate Affairs to confirm applicability of the law to the scheme
- Immediately contacted all customers to signal end of existing scheme urging them to come to the stores and redeem
- Went out of the way to offer refunds in cash or gold coins too with a reasonable return to customers
- Restarted the new revised scheme quickly after complying with the new legal guidelines

Q & A