

# ANNUAL REPORT 2006.



**SINGER<sup>®</sup>**  
**AT HOME WORLDWIDE**

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In terms of approval granted by the Central Government under Section 212 (8) of the Companies Act, 1956, copy of the Balance Sheet, Profit and Loss Account, Report of the Board of Directors and the Report of the Auditors of the subsidiary companies have not been attached with the Balance Sheet of the Company. The Company will make available these documents / details upon request by any member of the Company interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept for inspection by any member at its registered office at the normal working hours (except Saturday & Sundays).

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**SINGER INDIA LIMITED**

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**BOARD OF DIRECTORS**

Mr. Samya Sarkar, Managing Director  
Mr. Deepak Sabharwal  
Mr. Phillip Watson  
Mr. Jim Kelly  
Mr. D.R. Bansal

**SECRETARY**

Mr. Rajiv Kumar

**BANKERS**

State Bank of Travancore  
Corporation Bank  
Bank of Baroda  
State Bank of Hyderabad

**AUDITORS**

M/s Walker Chandiok & Co  
L-41, Connaught Circus, New Delhi-110001  
India

**REGISTERED &  
CORPORATE OFFICE**

2nd Floor, Guru Angad Dev Bhawan,  
71, Nehru Place, New Delhi-110019  
Tel. : 91-11-26464523,  
Fax : 91-11-26285125  
E-mail : [mail@singerindia.net](mailto:mail@singerindia.net)

**WORKS**

Lane No. 4  
SIDCO Industrial Estate,  
Jammu

Lane No. 2  
SIDCO Industrial Estate,  
Phase-II, Jammu

**Please visit our website [www.singer-india.com](http://www.singer-india.com)**

**SINGER INDIA LIMITED****ANNUAL REPORT 2006****NOTICE**

Notice is hereby given that the Twenty-Eighth Annual General Meeting of the Members of Singer India Limited will be held as scheduled below

Day : Monday  
 Date : September 25, 2006  
 Time : 9.30 A.M.  
 Place : The Executive Club, 439 Village Shahoorpur  
 P.O Fatehpur Beri, New Delhi 110 074

to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March 2006 and the Profit & Loss Account for the fifteen months period ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Phillip Watson who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Jim Kelly who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors for the ensuing year and fix their remuneration. M/s Walker Chandok & Co., the retiring Auditors, being eligible, have offered themselves for re-appointment.

**SPECIAL BUSINESS**

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Deepak Sabharwal who was appointed as a Director in casual vacancy on the Board of the Company w.e.f 10-09-2005 and who holds such office up to the conclusion of this Annual General Meeting in terms of Section 262 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 signifying his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Samya Sarkar who was appointed as a Director in casual vacancy on the Board of the Company w.e.f 14-10-2005 and who holds such office up to the conclusion of this Annual General Meeting in terms of Section 262 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 signifying his candidature for the office of Director be and is

hereby appointed as a Director of the Company not liable to retire by rotation".

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. D.R. Bansal who was appointed as an Additional Director on the Board of the Company w.e.f 27-3-2006 and who holds such office up to the conclusion of this Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956 signifying his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation".

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 198(4), 269, 309(3), and 311 and any other enabling applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of Central Government and any other approvals as may be required, or deemed necessary, consent of the Company be and is hereby accorded to the appointment and remuneration of Mr. Samya Sarkar as the Managing Director of the Company for a tenure of two years effective from 14.10.2005 to 13.10.2007 on the following terms and conditions:

**REMUNERATION:**

Basic salary of Rs. 1,50,000/- (Rupees One lac fifty thousand only) per month.

**Perquisites/allowances:**

- a) Reimbursement of medical expenses incurred by him and family up to a limit of Rs.15,000/- per annum
- b) Provision of car with driver for office use and limited personal use. Additional reimbursement of expenses up to Rs.75,000/- per annum incurred towards driver's salary and other incidental expenses.
- c) Communication expenses: Reimbursement of actual communication expenses incurred on landline phone, mobile phone and internet services, if any, on submission of bills.

**MINIMUM REMUNERATION**

FURTHER THAT the above remuneration shall also be the minimum remuneration payable to Mr. Sarkar under the provisions of section 198 and 309 and any other applicable provisions, if any of the Companies Act, 1956 in the absence or inadequacy of profits.

9. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

## SINGER INDIA LIMITED

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**"RÉSOLVED THAT** pursuant to sections 384, 269, 309, 311, 198 and any other provisions, if any, of the Companies Act, 1956 the Company takes on record and approves the appointment and remuneration of Mr. K K Gupta as Manager of the Company for a tenure of 11 days effective 01.10.2005 to 11.10.2005" on the same terms and conditions as were applicable to him during his tenure as Vice Chairman & Managing Director of the Company which had already been approved by the members and the Central Government for a period of three years from 01.09.2004 to 31.08.2007".

## NOTES

1. The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 annexed hereto in respect of special business.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 20 September 2006 to 25 September 2006 (both days inclusive).
5. Due to prohibitive cost of paper and printing, copies of the Annual Report will not be distributed at the Annual General Meeting.
6. Members who are holding shares in identical order of names in more than one folio are requested to write to the Share Department of the Company, enclosing the shares certificates to enable the Company to consolidate their holdings in one folio. The share certificates will be returned to the members after making necessary endorsements in due course.
7. Members are requested to produce the enclosed attendance slip, duly signed in accordance with the specimen signatures registered with the Company for admission in the meeting hall.
8. It will be desirable that queries, if any, on the accounts and operation of the Company are sent to the Company 10 days in advance of the meeting so that the answers may be made readily available, which would be appreciable.
9. The shares of the Company are being compulsorily traded in dematerialized (i.e electronic) form only in the stock exchange of Mumbai, where the shares are listed w.e.f 31.05.2001. If you are still holding the shares in physical form, you are advised to dematerialise your shares. Further for your informa-

tion ISIN no of the company is INE638A01019 for both the depositories viz National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd.(CDSL)

10. Documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays, Sundays and other Holidays between 11.00 A.M. and 1.00 P.M. upto the date of Annual General Meeting.
11. **NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.**

BY ORDER OF THE BOARD OF DIRECTORS  
FOR SINGER INDIA LIMITED

Place: New Delhi

Dated: August 28, 2006

**RAJIV KUMAR**  
COMPANY SECRETARY

### EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACTS, 1956.

In conformity with the provisions of Section 173 of the Companies Act, 1956 the following explanatory statement sets out the material facts relating to the Special Business under item no. 5 to 9 of the accompanying notice dated 28 August 2006 be taken as forming part of the Notice.

#### Item No.5

The Board of Directors of the Company had appointed Mr. Deepak Sabharwal as a Director with effect from 10-09-2005 to fill the casual vacancy caused by the resignation of Dr. J.S. Juneja pursuant to Section 262 of the Companies Act, 1956 read with Article 121 of the Articles of Association of the Company. Mr. Deepak Sabharwal would cease to hold the office of Director as such on the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- proposing his candidature for the office of Director.

Mr. Deepak Sabharwal is a practicing Lawyer. Mr. Sabharwal has an extensive experience in the legal field. The Board of Director are of the opinion that his continuance as a Director would be of immense help in the future growth of the Company.

The Board of Directors, therefore, commends the above resolution for your approval.

No Director of the Company except Mr. Deepak Sabharwal is concerned or interested in the said resolution.

#### Item No.6

The Board of Directors of the Company had appointed Mr. Samya Sarkar as a Director of the Company with effect from 14-10-2005 in terms of Section 262 of the Companies Act, 1956 and Article 121 of the Articles of Association of the Company. Mr. Samya Sarkar would cease to hold the

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office of Director as such on the date of ensuing Annual General Meeting. The Company has received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- proposing his candidature for the office of Director. Mr. Sarkar would not be liable to retire by rotation in terms of Article 133 of Articles of Association of the Company since he is appointed as Managing Director for tenure of two years w.e.f October 14, 2005

Mr. Samya Sarkar is an Associate of The Institute of Chartered Accountants of India, L L B (Gen.) and a Diploma in Operations management.

Mr. Sarkar has a very rich experience of over 30 years in the field of finance, budgetary controls and overall administration. During his long carrier he worked with Shipping Corporation of India, State Trading Corporation, Nuziveedu Seeds Ltd. and UTI.

The Board of Director is of the opinion that with such rich experience to his credit, his further continuance as a Director will be beneficial to the company in the years to come.

The Board of Directors, therefore, commends the above resolution for your approval.

No Director of the Company except Mr. Samya Sarkar is concerned or interested in the said resolution

**Item No. 7**

Mr. D. R. Bansal was appointed as an Additional Director on the Board of the Company by the Board of Directors w.e.f 27-03-2006 pursuant to Section 260 of the Companies Act, 1956 read with Article 120 of the Articles of Association of the Company. Mr. D. R. Bansal would cease to hold the office of Director as such on the date of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956. The Company has received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- proposing his candidature for the office of Director.

Mr. D.R Bansal is a Graduate and Fellow Member of Institute of Cost & Works Accountants of India. Held various senior positions in the finance discipline in reputed Companies both in public and private sector during over 50 years of working life.

The Board of Director is of the opinion that his continuance as a Director would be of immense help in the future growth of the Company.

The Board of Directors, therefore, commends the above resolution for your approval.

No Director of the Company except Mr. D R Bansal is concerned or interested in the said resolution.

**Item No. 8**

Members are hereby informed that Mr. Samya Sarkar was appointed as Managing Director of the Company by the Board of Directors at their meeting held on 31.10.2005 for tenure of 2 years effective 14.10.2005 to 13.10.2007 on remuneration as proposed in the resolution which is

subject to the approval of the shareholders by means of Special Resolution. The Central Government vide their letter No.1/65/2006-CL.VII dated July 19, 2006 has given its approval for appointment, however subject to completion of certain formalities.

Mr. Samya Sarkar has to his credit vital, varied and wide experience of 30 years in the field of finance, budgetary controls and overall administration.

Mr. Samya Sarkar is a professional Managing Director and the Board of Directors are of the opinion that Mr. Sarkars' rich experience will be beneficial to the company and the Company will succeed in its future endeavors.

The members are hereby informed that the Company had entered into a service agreement with Mr. Samya Sarkar on 14.10.2005 and containing the details of terms and conditions as per the Resolution proposed above which may be terminated by either party by giving not less than three months advance notice in writing to either party. The said Agreement would be available for inspection at the Registered Office of the Company on any working day (except Saturdays, Sundays and other Holidays) between 11.00 a.m. to 1.00 p.m.

The above statement and the terms and conditions as contained in the above resolution may be regarded as an abstract of the terms and conditions under section 302 of the Companies Act, 1956.

The Board of Directors, therefore, commends the above resolution for your approval.

None of the Directors except Mr. Samya Sarkar is concerned or interested in the said resolution.

**Item no. 9**

Mr. K. K. Gupta was appointed as Vice Chairman and Managing Director of the Company for a period of three years effective 01.09.2004 on the terms and conditions which were duly approved by the members and the Central Government. Mr. K K Gupta resigned as a director and also as the Vice Chairman and Managing Director of the Company effective closing hours of 30.09.2005. In interim, until the Company would have filled the position of Managing Director, Mr. K K Gupta consented to be appointed as Manager of the Company pursuant to Section 384 of the Companies Act, 1956 for a period of three months effective 01.10.2005, on the same terms and conditions which were applicable to Mr. Gupta as the Vice Chairman and Managing Director of the Company. The members are required to take on record and approve the appointment of Mr. Gupta as Manager for 11 days.

The Board of Directors, therefore, commends the above resolution for taking on record and your approval.

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR SINGER INDIA LIMITED**

**RAJIV KUMAR  
COMPANY SECRETARY**

Dated 28 August, 2006

**SINGER INDIA LIMITED****ANNUAL REPORT 2006****DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors present their Annual Report and the statement of Audited Accounts for the fifteen months period ended 31 March, 2006.

**FINANCIAL RESULTS**

	(Rs. in Crores)	
	For the fifteen months period ended 31 March 2006	For the nine months period ended 31 Dec. 2004
Sales & Services	46.00	63.72
Other Income	2.08	1.21
	<u>48.08</u>	<u>64.93</u>
(Loss) before interest, Depreciation and tax	(17.32)	(25.34)
Interest & bank charges	6.49	6.04
Depreciation	0.78	0.47
(Loss) before tax	(24.59)	(31.85)
Exceptional cost	2.49	5.26
Prior period item	-	1.91
Tax adjustment	0.09	(0.23)
(Loss) after tax	(27.17)	(38.79)
Transfer from General Reserve	-	7.32
Balance of loss from previous years	(46.34)	(14.87)
Balance carried forward	<u>(73.51)</u>	<u>(46.34)</u>

The Board of Directors in their meeting held on January 23, 2006 approved the change in Accounting Year of the Company from 1 January – 31 December to the Financial Year i.e. 1 April – 31 March. Accordingly, the financial results of the Company under review have been drawn for the period 1 January 2005 – 31 March 2006.

**OPERATIONS**

The performance which reached a nadir in May 2005 when sales were Rs.1.49 crores started showing improvement from around July 2005, when a distributor was appointed for selling appliances and sewing machines. The sales in July 2005 were Rs. 1.82 crores. The performance got a further fillip when a second distributor started operating from November 2005 and the value of sales reached Rs.3.65 crores. However, as part of the re-structuring process, the company had to drastically reduce the workforce and had to scale down its operations. This entailed incurrence of exceptional cost, which had to be written off during the period. The amount involved was Rs. 2.27 crores.

Owing to complete erosion of net worth, the company had to make a reference to the Board for Industrial & Financial Reconstruction (BIFR) and was thereafter

registered as a sick company under the Sick Industrial Companies (Special Provision) Act, 1985 on 31 May 2005.

**DIVIDEND**

No dividend is recommended for the year under review.

**SUBSIDIARY COMPANIES & CONSOLIDATED FINANCIAL STATEMENTS**

The results of Himec India Limited and Singer India Trading Limited, the subsidiaries of the Company are attached to this report along with the statement specified in Section 212 of the Companies Act, 1956. The Company is also presenting its audited consolidated financial statements, which form part of the Annual Report as required by the Listing Agreement with the Stock Exchanges

**DIRECTORS**

During the period under review, Mr. K. K. Gupta resigned, as Vice Chairman & Managing Director of the Company effective 30 September 2005. Further he was appointed as Manager for a tenure of 11 days effective 01-10-2005 to 11.10.2005. Dr. J S Juneja, Mr. Stephen H Goodman, Ms. Stuti Narain Kacker, and Mr. Rajiv Sud resigned from the Board effective 26 August 2005, 30 September 2005, 2 December 2005 and 31 December 2005 respectively. The Directors place on record their appreciation for the services rendered by them. Mr. Samya Sarkar was appointed as a Director in casual vacancy on the Board of the Company w.e.f 14-10-2005 pursuant to the provisions of Section 262 of the Companies Act 1956. He was appointed as the Managing Director of the Company for tenure of two years effective 14 October 2005 to 13 October 2007. The said appointment and remuneration payable to Mr. Samya Sarkar is subject to the approval of the members of the Company. The Central Government wide their letter No.1/65/2006-CL.VII dated July 19, 2006 has given its approval for appointment. The notice of the forthcoming Annual General Meeting contains the necessary resolution along with explanatory statement for approval of the members. Mr. Samya Sarkar holds office as a Director up to the conclusion of ensuing Annual General Meeting. The Company has received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 along with requisite deposit proposing his candidature for the office of Director.

Mr. Deepak Sabharwal, who was appointed as Director in the casual vacancy under Section 262 of the Companies Act, 1956 and in terms of Article 121 of the Articles of Association of the Company w.e.f. 10 September 2005, vacates his office at the conclusion of ensuing Annual General Meeting. The Company has received a notice in writing from a member pursuant to

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received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 along with requisite deposit proposing his candidature for the office of Director liable to retire by rotation.

Mr. D R Bansal, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956 and in terms of Article 120 of the Articles of Association of the Company w.e.f. 27 March 2006, vacates his office at the conclusion of ensuing Annual General Meeting. The Company has received a notice in writing from a member pursuant to Section 257 of the Companies Act, 1956 along with requisite deposit proposing his candidature for the office of Director liable to retire by rotation. Mr. Phillip Watson and Mr. Jim Kelly retire at the forthcoming Annual General Meeting and being eligible are seeking re-appointment as Directors of the Company.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management discussion and analysis report as required under the listing agreement with stock exchange is enclosed as Annexure A.

**FIXED DEPOSITS**

The total deposits as on 31 March 2006 were Rs. 3.10 crores from 1577 depositors. Deposits amounting to Rs.1.72 crores became due for repayment and were claimed by depositors as on 31 March 2006 remained unpaid due to financial crunch. Subsequently deposits amounting to Rs. 8.02 lacs were paid on compassionate grounds. A sum of Rs.29.04 lacs which became due for payment up to 31 March 2006 remained unclaimed.

**DELISTING OF SECURITIES**

Your company has applied for delisting to Delhi Stock Exchange in March 2006. However, the delisting information is awaited inspite of followup.

**AUDITORS**

**M/s Walker, Chandiok & Co., Chartered Accountants, the retiring Auditors being eligible offer themselves for re-appointment.**

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to section 217 (2AA) of the Companies Act, 1956, the Directors confirm that

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed. Auditors comments on not following certain Accounting Standards has been explained above under the head 'Accounts and Auditors Report'.
- ii) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made 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 fifteen month

period ended 31 March 2006 and the profit or loss of the Company for the fifteen months period ended 31 March 2006.

- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

**INFORMATION REGARDING CONSERVATION OF ENERGY ETC AND EMPLOYEES**

Information pursuant to Section 217(1)(e) and Section 217(2A) of the Companies Act, 1956 and the rules made thereunder are given as an Annexure to this Report.

**INDUSTRIAL RELATIONS**

The industrial relations have remained mostly cordial and harmonious during the year. The Company had retrenched the surplus identified workmen at its Jammu factory to align the strength to required levels in accordance with its activities. The Company has declared a lay-off starting from 6 April 2004 at its Jammu factory due to funds shortages pending restructuring approval.

**EMPLOYEES**

The Directors wish to place on record their deep appreciation for the support and contribution made by all the employees of the Company. In this difficult time, continued full hearted support and hard work are expected from all sections of employees to revive the Company.

**CORPORATE GOVERNANCE**

Your company has complied with the Corporate Governance code prescribed by the Stock Exchanges. A detailed report on Corporate Governance along with Auditors' Certificate on compliance with the mandatory recommendations on Corporate Governance is annexed to this report.

**ACKNOWLEDGEMENT**

The Directors place on record their deep appreciation for the continued support and assistance provided by SINGER, The National Small Industries Corporation Ltd; other shareholders, Company's Bankers and Financial Institutions and Company's suppliers and dealers/distributors.

**SAMYA SARKAR**  
Managing Director

Place : New Delhi  
Date : 31 August, 2006

**D.R. BANSAL**  
Director

**SINGER INDIA LIMITED**

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**ANNEXURE TO DIRECTORS' REPORT**

**DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO, AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE BOARD OF DIRECTORS' REPORT) RULES, 1988.**

**A. CONSERVATION OF ENERGY**

With a view to conserving energy, the Company has taken the following energy conservation measures:

- Redistribution of load on power feeders by providing power capacitors.
- Relay out of power transmission system for better distribution of power

**B. TECHNOLOGY ABSORPTION**

The required information in the prescribed Form 'B' of the Companies Act (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is given in Appendix.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The required information in respect of foreign exchange earnings and outgo is given below:

- |  |                 |
|--|-----------------|
| a) Foreign Exchange Earnings                           | Rs. 131.40 lacs |
| b) Foreign Exchange Outgo                              |                 |
| - CIF value of imports of raw materials and components | Rs. 160.71 lacs |
| - Expenditure in foreign currency: -                   |                 |
| Foreign Travel   | Rs. 4.00 lacs   |
| Others   | Rs. 1.41 lacs   |

**APPENDIX  
FORM B**

**DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION  
RESEARCH AND DEVELOPMENT (R & D)**

1. Specific Areas in which R & D carried out by the Company.
  - Low cost automation.
  - In-house technical training programs for managers, staff and workmen.
  - Improved packaging to reduce transit breakage.
  - Painting process rationalisation.
2. Benefits derived as a result of above R & D
  - Rejection variations arrested.
  - Improved quality of products.
  - Higher productivity.
  - Expanded in-house production facilities for critical components.
  - Increase in in-house machined components castings.
3. Future plan of action
  - To upgrade technology of the Company's current product lines so as to maintain a high level technology and market leadership.
  - To develop new in-house components casting
4. Expenditure on R & D
 

- Capital	:	NIL
- Recurring	:	NIL
- Total	:	NIL
- Total R & D Expenditure as a percentage of total turnover	:	N.A.

**SINGER INDIA LIMITED****ANNUAL REPORT 2006****ANNEXURE TO DIRECTORS' REPORT (Contd.)****TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**

1. Efforts made towards technology absorption and innovation, in brief.
  - Productivity improvement by process rationalization.
  - Product up gradation.
  - Introduction of Quality circle meetings.
  - In house manufacture of critical components both for 298 and 900 series for Zig Zag machines by transferring from other Singer factories.
  - Process development for futuristic castings.
2. Benefits derived as a result of the above efforts.
  - Improvement in product quality.
  - Reduced rejections.
  - Higher production volumes as a result of productivity improvement.
  - Cost reduction due to implementation of suggestion schemes
3. Information in case of imported technology (imported during last five years).
  - Technology imports - N.A.
  - Year of Import - N.A.
  - Has technology been fully implemented - N.A.
  - If not fully absorbed, area where this has not taken place, reason therefore and future plans of action. N.A.

Statement of information as per section 217(2A) of the Companies act, 1956 read with the Companies (Particulars of Employees Rules, 1975) as amended and forming part of the Directors' Report for the year ended 31st March 2006.

**Employees drawing Remuneration of not less than Rs 2 lacs per month & employed for a part of the year.**

Sl. No.	Name	Age in years	Designation Nature of duties	Remuneration Received (Rupees)	Qualification	Date of commencement of employment	Total experience in years	Last position held before joining the Company
1	2	3	4	5	6	7	8	9
1.	Mr. K K Gupta*	67	Vice Chairman and Managing Director	44,06,578	B.Sc.(Mechanical Engineering) (MS Industrial Engineering)	01.09.2004	42	Managing Director – Paradeep Phosphate Ltd.
2.	Mr. Mahim S Mehta	43	Head – Finance	31,11,582	B.Com (H), FCA & Grad. CWA	05.05.2004	20	Dy. General Manager - Finance – LG Electronics India Ltd.

\* As Vice Chairman & Managing Director Till 31.10.2005 & as Manager from 01.10.2005 to 11.10.2005. Remuneration includes Salary, HRA, reimbursement of medical expenses, Gas, Electricity, Club Fees and Other allowances and value of taxable perquisites as per the Income Tax Act. The employees are not related to any Director of the Company.