



AIMING FOR
CUSTOMER SERVICE
EXCELLENCE





Singer India's Economic Empowerment of Women

"When you Empower a Women, you Empower a Family"

As a part of its Corporate Social Responsibility (CSR), Singer India in association with Rotary International and others is opening Skill Development Centres.

These **"Skill Development Centres"** aim at imparting training to women from the weaker section of society by teaching them sewing and designing skills in order to make them self-reliant, thereby enhancing their value in society and enabling them to generate household income through their own initiative.

In our continuous pursuit of fulfilling this objective, 35 such Centres have been opened as on 31st March 2016.

Post successful completion of the course, certificates and diplomas are awarded to the students.



STITCHING BEHIND BARS

REFORMING PRISONERS WITH SEWING SKILLS

**"If it helps individuals find success ...
and not find themselves back in jail, then that's what we want to do."**

Mr. Rajeev Bajaj
Managing Director



Singer India towards its commitment for Community Services, in association with India Vision Foundation, has set up Sewing Skill Development Centres at some of the prominent prisons in Delhi NCR.

***Skilling the prison inmates with the sewing skills will give them instant livelihood
once they finish their prison term and they can reintegrate into society.***

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Corporate Information

BOARD OF DIRECTORS

Mr. P.N. Sharma, Chairman
 Mr. Deepak Sabharwal
 Mr. Gavin Walker
 Mrs. Madhu Vij
 Mr. Rajeev Bajaj, Managing Director

SECRETARY

Mr. Richin Sangwan

BANKERS

Yes Bank Limited
 The Jammu & Kashmir Bank Ltd.
 ICICI Bank Limited

REGISTERED & CORPORATE OFFICE

A-26/4, 2nd Floor
 Mohan Co-operative Industrial Estate
 New Delhi- 110044
 Tel.: 91 11 40617777
 Fax.: 91 11 40617799
 E-mail: mail@singerindia.net
 Toll Free : 1800 103 3474

WORKS

Lane No. 4
 SIDCO Industrial Estate
 Jammu

Lane No. 2
 SIDCO Industrial Estate
 Phase II, Jammu

Please visit our website www.singerindia.net

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have great pleasure in presenting the Thirty Eighth Annual Report and the audited accounts for the period of nine months from 1st July 2015 ending on 31st March, 2016.

FINANCIAL RESULTS

(Rupees in Lacs)

Particulars	For the nine months period ended 31st March 2016	For the year ended 30th June 2015
Sales & Services	23,939.59	28,496.84
Other Income	178.10	223.80
Total	24,117.69	28,720.64
Profit before finance cost, depreciation & impairment and Tax & Exceptional items	963.15	1,065.40
Finance cost	3.26	3.60
Depreciation, amortization and impairment	72.32	82.00
Profit before tax & Exceptional Items	887.57	979.80
Exceptional Items	-	20.13
Profit before tax	887.57	959.67
Tax - Current and Deferred (Including adjustments related to earlier years) (Income)/Expenditure	289.16	319.47
Profit after tax	598.41	640.20
Balance brought forward	2,237.32	1,989.37
Depreciation adjustment	-	(5.13)
Accumulated Balance	2,835.73	2,624.44
Dividend	268.58	268.58
Dividend Tax	54.68	54.68
Transfer to General Reserve	59.84	63.86
Balance Carried Over	2,452.63	2,237.32

FINANCIAL YEAR

The Company in compliance with Section 2(41) of the Companies Act, 2013 will henceforth have 1st April to 31st March as its financial year instead of 1st July to 30th June being adopted before and hence the current financial year is for the period of nine months commencing 1st July, 2015 and ended on 31st March, 2016.

OPERATIONS

Your Company progressed further during the period under review and could deliver another good year of performance growing over the prior year despite the challenges manifold. The total turnover recorded for the nine months period ended 31st March, 2016 was

Rs. 23,940 lacs as compared to Rs. 28,497 lacs in the last twelve months period ended 30th June 2015. The Sewing Machines and related accessories business at Rs. 20,689 lacs accounted for 86.4% of the total revenue and the balance Rs. 3,251 lacs came from the Domestic Appliances business which accounted for 13.6% of the

DIRECTORS' REPORT

total revenue. Both these business verticals grew over the prior year. The growth in business was a result of our focused approach to various business strategies; on product/pricing/channel improvement coupled with improving the operational efficiencies.

The strategy of the Company continues to increase its market share in its core business of Sewing Machines with immense brand equity the Company possesses in this product line. Simultaneously the Company leveraging out the brand recall it enjoys in the households would expand its turnover base by adding the products in the Domestic Appliances division aiming at a respectable market share in this product line as well where huge potential exists. The Company would enter all possible channels including the e-commerce and modern retail stores to reach the customers for targeting broad-based growth. The products quality with enhanced customer service levels will be targeted in line with the brand expectations. While the Sewing Machines business include all type of sewing machines for the household and also select models for the artisan and semi - industrial purpose, the emphasis continues on promoting its Zig Zag mechanical, electronic and computerized sewing machines in the Fashion Maker series by providing home demonstrations to the customers. The Domestic Appliances business includes a wide range of kitchen appliances, air-coolers and heating products. This product line is being revamped with addition of new products / replacing the existing products wherever required as a continuous process.

The profit before tax and after tax for the nine months period ended 31st March 2016 amounted to Rs.887.57 lacs (Rs.959.67 lacs in the previous year) and Rs.598.41 lacs (Rs.640.20 lacs in the previous year) respectively.

INDUSTRIAL RELATIONS

Industrial relations remained cordial and harmonious during the nine months period ended 31st March 2016.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of the business of the Company.

DIVIDEND

The Board of Directors, at their meeting held on 28th May, 2016 recommended a dividend of Rs 2.5 per equity share of face value of Rs. 10 each for the period of 9 months ended 31st March, 2016. The dividend rate on annualized base would be equivalent to 33 %.

The dividend, if approved at the forthcoming Annual General Meeting, will be paid to the shareholders as on the close of business on 29th July, 2016.

TRANSFER TO RESERVES

The Company proposes to transfer Rs.59.84 lacs to the General Reserve out of the amount available for appropriation.

AMOUNT TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND

During the period under review, the Company had transferred Rs. 42,856 on 4th September 2015 pursuant to the provisions of section 205C of Companies Act, 1956.

FIXED DEPOSITS

The unclaimed and unpaid amount of Fixed Deposits as on 31st March 2016 was Rs. 2.05 lacs (Principal) and Rs.1.10 lacs (Interest) to thirteen depositors who have not furnished their original deposit receipts or indemnities. These depositors had not claimed the amount despite reminders. Out of this amount, Rs. 1.80 lacs (including interest of Rs.1.01 lacs) will be deposited with the Investor Education and Protection Fund of the Central Government within the prescribed time in the current financial year and the balance amount in the subsequent year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During period under review, your Company has not made any loan, or given any guarantee or provided any security and/or made investments and thus the compliance of Section 186 of the Companies Act, 2013 is not applicable.

SUBSIDIARY COMPANIES

Singer India Trading Limited, the wholly owned subsidiary of the Company, had filed for voluntary

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winding up under the provisions of the Companies Act, 1956. The liquidator appointed by the shareholders of Singer India Trading Limited has completed all formalities and filed his Report with the Official Liquidator. The winding up matter of Singer India Trading Limited is pending with the Official Liquidator as of now.

DEPOSITORY SYSTEM

The Company's shares are available for dematerialization with National Securities Depository Ltd. (NSDL) and Central Depository Services (I) Ltd. (CDSL). 99.57% of the total shareholding of the Company was held in dematerialized form as on 31st March, 2016.

DIRECTORS

Mr. Gavin Walker retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

The profile of the Director to be re-appointed has been given in the Corporate Governance Report. The Board recommends the above re-appointment. Resolution seeking your approval on this item along with the terms and conditions are included in the Notice convening the Annual General Meeting.

CORPORATE GOVERNANCE

As required under Regulation 34 read with Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "the Listing Regulations"), a separate report on Corporate Governance is enclosed as a part of this Annual Report, duly certified by M/s Ray & Ray, Chartered Accountants, the Auditors of the Company, confirming the compliance of the conditions of Corporate Governance.

DECLARATIONS BY INDEPENDENT DIRECTORS

Your Company had received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under provisions of the Listing Regulations.

Independent Directors are familiarized with their roles,

rights and responsibilities as well as with the nature of industry and business model through induction program at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time. The terms & conditions of appointment of Independent Directors can be accessed at http://www.singerindia.net/?page_id=41/#termconditions

KEY MANAGERIAL PERSONNEL

Mr. Ashish Srivastava had resigned from the post of Company Secretary w.e.f. 28.07.2015 and Mr. Richin Sangwan had been appointed as Company Secretary w.e.f. 29.07.2015 and designated as the Key Managerial Personnel of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

On the basis of Compliance certificates received from the executives of the Company & subject to the disclosures in the annual accounts & also on the basis of the discussions with the Statutory Auditors/Internal Auditors of the Company from time to time your Directors make the following statements, Pursuant to Section 134 (3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement:

- that in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit of the Company for the nine months period ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been

DIRECTORS' REPORT

prepared on a going concern basis;

- e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;
- f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

The Company's Internal Auditors have conducted periodic audit(s) to provide reasonable assurance that the Company's established policies and procedures have been followed.

BOARD EVALUATION

In compliance with the Companies Act, 2013 and Regulation 17 of Listing Regulations the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

The evaluation criteria of the Company can be accessed at http://www.singerindia.net/?page_id=41/#policies

NOMINATION AND REMUNERATION POLICY

The Board, on the recommendation of the Nomination & Remuneration Committee, has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The remuneration paid to the Directors and the Senior Management is as per the Managerial Remuneration Policy of the Company. Brief details of the Managerial Remuneration Policy are provided in the Corporate Governance Report.

The Nomination & Remuneration Policy of the Company can be accessed at http://www.singerindia.net/?page_id=41/#policies

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control systems and procedures designed to effectively control the operations at its various functions. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets. The Company has well designed Standard Operating Procedures. Planned periodic reviews are carried out by Internal Audit covering operations and their findings are reviewed by the management and by the Audit Committee of the Board of Directors.

Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies & Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the Internal Control and Systems followed by the Company.

RISK MANAGEMENT

The Company has laid down a well defined Risk Management Policy to identify the risks associated with the business of the Company on a periodical basis and review the minimization programs to mitigate them. More details are given in the Management Discussions and Analysis report in the Annual Report.

The Risk Management Policy of the Company can be accessed at http://www.singerindia.net/?page_id=41/#policies

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report. The Annual Report on CSR activities provided in Annexure 3 to this Report. The CSR Policy of the Company can be accessed at http://www.singerindia.net/?page_id=43

During the period under review, the Company had taken an initiative to run skill development centers for the benefit of the underprivileged women & men whereby they are being trained to develop their skills in the field of sewing, embroidery work and other related work to make them self-proficient and independent working member of their family.

DIRECTORS' REPORT

The Company had spent Rs.17.03 Lacs during the nine months period ended 31st March, 2016 on these skill development centers.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report as required under the Listing Regulations forms part of this report and annexed thereto.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company had adopted a policy for prevention of Sexual Harassment of Women at workplace and had set up a Committee for implementation of said policy. During the nine months period ended 31st March, 2016, the Company had not received any complaint of harassment.

The Prevention of Sexual Harassment Policy of the Company can be accessed at http://www.singerindia.net/?page_id=41/#policies

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 are provided in Annexure 2 of the Report.

RELATED PARTIES TRANSACTIONS

All the related party transactions of the Company are reviewed by the Audit Committee and presented to the Board on a quarterly basis. These transactions were at arm's length basis and in the ordinary course of business and are in compliance with the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and Listing Regulations. There were no materially

significant related party transactions entered into by the Company. Hence Form AOC-2 under these rules is not applicable to the Company. Moreover the disclosures relating to related parties are explained in Note 42 in the Notes to Accounts attached to the Balance sheet.

The policy of the Company on Related Party Transactions can be accessed at http://www.singerindia.net/?page_id=41/#policies

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. During the nine months period ended 31st March, 2016 under review, there were no cases pertaining to whistle blower policy.

The said policy of the Company can be accessed at http://www.singerindia.net/?page_id=3759

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

STATUS OF APPEALS OF UNSECURED CREDITORS UNDER THE BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION (BIFR) REHABILITATION SCHEME

The Order passed by the Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) dated 22.12.2015 in respect to the litigation with the unsecured creditors is in appeals before the Hon'ble Delhi High Court / Supreme Court. Meanwhile the Company has amicably settled out of the Court with seven parties out of these nine litigating parties.

STATUTORY AUDITORS AND AUDITORS' REPORT

The Statutory Auditors of the Company, M/s Ray & Ray, Chartered Accountants were appointed by the members

DIRECTORS' REPORT

in the 36th Annual General Meeting for a period of 3 years until the conclusion of the 39th Annual General Meeting subject to the ratification by the shareholders at every Annual General Meeting. The Company has received a Certificate from the Auditors to the effect that the appointment, if made, would be within the limits prescribed under Section 141(g) of the Companies Act 2013. Members' ratification for the appointment of Statutory Auditor has been sought in the Notice convening the Annual General Meeting of the Company.

The report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, the Company had appointed Mr. H O Gulati, Practicing Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the nine months period ended 31st March, 2016 is provided as Annexure-1. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company.

INTERNAL AUDIT

During the nine months period ended 31st March, 2016, your Company has engaged the services of M/s S S Kothari Mehta & Company, Chartered Accountants, as Internal Auditors to carry out the internal audit of the Company. The reports of the internal auditors, along with comments from the management are placed for review before the Audit Committee. The Audit Committee in consultation with the Statutory Auditor also scrutinizes the audit plan and the adequacy of internal controls.

PARTICULARS OF EMPLOYEES

No employee of the Company was drawing remuneration of Rupees Sixty Lacs or more, if employed for full year or Rupees Five Lacs or more if employed for part of the year, so information required under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable on the Company.

Information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure 4 to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo in accordance with Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is provided in Annexure 5 to this Report.

ACKNOWLEDGEMENT

The Directors place on record their appreciation for the assistance and co-operation received from the Government of J & K, SINGER, the Company's valued customers, members, investors, employees, bankers, suppliers and dealers/ distributors.

For and on behalf of the Board of Directors of
SINGER INDIA LIMITED

Place: New Delhi

Date : 28th May, 2016

P N Sharma

CHAIRMAN