

Date: 05<sup>th</sup> July, 2019

To

The Secretary  
BSE Limited , Floor 25, Phiroze Jeejeebhoy,  
Dalal Street, Mumbai – 400001

**Scrip code: 505729**

Dear Sir/Ma'am,


**Sub: Annual Report for the F.Y 2018-19**

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements), 2015, please find attached herewith a copy of Annual Report of the Company for the Financial Year 2018-19 along with the notice of 41<sup>st</sup> Annual General Meeting scheduled to be held on Wednesday, 07<sup>th</sup> August, 2019. The same is also available on the website of the Company at [www.singerindia.net](http://www.singerindia.net)

Please take the same on record.

Thanking you,

**For Singer India Limited**



Piyanka Gandhi  
Company Secretary

**SINGER INDIA LIMITED**

Registered & Head Office : A-26/4, 2<sup>nd</sup> Floor, Mohan Cooperative Industrial Estate, New Delhi-110044

Tel. : +91-11-40617777 Fax : +91-11-40617799 Toll Free No. 1800-103-3474

E-mail : [mail@singerindia.net](mailto:mail@singerindia.net) Website : [www.singerindia.net](http://www.singerindia.net)

CIN : L52109DL1977PLC025405



**NOTICE OF 41st ANNUAL GENERAL MEETING**



**SINGER INDIA LIMITED**

**CIN: L52109DL1977PLC025405**

Regd. & Head Office: A-26/4, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi – 110044

Phone: +91-11-40617777, Fax: +91-11-40617799 Toll free No. 1800-103-3474

Website: [www.singerindia.net](http://www.singerindia.net), Email: [secretarial@singerindia.net](mailto:secretarial@singerindia.net), [mail@singerindia.net](mailto:mail@singerindia.net)





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CIN: L52109DL1977PLC025405

#### NOTICE OF 41st ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 41st Annual General Meeting of the members of Singer India Limited will be held as scheduled below:

**Day** : Wednesday

**Date** : 07th August, 2019

**Time** : 03:00 p.m.

**Place** : PHD Chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016

to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company (including audited consolidated financial statements) for the financial year ended 31st March 2019 and the Report of the Directors and Auditors thereon.
2. (a) To confirm the payment of the interim dividend at the rate of Rs. 0.40 per equity share of Rs. 2 (Rupees Two only) each already paid on 26th February, 2019 out of the profit for the financial year ended 31st March, 2019.  
(b) To declare a final dividend on equity shares for the financial year ended on 31st March, 2019.  
**“RESOLVED THAT** a final dividend at the rate of Rs. 0.40 per equity share of Rs. 2/- (Rupees Two only) each recommended by the Board of Directors of the Company at its meeting held on 22nd May, 2019, be and is hereby approved and confirmed as the final dividend for the financial year ended 31st March, 2019.”
3. To re-appoint Mr. Gavin Walker (DIN: 01216863) as Director, who retires by rotation and, being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

4. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:  
Increase in remuneration paid or payable to Mr Rajeev Bajaj, Managing Director (DIN: 02284467) as per the terms of appointment of the Company with effect from 1st day of July 2019.  
**“RESOLVED THAT** pursuant to the provisions of section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto including any statutory modification or enactment thereof for the time being in force, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other approvals as may be necessary including the approval of the Central Government if required, approval and consent of the Company be and is hereby accorded for an increase in remuneration of Mr. Rajeev Bajaj, Managing Director of the Company as recommended by the Nomination and Remuneration Committee with effect from 1st July, 2019 to cover the annual increments as decided by the Board in its meeting held on 22nd May, 2019 based on the performance of Mr. Rajeev Bajaj and as set out in the Explanatory Statement annexed to this Notice with the liberty to the Board of Directors to alter and vary the terms and conditions.”

**“RESOLVED FURTHER THAT** the increased salary paid to Mr. Rajeev Bajaj from 1st July, 2019 to the date of this Annual General Meeting be and is hereby approved and ratified.”

**“RESOLVED FURTHER THAT** if the Company has no profit or inadequate profits, the remuneration as set out in the explanatory statement annexed hereto shall also be the minimum remuneration payable to Mr. Rajeev Bajaj, pursuant to the applicable provisions of Section 197 of the Companies Act, 2013 read with Schedule V and any other enabling provisions of Companies Act, 2013, or any amendment thereto or modification thereof and the Rules, regulations or guidelines there under.”

5. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:  
Re- appointment of Mr. Paresh Nath Sharma (DIN: 00023625), as Independent Non-Executive Director of the Company for a second term of five consecutive years w.e.f. 12th November, 2019.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Paresh Nath Sharma (DIN: 00023625), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term with effect from 12th November, 2019 to 11th November ,2024 and whose office shall not be liable to retire by rotation.”

6. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:  
Re- appointment of Mr. Deepak Sabharwal (DIN: 00173116), as Independent Non-Executive Director of the Company for a second term of five consecutive years w.e.f. 12th November, 2019.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Deepak Sabharwal (DIN: 00173116), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term with effect from 12th November, 2019 to 11th November, 2024 and whose office shall not be liable to retire by rotation.”

7. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:  
Re- appointment of Mrs. Madhu Vij (DIN: 00025006), as Independent Non-Executive Director of the Company for a second term of five consecutive years w.e.f. 12th November, 2019.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Madhu Vij (DIN: 00025006) Independent Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold

office for second term with effect from 12th November, 2019 to 11th November ,2024 and whose office shall not be liable to retire by rotation.”

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

Sd -  
**Priyanka Gandhi**  
Company Secretary

**Place: New Delhi**

**Dated: 22.05.2019**

**NOTES**

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed hereto in respect of the 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/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a Member holding more than 10% of the total share capital of the Company carrying voting rights proposes to appoint a proxy, then such Member may appoint a single person as proxy, however, such proxy shall not act as a proxy for any other person or Member.
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. Members/Proxies/Authorized Representative 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.
5. In terms of the requirements of the Secretarial Standards- 2 on “General Meeting” issued by the Institute of Companies Secretaries of India and approved and notified by the Central Government, a route map showing directions to reach the venue of the AGM and attendance slip along with proxy form is annexed to this Notice.
6. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. Members holding shares in Demat mode are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their demat account and Members holding shares in physical mode are requested to submit the said bank details to the Company’s Registrar & Transfer Agents.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from 25th July, 2019 to 07th August, 2019 (both days inclusive).
9. Dividend on equity shares as recommended by the Board of Directors for the financial year ended 31st March, 2019, when declared at the Meeting will be paid:

- (i) to those Members whose names shall appear in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company/ RTA on or before 24th July, 2019.
  - (ii) to all beneficial owners in respect of shares held in electronic form whose names shall appear in the statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the end of business hours on 24th July, 2019.
10. In order to preserve the environment & minimize use of paper, copies of the Annual Report will not be distributed at the Annual General Meeting. Electronic copy of the Annual Report and the Notice of the 41st Annual General Meeting of the Company along with Attendance Slip, Proxy Form and the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. Members are requested to bring their copies of Annual Report. For members who have not registered their email address, physical copies of the Notice of the 41st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
11. Members are requested to update their E-mail Address with their Depository Participants to enable the Company to send communications electronically.
12. 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.
13. It will be desirable that queries, if any, on the accounts and operations of the Company to be sent to the Company 10 days in advance of the meeting so that the answers may be made readily available, which would be appreciable.
14. The shares of the Company are being compulsorily traded in dematerialized (i.e. electronic form only) on the Bombay Stock Exchange. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from 1st April, 2019. In view of the above, members are advised to dematerialise shares held by them in physical form. Shareholders holding shares in physical mode are accordingly advised to approach with any Depository Participant having registration with SEBI to open a Demat account and get their physical holding converted into dematerialized form. For your information ISIN No. of the company is INE638A01035 for both the depositories, viz National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd. (CDSL). You may also visit web site of depositories viz., NSDL or CDSL for further understanding about the demat procedure:  
  
NSDL website: <https://nsdl.co.in/faqs/faq.php> (dematerialization)  
  
CDSL website: <https://www.cdslindia.com/investors/open-demat.aspx>
15. Documents referred to in the accompanying Notice and the Explanatory Statements 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.
16. Pursuant to Sub Regulation 3 of Regulation 36 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations 2015, profile of Directors to be re-appointed at the ensuing Annual General Meeting has been given in this Notice.
17. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 the Company has engaged the services of CDSL to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this Annual General Meeting. The Board of Directors of the Company has appointed Mr. Hari Om Gulati, a Company Secretary in practice, as the Scrutinizer for this purpose. Please note that the voting through electronic means is optional to the Members.

The procedure with respect to e-voting as provided by the CDSL is as below:

### Voting through electronic means

Pursuant to the provisions of Section 108 of Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depositories Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/its discretion, subject to compliance with the instructions prescribed below:

The instructions for members for voting electronically are as under: -

#### In case a Member receives e-mail:

- (i) The voting period begins on 04th August, 2019 at 9.00 a.m. and ends on 06th August, 2019 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 31st July, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on Shareholders / Members
- (v) Now enter your User ID
  - a. For CDSL : 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders and physical shareholders) Members who have not updated their PAN with the Company/Depositories participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field, sequence number is printed on Annual Report's envelope. In case the sequence number is less than 8 digits enter the applicable number of '0' before the number after the first two characters of the name in CAPITAL letters e.g. If your name is Ramesh Kumar with sequence number 100 then enter RA0000100 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records to login. If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details as mentioned in instruction (v) above.



- (ix) After entering the details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share the password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice.
- (xii) Click on the EVSN of Sing India Limited on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTION FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change the vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

#### **For Institutional Shareholders**

- 1) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - 2) They should submit a scanned copy of the Registration Form bearing the stamp and sign to the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - 3) After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - 4) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - 5) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for scrutinizer to verify the same.
- xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 31st July, 2019 may follow the same instructions as mentioned above for e-Voting.

xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**In case of members receiving the physical copy:**

Please follow all steps from Sl. No. (i) to Sl. No. (xix) above to cast vote.

The results of the e-voting along with the scrutinizer’s report shall be placed on the Company’s website [www.singerindia.net](http://www.singerindia.net) and on the website of CDSL e-Voting within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the company are listed.

**18. NO GIFTS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING.**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.**

In conformity with the provisions of Section 102 (1) of the Companies Act, 2013 the following explanatory statement which sets out the material facts relating to the Special Business under item No. 4 of this Notice are taken as forming part of the Notice.

**Item No. 4**

The annual increment of Mr. Rajeev Bajaj, Managing Director of the Company is due from 1st July, 2019 subject to recommendations of the Nomination & Remuneration Committee and Board of Directors. Mr. Rajeev Bajaj has been awarded 10% increase in his remuneration w.e.f. 1st July, 2019 on his existing remuneration by the Board of Directors based on the recommendation from the Nomination and Remuneration Committee which is proposed for approval of members. His salary structure effective 1st July, 2019 after the said increase which is subject to members’ approval will be as under:

- |    |   |   |   |
|----|---|---|---|
| 1. | Basic Salary                                | : | Rs. 26,61,996 p.a. payable on monthly basis.  |
| 2. | All Perquisites and allowances              | : | Rs. 56,67,876 p.a. payable on monthly basis.  |
| 3. | Contribution to Gratuity and Provident Fund | : | Rs. 4,47,480 p.a. payable on monthly basis.   |
| 4. | Annual Performance Award/Executive Bonus    | : | As decided by the Board from time to time up to 120% of the base salary and the base salary for this purpose would mean 50% of the Cost to the Company (CTC) of Mr. Rajeev Bajaj excluding Executive Bonus. |

In addition to above Company car would be provided for which the actual expenses will be paid by the Company including chauffeur, fuel, insurance and maintenance of the vehicle.

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

No Director of the Company other than Mr. Rajeev Bajaj is concerned or interested in the said resolution.

The above statement and the terms and conditions as stated above may be regarded as an abstract of the terms and conditions and memorandum of interest under section 190 of the Companies Act, 2013.

**Statement in terms of Section II of Part II of Schedule V of the Companies Act, 2013 for Item No 4 is given as under:**

**I. General Information:**

1.	Nature of Industry	Sewing Machines & other Consumer durable
2.	Date of Commencement of business	13 <sup>th</sup> March 1978

3.	In case of new companies, expected date of commencement of activities	Not applicable
4.	Financial performance	During the Financial year ended on 31.03.2019, the Company recorded a turnover of Rs. 482.98 crores and made a profit of Rs. 14.59 crores before tax. The profit after tax for the year under review was Rs. 9.26 crores
5.	Export performance and net foreign exchange	Rs. 7.23 crores
6.	Foreign investments or collaborators	Retail Holdings (India) B.V. (former name Singer (India) B.V.), The Netherlands is the promoter Company and holds 59.07% of the paid up equity share capital of the Company as on date.

## II. Information about the appointee:

1.	Background details	Mr. Rajeev Bajaj is a Fellow member of the Institute of Chartered Accountant of India as well as Fellow member of the Institute of Company Secretaries of India with over 35 years of experience in the field of Finance, Accounts, Taxation, and Legal & Secretarial. Mr. Rajeev Bajaj was earlier working in Steel Authority of India Limited. Thereafter he joined Singer India Limited as Senior Officer in 1986 and was subsequently appointed as Company Secretary in February 1999 to October 2005. In October 2005 Mr. Rajeev Bajaj joined Brand Trading (India) Private Limited as a Company Secretary & G.M Commercial. From October 2008 he is working with Singer India Limited.
2.	Past remuneration	Singer India Limited - Rs. 106.72 Lacs for year ended 31.03.2019.
3.	Recognition or awards	Nil
4.	Job profile and his suitability	Mr. Rajeev Bajaj will be looking after substantially the whole of the affairs of the Company subject to the control and superintendence of the Chairman. He has over 35 years of rich experience in overall financial management of companies.
5.	Remuneration proposed	As per the details set out in the explanatory statement attached with the notice of the meeting.
6.	Comparative remuneration	In line with the Industry Profile w.r.t. industry size of the Company, profile of the position and person.

## III. Other information:

1.	Reasons of loss or inadequate profits	N. A.
2.	Steps taken or proposed to be taken for improvement.	N.A.
3.	Expected increase in productivity and profits in measurable terms.	The Company expects that volumes will grow by 8 to 10 % annually in the respective business.

#### IV. Disclosures

1.	Remuneration package of the managerial person	Remuneration package of Mr. Rajeev Bajaj is as given in the resolution and explanatory statement annexed with the Notice to the members
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The Board of Directors, therefore, commend the resolution as a Special Resolution for your approval.

No Director of the Company other than Mr. Rajeev Bajaj is concerned or interested in the said resolution.

The above statement and the terms and conditions as stated above may be regarded as an abstract of the terms and conditions and memorandum of interest under section 190 of the Companies Act, 2013.

#### Item No. 5

Mr. Paresh Nath Sharma (DIN: 00023625) was appointed as an Independent Non-Executive Director of the Company at the Annual General Meeting held on 12th November 2014 for a period of 5 years and thus he holds office as an Non-Executive Independent Director of the Company up to 11th November 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Paresh Nath Sharma as an Independent Non-Executive Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and rich experience and contributions made by him during his tenure, the continued association and strong Board performance of Mr. Paresh Nath Sharma would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Non-Executive Director. Accordingly, it is proposed to re-appoint Mr. Paresh Nath Sharma as an Independent Non-Executive Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Paresh Nath Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from Mr. Paresh Nath Sharma that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, Mr. Paresh Nath Sharma fulfils the conditions for appointment as an Independent Non-Executive Director as specified in the Act and the Listing Regulations. Mr. Paresh Nath Sharma is independent of the management.

Mr. Paresh Nath Sharma shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of draft letter of appointment of Mr. Paresh Nath Sharma setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Paresh Nath Sharma is interested in the resolution set out at Item No. 5 of the Notice with regard to his re-appointment. Relatives of Mr. Paresh Nath Sharma may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

**Item No. 6**

Mr. Deepak Sabharwal (DIN: 00173116) was appointed as an Independent Non-Executive Director of the Company at the Annual General Meeting held on 12th November 2014 for a period of 5 years and thus he holds office as an Independent Non-Executive Director of the Company up to 11th November 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mr. Deepak Sabharwal as an Independent Non-Executive Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and rich experience and contributions made by him during his tenure, the continued association and strong Board performance of Mr. Deepak Sabharwal would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Non-Executive Director. Accordingly, it is proposed to re-appoint Mr. Deepak Sabharwal as an Independent Non-Executive Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Deepak Sabharwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from Mr. Deepak Sabharwal that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, Mr. Deepak Sabharwal fulfils the conditions for appointment as an Independent Non-Executive Director as specified in the Act and the Listing Regulations. Mr. Deepak Sabharwal is independent of the management.

Mr. Deepak Sabharwal shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of draft letter of appointment of Mr. Deepak Sabharwal setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Deepak Sabharwal is interested in the resolution set out at Item No. 6 of the Notice with regard to his re-appointment. Relatives of Mr. Deepak Sabharwal may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

**Item No. 7**

Mrs. Madhu Vij (DIN: 00025006), was appointed as an Independent Non-Executive Director of the Company at the Annual General Meeting held on 12th November 2014 for a period of 5 years and thus she holds office as an Independent Non-Executive Director of the Company up to 11th November 2019 (“first term”).

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Mrs. Madhu Vij as an Independent Non-Executive Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background and rich experience and contributions made by her during her tenure, the continued association and strong Board performance of Mrs. Madhu Vij would be beneficial to the Company and it is

desirable to continue to avail her services as an Independent Non-Executive Director. Accordingly, it is proposed to re-appoint Mrs. Madhu Vij as an Independent Non-Executive Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mrs. Madhu Vij is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has also received declaration from Mrs. Madhu Vij that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mrs. Madhu Vij fulfils the conditions for appointment as an Independent Non-Executive Director as specified in the Act and the Listing Regulations. Mrs. Madhu Vij is independent of the management.

Mrs. Madhu Vij shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of draft letter of appointment of Mrs. Madhu Vij setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mrs. Madhu Vij is interested in the resolution set out at Item No.7 of the Notice with regard to her re-appointment. Relatives of Mrs. Madhu Vij may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

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

**Place: New Delhi  
Date: 22.05.2019**

**Priyanka Gandhi  
Company Secretary**

## DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT

Pursuant to SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015

Name of the Director	Mr. Paresh Nath Sharma	Mr. Deepak Sabharwal	Mrs. Madhu Vij
Date of Birth	15-08-1949	21-09-1967	16-07-1955
Date of Appointment	12-11-2014	12-11-2014	12-11-2014
Qualifications	B.SC, FCS, FCA and completed Top Management Program from Henly Business School, U.K	Advocate & Solicitor	B.Com(Hons), M.Com, M.Phil, PhD
Nature of expertise in specific functional areas	Rich experience in Corporate Finance, International Marketing, Audit	Rich and wide experience in Corporate Laws, Income Tax and other laws, including Mergers and Acquisitions	Professor in Faculty of Management Studies, University of Delhi having rich experience in the field of International Finance, Banking, Corporate Finance, Risk Management. She had been honored with several Awards and Authored several books on Corporate Finance & Management Accounting.
Directorship and Trusteeship in other Companies	<ol style="list-style-type: none"> <li>1. Flex Foods Limited</li> <li>2. Sparrow Devcon Private Limited</li> <li>3. KB Educational Services Private Limited</li> <li>4. Vidya Mandir Classes Limited</li> <li>5. Ultimate Flexipack Limited</li> <li>6. Avant Garde Collections Private Limited</li> <li>7. PMG Finvest Care Private Limited</li> <li>8. Baidyanath Finance and Leasing Ltd.</li> </ol>	NIL	<ol style="list-style-type: none"> <li>1. Kohinoor Foods Limited</li> <li>2. SMC Global Securities Limited</li> <li>3. Risk Educators Private Limited</li> <li>4. Solar Industries India Limited</li> </ol>
Chairman/ Member of Committees of other Companies	<ol style="list-style-type: none"> <li>1. <b>Flex Foods Limited</b> <ol style="list-style-type: none"> <li>(i) Audit Committee - Chairman</li> <li>(ii) Stakeholder's Grievance Committee- Chairman</li> <li>(iii) Nomination &amp; Remuneration Committee- Chairman</li> <li>(iv) CSR Committee- Chairman</li> </ol> </li> <li>2. <b>Ultimate Flexipack Limited</b> <ol style="list-style-type: none"> <li>(i) Audit Committee - Chairman</li> <li>(ii) Stakeholder's Grievance Committee-Member</li> <li>(iii) Nomination &amp; Remuneration Committee- Chairman</li> <li>(iv) CSR Committee- Chairman</li> </ol> </li> </ol>	NIL	<ol style="list-style-type: none"> <li>1. <b>Kohinoor Foods Limited.</b> <ol style="list-style-type: none"> <li>(i) Audit Committee - Member</li> <li>(ii) Nomination &amp; Remuneration Committee - Member</li> </ol> </li> <li>2. <b>Solar Industries India Limited</b> <ol style="list-style-type: none"> <li>(i) Audit Committee - Member</li> </ol> </li> </ol>
No. of shares held	75	0	0

Disclosure regarding Directors seeking appointment/reappointment as required under Regulation 36 of the Listing Regulations entered into with Stock Exchange.

**Re-appointment of Mr. Gavin Walker (DIN: 01216863) as a Director (Item No. 3)**

Mr. Gavin Walker (aged-50) has a finance background and is President and CEO of Singer Asia Limited. Prior to joining Singer Asia Limited, Mr. Gavin Walker served as Managing Director and Chief Executive of Private and Public Companies in the United Kingdom and in South Africa, he has served as Chief Executive Officer of Profun Ltd., a South African Company that was a multi-brand retailer of electric appliances and furniture with operations in 16 African Countries and Australia. He is not a Board member or Committee member of any other listed Company in India. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the AGM.

**Map of the venue of  
41st Annual General Meeting of Singer India Limited**





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# SINGER INDIA LIMITED

CIN: L52109DL1977PLC025405

Registered Office: A-26/4, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi – 110044

Phone: +91-11-40617777, Fax: +91-11-40617799

Website: www.singerindia.net, Email: secretarial@singerindia.net, mail@singerindia.net

## PROXY FORM

FORM NO. MGT - 11

(Pursuant to Section 105(6) of the Companies Act, 2013, and Rule 19(3) of the Companies  
(Management and Administration) Rules 2014

41st Annual General Meeting- 7th August, 2019

Name of the member(s):	
Registered address	
Email	
Folio No. / Client ID	
DP ID	

I/We, being the member(s) of ..... shares of Singer India Limited, hereby appoint:

- 1) ..... of ..... having email id ..... or failing him
- 2) ..... of ..... having email id ..... or failing him
- 3) ..... of ..... having email id ..... or failing him

and whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Forty First Annual General Meeting of the members of Singer India Limited to be held on 07th August, 2019 at 03:00 p.m. and at any adjournment thereof in respect of such resolutions are indicated below:

Sl No.	Resolution	Vote (Optional See Note No. 4) (Please Mention No. of Shares)		
		For	Against	Abstain
<b>ORDINARY BUSINESS</b>				
1.	Adoption of the audited financial statements of the Company (including audited consolidated financial statements) for the financial year ended 31st March, 2019 and the Reports of the Directors and Auditors thereon.			
2.	Confirmation of interim dividend and declaration of final dividend on equity shares for the Financial year ended 31st March, 2019			
3.	Re-appointment of Mr. Gavin Walker as a Director who retires by rotation.			

Sl No.	Resolution	Vote (Optional See Note No. 4) (Please Mention No. of Shares)		
		For	Against	Abstain
<b>SPECIAL BUSINESS</b>				
4.	Increase in remuneration paid or payable to Mr Rajeev Bajaj, Managing Director (DIN: 02284467) as per the terms of appointment of the Company with effect from 1st day of July, 2019.			
5.	Re- appointment of Mr. Paresh Nath Sharma (DIN: 00023625), as Independent Non-Executive Director of the Company for a second term of five consecutive years w.e.f. 12th November, 2019.			
6.	Re- appointment of Mr. Deepak Sabharwal (DIN: 00173116), as Independent Non-Executive Director of the Company for a second term of five consecutive years w.e.f. 12th November, 2019.			
7.	Re- appointment of Mrs. Madhu Vij (DIN: 00025006), as Independent Non-Executive Director of the Company for a second term of five consecutive years w.e.f. 12th November, 2019.			

Signed this ..... day of ..... 2019

Signature of shareholder

Affix  
Re. 1/-  
Revenue  
Stamp

Signature of Proxy holder (s) .....  
First
Second
Third

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. The Proxy Form should be signed across the stamp as per specimen registered with the R&TA/Depository Participant (DP).
3. For the Resolutions, Explanatory Statement and Note, please refer to Notice of the 41st Annual General Meeting.
4. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**REGISTRATION OF E-MAIL ADDRESS FOR FUTURE COMMUNICATION**

Name of Shareholder(s) ..... E-mail id : .....

Address .....

Client ID/Folio No. (in case physical holding) .....

DP ID: ..... Signature .....



**CIN: L52109DL1977PLC025405**

Registered Office: A-26/4, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi – 110044

Phone: +91-11-40617777, Fax: +91-11-40617799

Website: www.singerindia.net, Email: secretarial@singerindia.net, mail@singerindia.net

### **ATTENDANCE SLIP**

41st Annual General Meeting to be held on Wednesday, 07th August 2019 at 03:00 p.m. at PHD chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi- 110016

Regd. Folio No. ....

No. of Share held .....

\*DP. ID. No. ....

\*Client ID No. ....

I certify that I am a member/proxy for the members of the Company.

I hereby record my presence at the 41st Annual General Meeting of the Company to be held on 07th August, 2019 at 03:00 P.M. at PHD chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi 110016

.....

.....

Name of the Member/ Proxy/ Representative

Signature of the Member/ Proxy/ Representative

(In BLOCK letters)

\*Applicable for investors holding shares in electronic form.

**Note:** Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.



# **REGISTERED POST**

*If undelivered please return to:*



Regd.& Head Office: A-26/4, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi – 110044

Phone: +91-11-40617777, Fax: +91-11-40617799 Toll free No. 1800-103-3474

Website: [www.singerindia.net](http://www.singerindia.net), Email: [secretarial@singerindia.net](mailto:secretarial@singerindia.net), [mail@singerindia.net](mailto:mail@singerindia.net)

CIN: L52109DL1977PLC025405

Over 160 Years of  
Trust Worldwide

 **SINGER**

 **SINGER**  
**Space**  
*Reach Beyond The Sky*

SINGER INDIA LIMITED ANNUAL REPORT 2018-19

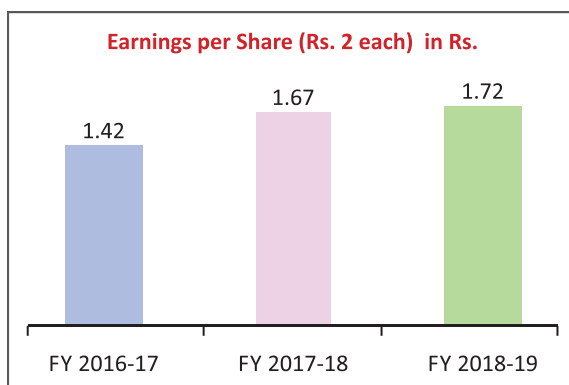
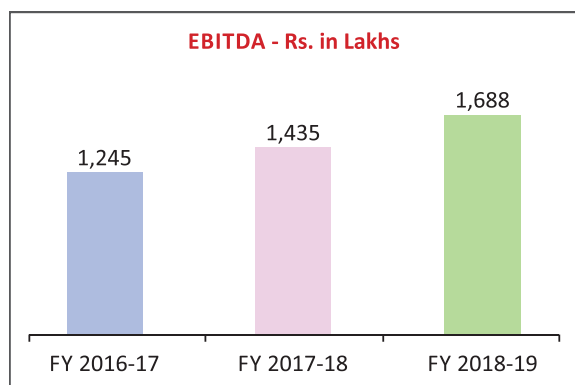
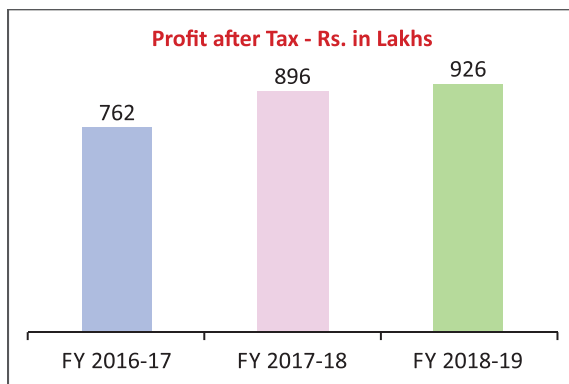
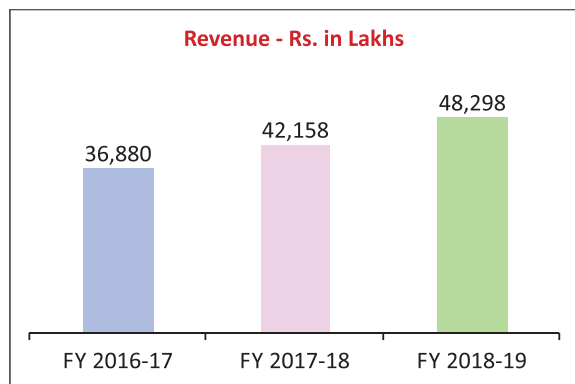
2018/19

## FINANCIAL HIGHLIGHTS (Standalone)

(Rupees in Lakhs)

PARTICULARS	FY 19 12 Months	FY 18 12 Months	FY 17 12 Months
Revenue from operations	48,298	42,158	36,880
EBITDA	1,688	1,435	1,245
Profit after Tax (PAT)	926	896	762
Total comprehensive income	918	894	759
Share Capital	1,074	1,074	1,074
Reserves & Surplus	4,820	4,647	4,206
Fixed Assets - Net	1,183	1,209	1,240
Net Current Assets	4,112	3,919	3,313
Net Non - Current Assets	599	592	727
EBITDA Margin	3.50%	3.40%	3.38%
Net Profit Margin	1.92%	2.13%	2.07%
EPS (of Rs 2 each) (Basic & Diluted) (in Rs.)	1.72	1.67	1.42
Dividend rate	40%#	37.5%	35%

# include final dividend @ 20%, subject to approval of the shareholders in the upcoming Annual General Meeting.



This Year's Annual Report Cover is adapted from the "On the Spot" painting done by Mr. Vilas Nayak, who is one of the World's renowned Fastest Speed Painter. Vilas has performed in more than 23 Countries and has participated in popular shows like India's Got Talent and Asia's Got Talent.



The painting is based on the Annual Theme for 2019



which was painted within a span of 7 minutes, during the Annual Dealer Conference at Ooty.



The **SPACE** theme symbolizes progression and motivation to Reach Beyond The Sky.



Special facilitation to Mr. Vilas Nayak by Managing Director, Mr. Rajeev Bajaj





# CORPORATE SOCIAL RESPONSIBILITY



**"LET YOUR HANDS STITCH THOSE  
DREAMS THAT YOUR HEART NURTURE"  
EARN WHILE YOU LEARN**



*Singer associated with Kotak Bank to give Gift Hamper to the Women who would open the special "SILK WOMEN'S SAVING ACCOUNT" with them.*



The Gift Hamper comprises of specially crafted stylish Hand Bag, Wallet Pouch and Neck Scarf made by the students at the Singer Skill Centres under the Label of "EK NAYI PEHCHAAN."

The students made 9,000 pcs of these hampers. There was lot of precision, neatness and creativity required.

They took keen interest in stitching them and got rewarded by Singer as they were given remuneration for each of the piece they made !!



Wallet Pouch

Hand Bag

Ladies Neck Scarf



**Hamper distribution Campaign by Kotak Bank  
on Mother's Day**

# Embracing

#LiveTheNew Spirit

**SINGER**

IT'S TIME TO GIFT HER SOMETHING SPECIAL! GET 25% OFF WITH OUR

**Mother's Day! Offer**

ON SEWING MACHINES, KITCHEN APPLIANCES & PERSONAL CARE APPLIANCES



Three circular icons showing a sewing machine, a blender, and a hair dryer.

**SINGER**

**Bold. Beautiful. Bestie.**

Designed to match up with every role you play

*Happy Women's Day*

Avail upto 10% additional discount on all products



**SINGER**

*Straighten, curl or crimp*

**STYLEE HS01**



360° SWIVEL CORD

3 DIFFERENT MODES

POWER INDICATOR LIGHTS

#HairMeOut

**SINGER**

Because nothing should come in the way of sound sleep!



Follow us for exciting offers

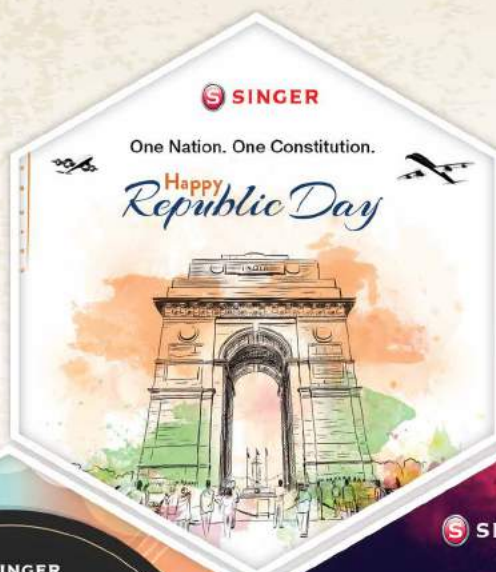
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# Embracing

#LiveTheNew Spirit



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# CONTENTS

	Page
Corporate Information . . . . .	2
Directors' Report . . . . .	.3-30
Corporate Governance Report . . . . .	31-49
<b>Standalone Financial Statements</b>	
Independent Auditors' Report . . . . .	50-59
Balance Sheet . . . . .	60
Statement of Profit & Loss . . . . .	61
Statement for changes in Equity. . . . .	62
Cash Flow Statement . . . . .	63-64
Notes to the Accounts . . . . .	65-114
<b>Consolidated Financial Statements</b>	
Independent Auditors' Report . . . . .	115-121
Balance Sheet . . . . .	122
Statement of Profit & Loss . . . . .	123
Statement for changes in Equity. . . . .	124
Cash Flow Statement . . . . .	125-126
Notes to the Accounts . . . . .	127-179

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

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

### SECRETARY

Ms. Priyanka Gandhi

### BANKERS

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

### REGISTERED & CORPORATE OFFICE

A-26/4, 2nd Floor  
Mohan Cooperative 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](http://www.singerindia.net)

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors are pleased to present the Forty-first Annual Report and the audited financial statements for the financial year ended 31st March 2019.

### FINANCIAL RESULTS

(Amounts in Rupees Lacs except for EPS)

	For the Financial year ended 31st March 2019	For the Financial year ended 31st March 2018
Revenue from Operations	48,298.30	42,157.90
Other Income	170.60	131.51
Total Income	48,468.90	42,289.41
Gross Profit Before Depreciation, Interest and Tax (PBDIT)	1,688.33	1,434.85
Finance cost	118.01	56.45
Depreciation & Amortization expense	111.62	115.30
Profit / (Loss) Before Tax	1,458.70	1,263.10
Provision for Tax Expenses	532.81	367.08
Profit / (Loss) After Tax	925.89	896.02
Other Comprehensive Income, net of tax	(7.63)	(2.49)
Total Comprehensive Income	918.26	893.53
Earnings per Equity share of Rs. 2/- Basic (Rs.)	1.72	1.67
Earnings per Equity share of Rs. 2/- Diluted (Rs.)	1.72	1.67

### OPERATIONS

The total revenue from operations recorded for the financial year ended 31st March 2019 (FY 19) at Rs. 48,298 lacs grew by 15% (Rs. 42,158 lacs in the previous financial year ended 31st March 2018 (FY 18)). While the home appliances business at Rs. 14,274 lacs in the FY 19 witnessed a growth of 26% over FY 18 the sewing machines and related accessories business at Rs. 34,024 lacs in FY 19 grew by 10% over FY 18. The sewing machines business growth came from the improved product mix and the home appliances business growth came mainly from higher volumes supported with new product launches.

The sewing machines and related accessories business accounted for 70% in FY 19 (73% in FY 18) of the revenue and the home appliances business accounted for 30% (27% in FY 18) of the revenue. The home appliances business had been growing consistently ever since your Company re-launched its home appliances division. The sewing machines

business of the Company also recorded a reasonably good growth in the last two quarters of the FY 19 mainly due to the Company realizing the government aided business in this segment. This business otherwise had been struggling for quite some time in the past due to moderation in the consumer demand. The growth in both segments is in line with the Company's commitment to improve its market share in both these businesses.

Your Company strongly believes that the strengthening of its distribution network and customer servicing supported with a strong brand it enjoys will play a vital role in creating differentiation to it with other players in the intensely competitive market. Thus, your Company is continuously increasing its efforts to strengthen the distribution network, product range and after sales service of its products to maintain its growth in both these businesses. The scaling up in each area covering the entire operations has been taken as an objective by your management. The products are being

## DIRECTORS' REPORT

revamped both in sewing machines and home appliances. The home appliances range has been widened to include most of the small appliances in the Kitchen and Comfort categories and also now include air coolers, fans, water heaters, washing machines and Refrigerators.

### PROFITABILITY

The gross margins in the year under review were up due to the Company improving its realization in many of the product categories and simultaneously cutting the cost wherever possible. The Company also increased the spend on advertising and sales promotions to enhance its brand. The earnings before interest, tax, depreciation and amortization (EBITDA) at Rs. 1,688 Lacs (3.5%) was up by 17.7% in the FY 19 compared to Rs. 1,435 lacs (3.4%) in FY18.

The profit before tax (PBT) in FY 19 at Rs. 1,459 lacs (Rs. 1,263 lacs in FY 18) improved by 15.5% and profit after tax (PAT) at Rs. 926 lacs (Rs. 896 lacs in FY 18) improved by 3.3%. The PAT growth in FY 19 is lower due to onetime tax benefits in FY 18.

The home appliances business segment recorded a positive contribution (before tax, finance cost and un-allocable items) of Rs. 12 Lacs in FY 19 (Rs. 15 lacs in FY 18).

While maximizing turnover is the priority of the Company to increase its profits your Company is also working on improvising the product and channel mix, reduce the logistics and other operational costs to improve the margins.

### HUMAN CAPITAL

Relations with employees continued to be cordial and harmonious. HR policies of the Company are aimed at attracting, motivating and retaining employees at all levels.

### CHANGE IN THE NATURE OF BUSINESS

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

### DIVIDEND

The Board of Directors in their meeting held on 5th February 2019 had declared an interim dividend of 20% (Rs. 0.40) per equity share of face value of Rs. 2/- each with record date as 15th February 2019. The Interim Dividend was paid on 26th February 2019.

The Board of Directors at their meeting held on 22nd May 2019 have recommended a final dividend of 20% (Rs. 0.40)

per equity share of face value of Rs. 2/- each for the financial year ended 31st March 2019. The final dividend, if approved by the Members at the Annual General Meeting to be held on 7th August 2019 will be paid to the Members whose names appear in the Register of Members as of the close of business hours on 24th July 2019 within the statutory limit of 30 days from the date of declaration.

Thus, the total dividend for the financial year ended 31st March 2019 would be 40% (Rs. 0.80) as against 37.5% (Rs. 0.75) in FY 18 per equity share of face value of Rs. 2/- each.

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, no amount was required to be transferred in the IEPF pursuant to the provisions of section 125 of Companies Act, 2013.

### PUBLIC DEPOSITS

During the year under review your Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year 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 COMPANY

Your Company had acquired 100% of the equity share capital of Brand Trading (India) Private Limited (BTIPL) on 6th April, 2018. BTIPL is now a wholly owned Subsidiary of your Company. The process to change the name of this company to remove the word "Private" is in process.

### Performance of the subsidiary Company

BTIPL had restarted its business operations during the year under review and total income for the financial year ended 31st March 2019 (FY 19) was at Rs. 22.38 lacs (Previous year Rs. 11.36 lacs) and profit in the FY 19 was at Rs. 12.91 lacs (Previous year Rs. 7.90 lacs)

### CONSOLIDATED FINANCIAL STATEMENTS

The Directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiary Company prepared in compliance with the Act, applicable Accounting Standards

## DIRECTORS' REPORT

and the Listing Regulations. The Consolidated Financial Statements of the Company and its subsidiary Company prepared in accordance with the Act and applicable Accounting Standards form part of this Annual Report.

### STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Subsidiary Company as on 31st March 2019 in Form AOC-1 is annexed to this Report as Annexure-6.

### DEPOSITORY SYSTEM

The Company's shares are available for dematerialization with National Securities Depository Ltd. (NSDL) and Central Depository Services (I) Ltd. (CDSL). 99.64% of the total shareholding of the Company was held in dematerialized form as on 31st March 2019.

### DIRECTORS

Mr. Gavin Walker (DIN:01216863), Director retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. Resolution seeking your approval on this item along with profile of the Director and the terms and conditions are included in the Notice convening the Annual General Meeting.

Mr. P.N. Sharma (DIN:00023625), Mr. Deepak Sabharwal (DIN:00173116) and Mrs. Madhu Vij (DIN:00025006), were appointed as Independent Non-Executive Directors of the Company in the Annual General Meeting held on 12th November 2014 for a term of 5 (five) consecutive years and thus their term would expire on 11th November 2019. They, being eligible offer themselves for reappointment as the Independent Non-Executive Directors for a second term of 5 (five) consecutive years with effect from 12th November 2019, and if appointed shall not be liable to retire by rotation. Pursuant to the provisions of the Act and based on the recommendation of the Nomination & Remuneration Committee, the Board recommends for the approval of their re-appointment through a Special Resolution in the ensuing Annual General Meeting. Resolution seeking your approval on this item along with profile of the Directors and 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. Further, the Auditors' Certificate there on, will also be annexed to the Annual Report.

### 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/investor-relations/independent-directors/>

### 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:

- a. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as at 31st March 2019 and of the profit of the Company for the twelve months period ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records



## DIRECTORS' REPORT

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;

- d. that the annual financial statements have been 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/investor-relations/policies-codes/>

### NOMINATION AND REMUNERATION POLICY

The Board, on the recommendation of the Nomination & Remuneration Committee, had 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/investor-relations/policies-codes/>

### 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 which have also been reviewed/modified by a firm of Chartered Accountants to further enhance the control aspects. 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.

### INDIAN ACCOUNTING STANDARDS (IND AS), 2015

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

### 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/investor-relations/policies-codes/>

### 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

## DIRECTORS' REPORT

CSR Policy of the Company can be accessed at <http://www.singerindia.net/empowerment/>

During the year under review, the Company had taken initiatives 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.

The Company had spent Rs. 43.05 Lacs during the financial year ended 31st March 2019 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 as Annexure-8.

### 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 workplace 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 financial year ended 31st March 2019, 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/investor-relations/policies-codes/>

### EXTRACT OF ANNUAL RETURN

The extract of annual return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at the link: <https://www.singerindia.net/investor-relations/annual-return/> and also annexed thereto Annexure-2.

### 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. The disclosures relating to related parties are explained in Note 34 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/investor-relations/policies-codes/>

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company had adopted a whistle blower policy and had 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 financial year ended 31st March 2019 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/about-us/policy/>

### 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 nine unsecured creditors is in appeals before the Hon'ble Delhi High Court and Supreme Court. Meanwhile the Company had amicably settled out of the Court with seven parties out of these nine litigating parties.

### STATUTORY AUDITORS AND AUDITORS' REPORT

As per requirement of Section 139 of Companies Act 2013

## DIRECTORS' REPORT

M/s B S R & Co LLP, are the Statutory Auditors of the Company who were appointed for a term of 5 years at the Annual General Meeting held on 20th July 2017.

The report given by the Auditors on the financial statements of the Company is part of the Annual Report. There were 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 financial year ended 31st March 2019 is provided as Annexure-1. There were no qualifications, reservation or adverse remarks given by Secretarial Auditor of the Company.

### INTERNAL AUDIT

During the Financial year ended 31st March 2019, your Company had engaged the services of M/s Ray & Ray, 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

The 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.

The 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 are given below:

Employee Name	Designation	Date of Joining	Age (Years)	Remuneration (Rs. in lacs)	Qualification	Experience (in years)	Last Employment
Mr. Rajeev Bajaj	Managing Director	1st October 2008	58	106.72	B.COM, FCA, FCS	35	Brand Trading (India) Pvt. Ltd.

### 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 sincere thanks and appreciation to SINGER, all our customers, dealers/distributors, suppliers and banks, authorities, Government of Jammu & Kashmir, members and associates for their co-operation and support at all time and to all our employees for their valued contribution to the growth and profitability of your Company's business and look forward to their continued support.

For and on behalf of the Board of Directors of  
Singer India Limited

Place: New Delhi  
Date: 22nd May 2019

P N Sharma  
Chairman

## DIRECTORS' REPORT

### Annexure - 1

#### FORM No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31st MARCH 2019

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

#### The Members

Singer India Limited

A-26/4, 2nd Floor, Mohan Cooperative Industrial Estate

New Delhi-110044

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SINGER INDIA LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the SINGER INDIA LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and the returns filed and other records made available to us and maintained by SINGER INDIA LIMITED for the Financial year ended 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;
  - (d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

## DIRECTORS' REPORT

- (vi) The other applicable laws as informed by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
- (a) The Employees State Insurance Act, 1948;
  - (b) Employees Provident Fund and Miscellaneous Provisions Act, 1952.
  - (c) Air (Prevention and Control of Pollution) Act, 1981;
  - (d) Water (prevention and control of pollution) Act 1974;
  - (e) Factories Act, 1948;
  - (f) Payment of Gratuity Act 1972;
  - (g) The Payment of Bonus Act, 1965;

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards I & II issued by The Institute of Company Secretaries of India.
- The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited as per Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We further report that as represented by the Company and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For H.O. Gulati & Co.  
Company Secretaries**

**Date: 10th May 2019  
Place: New Delhi**

**Hari Om Gulati  
FCS-5462, CP No.9337**

Note: - This Report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

## DIRECTORS' REPORT

### 'Annexure A' - Integral part of Secretarial Audit Report

To

The Members

Singer India Limited

A-26/4, 2nd Floor, Mohan Cooperative Industrial Estate

New Delhi-110044

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For H. O. Gulati & Co.  
Company Secretaries**

**Date: 10th May 2019**

**Place: New Delhi**

**Hari Om Gulati  
FCS-5462, CP No.9337**

## DIRECTORS' REPORT

### Annexure - 2

#### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN AS ON MARCH 31, 2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L52109DL1977PLC025405
2.	Registration Date	19th October 1977
3.	Name of the Company	Singer India Limited
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	A-26/4, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi - 110044 E-mail: mail@singerindia.net Contact No.011-4061 7777
6.	Whether listed Company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MCS Share Transfer Agent Limited F-65, 1st Floor, Okhla Industrial Area – I, New Delhi 110020 Contact No – 011-41406149

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Manufacture of Sewing Machines, sewing machine heads and sewing machine needles	28265	70%
2	Manufacture of domestic electric appliances such as refrigerators, washing machines, vacuum cleaners, mixers, grinders, etc.	27501	30%
	Manufacture of Domestic Electrothermic appliances	27502	
	Manufacture of domestic non-electric cooking & heating equipment.	27504	
	Manufacture of other domestic appliances	27509	

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1	Retail Holdings (India) B.V. (former name Singer (India) B.V.)	NA	Holding	59.07	2(46)
2.	Brand Trading (India) Private Limited*	U51909DL2005PTC137978	Subsidiary	100	2(87)

\* wholly owned subsidiary w.e.f. 6th April ,2018

## DIRECTORS' REPORT

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### (i) Category-wise share holding

S. No.	Category of shareholder	No. of shares held at the beginning of the year (As on 01.04.2018)				No. of shares held at the end of the year (As on 31.03.2019)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>Shareholding of Promoter and Promoter Group</b>									
<b>1</b>	<b>Indian</b>									
(a)	Individuals/ Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	32662225	0	32662225	60.81	31730667	0	31730667	59.07	-1.74
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2)</b>	<b>32662225</b>	<b>0</b>	<b>32662225</b>	<b>60.81</b>	<b>31730667</b>	<b>0</b>	<b>31730667</b>	<b>59.07</b>	<b>-1.74</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>32662225</b>	<b>0</b>	<b>32662225</b>	<b>60.81</b>	<b>31730667</b>	<b>0</b>	<b>31730667</b>	<b>59.07</b>	<b>-1.74</b>
<b>B</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds/ UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions/ Banks	525	575	1100	0.00	525	575	1100	0.00	0.00
(c)	Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	85	0	85	0.00	85	0	85	0.00	0.00
(f)	Foreign Portfolio Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1)</b>	<b>610</b>	<b>575</b>	<b>1185</b>	<b>0.00</b>	<b>610</b>	<b>575</b>	<b>1185</b>	<b>0.00</b>	<b>0.00</b>
<b>2</b>	<b>Central Govt/State Govt/POI</b>	<b>470230</b>	<b>0</b>	<b>470230</b>	<b>0.88</b>	<b>470230</b>	<b>0</b>	<b>470230</b>	<b>0.88</b>	<b>0.00</b>
	<b>Sub-Total B(2)</b>	<b>470230</b>	<b>0</b>	<b>470230</b>	<b>0.88</b>	<b>470230</b>	<b>0</b>	<b>470230</b>	<b>0.88</b>	<b>0.00</b>



## DIRECTORS' REPORT

S. No.	Category of shareholder	No. of shares held at the beginning of the year (As on 01.04.2018)				No. of shares held at the end of the year (As on 31.03.2019)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>3</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	2502661	10185	2512846	4.68	1650791	9925	1660716	3.09	-1.59
(b)	Individuals -									
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	10315738	202670	10518408	19.58	11784264	182670	11966934	22.28	2.70
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	7183809	0	7183809	13.37	7348467	0	7348467	13.68	0.31
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	NBFCs Registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other									
i	Trust & Foundations	360	0	360	0.0	1585	0	1585	0.00	0.00
ii	Cooperative Societies	0	0	0	0.00	0	0	0	0.00	0.00
iii	Educational Institutions	0	0	0	0.00	0	0	0	0.00	0.00
iv	Non - Resident Individual	366612	0	366612	0.68	535891	0	535891	1.00	0.32
v	Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
vi	OCBs	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B (3)</b>	<b>20369180</b>	<b>212855</b>	<b>20582035</b>	<b>38.32</b>	<b>21320998</b>	<b>192595</b>	<b>21513593</b>	<b>40.05</b>	<b>1.73</b>
	<b>Total Public Shareholding B= B(1)+B(2)+B(3)</b>	<b>20840020</b>	<b>213430</b>	<b>21053450</b>	<b>39.19</b>	<b>21791838</b>	<b>193170</b>	<b>21985008</b>	<b>40.09</b>	<b>0.90</b>
	<b>TOTAL A+B</b>	<b>53502245</b>	<b>213430</b>	<b>53715675</b>	<b>100.00</b>	<b>53522505</b>	<b>193170</b>	<b>53715675</b>	<b>100.00</b>	<b>0.00</b>
<b>C</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL A+B+C</b>	<b>53502245</b>	<b>213430</b>	<b>53715675</b>	<b>100.00</b>	<b>53522505</b>	<b>193170</b>	<b>53715675</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding as at 01st April 2018			Shareholding as at 31st March 2019			% change in shareholding during the FY ended 31st March 2019
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Retail Holdings (India) B.V. (former name Singer (India) B.V.)	32,662,225	60.81	0	31,730,667	59.07	0	-1.74

## DIRECTORS' REPORT

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the Financial year ended 31st March 2019		Cumulative Shareholding during the Financial Year ended 31st March 2019	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>At the beginning of the Financial year ended 31st March 2019</b>	<b>32662225</b>	<b>60.81</b>	<b>31730667</b>	<b>59.07</b>
Date wise Increase / Decrease in Promoters Shareholding during the Financial year ended 31st March 2019 specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
<b>Date of Sale</b>	<b>No. of Shares sold</b>			
02.07.2018	14,911			
03.07.2018	52,380			
04.07.2018	58,935			
05.07.2018	40,594			
06.07.2018	200			
09.07.2018	93,060			
10.07.2018	83,437			
11.07.2018	50,000			
12.07.2018	51,870			
13.07.2018	51,335			
16.07.2018	17,450			
17.07.2018	4,901			
27.07.2018	87,697			
30.07.2018	28,312			
31.07.2018	26,767			
01.08.2018	25,131			
02.08.2018	4,500			
16.08.2018	2,40,078			
<b>TOTAL</b>	<b>9,31,558</b>			
<b>At the end of the FY ended 31st March 2019</b>	<b>31730667</b>	<b>59.07</b>	<b>31730667</b>	<b>59.07</b>

## DIRECTORS' REPORT

(iv) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters & holders of GDRs & ADRs)

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)		Category
		No of Shares at the Beginning (01-04-2018) /end of the Year (31-03-2019)	% of total shares of the Company				Shares	% of total shares of the Company	
1	S. SHYAM	2004413	3.73	31-03-2018					INDIAN PUBLIC
				24-08-2018	460	Purchase	2004873	3.73	
		2004873	3.73	31-03-2019					
2	TANVI JIGNESH MEHTA	930190	1.73	31-03-2018					INDIAN PUBLIC
				24-08-2018	25058	Purchase	955248	1.78	
				15-02-2019	1000	Purchase	956248	1.78	
				22-02-2019	6419	Purchase	962667	1.79	
				08-03-2019	29336	Purchase	992003	1.85	
				15-03-2019	18293	Purchase	1010296	1.88	
				22-03-2019	2265	Purchase	1012561	1.89	
		1012561	1.89	31-03-2019					
3	S. SHYAM	701715	1.31	31-03-2018					INDIAN PUBLIC
		701715	1.31	31-03-2019	NIL	NIL			
4	NATIONAL SMALL INDUSTRIES CORPORATION LTD	470230	0.88	31-03-2018					OTHER BODIES CORPORATES
		470230	0.88	30-03-2019	NIL	NIL			
5	ATUL PATEL HUF	0	0	31-03-2018					HINDU UNDIVIDED FAMILY HUF
				20-07-2018	10000	Purchase	10000	0.02	
				10-08-2018	-7500	Sale	2500	0	
				30-11-2018	22500	Purchase	25000	0.05	
				07-12-2018	61930	Purchase	86930	0.16	
				14-12-2018	18862	Purchase	105792	0.2	
				21-12-2018	55419	Purchase	161211	0.3	
				28-12-2018	9940	Purchase	171151	0.32	
				25-01-2019	6349	Purchase	177500	0.33	
				01-02-2019	78558	Purchase	256058	0.48	
				08-03-2019	96368	Purchase	352426	0.66	
				15-03-2019	-853	Sale	351573	0.65	
				29-03-2019	9340	Purchase	360913	0.67	
		31-03-2019							
		360913	0.67						

## DIRECTORS' REPORT

(iv) Shareholding Pattern of top ten Shareholders (contd.):  
 (Other than Directors, Promoters & holders of GDRs & ADRs)

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04- 2018 to 31-03-2019)		Category
		No of Shares at the Beginning (01-04- 2018) /end of the Year (31-03-2019)	% of total shares of the Company				Shares	% of total shares of the Company	
6	JAGDISHWAR T TOPPO	360000	0.67	31-03-2018					INDIAN PUBLIC
		360000	0.67	31-03-2019	NIL	NIL			
7	SANTOSH INDUSTRIES LIMITED	0	0	31-03-2018					OTHER BODIES CORPORATES
				06-04-2018	163271	Purchase	163271	0.3	
				13-04-2018	106729	Purchase	270000	0.5	
				20-04-2018	-70000	Sale	200000	0.37	
				18-05-2018	140578	Purchase	340578	0.63	
				01-06-2018	-28750	Sale	311828	0.58	
				30-06-2018	-11828	Sale	300000	0.56	
				06-07-2018	22500	Purchase	322500	0.6	
				13-07-2018	74210	Purchase	396710	0.74	
				03-08-2018	-54024	Sale	342686	0.64	
				10-08-2018	-2000	Sale	340686	0.63	
				17-08-2018	-600	Sale	340086	0.63	
				05-10-2018	-6798	Sale	333288	0.62	
				16-11-2018	6798	Purchase	340086	0.63	
				21-12-2018	-5056	Sale	335030	0.62	
				18-01-2019	-33651	Sale	301379	0.56	
				25-01-2019	-15000	Sale	286379	0.53	
				01-02-2019	-5000	Sale	281379	0.52	
				08-03-2019	-6379	Sale	275000	0.51	
				15-03-2019	-3000	Sale	272000	0.51	
		29-03-2019	-6000	Sale	266000	0.5			
		266000	0.5	31-03-2019					
8	KANTILAL MISHRIMALJI VARDHAN	229960	0.43	31-03-2018					INDIAN PUBLIC
		229960	0.43	31-03-2019	NIL	NIL			

## DIRECTORS' REPORT

(iv) Shareholding Pattern of top ten Shareholders (contd.):  
 (Other than Directors, Promoters & holders of GDRs & ADRs)

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)		Category
		No of Shares at the Beginning (01-04-2018) /end of the Year (31-03-2019)	% of total shares of the Company				Shares	% of total shares of the Company	
9	JIGNEY SUDHIR BHACHECH	0	0	31-03-2018					INDIAN PUBLIC
				30-11-2018	1082	Purchase	1082	0	
				07-12-2018	40464	Purchase	41546	0.08	
				28-12-2018	3355	Purchase	44901	0.08	
				11-01-2019	49577	Purchase	94478	0.18	
				18-01-2019	40963	Purchase	135441	0.25	
				25-01-2019	1500	Purchase	136941	0.25	
				01-02-2019	3505	Purchase	140446	0.26	
				08-02-2019	35721	Purchase	176167	0.33	
		176167	0.33	31-03-2019					
10	RAHUL KANTILAL VARDHAN	165160	0.31	31-03-2018					INDIAN PUBLIC
		165160	0.31	31-03-2019	NIL	NIL			
11	SUSHIL FINANCIAL SERVICES PVT LTD	204450	0.38	31-03-2018					OTHER BODIES CORPORATES
				13-04-2018	1300	Purchase	205750	0.38	
				22-06-2018	-20000	Sale	185750	0.35	
				29-06-2018	-29942	Sale	155808	0.29	
				06-07-2018	895	Purchase	156703	0.29	
				28-09-2018	6093	Purchase	162796	0.3	
				19-10-2018	-146	Sale	162650	0.3	
				23-11-2018	50	Purchase	162700	0.3	
		162700	0.3	31-03-2019					
12	NEW WAY CONSTRUCTIONS LIMITED	705594	1.31	31-03-2018					OTHER BODIES CORPORATES
				06-04-2018	-10000	Sale	695594	1.3	
				13-04-2018	-156789	Sale	538805	1	
				27-04-2018	-53226	Sale	485579	0.9	
				04-05-2018	-96439	Sale	389140	0.72	
				11-05-2018	-389140	Sale	0	0	
		0	0	31-03-2019					

## DIRECTORS' REPORT

(iv) Shareholding Pattern of top ten Shareholders (contd.):  
(Other than Directors, Promoters & holders of GDRs & ADRs)

S. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)		Category
		No of Shares at the Beginning (01-04-2018) /end of the Year (31-03-2019)	% of total shares of the Company				Shares	% of total shares of the Company	
13	ZAKI ABBAS NASSER	700000	1.3	31-03-2018					INDIAN PUBLIC
				06-04-2018	-70000	Sale	630000	1.17	
				13-04-2018	-230000	Sale	400000	0.74	
				20-04-2018	-200000	Sale	200000	0.37	
				27-04-2018	-80000	Sale	120000	0.22	
				04-05-2018	-120000	Sale	0	0	
		0	0	31-03-2019					
14	MAYUR MUKUNDBHAI DESAI	279080	0.52	31-03-2018					INDIAN PUBLIC
				09-11-2018	-279080	Sale	0	0	
		0	0	31-03-2019					
15	PE MULTI COMMODITIES LLP	191500	0.36	31-03-2018					OTHER BODIES CORPORATES
				31-12-2018	-25000	Sale	166500	0.31	
				04-01-2019	-61446	Sale	105054	0.20	
				18-01-2019	-105054	Sale	0	0.00	
		0	0.00	31-03-2019					

v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel			Cumulative Shareholding during the Financial Year ended 31st March 2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>P N Sharma</b>				
	At the beginning of the financial year ended 31st March 2019 (Face value per share Rs. 2)	75	0		
	Increase/(decrease) in Shareholding during the financial year ended 31st March 2019	0	0		
	At the end of the financial year ended 31st March 2019 (Face value per share Rs. 2)	75	0	75	0
<b>2.</b>	<b>Rajeev Bajaj (Joint holder)</b>				
	At the beginning of the financial year ended 31st March 2019 (Face value per share Rs. 2)	35	0		

## DIRECTORS' REPORT

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Cumulative Shareholding during the Financial Year ended 31st March 2019			
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Increase/(Decrease) in Shareholding during the financial year ended 31st March 2019	0	0		
	At the end of the financial year ending 31st March 2019 (Face value per share Rs. 2)	35	0	35	0
<b>3.</b>	<b>Subhash C Nagpal</b>				
	At the beginning of the financial year ended 31st March 2019 (Face value per share Rs. 2)	0	0		
	Increase / (Decrease) in the Shareholding during the financial year ended 31st March 2019.	0	0		
	At the end of the financial year ending 31st March 2019 (Face value per share Rs. 2)	0	0	0	0

**Note:** Mr. Gavin Walker, Mr. Deepak Sabharwal, Mrs. Madhu Vij, and Mr. Richin Sangwan did not hold any shares of the Company during the financial year ended 31st March 2019

### V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

		Secured Loans excluding deposits (in Rs. lacs)	Unsecured Loans (in Rs. lacs)	Deposits (in Rs. lacs)	Total Indebtedness (In Rs. lacs)
<b>1)</b>	<b>Indebtedness at the beginning of the financial year ended 31st March 2019</b>				
	i) Principal Amount	1397.84	-	-	1397.84
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
	<b>Total (i+ii+iii)</b>	<b>1397.84</b>	-	-	<b>1397.84</b>
<b>2)</b>	<b>Change in Indebtedness during the financial year ended 31st March 2019</b>				
	Addition	825.45	-	-	825.45
	Reduction	-	-	-	-
	Net Change	825.45	-	-	825.45
<b>3)</b>	<b>Indebtedness at the end of the financial year ended 31st March 2019</b>				
	i) Principal Amount	2223.29	-	-	2223.29
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	2.52	-	-	2.52
	<b>Total (i+ii+iii)</b>	<b>2225.81</b>	-	-	<b>2225.81</b>

## DIRECTORS' REPORT

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL FOR THE FINANCIAL YEAR ENDED 31st MARCH 2019.

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD	Total Amount (In Rs. lacs)
		Rajeev Bajaj	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	98.91	98.91
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.55	0.55
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	-	-
	- as % of profit	0.00	0.00
	- others (specify)	-	-
5	Others (Contribution to PF & Superannuation)	6.51	6.51
	Other long - term benefits	0.75	0.75
	<b>Total (A)</b>	<b>106.72</b>	<b>106.72</b>
	Ceiling as per Schedule V of the Act	168.00	168.00

#### B. Remuneration to other Directors for the financial year ended 31st March 2019

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (In Rs. lacs)
		P N Sharma	Deepak Sabharwal	Madhu Vij	
<b>1</b>	<b>Independent Directors</b>				
	Fee for attending board committee meetings	3.75	2.25	2.83	8.83
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	<b>Total (1)</b>	<b>3.75</b>	<b>2.25</b>	<b>2.83</b>	<b>8.83</b>
<b>2</b>	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others (Retainership fees, etc.)	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Managerial Remuneration (1+2)</b>	<b>3.75</b>	<b>2.25</b>	<b>2.83</b>	<b>8.83</b>
	Overall Ceiling as per the Act	The Company only paid sitting fees to other directors and amount of sitting fees are within the maximum prescribed limits.			



## DIRECTORS' REPORT

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

S. No.	Particulars of Remuneration	Richin Sangwan, CS (1st April 2018 to 1st March 2019) *	Subhash C. Nagpal, CFO	Total Amount (In Rs. lacs)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14.18	37.59	51.77
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.21	0.40	1.61
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	-	-	-
	- as % of profit	0.00	0.00	0.00
	Others	0.00	0.00	0.00
5	Others (Contribution to PF & Superannuation)	0.65	3.99	4.64
6	Other long Term benefits	0.00	0.44	0.44
	<b>Total</b>	<b>16.04</b>	<b>42.42</b>	<b>58.46</b>

\*Mr. Richin Sangwan resigned effective from 1st March, 2019

### VII. Penalties/ punishment/ compounding of offences

During the year 2018-19, there were no penalties/ punishment/ compounding of offences under the Companies Act, 2013.

## DIRECTORS' REPORT

### Annexure - 3

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

#### (Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014)

##### (1) A brief outline of the Company's CSR policy

Singer India Limited has always recognized the need to serve the Society and has been contributing to the Society within its means. In line with this philosophy of providing sustainability to the skill development of needy individuals from disadvantaged sections of the Society mainly women both from rural and urban India, Singer India Limited will develop Skill Development Centers either directly or through association with other organizations, NGO and to provide education / vocational training in the field of sewing, embroidery and related fields. This will give an immense opportunity to disadvantaged sections of society, rural people, women, students, etc. to enhance their vocational skills and creativity and become self-sufficient for their livelihood and/or get employed. In addition, the Company would also enrich the underprivileged sections of the Society with necessary infrastructure to engage in activities to become self-reliant and earn their livelihood.

##### (2) Composition of the CSR Committee.

The CSR Committee constitutes three members, majority being Independent Directors. The details are as follows –

Mr. P. N. Sharma – Chairman

Mr. Rajeev Bajaj – Member

Mr. Deepak Sabharwal -- Member

##### (3) Average net profit of the Company for last three financial years: Rs. 1119.30 Lacs

##### (4) Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 22.39 Lacs

##### (5) Details of CSR spent during the financial year ended 31st March 2019

- |     |   |                |
|-----|---|----------------|
| (a) | Total amount to be spent for the period   | Rs. 22.39 lacs |
| (b) | Total amount spent  | Rs. 43.05 lacs |
| (c) | Amount unspent, if any  | Not applicable |
| (d) | Manner in which the amount spent during the financial year ended 31st March 2019 is detailed under point 7 below. |                |

##### 6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Directors Report.

Not Applicable

##### 7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR

Policy is in compliance with CSR objectives and Policy of the Company.

## DIRECTORS' REPORT

S. No.	Particulars	Particulars	Total Amount (In Rs. lacs)
(1)	CSR project or activity identified	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	
(2)	Sector in which the project is covered	Vocational Training - Livelihood, Women & Men Empowerment	
(3)	Project or Program		
	(1) Local area or other		
	(2) Specify the state and district where projects or programs was undertaken	North India mainly Delhi/NCR and surrounding states	
(4)	Amount outlay (budget project or program wise)	22.39	22.39
(5)	Amount spent on the project or program		
	Sub Heads;		
	(1) Direct expenditure on projects or programs	2.63	2.63
	(2) Overheads	40.42	40.42
(6)	Cumulative expenditure up to the reporting period	43.05	43.05
(7)	Amount Spent direct or through implementing agency	Direct	

Sd/-

Sd/-

**Rajeev Bajaj**  
**(Managing Director)**

**P N Sharma**  
**(Chairman CSR Committee)**

### Annexure - 4

#### DETAILS PERTAINING TO REMUNERATION AS 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

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year ended 31st March 2019 ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the same period and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

## DIRECTORS' REPORT

S No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year ended 31st March 2019 (Amount in Rs. lacs)	% increase in Remuneration in the financial year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees
1	Rajeev Bajaj (Managing Director)	106.72	8.5%	23:1
2	Subhash Chand Nagpal (CFO)	42.42	12.4%	12:1
3.	Richin Sangwan (Company Secretary) (upto 1st March 2019*)	16.04	3.3%	5:1

- Mr. Richin Sangwan resigned effective from 1st March 2019.
- i. The percentage increase in remuneration of Managing Director, Chief Financial Officer and Company Secretary in the financial year ended 31st March 2019 ranged between 3.3% to 12.4%.
- ii. The percentage increase in the median remuneration of employees in the financial year ended 31st March 2019 was around 5.2%
- iii. The number of permanent employees on the rolls of Company are 422.
- iv. **The explanation on the relationship between average increase in remuneration and Company performance:**  
The philosophy of the Company is to provide reward based on the market trends and the performance of the employee and increase in salary was based on short and long-term performance objectives appropriate to the working of the Company and its goal.
- v. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company for the financial year ended 31st March 2019**  
Company's ideology, merit increases and annual bonus payouts of its employees including KMPs are directly linked to individual performance as well as of the Company.
- vi. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the financial year ended 31st March 2019 and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies.**  
The Market Capitalization of the Company as on 31st March 2019 was Rs. 268.58 crores as compared to Rs. 268.31 crores as on 31st March 2018. The price earnings ratio of the Company for the financial year ending 31st March 2019 was 29.07 and was 29.9 as at 31st March 2018. The closing share price of the Company on BSE Limited as at 31st March 2019 being Rs. 50/- per equity share of face value of Rs. 2/- each had grown by 2500% since the Company came up with the public issue.
- vii. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**  
The average percentage increase made in the salaries of employees other than the Managerial personnel in the period was 12.8% whereas the increase in the managerial remuneration was 8.1%. The average increase every year is an outcome of Company's market competitiveness.

## DIRECTORS' REPORT

### viii. The key parameters for any variable component of remuneration availed by the Directors

Variable compensation is an integral part of our total reward package for employees including Managing Director and KMPs. Annual performance bonus was directly linked to an individual performance rating and Company's performance.

- ix. The ratio of the remuneration of the highest paid director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the FY ended 31st March 2019 (N/A)
- x. Affirmation that the remuneration is as per the remuneration policy of the Company - Yes

### Annexure - 5

#### INFORMATION AS REQUIRED WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

##### A. CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy: There was a continuous drive to reduce the consumption including use of LED lights.
- (ii) The steps taken by the Company for utilizing alternate sources of energy: Nil
- (iii) The capital investment on energy conservation equipment: Nil

##### B. TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption: Nil
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NA
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -
- (a) The details of technology imported: NA
- (b) The year of import: NA
- (c) Whether the technology been fully absorbed: NA
- (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: NA
- (iv) The expenditure incurred on Research and Development: Nil

##### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

- a) Foreign Exchange Earnings on exports (accrual basis) Rs. 723.06 Lacs
- b) Foreign Exchange Outgo (accrual basis)
- |  |                  |
|--|------------------|
| - CIF value of imports of raw materials and components | NIL              |
| - Finished goods                                       | Rs. 5348.18 Lacs |
| - Expenditure in foreign currency                      | Rs. 454.78 Lacs  |

## DIRECTORS' REPORT

### Annexure - 6

#### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

##### Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Name of the subsidiary: Brand Trading (India) Pvt. Ltd.
2. The date since when subsidiary was acquired : 06th April 2018
3. Reporting period for the subsidiary concerned: 31st March 2019
4. Reporting currency: Indian Rupees
5. Share capital : Rs. 100.00 Lacs
6. Reserves and surplus : Rs. 89.89 Lacs
7. Total assets : Rs. 194.51 Lacs
8. Total Liabilities: Rs. 194.51 Lacs
9. Investments : Nil
10. Turnover: Rs. 2.14 lacs
11. Profit before taxation: Rs. 10.72 Lacs
12. Provision for taxation: Rs. (2.19)Lacs
13. Profit after taxation : Rs. 12.91 Lacs
14. Proposed Dividend : Nil
15. Extent of shareholding (in percentage) : 100%

##### Part B Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures  
- Not Applicable**

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

## DIRECTORS' REPORT

### Annexure - 7

#### CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

The Board of Directors,

Singer India Limited

We, Rajeev Bajaj, Managing Director and Subhash Chand Nagpal, Chief Financial Officer, of Singer India Limited to the best of our knowledge and belief, certify that

- A. We have reviewed the audited financial statements of the Company for the financial year ended 31st March 2019 and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, there are no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. there were no instances of significant fraud of which we are aware that involve therein the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

Sd/-

**Rajeev Bajaj**  
**Managing Director**  
DIN: 02284467

**Subhash Chand Nagpal**  
**Chief Financial Officer**

Place: New Delhi  
Date: 22nd May, 2019

## DIRECTORS' REPORT

### Annexure - 8

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

##### Industry Structure and Development

The Indian economy had gathered momentum after stabilization of the Goods and Services Tax. However, there have been signs of some temporary slowdown in consumer demand in the recent past. However, on the backdrop of the expected huge private consumption in the medium to long term, the Consumer durables industry is poised for a huge growth in future. In addition to the expected increase in the consumer demand due to rising middle class especially in the rural and small towns in urban belts other factors like climatic changes, changing lifestyle, expanding participation of women in the job market, improving electrification and more reliable supply of electricity to residential areas and pushing for more housing are going to accelerate consumer demand for durables. The business will become more competitive and the best players with strong fundamentals would sustain and survive.

The rural and semi urban markets continue to be the major area to concentrate for the sewing machines due to increased demand and welfare and skill development schemes launched by the Central/State Governments. The focus is to expand the horizon to tap the potential in the urban markets by moving from the traditional sewing machines to the Zig Zag and Electronic Sewing machines. It is imperative to offer sewing machines as a hobby item to improve skills in the designing than mere normal stitching. High end artisan sewing machines and Industrial sewing machines also have a potential for growth due to expected growth in the garment industry.

##### Outlook & Opportunities

Considering the current market share of your Company the focus is to further increase the share of sewing machines and home appliances. The Company is focusing on improving its brand recall especially in the home appliances market, emphasis on the digital marketing and increase in the advertising spend.

The Company is also strengthening its digitization process to improve its operational efficiencies. Also, the road map has been prepared to improve its supply chain management to improve the delivery time, reduce inventories holdings and costs.

##### Threats, Risks & Concerns

The Company had identified the following Risk areas.

1. Low growth of conventional straight stitch sewing machines market
2. Strong competition in all business segments
3. Lower margins in view of intense competition
4. Sourcing
5. Fluctuation in Foreign Exchange Rates

The Board of Directors of the Company and the Audit Committee of Directors will periodically review the risk management policy of the Company so that the risks are mitigated appropriately.

##### Segment-wise Performance

###### Sewing Machines Business

The Company's core business remains the sewing machines which will be protected and expanded. Efforts would be directed to increase penetration in rural markets with specific models as the market requires. The penetration in urban markets will also be intensified.

The Zig Zag range which offers many features, more than just sewing to the consumer to operate on mechanical, electronic and computerized machines, will be expanded with reaching out to the target customers through digital marketing. Many



## DIRECTORS' REPORT

new models in other sewing machines are also being developed to offer to specific channels. A special push to promote industrial sewing machines would be made in near future.

### Home Appliances

The driver for growth in the future will be the Home Appliances business. The segment results are given in the Note 33

The Company had taken its task to expand its turnover by strengthening the product range, continuing to launch new / improved products and strengthen the distribution and after sales service. Right product mix would be the focus to improve margins.

### Internal Control Systems and Adequacy

The Company has adequate systems of internal controls for operations, optimum utilization of resources, effective monitoring and compliance with all applicable Rules. The internal control system is commensurate with the size and its nature of operations.

A firm of Chartered Accountants conducts internal audit on quarterly basis. The Audit Committee review the Audit Reports submitted by the Internal Auditors. The Committee also meet Company's Statutory Auditors and the Internal Auditors to ascertain their views on the adequacy of internal control systems and keep the Board of Directors informed of its major observations from time to time.

### Human Resources

The Company is committed to implement the highest standards of Human Resource management principles and strict compliance with regulatory requirements. The Company is making continuous efforts in respect of safety and training of the employees to attain the organizational goals effectively and efficiently.

**Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios along with detailed explanation therefor, including:**

KEY FINANCIAL RATIOS	FY 2018-19	FY 2017-18	Change	Change %
Debtors Turnover Ratio	8.5	10.2	(1.7)	(16.7%)
Inventory Turnover Ratio	5.3	5.4	(0.1)	(1.9%)
Interest Coverage Ratio	13.4	23.4	(10.0)	(42.74%)
Current Ratio	1.4	1.4	-	-
Debt Equity Ratio	0.38	0.24	(0.14)	(58.3%)
Operating Profit Margin (%)	3.3%	3.1%	0.2%	6.45%
Net Profit Margin (%)	1.9%	2.1%	(0.2%)	(9.5%)
Return on Net Worth	15.7	15.7	-	-

Change in the Interest Coverage Ratio and Debt Equity Ratio was more than 25% due to increase in borrowings for working capital.

### Disclosure of Accounting Treatment:

Where in the presentation of the financial statements, a treatment different from that prescribed in an Accounting Standard has been followed, the fact that would be disclosed in the financial statements, together with the management's explanation as to why it believes such alternative treatment is more representative of the true and fair view of the underlying business transaction.

During the year under review there was no change in the Accounting Treatment.

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy on code of governance

Your Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its working, and in all its interactions with its stakeholders including shareholders, employees, lenders and the government. The Company is committed to attain the highest standards of corporate governance.

The Board of Directors believes that Corporate Governance is the most powerful tool for achieving corporate excellence and presents a compliance report on the corporate governance pursuant to the SEBI (LODR) Regulations, 2015 and the Company endeavours to adopt best practices of Corporate Governance.

### 2. Board of Directors

#### Composition

**2.1** As on 31st March 2019, the strength of your Company's Board is five. The Board has a Chairman (Independent Non-Executive) and four members comprising of one Managing Director, two Independent Non-Executive Directors & one Non-Executive Non-Independent Director. All Directors are professionals from diverse fields having valuable experience in management, legal, administration and finance. Independent Directors do not have any material pecuniary relationship and have not entered into any transactions with the Company, its promoters and management which in the judgment of the Board may affect the independence of judgment of the Directors.

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees across all the companies in which he/she is a Director (as specified in regulation 26).

The necessary disclosures regarding other directorships and committee positions have been made by the Directors.

**2.2** The details of constitution of the Board and the number of directorships and committee memberships held in other companies as on 31st March 2019 are given below:

Name of the Directors	Category	Number of Directorships and Committee Memberships/ Chairmanships as on March 31, 2019		
		Other Directorships <sup>#</sup>	Committee Memberships <sup>##</sup>	Committee Chairmanship <sup>##</sup>
Mr. P.N. Sharma (Chairman)	Independent Non-Executive	8 <sup>1</sup>	1	3
Mr. Rajeev Bajaj (Managing Director)	Executive	0	0	0
Mr. Gavin Walker	Non-Executive	0	0	0
Mr. Deepak Sabharwal	Independent Non-Executive	0	0	0
Mrs. Madhu Vij	Independent Non-Executive	4 <sup>2</sup>	2	0

#### Other listed entities in which the Directors are directors and category of the Directorship as on March 31, 2019

1. Mr. P.N. Sharma, Chairman of the Company, is holding directorship in the following listed companies:

SI No.	Name of the Company	Category of Directorship
1	Flex Foods Limited	Independent Director

## REPORT ON CORPORATE GOVERNANCE

2. Mrs. Madhu Vij, Non-Executive Independent Director of the Company, is holding directorship in the following listed companies:

SI No.	Name of the Company	Category of Directorship
1	Kohinoor Foods Limited	Independent Director
2	SMC Global Securities Limited	Independent Director
3	Solar Industries India Limited	Independent Director

**Note:**

- # Directorship in companies registered under the Companies Act, 2013 or any earlier enactments, excluding companies under Section 8 of the Companies Act, 2013.
- ## Only covers Membership / Chairpersonship of Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies as prescribed under regulation 26 of SEBI (LODR) Regulations, 2015.

### 2.3 Meetings and Attendance

The meetings of the Board of Directors were held at periodic intervals. During the year under review, 7 (seven) Board Meetings were held on the following dates:

(i) 28th May, 2018 (ii) 13th August, 2018 (iii) 24th October, 2018 (iv) 12th November, 2018 (v) 20th December, 2018 (vi) 05th February, 2019 (vii) 11th March, 2019.

The gap between two Board Meetings did not exceed one hundred and twenty days.

The 40th Annual General Meeting (AGM) was held on 26th July, 2018.

The Attendance of the Directors in the Board Meetings and at the AGM held during the year is given as under:

Name of the Directors	Category	No. of Board Meetings Attended	Whether Attended the Last AGM
Mr. P.N. Sharma (Chairman)	Independent Non-Executive	7	Yes
Mr. Rajeev Bajaj (Managing Director)	Executive	7	Yes
Mr. Gavin Walker	Non-Executive	1	No
Mr. Deepak Sabharwal	Independent Non-Executive	4	Yes
Mrs. Madhu Vij	Independent Non-Executive	7	Yes

- 2.4 As on 31st March 2019, the Company was required to have an optimum combination with not less than one third of the Board of Directors comprising of Independent Directors. The Company had fully complied with the above requirement during the financial year ended 31st March 2019.
- 2.5 None of the Directors are related inter se as contemplated under Schedule V of the SEBI (LODR) Regulations, 2015.
- 2.6 The details of shares and convertible instruments held by non-executive Directors as on 31st March 2019 given below:

S. No	Name of Directors	No. of Shares
1	Mr. P.N. Sharma	75
2	Mr. Gavin Walker	0
3	Mr. Deepak Sabharwal	0
4	Mrs. Madhu Vij	0

## REPORT ON CORPORATE GOVERNANCE

### 2.7 Director's Induction and Familiarization

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- a. build an understanding of Singer, its businesses and the markets and regulatory environment in which it operates;
- b. provide an appreciation of the role and responsibilities of the Director;
- c. fully equip Directors to perform their role on the Board effectively; and
- d. develops understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy, the Directors have been appraised to the various viz. Companies Act, 2013 (the Act), SEBI (LODR) Regulations, 2015, Code of Conduct for Prevention of Insider Trading and Code of practices & Procedures for fair Disclosures of Unpublished Price Sensitive Information etc.

The details of familiarization programmes imparted to Independent Directors can be accessed at <http://www.singerindia.net/investor-relations/independent-directors/>

### 2.8 Matrix setting out skills/competence/expertise

The Board of Directors has identified the following skills / expertise/competencies that are required for effective and efficient functioning of the Board in context with the Company's business and sector:

Sr. No.	Areas of Core Skills/Expertise/Competence
1	Financial competency
2	Diversity
3	Customer Focussed Approach
4	Accountancy & Audit
5	Analytical Abilities
6	Understanding of Company's Business
7	Decision making Ability
8	Independence & Objectivity
9	Strategic Thinking
10	Integrity
11	Leadership
12	Legal Knowledge

The Board of Directors has the necessary Skills/Expertise/Competence in all the above mentioned areas.

## REPORT ON CORPORATE GOVERNANCE

### 2.9 Code of conduct

- a The Company is committed to conducting business in accordance with the highest standards of business ethics and complying with the applicable laws, rules and regulations. The Company had posted its Code of Conduct on the website of the Company as it believes that a good Corporate Governance structure would not only encourage value creation but also provide accountability and control systems commensurate with the risk.
- b All Directors have as on 31st March 2019, filed the requisite declarations stating that the disqualification contemplated under Section 164(2) of the Companies Act, 2013 did not apply to them.
- c The Company has framed the Code of Conduct and Ethics for members of the Board and Senior Management personnel of the Company. The Company takes great care that the members of the Board and Senior Management comply with the clauses of the Code of Conduct. The said Code of Conduct is also uploaded on the website of the Company. Declaration towards the confirmation that the Code of Conduct was followed is mentioned below.

#### **"I hereby confirm**

The Company has obtained from all members of the Board and Senior Management personnel, affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management in respect of the financial year ended 31st March 2019 "

(Rajeev Bajaj)  
Managing Director

The same can be accessed at <http://www.singerindia.net/about-us/code-of-conduct/>

## 3 Audit committee

- 3.1 The Audit Committee was constituted in conformity with the requirement of Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015. The Audit Committee comprises of three non-executive Independent Directors namely Mr. P. N. Sharma, Mr. Deepak Sabharwal and Mrs. Madhu Vij. The Committee is chaired by Mr. P. N. Sharma.
- 3.2 Mr. Richin Sangwan, Company Secretary was the Secretary to the Committee, however he resigned as Company Secretary w.e.f. 1st March, 2019 and Ms. Priyanka Gandhi joined in his place w.e.f. 17th April, 2019.
- 3.3 The Committee acts as a link between Statutory Auditors and the Board of Directors. The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to providing accurate, timely and proper disclosure and the integrity and quality of financial reporting. The Audit Committee reviews areas as specified under PART C of Schedule II of SEBI (LODR) Regulations, 2015 read with the provisions of section 177 of the Companies Act, 2013.
- 3.4 **Brief terms inter alia include:**
  - Overseeing the Company's financial reporting, process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
  - Recommending the appointment and removal of external auditors, fixation of audit fee and approval for payment of any other services
  - Reviewing with management the annual financial statement before submission to the Board.
  - Reviewing the adequacy of internal audit functions.
  - Discussing with internal auditors any significant finding and follow up on such issues.

## REPORT ON CORPORATE GOVERNANCE

- Reviewing the finding of any internal investigation by the internal auditors in matters where there is suspected fraud or a failure of internal control or regulatory system of a material nature and the reporting of such matters to the Board.
- Discussing with the External Auditor before the Audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any area of concern.
- Examining reasons for substantial default in the payment to depositors, shareholders (in case of non-payment of declared dividends) and creditors, if any.

### 3.5 Composition, meetings and attendance

The Audit Committee has fully complied with the requirements of Regulation 18 of SEBI (LODR) Regulations, 2015. The Company has also complied with the relevant provision of Section 177 of the Companies Act, 2013 under which the committee should consist of at least three members of which two-third members out of the total members to the committee should be Independent Directors.

During the financial year ended 31st March 2019, the Audit Committee meetings were held five times on the following dates:

(i) 28th May, 2018 (ii) 13th August, 2018 (iii) 12th November, 2018 (iv) 5th February, 2019 (v) 11th March, 2019

The attendance of each Audit Committee Member is as under:

Name of Director	Number of meetings attended
Mr. P. N. Sharma, Chairman	5
Mr. Deepak Sabharwal	2
Mrs. Madhu Vij	5

## 4. Nomination and Remuneration committee

The Company had Nomination and Remuneration Committee comprising of three non-executive Independent Directors in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

**4.1** The Committee was constituted to review and recommend to the Board, the remuneration packages of the Executive Directors and such other matters as the Board may refer to the committee from time to time. The terms of reference of the Nomination and Remuneration Committee and its role is as prescribed in sub section (3) and (4) of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of the Schedule II of SEBI (LODR) Regulations, 2015.

### 4.2 Composition and Attendance

During the financial year ended 31st March 2019 two meetings of Nomination & Remuneration Committee were held on 28th May 2018 and 11th March 2019.

The composition of the Committee is as follows:

Name of Director	Number of meetings attended
Mr. Deepak Sabharwal, Chairman	-
Mr. P.N. Sharma	2
Mrs Madhu Vij	2
Mr Gavin Walker	1

## REPORT ON CORPORATE GOVERNANCE

**4.3** Mr. Richin Sangwan, Company Secretary was the Secretary to the Committee, however he resigned as Company Secretary w.e.f. 1st March 2019 and Ms. Priyanka Gandhi joined in his place w.e.f. 17th April 2019.

**4.4** No remuneration, other than sitting fee for attending the meetings of Board and Committee are being paid to the Non-Executive Directors of the Company.

**4.5** Performance evaluation criteria for Independent Directors-

The Nomination and Remuneration Committee has laid down the criteria for Performance evaluation of Independent Directors which are as under-

- i. Based on the evaluation and recommendation by such committee as may be prescribed, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis.
- ii. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment as an Independent Director.

### 5. Remuneration of Directors

#### Executive Directors

**5.1** There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the financial year from 1st April, 2018 to 31st March 2019 except of Sitting Fee.

**5.2** Overall remuneration & sitting fees decided by the Board after recommendation from the Nomination & Remuneration Committee is reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives.

**5.3** The details of the remuneration paid to Directors during the year from 1st April, 2018 to 31st March 2019 are given below:

(Rs. In lacs)

Name and Designation	Salary	Executive Bonus(APA)	Other Benefits	Other Long term benefits	Contribution to provident and Other funds	Total
Mr. Rajeev Bajaj (Managing Director)	70.83	28.08	0.55	0.75	6.51	106.72

In case of Mr. Rajeev Bajaj, Managing Director, the services can be terminated by 3 months notice or on payment of 3 month salary in lieu thereof.

#### Non Executive Directors

**5.4** The Non-Executive Directors were paid sitting fee amounting to Rs. 27,500/- for attending meeting of Board of Directors and Rs. 7,500 for Stakeholders Relationship and share transfer Committee Meetings and Rs. 10,000/- for all other Committee meetings. The details of payment of Sitting Fees for the financial year ending 31st March 2019 are given below:

Sl. No.	Name	Sitting Fee (Rs. In lacs)
1.	Mr. P. N. Sharma, Independent Director	3.75
2.	Mr. Deepak Sabharwal, Independent Director	2.25
3.	Mrs. Madhu Vij, Independent Director	2.83

No sitting fee was paid to the foreign Director.

## REPORT ON CORPORATE GOVERNANCE

### 5.5 Equity shares held by the Directors

Mr. P. N. Sharma held 75 equity shares of the Company as on 31st March 2019.

35 equity shares are held by wife of the Managing Director as first holder and Managing Director as the second holder.

No Directors other than the above Directors held any shares in the Company as on 31st March 2019.

5.6 The Company does not have any stock option scheme for its employees.

## 6. Stakeholders Relationship & Share Transfer Committee

6.1 The composition of the Committee and attendance is as follows:

Name of Director	Number of meetings attended
Mr. Deepak Sabharwal, Chairman	12
Mr. P. N. Sharma	12
Mr. Rajeev Bajaj	12

During the financial year ended 31st March 2019, Committee meetings were held 12 times on the following dates:

(i) 17th April, 2018 (ii) 04th May 2018 (iii) 16th May, 2018 (iv) 04th June, 2018 (v) 29th June, 2018 (vi) 12th July, 2018 (vii) 28th September, 2018 (viii) 22nd October, 2018, (ix) 16th November, 2018 (x) 31st December, 2018 (xi) 31st January, 2019 (xii) 29th March, 2019.

### Status of queries/ complaints received and resolved during the year

Number of Shareholders' Queries/ Complaints received during the year	1
Number of Shareholders Complaints solved to the satisfaction of Shareholders during the year	1
Number of Shareholders Complaints pending as on 31st March 2019	Nil

Mr. Richin Sangwan, Company Secretary was the Secretary to the Committee and the Compliance Officer, however he resigned as Company Secretary w.e.f. 1st March 2019 and Ms. Priyanka Gandhi joined in his place w.e.f. 17th April 2019.

6.2 The Company attends to the Shareholders Grievances / correspondence expeditiously and normally reply is sent within a period of 10 days of receipt, except in cases of disputes or legal impediments. The designated e-mail ID for grievance redressal/compliance officer for registering complaint by investors is [secretarial@singerindia.net](mailto:secretarial@singerindia.net).

6.3 During the financial year ended 31st March 2019, Company received 6470 shares for transfer from 141 parties which were approved. There were no requests pending as on 31st March 2019.

## 7. Corporate Social Responsibility Committee (CSR Committee)

Terms of Corporate Social Responsibility (CSR) Committee are as per the provisions of Section 135 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 which inter alia include formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy and recommendation on the amount of expenditure to be incurred on the various CSR activities and monitoring of the CSR Policy of the Company.



## REPORT ON CORPORATE GOVERNANCE

### Composition and Attendance

The Committee comprises of 3 Directors:

1. Mr. P. N. Sharma, Chairman
2. Mr. Deepak Sabharwal, Member
3. Mr. Rajeev Bajaj, Member

The Committee met once during the financial year ended 31st March 2019 on 13th August, 2018. All the members were present in the meeting.

### 8. Separate Independent Directors' Meetings

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs.

During the period under review, the Independent Directors met once on 09th July, 2018, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

### 9. Certificate from CEO & CFO

Certificate from Mr. Rajeev Bajaj, Managing Director and Mr. S. C. Nagpal, Chief Financial Officer of the Company in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015 for the financial year ended 31st March 2019 was placed before the Board of Directors of the Company in its meeting held on 22nd May, 2019 is attached herewith as "Annexure - 7"

### 10. General Body Meetings

**10.1 Annual General Meeting**-The last three Annual General Meetings of the Company were held as under: -

Financial Year	Date	Time	Venue	No. of special resolution passed
2017-18	26th July, 2018	3:00 p.m.	PHD Chambers of Commerce & Industry, PHD house, 4/2, Siri institutional Area, August Kranti Marg, New delhi-110016	1
2016-17	20th July, 2017	3:00 p.m.	Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-110003	2
2015-16	11th August, 2016	3:00p.m.	Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-110003	1

## REPORT ON CORPORATE GOVERNANCE

### 10.2 Postal Ballot

During the financial year ended 31st March 2019, no special resolution was passed through Postal Ballot and none of the business is proposed to be transacted through postal ballot till the ensuing Annual General Meeting.

### 11. Means of communication

- a) **Quarterly/ Half Yearly Disclosures:** Quarterly and half yearly reports are not sent separately to the individual members. The Quarterly/Half Yearly Results are published in leading daily newspapers viz. "Indian Express"/ "Hindustan Times" in English and in "Jansatta"/ "Hindustan" in Hindi.
- b) **Website** [www.singerindia.net](http://www.singerindia.net). Detailed information on the Company's business and products; quarterly/ half yearly/ nine months and annual financial results are displayed on the Company's website. The Company's website [www.singerindia.net](http://www.singerindia.net) is a comprehensive reference on Singer India Limited management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investor' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, or registrars, share transfer agents etc. The Company does not display official news release and presentations made to institutional investors.
- c) **Annual Report:** Annual Report containing inter-alia, Notice of Annual General Meeting, Directors' Report, Auditors' Report, Audited Annual Accounts and other important information is circulated to Members and others entitled thereto.
- d) **The Management Discussion & Analysis:** The Management Discussion & Analysis Report forms part of the Annual Report.
- e) **Intimation to Stock Exchanges:** The Company is timely submitting the required information, statement and report to the Bombay Stock Exchange Limited. The Company intimates Bombay Stock Exchange Limited all price sensitive information which in its opinion are material & of relevance to the shareholders.

### 12. General shareholder information

#### 12.1 Annual General Meeting

Date: 7th August, 2019

Time: 3:00 pm

Venue: PHD Chambers of Commerce & Industry,

PHD house,4/2, Siri institutional Area, August Kranti Marg, New Delhi-110016

#### 12.2 Financial Year:

For the financial year ended 31st March 2019 i.e 1st April 2018 to 31st March 2019, results were announced on:

First Quarter	:	13th August, 2018
Half yearly	:	12th November, 2018
Third Quarter	:	05th February, 2019
Fourth Quarter & Audited Results	:	22nd May, 2019

For the year ended 31st March 2020, results will be announced on:

First Quarter: Within 45 days from the close of quarter ending June, 2019.

## REPORT ON CORPORATE GOVERNANCE

Half yearly: Within 45 days from the close of quarter ending September, 2019.

Third Quarter: Within 45 days from the close of quarter ending December, 2019

For the year ended 31st March 2020 & Audited Annual Results (2019-2020): Within 60 days from the close of quarter/ FY ending 31st March 2020.

### 12.3 Dividend & Book closure date

The Company has declared interim dividend of 20% (Rs.0.40 per equity share of face value of Rs.2/-each) in the Board Meeting held on 5th February 2019 with record date as 15th February, 2019. The Interim Dividend was paid on 26th February, 2019.

The Board of Directors, at their meeting held on 22nd May, 2019 recommended a final dividend of 20% (Rs.0.40 per equity share of face value of Rs. 2/- each) for the financial year ended 31st March 2019.

The final dividend if approved by the Members will be paid to all the members as on the date of Annual General Meeting within the statutory limit of 30 days from the date of declaration. The register of members and share transfer register of the Company will remain closed from 25th July, 2019 to 7th August, 2019 (both days inclusive).

### 12.4 Listing on Stock Exchanges and Stock Codes

Name of the stock exchange	Stock code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street , Mumbai – 400001	505729

The International Security Identification Number (ISIN) of Singer India Limited on both NSDL and CDSL under Depository system is INE638A01035

The Company confirms that it has paid annual listing fee to BSE Limited, Mumbai for the year from 1st April, 2018 to 31st March 2019.

The Status of dividend remaining unclaimed is given hereunder:

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
For the Financial Year 2012-13	Lying in Unpaid Dividend Account	Yes	MCS Share Transfer Agent Ltd. (Registrars and Transfer Agent)	Reminder letters being sent to the Shareholders
For the Financial Year 2013-14	Lying in Unpaid Dividend Account	Yes	MCS Share Transfer Agent Ltd. (Registrars and Transfer Agent)	Reminder letters being sent to the Shareholders
For the Financial Year 2014-15	Lying in Unpaid Dividend Account	Yes	MCS Share Transfer Agent Ltd. (Registrars and Transfer Agent)	Reminder letters being sent to the Shareholders
For the Financial Year 2015-16	Lying in Unpaid Dividend Account	Yes	MCS Share Transfer Agent Ltd. (Registrars and Transfer Agent)	Reminder letters being sent to the Shareholders

## REPORT ON CORPORATE GOVERNANCE

Unclaimed Dividend	Status	Whether it can be claimed	Can be claimed from	Action to be taken
For the Financial Year 2016-17	Lying in Unpaid Dividend Account	Yes	MCS Share Transfer Agent Ltd. (Registrars and Transfer Agent)	Reminder letters being sent to the Shareholders
For the Financial Year 2017-18	Lying in Unpaid Dividend Account	Yes	MCS Share Transfer Agent Ltd. (Registrars and Transfer Agent)	Reminder letters being sent to the Shareholders
For the Financial Year 2018-19(Interim Dividend)	Lying in Unpaid Dividend Account	Yes	MCS Share Transfer Agent Ltd. (Registrars and Transfer Agent)	Reminder letters being sent to the Shareholders

Company has hosted on its website the details of the unclaimed dividend for the Financial Year 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-2018. Shareholders who have not encashed their dividend warrants relating to the said years are requested to contact M/s MCS Share Transfer Agent Limited (Registrars and Transfer Agent).

### 12.5 Market price data

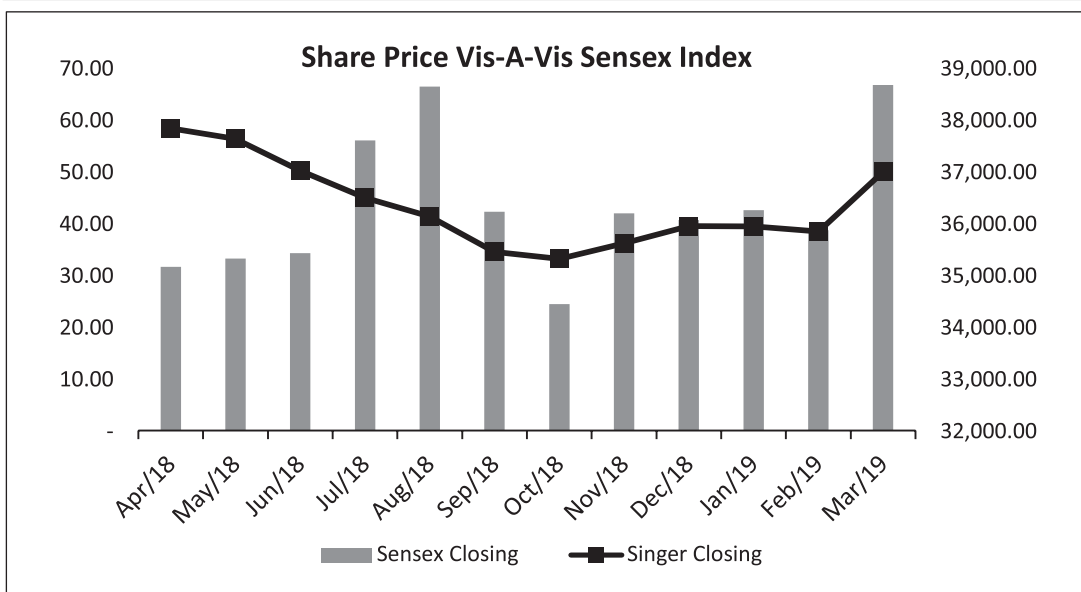
The monthly high/low quotations of shares traded at BSE Limited, Mumbai during the year ended 31st March 2019 are as follows:

Month	High (Rs.)	Low (Rs.)
April, 2018	66.00	51.80
May, 2018	61.90	54.10
June, 2018	56.95	47.00
July, 2018	53.95	42.05
August ,2018	49.70	37.50
September ,2018	45.65	34.20
October, 2018	39.70	31.25
November, 2018	37.00	32.70
December, 2018	42.35	35.10
January,2019	41.90	35.00
February, 2019	40.55	36.00
March, 2019	53.00	37.65

## REPORT ON CORPORATE GOVERNANCE

### 12.6 Performance of Company's equity shares in comparison to BSE Sensex is given below:

	BSE	Singer India Limited
Month	Sensex Closing	Singer Closing
Apr-18	35,160.36	58.35
May-18	35,322.38	56.35
Jun-18	35,423.48	50.20
Jul-18	37,606.58	44.95
Aug-18	38,645.07	41.30
Sep-18	36,227.14	34.50
Oct-18	34,442.05	33.15
Nov-18	36,194.30	36.15
Dec-18	36,068.33	39.45
Jan-19	36,256.69	39.40
Feb-19	35,867.44	38.45
Mar-19	38,672.91	50.00



## REPORT ON CORPORATE GOVERNANCE

### 12.7 Registrar and Transfer Agent

M/s MCS Share Transfer Agent Limited, New Delhi are the registrar and share transfer agents of the Company for handling both electronic and physical shares. Shareholders are requested to contact the transfer agents for all share related work. The address of share transfer agents is given below:

M/s MCS Share Transfer Agent Limited

F – 65, First Floor, Okhla Industrial Area, Phase – I

New Delhi – 110020

Phone: 011 – 41406149 – 52, Fax: 011 – 41709881, Email: admin@mcsregistrars.com

### 12.8 Share Transfer System

The shares of the company are traded in the compulsory dematerialized mode for all investors. The shares sent for transfer in physical form are registered within 10 days (if in order and complete in all respects) and the share certificates are immediately returned to the shareholders. In respect of requests received for dematerialization of shares, the same are confirmed to the respective depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the stipulated time.

In compliance of the Listing Guidelines, every six months, practicing Company Secretary audits the system of transfers and a certificate to that effect is issued. Also, in compliance with the SEBI guidelines, a quarterly secretarial audit is being conducted by a practicing Company Secretary and the secretarial audit report is issued which, in turn, is submitted to the stock exchange. The said secretarial audit report is also placed before the Board from time to time.

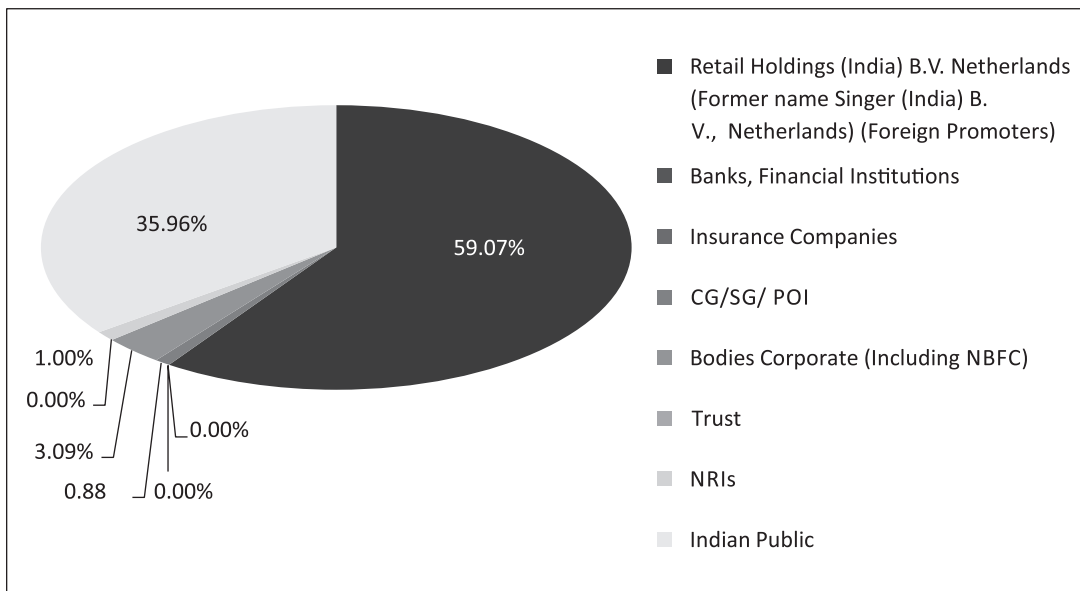
### 12.9 Distribution of shareholding as on 31st March 2019

S. No	Shares		Shareholders		No. of shares	
	Range		Number	% of Total	Number	% of Total
1	1	500	12421	77.45	1788114	3.33
2	501	1000	1418	8.42	1221764	2.27
3	1001	2000	855	5.33	1329791	2.48
4	2001	3000	436	2.72	1118675	2.08
5	3001	4000	167	1.04	599680	1.12
6	4001	5000	223	1.39	1072160	2.00
7	5001	10000	273	1.70	2070608	3.86
8	10001	50000	202	1.26	4031313	7.50
9	50001	100000	19	0.12	1378280	2.57
10	100001	And above	24	0.15	39105290	72.80
	<b>TOTAL</b>		<b>16038</b>	<b>100.00</b>	<b>53715675</b>	<b>100.00</b>

## REPORT ON CORPORATE GOVERNANCE

Broad Shareholding Pattern as on 31st March 2019

Category	No. of shares held	% age of shareholding
Retail Holdings (India) B.V. Netherlands (Former name Singer (India) B. V., Netherlands) (Foreign Promoters)	31730667	59.07
Banks, Financial Institutions	1100	0.00
Insurance Companies	85	0.00
CG/SG/ POI	470230	0.88
Bodies Corporate (Including NBFC)	1660716	3.09
Trust	1585	0.00
NRIs	535891	1.00
Indian Public	19315401	35.96
<b>TOTAL</b>	<b>53715675</b>	<b>100.00</b>



### 12.10 Dematerialization of shares and liquidity

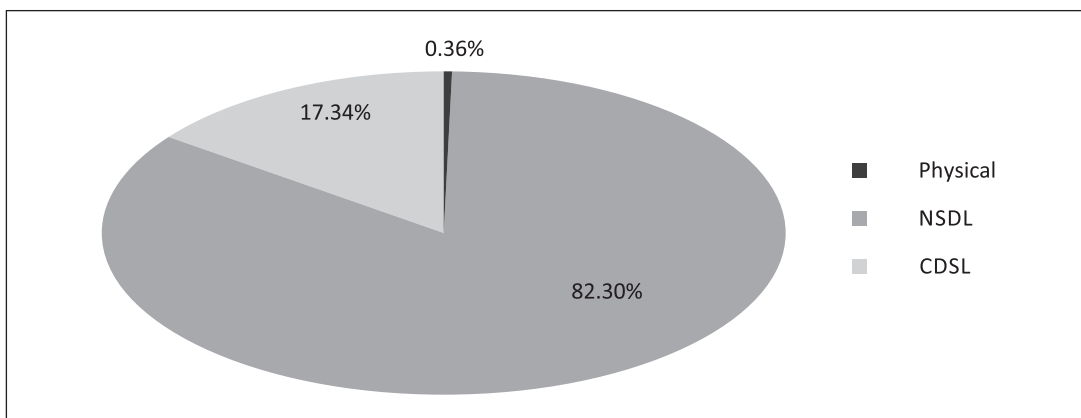
99.64% of the equity shares have been dematerialized up to 31st March 2019. The shares of the Company can be dematerialized by the shareholders either with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited.

The Equity shares of the Company are listed with BSE Limited, Mumbai.

## REPORT ON CORPORATE GOVERNANCE

The breakup of Equity Share capital held with depositories and in physical form as on March 31, 2019 is as follows:

Category	No. of shareholders	No. of Equity Shares	% of Capital
Physical	3161	193170	0.36
NSDL	7435	44210123	82.30
CDSL	5442	9312382	17.34
<b>Total</b>	<b>16038</b>	<b>53715675</b>	<b>100.00</b>



**12.11 Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity-NIL**

**12.12 Commodity Price Risk/ Foreign Exchange Risk and Hedging: NIL**

**12.13. Location of Plants**

1. Lane No. 4, SIDCO Industrial Estate, Jammu
2. Lane No. 2, SIDCO Industrial Estate, Phase II, Jammu

**12.14 Address for Correspondence:**

Singer India Limited

A 26/4, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi-110044,

CIN : L52109DL1977PLC025405

Email: mail@singerindia.net, secretarial@singerindia.net & pgandhi@singerindia.net.

## 13. Disclosures

**13.1** Risk assessment and its minimization procedures have been laid down by the Company and adopted by the Board in one of its meeting and are reviewed on periodical basis. There is a structure in place to identify and mitigating various identifiable risks faced by the Company from time to time. At the Meetings of the Board, these risks are reviewed and new risks are identified. After assessment, controls are put in place with specific responsibility of the concerned officer of the Company. The risk management policy was approved on 28th



## REPORT ON CORPORATE GOVERNANCE

July, 2015 and subsequently it was uploaded on the website, it can be accessed at <http://www.singerindia.net/investor-relations/policies-codes/>

- 13.2** No money was raised by the Company during the financial year ended 31st March 2019.
- 13.3** A summary of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee Meetings.
- 13.4** The Company has framed Related Party Transaction Policy and is placed on the Company's Website and the web link for the same is <http://www.singerindia.net/investor-relations/policies-codes/>
- There were no materially significant transactions during the year ended 31st March 2019 with the related parties such as the promoters, directors, key managerial personnel or relatives that could have potential conflict with the interest of the Company.
- 13.5** All material transactions during the financial year ended 31st March 2019, either with the related parties or others was on commercial consideration.
- 13.6** Neither any penalties imposed, nor any strictures passed by Stock Exchange or SEBI or any statutory authority on any capital market related matters during last three years.
- 13.7** The Company has a robust Whistle Blower Policy and has established the necessary vigil mechanism which provide Directors, Employees, ex-employees, Dealers, Vendors and Customers of the Company an avenue to raise concerns in line with Singer India's commitment to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication and the same can be viewed at the website of the Company at <http://www.singerindia.net/about-us/policy/>. No person has been denied access to the Chairman of the Audit Committee.
- 13.8** The Company values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company has put in place a policy against sexual harassment at workplace as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the policy, any employee may report his/ her complaint to the Committee formed for this purpose. We affirm that adequate access was provided to any complainant, who wished to register a complaint under the policy and no instance has come during the financial year ended 31st March 2019.
- 13.9** During the financial year ended 31st March 2019, the Company has fully complied with the mandatory requirements as stipulated in SEBI (LODR) Regulations, 2015.

### 13.10 ADOPTION OF DISCRETIONARY REQUIREMENTS

#### I. The Board

The Non-Executive Chairman of the Company does not maintain his separate office.

#### II. Audit Qualifications

During the year under review, there was no audit qualification in the Auditors' Report on the Company's financial statements.

#### III. Separate posts of Chairman and Managing Director

The post of the Chairman of the Company and Managing Director are held by separate persons.

#### IV. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit committee.

## REPORT ON CORPORATE GOVERNANCE

### V. Shareholders Rights

Half-yearly and other quarterly financial statements are published in newspapers and uploaded on Company's website [www.singerindia.net](http://www.singerindia.net)

**13.11** Company has no material Subsidiary, the policy for determining the material subsidiaries is on the Company's website <https://www.singerindia.net/investor-relations/policies-codes/>

**13.12** During the year ended 31st March 2019 the Company did not engage in commodity hedging activities.

**13.13** The mandatory disclosures of transactions with the related parties in compliances with the Accounting Standard is a part of this annual Report and disclosed in Notes to the Accounts in Note- 34 and the policy is available on Company's website <https://www.singerindia.net/investor-relations/policies-codes/>

**13.14** In preparing the Annual Accounts in respect to the financial year ended 31st March 2019 no accounting treatment was different from that prescribed.

**13.15** All the Directors and other identified persons have observed and complied with the requirements of Code of Conduct for Prevention of Insider Trading in Equity Shares of the Company in accordance with Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation 2015.

**14.** There has been no instance of non-compliance of any requirement of Corporate Governance Report.

**15.** The Company has fully complied with the applicable requirement specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46.

### **16. Demat Suspense Account/Unclaimed Suspense Account**

There are no shares lying in the Demat Suspense Account/ Unclaimed Suspense Account as on 31st March 2019.

### **17. Disclosure of accounting treatment**

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS). The financial statements for the year ended 31st March 2018 were the first financial statements under Ind AS.

### **18. Management Discussion and Analysis**

The Management Discussions and Analysis Report is a part of the annual report and is attached herewith as "Annexure - 8"

**On behalf of the Board of Directors**

Place: New Delhi  
Date: 22nd May, 2019

**P N Sharma**  
Chairman

**Rajeev Bajaj**  
Managing Director

## REPORT ON CORPORATE GOVERNANCE

### Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members of Singer India Limited

1. This certificate is issued in accordance with our engagement letter dated 2 May 2019.
2. The certificate contains details of compliance of conditions of corporate governance by Singer India Limited ('the Company') for the year ended 31 March 2019 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with the Stock Exchange.

#### Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

#### Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2019.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.

#### Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we clarify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

## REPORT ON CORPORATE GOVERNANCE

### Restriction on use

10. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and should not be used by any other person or for any the other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without any prior consent in writing.

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 101248W/W-100022

Place: Gurugram  
Date: 4th June, 2019

**Jiten Chopra**  
Partner  
ICAI Membership No.: 092894  
ICAI UDIN: 19092894AAAAV2731

## INDEPENDENT AUDITORS' REPORT

To the Members of Singer India Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the standalone financial statements of Singer India Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the *Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Description of Key Audit Matter

Revenue recognition See note 2.b(xv) and note 20 to the standalone financial statements	
The key audit matter	How the matter was addressed in our audit
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, i.e. when the control of the underlying products have been transferred to the customer. There is a risk that revenue may be overstated because of fraud resulting from the pressure management may feel to achieve performance targets at the reporting period end. The Company focuses on revenue as a key performance measure which could create an incentive for revenue to be recognised before the control of underlying products has been transferred.	We applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: <ul style="list-style-type: none"> <li>– tested the design and operating effectiveness of key controls established by management over the completeness, accuracy and existence of revenue;</li> <li>– inspected individual revenue transactions on sample basis, selected by using statistical sampling, to underlying orders, invoices, delivery notes/ customer portal;</li> <li>– performed sales cut off procedures on sales prior to and post year end which included inspecting delivery notes/ customer portal on sample basis and ensuring revenue was recognised appropriately;</li> </ul>

## INDEPENDENT AUDITORS' REPORT

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li data-bbox="618 322 1295 402">– inspected post year end credit notes to ensure that revenue recognised during the year is not reversed in the subsequent period without sufficient cause;</li> <li data-bbox="618 407 1295 520">– as part of confirmation of the existence of revenue, we also selected a sample of trade receivables and agreed to balance confirmations obtained from debtors or agreed to after date cash receipts and/ or to delivery notes; and</li> <li data-bbox="618 525 1295 602">– evaluated the appropriateness of the revenue recognition policy compared to the requirements of accounting standards and that the policy was being complied with.</li> </ul>

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs

## INDEPENDENT AUDITORS' REPORT

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

## INDEPENDENT AUDITORS' REPORT

- (A) As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
  - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 101248W/W-100022

**Jiten Chopra**  
Partner  
ICAI Membership number. 092894

Place: New Delhi  
Date: 22 May 2019



## INDEPENDENT AUDITORS' REPORT

### Annexure A referred to in our Independent Auditor's Report to the members of Singer India Limited on the standalone financial statements for the year ended 31 March 2019

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified on an annual basis. In our opinion, this periodicity of physical verification by management is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, fixed assets were physically verified during the year. As informed to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) Inventories, except for goods-in-transit have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us, the procedures for physical verification of inventories followed by the management during the year are reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly adjusted in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loan, or made any investments, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) As per the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, for any of the services rendered or goods sold by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax, duty of customs, cess and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of excise, sales tax, service tax and value added taxes.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, goods and services tax, duty of customs, duty of excise, value added taxes, cess and other statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

## INDEPENDENT AUDITORS' REPORT

- (b) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and services tax, sales tax, value added tax, duty of excise and duty of customs which have not been deposited by the Company with the appropriate authorities on account of any dispute as at 31 March 2019, other than those mentioned as follows:

### Statement of Disputed Tax Dues

Name of the Statute	Nature of the dues	Amount (Rs. in Lakhs)	Amount paid under protest (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Delhi Value Added Tax Act, 2004	Interest and Penalty	1.82	-	Financial year (FY) 2005-06	Assistant Commissioner, Delhi
Central Sales Tax Act, 1956	Central Sales Tax	9.00	-	FY 1992-93 FY 2002-03	Tribunal Board, West Bengal
West Bengal Value Added Tax Act, 2003	Value Added Tax	4.75	-	FY 2007-08 FY 2009-10	Tribunal Board, West Bengal
West Bengal Value Added Tax Act, 2003	Value Added Tax	3.20	-	FY 2010-11	Joint Commissioner Commercial Taxes, Kolkata
Central Sales Tax Act, 1956	Central Sales Tax	1.97	-	FY 1992-93 FY 1996-97	Commissioner of Commercial Tax, Mumbai
The Maharashtra Value Added Tax Act, 2002	Sales Tax	37.65	-	FY 2004-05	Joint Commissioner of Commercial Taxes, Mumbai
Goa sales tax act, 1964	Sales tax and interest	0.13	-	FY 2002-03	Commissioner of Commercial Tax, Goa
Central Sales Tax Act, 1956	Central Sales Tax and interest	28.17	8.13	FY 2003-04	Deputy Commissioner (Appeals) Commercial Taxes, Kerala
Central Sales Tax Act, 1956	Central Sales Tax and interest	16.91	5.07	FY 2004-05	Commissioner of Commercial Taxes, Kerala
Central Sales Tax Act, 1956	Central Sales Tax	0.47	0.20	FY 2009-10	Assistant Commissioner, Kerala
Kerala Value Added Tax Act, 2004	Value Added Tax	0.57	0.57	FY 2010-11	Assistant Commissioner, Kerala

## INDEPENDENT AUDITORS' REPORT

Name of the Statute	Nature of the dues	Amount (Rs. in Lakhs)	Amount paid under protest (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Kerala Value Added Tax Act, 2004	Penalty on truck seizure	1.49	1.49	FY 2011-12	Commissioner of Commercial Tax, Kerala
Central Sales Tax Act, 1956	Central Sales Tax	20.96	2.01	FY 2011-12 FY 2012-13	Commissioner of Commercial Tax, Kerala
Haryana Value Added tax Act, 2003	Penalty on Value Added Tax	0.36	0.36	FY 2012-13	Joint Excise and Taxation Commissioner (Appeals)
Central Sales Tax Act, 1956	Central Sales Tax	2.42	2.42	FY 2012-13 FY 2013-14	Assistant Commissioner, AnnaiSalai, Chennai
Rajasthan Value Added tax Act, 2003	Penalty on delay in filing Value Added Tax Return	9.60	-	FY 2015-16	Appellate Authority, Commercial Taxes Department, Jaipur

- (viii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to banks. Further, no loans or borrowings were taken from financial institutions, government and there were no debentures issued during the year or outstanding as at 31 March 2019.
- (ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Moreover, the term loans taken by the Company have been applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been provided and paid by the Company in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) According to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the standalone financial statements as required by the accounting standards.

## INDEPENDENT AUDITORS' REPORT

- (xiv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the current year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **BSR & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 101248W / W-100022

Place: New Delhi  
Date: 22 May 2019

**Jiten Chopra**  
Partner  
ICAI Membership number: 092894

## INDEPENDENT AUDITORS' REPORT

**Annexure B to the Independent Auditors' report on the standalone financial statements of Singer India Limited for the year ended 31 March 2019.**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

We have audited the internal financial controls with reference to financial statements of Singer India Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

## INDEPENDENT AUDITORS' REPORT

### Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **BSR & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number: 101248W / W-100022

Place: New Delhi  
Date: 22 May 2019

**Jiten Chopra**  
Partner  
ICAI Membership number: 092894

## Standalone Balance Sheet as at 31 March 2019 (Rupees in lakhs)

	Note	As at 31 March 2019	As at 31 March 2018
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
a. Property, plant and equipment	3	1,107.49	1,132.41
b. Intangible assets	4	75.96	76.91
c. Financial assets			
(i) Investments	5	165.20	-
(ii) Loans	6	73.78	63.08
(iii) Other financial assets	7	-	5.89
d. Deferred tax assets (net)	19.e	454.55	659.60
e. Income tax assets (net)	19.d	15.29	15.06
f. Other non-current assets	8	60.02	18.94
<b>Total non-current assets</b>		<b>1,952.29</b>	<b>1,971.89</b>
<b>Current assets</b>			
a. Inventories	9	7,378.63	6,623.14
b. Financial assets			
(i) Trade receivables	10	6,601.65	4,792.60
(ii) Cash and cash equivalents	11	216.02	377.35
(iii) Bank balances other than cash and cash equivalents	12	84.87	140.95
(iv) Loans	6	63.08	49.15
(v) Other financial assets	7	33.42	65.89
c. Other current assets	8	511.88	704.83
<b>Total current assets</b>		<b>14,889.55</b>	<b>12,753.91</b>
<b>TOTAL ASSETS</b>		<b>16,841.84</b>	<b>14,725.80</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity share capital	13	1,074.31	1,074.31
b. Other equity	14	4,820.28	4,646.73
<b>Total equity</b>		<b>5,894.59</b>	<b>5,721.04</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
a. Financial liabilities			
Borrowings	15.a	17.51	22.65
b. Provisions	16	152.17	147.67
<b>Total non-current liabilities</b>		<b>169.68</b>	<b>170.32</b>
<b>Current liabilities</b>			
a. Financial liabilities			
(i) Borrowings	15.a	2,200.55	1,369.95
(ii) Trade payables	17		
-total outstanding dues of micro and small enterprises		2,367.10	2,430.42
-total outstanding dues of creditors other than micro and small enterprises		4,710.05	3,729.67
(iii) Other financial liabilities	15.b	164.81	136.66
b. Other current liabilities	18	752.36	598.41
c. Provisions	16	571.93	558.44
d. Current tax liabilities (net)	19.d	10.77	10.89
<b>Total current liabilities</b>		<b>10,777.57</b>	<b>8,834.44</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,841.84</b>	<b>14,725.80</b>

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**

Partner

Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

Place: New Delhi  
Date: 22 May 2019

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

## Standalone Statement of Profit and Loss for the year ended 31 March 2019 (Rupees in lakhs)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Income</b>			
Revenue from operations	20	48,298.30	42,157.90
Other income	21	170.60	131.51
<b>Total income</b>		<b>48,468.90</b>	<b>42,289.41</b>
<b>Expenses</b>			
Cost of materials consumed	22	1,195.80	1,144.76
Excise duty		-	7.64
Purchases of stock in trade		36,482.92	32,594.33
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23	(785.54)	(1,186.79)
Employee benefits expense	24	2,630.14	2,232.10
Finance costs	25	118.01	56.45
Depreciation and amortisation expense	26	111.62	115.30
Other expenses	27	7,257.25	6,062.52
<b>Total expenses</b>		<b>47,010.20</b>	<b>41,026.31</b>
<b>Profit before tax</b>		<b>1,458.70</b>	<b>1,263.10</b>
<b>Tax expense</b>			
Current tax	19	327.74	285.03
Tax for earlier years		-	(27.12)
Deferred tax charge		205.07	109.17
<b>Total tax expense</b>		<b>532.81</b>	<b>367.08</b>
<b>Profit for the year</b>		<b>925.89</b>	<b>896.02</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit plans		(11.73)	(3.82)
- Income tax relating to above mentioned item		4.10	1.33
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>(7.63)</b>	<b>(2.49)</b>
<b>Total comprehensive income for the year</b>		<b>918.26</b>	<b>893.53</b>
<b>Earnings per equity share of face value of Rs. 2 each</b>			
Basic (Rs.)	35	1.72	1.67
Diluted (Rs.)		1.72	1.67

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**

Partner

Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019



## Standalone statement of changes in equity for the year ended 31 March 2019 (Rupees in lakhs)

### a. Equity share capital

Particulars	Note	For the year ended 31 March 2019		For the year ended 31 March 2018	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		53,715,675	1,074.31	10,743,135	1074.31
Increase due to sub-division of equity shares	13g (i).	-	-	42,972,540	-
<b>Balance at the end of the year</b>		<b>53,715,675</b>	<b>1,074.31</b>	<b>53,715,675</b>	<b>1,074.31</b>

### b. Other equity

Particulars	Note	Reserve and Surplus			Other comprehensive income*	Total
		Securities premium	General reserve	Retained earnings		
Balance as at 1 April 2018		122.50	263.57	4,260.66	-	4,646.73
Profit for the year				925.89		925.89
Other comprehensive income for the year	14 b.				(7.63)	(7.63)
<b>Total comprehensive income for the year</b>				<b>925.89</b>	<b>(7.63)</b>	<b>918.26</b>
Transferred to retained earnings				(7.63)	7.63	-
Dividends	14 a (iv)			(617.73)		(617.73)
Corporate dividend tax				(126.98)		(126.98)
<b>Balance as at 31 March 2019</b>		<b>122.50</b>	<b>263.57</b>	<b>4,434.21</b>	<b>-</b>	<b>4,820.28</b>
<b>Balance as at 1 April 2017</b>		<b>122.50</b>	<b>263.57</b>	<b>3,819.69</b>	<b>-</b>	<b>4,205.76</b>
Profit for the year				896.02		896.02
Other comprehensive income for the year	14 b.				(2.49)	(2.49)
<b>Total comprehensive income for the year</b>				<b>896.02</b>	<b>(2.49)</b>	<b>893.53</b>
Transferred to retained earnings				(2.49)	2.49	-
Final dividends	14 a (iv)			(376.01)		(376.01)
Corporate dividend tax				(76.55)		(76.55)
<b>Balance as at 31 March 2018</b>		<b>122.50</b>	<b>263.57</b>	<b>4,260.66</b>	<b>-</b>	<b>4,646.73</b>

\* Other comprehensive income represents remeasurement of defined benefit plans (net of tax).

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**  
Partner  
Membership No. 092894

Place: New Delhi  
Date: 22 May 2019

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

Place: New Delhi  
Date: 22 May 2019

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

## Standalone Cash Flow Statement for the year ended 31 March 2019 (Rupees in lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. Cash flows from operating activities</b>		
Profit before tax	1,458.70	1,263.10
Adjustments for:		
Provisions / liabilities no longer required written back	(64.17)	(39.94)
Impairment allowance for doubtful receivables	39.01	85.19
Impairment allowance for obsolescence, slow / non-moving	7.19	6.37
Bad-debts written off	22.18	16.07
Loss/(profit) on sale of property, plant and equipment (net) / Assets written-off	1.29	0.69
Deferred rent amortisation (included in rent expenses)	7.34	7.60
Depreciation and amortisation expenses	111.62	115.30
Unrealised foreign exchange (gain) / loss (net)	7.45	(6.73)
Interest on borrowings measured at amortised cost	108.05	48.22
Interest on financial liabilities measured at amortised cost	7.70	6.33
Interest income from bank deposits	(7.89)	(10.41)
Interest income from financial assets at amortised cost	(7.72)	(6.90)
Interest - Others	2.26	1.90
<b>Operating profit before working capital changes</b>	<b>1,693.01</b>	<b>1,486.79</b>
Adjustments for:		
Increase in trade receivables	(1,877.69)	(1,487.07)
Increase in inventories	(762.68)	(1,210.24)
(Increase) / decrease in loans, other financial assets, and other assets	150.54	(463.60)
(Increase) / decrease in trade payables, other financial liabilities and other liabilities	1,169.60	1,462.99
<b>Cash generated from/ (used in) operating activities</b>	<b>372.78</b>	<b>(211.13)</b>
Income tax paid (net of refund)	(326.27)	(290.17)
<b>Net cash generated from/ (used in) operating activities</b>	<b>46.51</b>	<b>(501.30)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and intangible assets	(89.16)	(85.76)
Proceeds from sale of property, plant and equipment	2.12	0.31
Purchase of Non-current investments	(165.20)	-
Deposits made with banks due to mature within 12 months from the reporting date (net) Refer to Note 12 [deposits under lien Rs. 53.41 (31 March 2018 : Rs. 52.58)]	59.43	(1.35)
Deposits made with banks due to mature after 12 months from the reporting date (net) Refer to Note 7 [deposits under lien Rs. 5 (31 March 2018 : Rs. 5)]	5.89	(5.89)
Change in earmarked balances with banks (unpaid dividend)	(3.35)	(1.74)
Interest received	9.74	10.21
<b>Net cash used in investing activities</b>	<b>(180.53)</b>	<b>(84.22)</b>
<b>C. Cash flows from financing activities</b>		
Net proceeds from bank borrowings	(5.15)	27.89
Interest paid	(108.05)	(48.22)
Dividends paid	(617.73)	(376.01)
Corporate dividend tax paid	(126.98)	(76.55)
<b>Net cash used in financing activities</b>	<b>(857.91)</b>	<b>(472.89)</b>
<b>Net decrease in cash and cash equivalents during the year (A+B+C)</b>	<b>(991.93)</b>	<b>(1,058.41)</b>

## Standalone Cash Flow Statement for the year ended 31 March 2019 (Rupees in lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>D. Cash and cash equivalents at the beginning of the year*</b>		
Cash on hand	18.72	17.63
Cheques on hand	310.22	302.66
Balance with banks:		
- On current accounts	48.06	75.89
- On deposit accounts (with original maturity of three months or less)	0.35	0.33
Cash credit facilities and working capital demand loan	(1,369.95)	(330.70)
	<b>(992.60)</b>	<b>65.81</b>
<b>E. Cash and cash equivalents as at the end of the year*</b>		
Cash on hand	13.90	18.72
Cheques on hand	175.71	310.22
Balance with banks:		
- On current accounts	26.41	48.06
- On deposit accounts (with original maturity of three months or less)	-	0.35
Cash credit facilities and working capital demand loan	(2,200.55)	(1,369.95)
	<b>(1,984.53)</b>	<b>(992.60)</b>

\* Cash and cash equivalents includes cash credit facility and working capital demand loan from banks that are repayable on demand and form an integral part of the Company's cash management.

### Notes:

- The Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.
- Changes in liabilities arising from financing activities**

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Opening balance of borrowings</b>	27.89	-
<b>Cash flows</b>		
Proceeds from borrowings	-	30.00
Repayment of borrowings	(5.15)	(2.11)
<b>Non-cash changes</b>		
Changes in borrowings measured at amortised cost	-	-
<b>Closing balance of borrowings</b>	<b>22.74</b>	<b>27.89</b>

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**

Partner

Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

Place: New Delhi  
Date: 22 May 2019

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### 1. Company Information / Overview

Singer India Limited (the "Company") is a public limited company domiciled in India. The Company was incorporated on 19 October 1977 under the provisions of the Company's Act, 1956. The Company's registered office is at A-26/4, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110 044. The shares of the Company are listed on BSE Limited (BSE). The Company is engaged in the business of trading / manufacturing of sewing machines, related accessories and in trading of domestic appliances.

### 2. a Basis of preparation

#### (i) Statement of compliance

The standalone financial statements comply with the Indian Accounting Standard ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. The Company has adopted Ind AS with effect from 1 April 2017, with transition date of 1 April 2016, pursuant to notification issued by the Ministry of Corporate Affairs dated 16 February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015.

These standalone financial statements were authorised for issue by the Board of Directors of the Company on 22 May 2019.

#### (ii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts are presented in Rs. lakhs and have been rounded-off to two decimal places, unless stated otherwise.

#### (iii) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except certain financial assets and liabilities that are measured at fair value or amortised cost and net defined benefit asset or liability that is measured at fair value of plan assets less present value of defined benefit obligations.

#### (iv) Critical accounting estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates if any, are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the standalone financial statements are as follows:

Note 2.(b) (xiii) and 32- measurement of defined benefit obligations: key actuarial assumptions.

Note 2.(b) (vii) & (viii) - measurement of useful life and residual values of property, plant and equipment and intangible assets.

Note 2.(b) (xiv) and 30 - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claim.

Note 2.(b) (xi) - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle the claims for warranty and returns.

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

Note 2.(b) (ix) - judgement required to ascertain lease classification.

Note 2.(b) (iii) (v) and 28 - fair value measurement of financial instruments.

Note 2.(b) (xix) - judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement.

There are no assumptions & estimations uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

### 2.b Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these consolidated financial statements.

#### (i) Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

#### (ii) Foreign currency transactions and translations

Transactions in foreign currency are initially recorded in the functional currency i.e. Indian Rupees (Rs.) using the exchange rate at the date of transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate as on each balance sheet date. Gains/ (losses) arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

#### (iii) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value of financial instruments measured at amortised cost is disclosed in Note 28.

### (iv) *Investment in subsidiaries*

Investment in subsidiaries is carried at cost, less any impairment in the value of investment, in these separate standalone financial statements.

### (v) *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial assets**

##### **Recognition and initial measurement**

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Classification and subsequent measurement**

###### **Classification**

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

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A financial asset being equity instrument is measured at FVTPL.

### **Subsequent measurement**

#### **Financial assets at amortised cost**

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Statement of Profit and Loss.

#### **Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Statement of Profit and Loss.

#### **Financial assets at FVTOCI**

These assets are subsequently measured at fair value through other comprehensive income (OCI). Changes in fair values are recognised in OCI and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest income calculated using EIR and impairment loss, if any, are recognised in the Statement of Profit and Loss.

### **Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

### **Impairment of financial assets**

Financial assets that are carried at amortised cost are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables, the Company provides for expected credit losses based on a simplified approach as per Ind AS 109 – Financial Instruments. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. The changes (incremental or reversal) in loss allowance computed using Expected Credit Loss (ECL) model are recognised as an impairment gain or loss in the Statement of Profit and Loss.

### **Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

### Financial liabilities

#### Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

#### Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

#### Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

#### (vi) Cash and cash equivalents

Cash and cash equivalents comprises cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### (vii) Property, plant and equipment and intangible assets

##### Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Profit or loss on disposal/ scrapping/ write off/ retirement from active use of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

The cost of improvements to leasehold premises, if recognition criteria are met, has been capitalised and disclosed separately as leasehold improvement.



## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Statement of Profit and Loss at the time of incurrence.

### Depreciation

Property, plant and equipment are depreciated on a pro-rata basis on Straight Line Method (SLM) using the rates arrived based on useful lives as prescribed in Schedule-II of the Companies Act, 2013, or useful lives of assets estimated by the management based on technical advice in cases where a useful life is different than the useful lives indicated in Schedule-II of the Companies Act, 2013, which represents the period over which management expects to use these assets, as follows:

Depreciation has been charged based on the following useful lives:

Asset Head	Management estimated Useful Life (in years)	Useful life as per Schedule II (in years)
Building	41-50	30
Plant and machinery	4-15	15
Furniture and fixtures	5	10
Computer		
-End user devices	3	3
-Server and networks	6	6
Office equipment	2-5	5
Vehicles	7	8

Leasehold land is depreciated on a straight line basis over the period of the lease. Leasehold improvement are depreciated on a straight line basis over the period of three years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

### (viii) Intangible assets

#### Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs necessary to make the assets ready for their intended use and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

#### Subsequent costs

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on intangible assets is recognised in the Statement of Profit and Loss, as incurred.

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives of 3-5 years using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ disposed during the year.

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

### (ix) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset/s and the arrangement conveys a right to use the asset/s, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

Payments made under operating leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same is recognised as an expense in line with the contractual term.

### (x) Inventories

Inventories (including raw material, stock- in trade, work in progress and finished goods) are stated at cost or net realisable value (NRV), whichever is lower. However, raw materials and other supplies held for use in the production of finished goods are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The cost of raw material, stock-in-trade (goods purchased for resale) is being determined at first-in, first-out basis. The cost of work-in-progress and finished goods is being measured at material cost plus appropriate share of production overheads and excise duty, wherever applicable.

NRV is the estimated selling price in the ordinary course of business, less estimated cost of completion to make the sale.

### (xi) Warranties

Product warranty costs are determined using reasonable estimates based on costs incurred in the past and are provided for in the year sale is made. These includes free replacements, breakages, returns etc. in respect of sewing machines and domestic appliances

### (xii) Impairment - non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### (xiii) Employee benefits

#### i) Short-term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### Post-employment benefit plans

#### ii) Defined benefit plans

##### Provident Fund

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Singer India Ltd. Staff Provident Fund Trust. The Trust invests in specific designated instruments as permitted by law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the Trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

##### Gratuity

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan), covering all eligible employees in accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

These are funded by the Company and are managed by LIC.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ( 'past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iii) Other long-term employee benefits**

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise.

**(xiv) Provisions and contingent liabilities**

**Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent liabilities**

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

**(xv) Revenue recognition**

With effect from 1 April 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers' using cumulative effect method which does not require comparative information to be restated in the financial statements. The standard is applied retrospectively only to contracts that were not completed as at the date of initial application (i.e. 01 April 2018). There is no significant net impact on retained earnings as at 1 April 2018. Moreover, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue from operations and other related items in the financial statement of the Company.

Under Ind AS 115, revenue is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue from the sale of products is recognized upon transfer of control of goods or services to the customers which coincides with their delivery and is measured at fair value of consideration received/receivable, net of

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

returns and allowances, amount collected on behalf of third parties, discounts, incentives, volume rebates and cash discounts. The Company collects applicable taxes (i.e. Goods and Services Tax (GST), Value Added Taxes (VAT) etc.) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

### Interest income

Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

### (xvi) Government grants / assistance

Government grant / assistance in relation to export of goods is recognized in the Statement of Profit and Loss when there is reasonable assurance that the Company will comply with the conditions attaching to it, and that the grant/assistance will be received.

### (xvii) Commission

The commission paid / payable on sales is recognised in accordance with the terms of contracts with agents as an expense in the Statement of Profit and Loss.

### (xviii) Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### (xix) Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

#### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted at the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

#### Deferred tax

Deferred taxes are recognised basis the balance sheet approach on temporary differences, being the difference between the carrying amount of assets and liabilities in the Balance Sheet and its corresponding tax base. Deferred tax assets are recognised only to the extent it is probable that future taxable profits will be available against which such assets can be utilised.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that it is probable that future taxable profits will be available against which they can be used. MAT credit

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

### (xx) *Earnings per share*

The Company presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares.

### (xxi) *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

### (xxii) *Dividend*

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (xxiii) *Recent accounting pronouncements*

#### **Standards issued but not yet effective**

**Ind AS 116 - Leases:** Ind AS 116 Leases will replace the existing leases standard, Ind AS 17 Leases. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use (ROU) asset representing its right to use the underlying asset on lease and a lease liability representing its obligation to make lease payments. The standard is applicable from 1 April 2019.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments using the lessee's incremental borrowing rate as at 1 April 2019 and corresponding ROU asset is measured at an amount equivalent to lease liability. Therefore, there will be no effect of adopting Ind AS on retained earnings as at 1 April 2019, with no restatement of comparative information. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value. The Company will opt for certain practical expedients available on transition under the modified retrospective approach.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

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The nature of expenses presently presented under rent under other expenses as per Ind AS 17 will now be presented as per Ind AS 116 in the form of:

- Amortization charge for the ROU asset
- Finance cost from interest accrued on lease liability

There will be consequent reclassification in the cash flow categories in the statement of cash flows.

Certain office premises, shops and warehouses which are taken on operating lease will now be capitalised under Ind AS 116.

The Company is in the process of evaluating the quantitative impact of the adoption of Ind AS 116 on its standalone financial statements in the period of initial application.

**The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements:**

- Appendix C to Ind AS 12, Income taxes
- Amendments to Ind AS 12, Income taxes
- Amendments to Ind AS 19, Employee Benefits
- Amendments to Ind AS 23, Borrowing Costs
- Amendments to Ind AS 28, Investments to Associates and Joint Ventures
- Amendments to Ind AS 103, Business Combinations
- Amendments to Ind AS 109, Financial Instruments
- Amendments to Ind AS 111, Joint Arrangements

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

3 Property, plant and equipment

As at 31 March 2019

Particulars	Leasehold land	Building (on leasehold land)	Plant and equipment	Office equipments	Computers	Furniture and fixtures	Leasehold improvements	Vehicle	Total
<b>Gross value</b>									
Balance at the beginning of the year	600.40	392.62	133.97	31.54	65.59	36.49	19.40	30.00	1,310.01
Additions during the year	-	-	10.82	17.60	29.39	2.64	1.00	-	61.45
Disposals during the year	-	-	-	5.23	0.65	0.75	6.56	-	13.19
<b>Balance at the end of the year</b>	<b>600.40</b>	<b>392.62</b>	<b>144.79</b>	<b>43.91</b>	<b>94.33</b>	<b>38.38</b>	<b>13.84</b>	<b>30.00</b>	<b>1,358.27</b>
<b>Accumulated depreciation</b>									
Balance at the beginning of the year	19.51	16.57	64.02	14.73	34.47	13.23	13.13	1.94	177.60
Depreciation for the year	9.76	8.26	24.22	8.49	17.98	7.22	2.96	4.07	82.96
Disposals during the year	-	-	-	2.92	0.54	0.60	5.72	-	9.78
<b>Balance at the end of the year</b>	<b>29.27</b>	<b>24.83</b>	<b>88.24</b>	<b>20.30</b>	<b>51.91</b>	<b>19.85</b>	<b>10.37</b>	<b>6.01</b>	<b>250.78</b>
<b>Net carrying value as at 31 March 2019</b>	<b>571.13</b>	<b>367.79</b>	<b>56.55</b>	<b>23.61</b>	<b>42.42</b>	<b>18.53</b>	<b>3.47</b>	<b>23.99</b>	<b>1,107.49</b>
<b>As at 31 March 2018</b>									
<b>Gross value</b>									
Balance at the beginning of the year	600.40	392.62	133.48	27.43	50.13	29.18	18.65	-	1,251.89
Additions during the year	-	-	0.49	6.53	16.39	8.14	0.75	30.00	62.30
Disposals during the year	-	-	-	2.42	0.93	0.83	-	-	4.18
<b>Balance at the end of the year</b>	<b>600.40</b>	<b>392.62</b>	<b>133.97</b>	<b>31.54</b>	<b>65.59</b>	<b>36.49</b>	<b>19.40</b>	<b>30.00</b>	<b>1,310.01</b>
<b>Accumulated depreciation</b>									
Balance at the beginning of the year	9.76	8.26	31.42	9.95	17.81	6.64	6.83	-	90.67
Depreciation for the year	9.75	8.31	32.60	6.83	17.39	6.99	6.30	1.94	90.11
Disposals during the year	-	-	-	2.05	0.73	0.40	-	-	3.18
<b>Balance at the end of the year</b>	<b>19.51</b>	<b>16.57</b>	<b>64.02</b>	<b>14.73</b>	<b>34.47</b>	<b>13.23</b>	<b>13.13</b>	<b>1.94</b>	<b>177.60</b>
<b>Net carrying value as at 31 March 2018</b>	<b>580.89</b>	<b>376.05</b>	<b>69.95</b>	<b>16.81</b>	<b>31.12</b>	<b>23.26</b>	<b>6.27</b>	<b>28.06</b>	<b>1,132.41</b>



Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

4 Intangible assets

As at 31 March 2019

Particulars	Computer software
<b>Gross value</b>	
Balance at the beginning of the year	117.29
Additions during the year	27.71
Disposals during the year	-
<b>Balance at the end of the year</b>	<b>145.00</b>
<b>Accumulated amortisation</b>	
Balance at the beginning of the year	40.38
Amortisation for the year	28.66
Disposals during the year	-
<b>Balance at the end of the year</b>	<b>69.04</b>
<b>Net carrying value as at 31 March 2019</b>	<b>75.96</b>

As at 31 March 2018

Particulars	Computer software
<b>Gross value</b>	
Balance at the beginning of the year	94.11
Additions during the year	23.46
Disposals during the year	0.28
<b>Balance at the end of the year</b>	<b>117.29</b>
<b>Accumulated amortisation</b>	
Balance at the beginning of the year	15.47
Amortisation for the year	25.19
Disposals during the year	0.28
<b>Balance at the end of the year</b>	<b>40.38</b>
<b>Net carrying value as at 31 March 2018</b>	<b>76.91</b>

5 Investments

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Non-current investments in equity instruments - at cost</b>		
<i>Equity investments in subsidiary, unquoted</i>		
1,000,000 (previous year Nil) equity shares of Rs.10 each of Brand Trading (India) Private Limited *	165.20	-
<b>Aggregate value of unquoted investments</b>	<b>165.20</b>	-

There are no quoted investments during the current and previous year.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**

\* The Company has acquired 1,000,000 equity shares (face value of Rs. 10 each) of Brand Trading (India) Private Limited for a total consideration of Rs. 165.20, making it a wholly owned subsidiary w.e.f. 6 April 2018. One of such share is held by nominee of the Company. Brand Trading (India) Private Limited is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

**6 Loans**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<b>Unsecured</b>				
Security deposit				
- Considered good	73.78	63.08	63.08	49.15
- Credit impaired	2.70	-	2.70	-
	<b>76.48</b>	<b>63.08</b>	<b>65.78</b>	<b>49.15</b>
Less:- Impairment allowance for doubtful deposits	2.70	-	2.70	-
<b>Total</b>	<b>73.78</b>	<b>63.08</b>	<b>63.08</b>	<b>49.15</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 28.

**7 Other financial assets**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<i>Unsecured, considered good, unless stated otherwise</i>				
Bank deposits (due for maturity after twelve months from the reporting date)	-	-	0.89	-
Bank deposits pledged as securities with government authorities	-	5.94	5.00	-
Interest accrued but not due on bank deposits	-	2.44	-	4.29
	-	<b>8.38</b>	<b>5.89</b>	<b>4.29</b>
Balance with custom authorities credit impaired				
- Considered good	-	25.04	-	61.60
- Credit impaired	-	13.38	-	13.38
	-	<b>38.42</b>	-	<b>74.98</b>
Less:- Impairment allowance for doubtful balances	-	13.38	-	13.38
<b>Total</b>	-	<b>33.42</b>	<b>5.89</b>	<b>65.89</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 28.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**8 Other assets**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<i>Unsecured, considered good, unless stated otherwise</i>				
Capital advances	36.90	-	-	-
Advances other than capital advances				
Prepaid expenses		51.28	0.33	48.93
Deposits with government authorities under protest	-	48.28	-	41.86
Advance to employees	-	15.89	-	27.77
Goods and service tax (GST) receivables	-	268.79	-	459.89
Balances with government authorities	-	2.27	-	2.55
Other recoverable*	-	5.31	-	0.69
Prepaid rent	23.12	0.34	18.61	8.00
	<b>60.02</b>	<b>392.16</b>	<b>18.94</b>	<b>589.69</b>
Advance to suppliers				
- Considered good	-	119.72	-	115.14
- Considered doubtful	-	4.92	-	10.55
	-	<b>124.64</b>	-	<b>125.69</b>
Less: Provision for doubtful advances	-	4.92	-	10.55
	-	<b>119.72</b>	-	<b>115.14</b>
<b>Total</b>	<b>60.02</b>	<b>511.88</b>	<b>18.94</b>	<b>704.83</b>

\* Includes receivable from related parties (Refer to Note 34)

**9 Inventories**

Particulars	As at 31 March 2019	As at 31 March 2018
<i>Valued at lower of cost or net realisable value</i>		
Raw material (includes in transit Rs. 11.22 ( 31 March 2018 : Rs. 15.49)	127.98	160.04
Work-in-progress	13.43	8.46
Stock-in-trade (In respect of goods acquired for trading) (Includes in transit Rs. 639.30 ( 31 March 2018 : Rs. 625.57)	7,004.93	6,292.43
Finished goods (Includes in transit Rs. 72.78 ( 31 March 2018 : Rs. 39.28)	260.53	183.26
	<b>7,406.87</b>	<b>6,644.19</b>
Less: Impairment allowance for obsolescence, slow / non-moving	28.24	21.05
<b>Total</b>	<b>7,378.63</b>	<b>6,623.14</b>

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**10 Trade receivables**

Particulars	As at 31 March 2019	As at 31 March 2018
<i>Unsecured, considered good, unless otherwise stated</i>		
Trade receivables		
- Considered good*	6,601.65	4,792.60
- Credit impaired	337.01	302.92
	<b>6,938.66</b>	<b>5,095.52</b>
Less: Impairment allowances for doubtful receivables	337.01	302.92
<b>Total</b>	<b>6,601.65</b>	<b>4,792.60</b>

\* Includes receivable from related parties (Refer to Note 34)

The carrying amount of trade receivables approximates their fair value, is included in Note 28.

The Company's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in Note 28.

**11 Cash and cash equivalents**

Particulars	As at 31 March 2019	As at 31 March 2018
Cash on hand	13.90	18.72
Cheques on hand	175.71	310.22
Balance with banks:		
- On current account	26.41	48.06
- On deposit account (with original maturity of three months or less)	-	0.35
<b>Total</b>	<b>216.02</b>	<b>377.35</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 28.

**12 Bank balances other than cash and cash equivalents**

Particulars	As at 31 March 2019	As at 31 March 2018
Bank deposits pledged as security with government authorities	53.41	52.58
Margin deposits	2.42	27.67
Unpaid dividend account	9.04	5.69
Bank deposits with remaining maturity of less than 12 months	20.00	55.01
<b>Total</b>	<b>84.87</b>	<b>140.95</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 28.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
 (Rupees in lakhs)**
**13 Share capital**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>a. Authorised*</b>		
Equity shares		
75,000,000 equity shares of Rs. 2 each (31 March 2018: 75,000,000 equity shares of Rs. 2 each)	1,500.00	1,500.00
Preference Shares		
500,000 redeemable preference shares of Rs. 100 each (31 March 2018: 500,000 preference shares of Rs. 100 each)	500.00	500.00
<b>Total</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>b. Issued, subscribed and paid up*</b>		
53,715,675 equity shares of Rs. 2 each (31 March 2018 : 53,715,675 equity shares of Rs. 2 each)	1,074.31	1,074.31
<b>Total</b>	<b>1,074.31</b>	<b>1,074.31</b>

\* Refer to Note 13g (i)

**c. Reconciliation of number of equity shares outstanding at the beginning and end of the year :**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Equity shares issued, subscribed and paid up</b>		
Equity shares at the beginning of the year	53,715,675	10,743,135
Increase due to sub-division of equity shares (Refer to Note 13g (i))	-	42,972,540
<b>Equity shares at the end of the year</b>	<b>53,715,675</b>	<b>53,715,675</b>

**d. Terms / rights attached to equity shares**

The Company has only one class of equity share. The par value of the shares issued was Rs. 10 per share. With the approval of the members through postal ballot, the par value of the share was changed to Rs. 2 per share with effect from 18 January 2018 (Refer to Note 13 g (i) ). Each holder of the equity share is entitled to one vote per share and is entitled to dividend, declared if any. The paid up equity shares of the Company rank pari-pasu in all respects, including dividend. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
 (Rupees in lakhs)**
**13 Share capital (continued)**
**e. Shares held by holding/ultimate holding company and /or their subsidiaries/ associates**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of Shares	Amount	Number of Shares	Amount
<b>Equity shares of Rs. 2 each, fully paid up held by:</b>				
Retail Holdings (India) B. V. (Netherlands), the holding company [formerly known as Singer (India) B. V.]	31,730,667	634.61	32,662,225	653.24
<b>Total</b>	<b>31,730,667</b>	<b>634.61</b>	<b>32,662,225</b>	<b>653.24</b>

**f. Shareholders holding more than 5% shares in the Company:**

Particulars	Class of share	As at 31 March 2019		As at 31 March 2018	
		Number of Shares	% of total shares	Number of Shares	% of total shares
Retail Holdings (India) B. V. (Netherlands), the holding company [formerly known as Singer (India) B. V.]	Equity shares	31,730,667	59.07%	32,662,225	60.81%
S. Shyam	Equity shares	2,706,588	5.04%	2,706,128	5.04%

**g. Other Notes**

- (i) The shareholders of the Company approved the sub-division of each equity share having a face value of Rs. 10 into five equity shares having a face value of Rs. 2 each with effect from 18 January 2018 through postal ballot.
- (ii) During the year ended 31 March 2010, in compliance with the rehabilitation scheme sanctioned by the Board for Industrial and Financial Reconstruction (BIFR), 9,177,900 equity shares having a face value of Rs. 10 each were allotted through preferential basis as fully paid up to Retail Holdings (India) B. V. Netherlands (formerly known as Singer (India) B. V.), the holding company. Out of these, 827,900 equity shares of Rs. 10 each were allotted by converting 10% amount borrowed from the holding company in the form of external commercial borrowing.

**14 Other equity**
**a. Reserves and surplus**

Particulars	As at	As at
	31 March 2019	31 March 2018
Securities premium	122.50	122.50
General reserve	263.57	263.57
Retained earnings	4,434.21	4,260.66
<b>Total</b>	<b>4,820.28</b>	<b>4,646.73</b>

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

14 Other equity (continued)

(i) Securities premium

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Balance at the beginning of the year	122.50	122.50
Movement during the year	-	-
<b>Balance at the end of the year</b>	<b>122.50</b>	<b>122.50</b>

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) General reserve

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Balance at the beginning of the year	263.57	263.57
Movement during the year	-	-
<b>Balance at the end of the year</b>	<b>263.57</b>	<b>263.57</b>

General reserve are free reserves of the Company which are kept aside out of the Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax to general reserve pursuant to the earlier provisions of the Companies Act, 1956.

(iii) Retained earnings

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Balance at the beginning of the year	4,260.66	3,819.69
Add: Profit for the year	925.89	896.02
<b>Amount available for appropriation</b>	<b>5,186.55</b>	<b>4,715.71</b>
<b>Less: Appropriations</b>		
Dividends (Refer note below)	(617.73)	(376.01)
Corporate dividend tax	(126.98)	(76.55)
Transferred from other comprehensive income - Remeasurement of defined benefit plans (net of tax)	(7.63)	(2.49)
<b>Balance at the end of the year</b>	<b>4,434.21</b>	<b>4,260.66</b>

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**14 Other equity (continued)**
**(iv) Dividends**

The following dividends were declared and paid by the Company

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Final dividend of Rs.0.75 per share on face value of Rs. 2 per share for FY 2017-18* (31 March 2018: Rs. 3.50 per share on face value of Rs. 10 per share for FY 2016-17)	402.87	376.01
Corporate dividend tax on final dividend	82.81	76.55
Interim dividend of Rs. 0.40 per share on face value of Rs. 2 per share for FY 2018-19# ( 31 March 2018: Rs. Nil)	214.86	-
Corporate dividend tax on interim dividend	44.17	-

After the reporting dates the following dividends were recommended by the Board of Directors subject to the approval of shareholders at Annual General Meeting; accordingly, the dividends have not been recognised as liabilities. Dividends would attract corporate dividend tax when declared.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Final dividend of Rs. 0.40 per share (face value Rs. 2 per share)** (31 March 2018: Rs. 0.75 per share - face value Rs. 2 per share)	214.86	402.87
Corporate dividend tax	44.17	82.81

\* On 28 May 2018, the Board of Directors had recommended a final dividend of Rs. 0.75 per share (face value of Rs. 2 per share) for the financial year ended 31 March 2018 and the same was approved by the shareholders at the Annual General Meeting held on 26 July 2018.

# On 5 February 2019, the Company had declared an interim dividend of Rs.0.40 per share (face value of Rs.2 per share).

\*\*On 22 May 2019, the Board of Directors has recommended a final dividend of Rs. 0.40 per share (face value of Rs. 2 per share) for the financial year ended 31 March 2019, subject to approval of the shareholders in the upcoming Annual General Meeting.

**b. Other comprehensive income - Remeasurement of defined benefit plans (net of tax)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Other comprehensive income</b>		
Balance at the beginning of the year	-	-
Actuarial losses on defined benefit plan for the year (net of tax) (Refer to Note 32)	(7.63)	(2.49)
Transferred to retain earnings	7.63	2.49
<b>Balance at the end of the year</b>	<u>-</u>	<u>-</u>



**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**15. Financial liabilities**

**15.a Borrowings**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<b>Secured</b>				
Cash credit facilities from banks	-	1,950.55	-	1,369.95
Working capital demand loan from banks	-	250.00	-	-
Term loans from banks	17.51	-	22.65	-
<b>Total</b>	<b>17.51</b>	<b>2,200.55</b>	<b>22.65</b>	<b>1,369.95</b>

Current maturities of term loan amounting to Rs.5.23 (31 March 2018 : Rs.5.24) have been disclosed under 'Other financial liabilities' (Refer to Note 15.b)

Information about the Company's exposure to interest rate and liquidity risks is included in Note 28.

**Secured - Term loans**

Particulars	Disclosed under	As at 31 March 2019	As at 31 March 2018	Interest rate	Period of maturity from the reporting date
Vehicle loan	Financial liabilities- borrowings	17.51	22.65	7.99%	43 months

- The above mentioned term loan sanctioned by Yes Bank Limited is repayable in 60 equal instalments and is secured by first and exclusive charge on the underlying vehicle purchased.
- Cash credit and working capital demand loan limit sanctioned by Yes Bank Limited of Rs. 2,200 (31 March 2018 : Rs.1,700) is pledged by exclusive charge on entire current assets (including inventories, trade receivables, cash and bank balances and other current assets) (present and future) excluding current assets of Jammu factory and is currently carrying interest at 6 month's marginal cost of funds based lending rate (MCLR) + 2% i.e. 11.70% (31 March 2018 : 10.55%).
- Cash credit limit sanctioned by Jammu and Kashmir Bank of Rs. 350 (31 March 2018 : Rs. 300) is secured by hypothecation of stocks and other chargeable current assets and assignment of book debts (present and future) of Jammu unit, mortgage of leasehold rights of the factory land measuring 40 Kanals (5 acres) alongwith building constructed thereupon and hypothecation of plant and machinery and moveable property, plant and equipments installed at factory on interest rate of MCLR + 2% i.e. currently 11.00% (31 March 2018 : 10.80%). The cash credit facility is repayable on demand.

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

15. Financial liabilities (continued)

15.b Other financial liabilities

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Capital creditors	-	2.79	-	-
Security deposit	-	147.75	-	125.73
Unpaid dividend	-	9.04	-	5.69
Current maturities of term loan from banks	-	5.23	-	5.24
<b>Total</b>	<b>-</b>	<b>164.81</b>	<b>-</b>	<b>136.66</b>

The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 28.

16 Provisions

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<b>Provision for employee benefits</b>				
- Provision for defined benefit plans (Refer to Note 32)	-	21.52	-	24.78
- Provision for other long term employee benefits	152.17	27.05	147.67	15.38
<b>Others</b>				
- Provision for litigation and related disputes	-	97.82	-	156.53
- Provision for warranties	-	425.54	-	361.75
<b>Total</b>	<b>152.17</b>	<b>571.93</b>	<b>147.67</b>	<b>558.44</b>

Provision for contingencies

The schedule of provision as required to be disclosed in compliance with Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

Particulars	As at 31 March 2018	Addition	Utilisation / Settlement	Reversal	As at 31 March 2019
Provision for litigation and related disputes	156.53	-	-	58.71	97.82
Provision for warranties	361.75	341.50	277.71	-	425.54
	<b>518.28</b>	<b>341.50</b>	<b>277.71</b>	<b>58.71</b>	<b>523.36</b>

Particulars	As at 31 March 2017	Addition	Utilisation / Settlement	Reversal	As at 31 March 2018
Provision for litigation and related disputes	168.53	-	-	12.00	156.53
Provision for warranties	323.59	300.36	262.20	-	361.75
	<b>492.12</b>	<b>300.36</b>	<b>262.20</b>	<b>12.00</b>	<b>518.28</b>

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**16 Provisions (continued)**

- a. Provision for litigation and related disputes includes estimates made mainly for probable claims arising out of litigations / disputes pending with sales tax authorities and other creditors. The probability and the timing of the outflow with regard to these matters depends on the ultimate settlement / conclusion with the relevant parties.
- b. Product warranty and return costs are determined using reasonable estimates based on costs incurred in the past and are provided for in the year sale is made. These include free replacements, breakages, returns etc. in respect of sewing machines and domestic appliances. The Company expects to incur the related expenditure over the next year.

**Sensitivity analysis for key assumptions used:**

If expected cost differ by 10% from management's estimate, while holding all other assumptions constant, the provision for warranty and other cost may increase/ decrease by Rs. 52.34 (31 March 2018: Rs. 51.83).

**17 Trade payables**

Particulars	As at 31 March 2019	As at 31 March 2018
Micro enterprises and small enterprises (Refer to Note below)	2,367.10	2,430.42
	<b>2,367.10</b>	<b>2,430.42</b>
Other than micro enterprises and small enterprises		
- Related parties (Refer to Note 34)	128.69	105.90
- Other trade payables	4,581.36	3,623.77
	<b>4,710.05</b>	<b>3,729.67</b>
<b>Total</b>	<b>7,077.15</b>	<b>6,160.09</b>

The Company's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 28.

**Dues to micro and small enterprises**

Particulars	As at 31 March 2019	As at 31 March 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	2,367.10	2,430.42
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

18 Other current liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Advances from customers	187.57	176.75
Contribution payable towards superannuation fund	3.22	3.96
Employee related liabilities	296.59	264.75
Statutory dues	214.98	152.95
Other advances	50.00	-
<b>Total</b>	<b>752.36</b>	<b>598.41</b>

19 Income tax

a. Amounts recognised in the Statement of Profit and Loss comprises :

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Current tax:</b>		
- Current year	327.74	285.03
	<b>327.74</b>	<b>285.03</b>
<b>Deferred tax expense</b>		
Attributable to-		
Origination and reversal of temporary differences	(7.85)	(83.96)
Tax for earlier years	-	(27.12)
MAT credit entitlement*	212.92	196.25
Increase in tax rate	-	(3.12)
	<b>205.07</b>	<b>82.05</b>
<b>Total income tax expense</b>	<b>532.81</b>	<b>367.08</b>

\* Represents minimum alternate tax utilised during the year.

b. Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Remeasurements of defined benefit plans	(11.73)	(3.82)
Income tax relating to above mentioned item	4.10	1.33

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**19 Income tax (continued)**
**c. Reconciliation of effective tax rate**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Profit before tax</b>	<b>1,458.70</b>	<b>1,263.10</b>
Tax using the Company's domestic tax rate - 34.944% (31 March 2018: 34.608%)	509.73	437.13
<b>Tax effect of:</b>		
Non - deductible expenses	16.27	12.67
Reduction in capital gain tax	(0.73)	(57.98)
Tax for earlier years	-	(27.12)
Others	7.54	2.38
<b>Income tax expense</b>	<b>532.81</b>	<b>367.08</b>

**d. Income tax assets and income tax liabilities:**

Particulars	As at 31 March 2019	As at 31 March 2018
Income tax assets	15.29	15.06
Less: Current income tax liabilities [net of advance tax Rs. 868.71 (31 March 2018 : Rs. 542.79)]	(10.77)	(10.89)
<b>Net income tax assets / (liabilities) at the year end</b>	<b>4.52</b>	<b>4.17</b>

**e. Deferred tax assets and liabilities comprises:**

Particulars	As at 31 March 2019	As at 31 March 2018
Property, plant and equipment and intangible assets	43.63	42.73
MAT credit entitlement	291.67	504.59
Employee related provisions and liabilities	83.31	81.99
Other liabilities and provisions	201.16	201.97
Revaluation of leasehold land and building	(165.22)	(171.68)
<b>Deferred tax assets (net)</b>	<b>454.55</b>	<b>659.60</b>

The Company has recognised MAT credit entitlement which has been utilized in current year as well as in previous year. The utilisation of MAT credit entitlement (unused tax credits) is dependent on future taxable profits. The MAT credit entitlement is recognised as it is probable that future taxable profits will be available against which such MAT credit entitlement can be utilised.

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

19 Income tax (continued)

f. Movement in deferred tax assets / (liabilities) balances:

Particulars	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2019
Property, plant and equipment and intangible assets	42.73	0.90	-	43.63
MAT credit entitlement*	504.59	(212.92)	-	291.67
Employee related provisions and liabilities	81.99	1.32	-	83.31
Other liabilities and provisions	201.97	(0.81)	-	201.16
Others	(171.68)	6.46	-	(165.22)
<b>Deferred tax assets / (liabilities) (net)</b>	<b>659.60</b>	<b>(205.05)</b>	<b>-</b>	<b>454.55</b>

\* Represents minimum alternative tax utilised during the year.

Particulars	Net balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2018
Property, plant and equipment and intangible assets	38.75	3.98	-	42.73
MAT credit entitlement*	700.84	(196.25)	-	504.59
Employee related provisions and liabilities	78.01	2.65	1.33	81.99
Other liabilities and provisions	152.40	49.57	-	201.97
Others	(229.66)	57.98	-	(171.68)
<b>Deferred tax assets / (liabilities) (net)</b>	<b>740.34</b>	<b>(82.07)</b>	<b>1.33</b>	<b>659.60</b>

\* Represents minimum alternative tax utilised during the year.

20 Revenue from operations

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Sale of products</b>		
- Domestic sales	47,469.96	40,068.98
- Exports sales	723.06	1,909.41
<b>Sale of services</b>		
- Service income	11.84	9.94
<b>Other operating revenues</b>		
- Scrap sales	58.06	50.55
- Export incentive	35.38	101.09
- CVD refund	-	17.93
<b>Total</b>	<b>48,298.30</b>	<b>42,157.90</b>
<b>Details of sale of products:</b>		
-Sewing machines and related accessories	33,941.51	30,680.36
-Domestic appliances	14,251.51	11,298.03
<b>Total</b>	<b>48,193.02</b>	<b>41,978.39</b>

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

21 Other income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income from bank deposits	7.89	10.41
Interest income from financial assets at amortised cost	7.72	6.90
Interest income others	34.33	10.21
Other non-operating income (net):		
- Foreign exchange gain (net)	25.78	25.76
- Provisions / liabilities no longer required written back	64.17	39.94
- Miscellaneous income	30.71	38.29
<b>Total</b>	<b>170.60</b>	<b>131.51</b>

22 Cost of material consumed

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw material consumed	1,195.80	1,144.76
<b>Total</b>	<b>1,195.80</b>	<b>1,144.76</b>

23 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Opening stock</b>		
Work-in-progress	8.46	12.46
Stock-in-trade (in respect of goods acquired for trading)	6,276.45	5,061.17
Finished goods	183.26	207.75
	<b>6,468.17</b>	<b>5,281.38</b>
<b>Closing stock</b>		
Work-in-progress	13.43	8.46
Stock-in-trade (in respect of goods acquired for trading) [net of provision Rs.25.18 (31 March 2018 : Rs.15.98)]	6,979.75	6,276.45
Finished goods	260.53	183.26
	<b>7,253.71</b>	<b>6,468.17</b>
<b>Net increase in finished goods, stock-in-trade and work-in-progress</b>	<b>(785.54)</b>	<b>(1,186.79)</b>

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

24 Employee benefits expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	2,411.21	2,036.78
Contribution to provident and other funds (Refer to Note 32)	177.37	160.30
Staff welfare expenses	41.56	35.02
<b>Total</b>	<b>2,630.14</b>	<b>2,232.10</b>

25 Finance costs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expenses:		
- Interest on borrowings measured at amortised cost	115.75	54.55
- Interest others	2.26	1.90
<b>Total</b>	<b>118.01</b>	<b>56.45</b>

26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation on property, plant and equipment (Refer to Note 3)	82.96	90.11
Amortisation on intangible assets (Refer to Note 4)	28.66	25.19
<b>Total</b>	<b>111.62</b>	<b>115.30</b>

27 Other expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Freight outward	1,812.14	1,250.89
Power and fuel	67.62	68.45
Repairs and maintenance		
Plant and machinery	9.34	5.65
Others	145.19	116.51
Insurance	51.53	45.56
Commission	250.70	251.71
Sales promotion and advertisement	1,014.47	810.29



**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**27 Other expenses (continued)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Trade mark license fee (including Service Tax till 30 June 2017)	479.88	420.63
Sales outlet expenses	85.61	85.65
After sales services	816.26	659.82
Warranty	343.20	301.13
Meeting & conference	90.98	105.86
Legal and professional	304.52	260.86
Auditor's remuneration:		
- Audit fees	12.00	9.50
- Limited reviews	9.00	9.00
- Tax audit	2.00	1.00
- Other matters	12.00	9.50
- Reimbursement of expenses	4.64	2.22
Rent (Refer to note below)	599.28	579.93
Rates and taxes	12.95	18.12
Bank charges	43.45	56.04
Loss on sale of fixed assets [net of profit on sale of fixed assets Rs. 0.25 (previous year Rs. Nil)]	1.29	0.69
Travelling and conveyance	775.75	645.71
Printing and stationery	17.91	16.42
Postage and communication	107.44	124.06
Impairment allowance for doubtful receivables	39.01	85.19
Product development expenses	20.55	24.65
Bad-debts written off	22.18	16.07
Corporate social responsibility expenses (Refer to Note 36)	43.05	35.99
Sitting fees	8.83	10.98
Miscellaneous expenses	54.48	34.44
<b>Total</b>	<b>7,257.25</b>	<b>6,062.52</b>

**Operating leases**

The Company has taken its office premises, various commercial premises and residential premises for its employees under cancellable operating lease arrangements.

The lease payments charged during the year to the Statement of Profit and Loss amount to Rs.599.28 (31 March 2018: Rs.579.93). The lease has varying terms, escalation clauses and renewal rights. On renewal, the terms of lease are renegotiated.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**28 Fair value measurement and financial instruments**

**a. Financial instruments – by category and fair values hierarchy**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**(i) As at 31 March 2019**

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>Non-current</b>								
Investments**	5	-	-	-	-	-	-	-
Loans	6	-	-	73.78	73.78	-	-	73.78
Other financial assets*	7	-	-	-	-	-	-	-
<b>Current</b>								
Trade receivables*	10	-	-	6,601.65	6,601.65	-	-	-
Cash and cash equivalents*	11	-	-	216.02	216.02	-	-	-
Bank balances other than cash and cash equivalents*	12	-	-	84.87	84.87	-	-	-
Loans	6	-	-	63.08	63.08	-	-	63.08
Other financial assets*	7	-	-	33.42	33.42	-	-	-
<b>TOTAL</b>		-	-	<b>7,072.82</b>	<b>7,072.82</b>	-	-	<b>136.86</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings#	15.a	-	-	17.51	17.51	-	-	17.51
<b>Current</b>								
Borrowings#	15.a	-	-	2,200.55	2,200.55	-	-	2,200.55
Trade payables*	17	-	-	7,077.15	7,077.15	-	-	-
Other financial liabilities*	15.b	-	-	164.81	164.81	-	-	-
<b>TOTAL</b>		-	-	<b>9,460.02</b>	<b>9,460.02</b>	-	-	<b>2,218.06</b>

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

28 Financial instruments – by category and fair values hierarchy (continued)  
(ii) As at 31 March 2018

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>Non-current</b>								
Investments**	5	-	-	-	-	-	-	-
Loans	6	-	-	63.08	63.08	-	-	63.08
Other financial assets*	7	-	-	5.89	5.89	-	-	5.89
<b>Current</b>								
Trade receivables*	10	-	-	4,792.60	4,792.60	-	-	-
Cash and cash equivalents*	11	-	-	377.35	377.35	-	-	-
Bank balances other than cash and cash equivalents*	12	-	-	140.95	140.95	-	-	-
Loans	6	-	-	49.15	49.15	-	-	49.15
Other financial assets*	7	-	-	65.89	65.89	-	-	-
<b>TOTAL</b>		-	-	<b>5,494.91</b>	<b>5,494.91</b>	-	-	<b>118.12</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings#	15.a	-	-	22.65	22.65	-	-	22.65
<b>Current</b>								
Borrowings#	15.a	-	-	1,369.95	1,369.95	-	-	1,369.95
Trade payables*	17	-	-	6,160.09	6,160.09	-	-	-
Other financial liabilities*	15.b	-	-	136.66	136.66	-	-	-
<b>TOTAL</b>		-	-	<b>7,689.35</b>	<b>7,689.35</b>	-	-	<b>1,392.60</b>

# The Company's borrowings majorly consist of cash credit facilities repayable on demand, which have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings approximates fair value.

\*\* Investment in subsidiary is valued at cost.

\* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents and other current financial assets and other current financial liabilities, approximates the fair values, due to their short-term nature.

The other non-current financial assets represents bank deposits (due for maturity after twelve months from the reporting date) and bank deposits pledged as securities with government authorities, the carrying value of which approximates the fair values as on the reporting date.

The fair values for loans were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2019 and 31 March 2018.

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### 28 a. Financial instruments – by category and fair values hierarchy (continued)

#### Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

The fair value of the remaining financial instruments is determined using discounted cash flow method.

#### Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Senior Management. Discussions on valuation and results are held between the Senior Management and valuation team at least once every quarter in line with the Company's quarterly reporting periods.

### b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market Risk - Foreign currency ; and
- Market Risk - Interest rate

#### Risk management framework

The Board of Directors of the Company is responsible for framing, implementing and monitoring the risk management plan for the Company. They are responsible for reviewing the risk management policy and ensuring its effectiveness.

The Company's risk management policy is established to identify and analyse the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policy is reviewed regularly to reflect changes in market conditions and the Company's activities.

The Board of Directors of the Company oversee how management monitors compliance with Company's risk management policy and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Company.

### (i) Credit risk

**The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet**

Particulars	As at	As at
	31 March 2019	31 March 2018
Trade receivables	6,601.65	4,792.60
Loans	136.86	112.23
Cash and cash equivalents	216.02	377.35
Other bank balances other than cash and cash equivalents	84.87	140.95
Other financial assets	33.42	71.78

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### 28 b. Financial risk management (continued)

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents, bank deposits (included in other financial assets) and other bank balances is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loans primarily represents security deposits given to lessor for lease of office and other commercial premises. Such deposit will be returned to the Company on vacation of these premises. The credit risk associated with such deposits is relatively low.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India and certain parts of South Asia. The Company does monitor the economic environment in which it operates. The Company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers. Based on the business environment in which the Company operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 90 days past due. However, the Company based upon past trends, determine an impairment allowance for loss on receivables outstanding for more than 360 days past due.

Majority of trade receivables are from domestic customers, which are fragmented and are not concentrated to individual customers. Trade receivables as at year end consists Rs. 4,225.84 (31 March 2018: Rs. 3,320.17) relating to revenue generated from sewing machines and related accessories and Rs. 2,712.82 (31 March 2018: Rs. 1,775.35) relating to revenue generated from domestic appliances business.

The Company's exposure to credit risk for trade receivables is as follows:

Particulars	Gross carrying amount	
	As at 31 March 2019	As at 31 March 2018
Not Due	3,890.53	3,167.21
1-90 days past due *	2,511.83	1,499.30
91 to 180 days past due	310.57	196.07
181 to 270 days past due	49.37	68.31
271 to 360 days past due	16.29	60.46
More than 360 days past due #	160.07	104.17
<b>Total</b>	<b>6,938.66</b>	<b>5,095.52</b>

\* The Company believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour.

# The Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 360 days past due.

The allowance for lifetime expected credit loss on customer balances as at 31 March 2019 is Rs. 337.01 (31 March 2018: Rs. 302.92).

**Notes forming part of the standalone financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**
**28 b. Financial risk management (continued)**

Movement in the allowance for impairment in respect of trade receivables

Particulars	For the year	For the year
	ended	ended
	31 March 2019	31 March 2018
Balance at the beginning of the year	302.92	217.73
Impairment loss recognised / (reversed)	56.27	101.26
Amount written off	<u>(22.18)</u>	<u>(16.07)</u>
Balance at the end of the year	<b><u>337.01</u></b>	<b><u>302.92</u></b>

**(ii) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash (including margin deposits, excluding bank deposits under lien, interest accrued but not due on deposits and unpaid dividend) of Rs. 238.44 as at 31 March 2019 (31 March 2018: Rs. 460.03) anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility of Rs. 349.45 (31 March 2018: Rs. 630.05) will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity need were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2019	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than 5 years	
Borrowings	2,218.06	2,200.55	-	17.51	-	2,218.06
Trade payables	7,077.15	7,077.15	-	-	-	7,077.15
Other financial liabilities						
Capital creditors	2.79	2.79	-	-	-	2.79
Security deposits	147.75	147.75	-	-	-	147.75
Unpaid dividend	9.04	9.04	-	-	-	9.04
Current maturities of term loan from banks	5.23	2.45	2.78	-	-	5.23
<b>Total</b>	<b>9,460.02</b>	<b>9,439.73</b>	<b>2.78</b>	<b>17.51</b>	<b>-</b>	<b>9,460.02</b>

Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

28 b. Financial risk management (continued)

As at 31 March 2018	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than 5 years	
Borrowings	1,392.60	1,369.95	-	22.65	-	1,392.60
Trade payables	6,160.09	6,160.09	-	-	-	6,160.09
Other financial liabilities						
Security deposits	125.73	125.73	-	-	-	125.73
Unpaid dividend	5.69	5.69	-	-	-	5.69
Current maturities of term loan from banks	5.24	2.55	2.69	-	-	5.24
<b>Total</b>	<b>7,689.35</b>	<b>7,664.01</b>	<b>2.69</b>	<b>22.65</b>	<b>-</b>	<b>7,689.35</b>

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the borrowings carrying floating rate of interest. These obligations expose the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Fixed rate instruments	As at 31 March 2019	As at 31 March 2018
Term loans from banks (including current maturities)	22.74	27.89
<b>Total</b>	<b>22.74</b>	<b>27.89</b>
Variable-rate instruments	As at 31 March 2019	As at 31 March 2018
Cash credit facilities from banks	1,950.55	1,369.95
Working capital demand loan from banks	250.00	-
<b>Total</b>	<b>2,200.55</b>	<b>1,369.95</b>

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**28 b. Financial risk management (continued)**

**Interest rate sensitivity analysis**

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Fixed rate instruments	Statement of Profit and Loss	
	Increase by 0.50 %	Decrease by 0.50 %
<b>Increase/ (decrease) in interest on borrowings</b>		
For the year ended 31 March 2019	0.13	(0.13)
For the year ended 31 March 2018	0.07	(0.07)
Variable-rate instruments	Statement of Profit and Loss	
	Increase by 0.50 %	Decrease by 0.50 %
<b>Increase/ (decrease) in interest on borrowings</b>		
For the year ended 31 March 2019	4.81	(4.81)
For the year ended 31 March 2018	1.69	(1.69)

**B. Currency risk**

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

**Exposure to foreign currency risk**

The summary of quantitative data about the Company's exposure to currency risk in USD, as expressed in Indian Rupees, as at 31 March 2019 and 31 March 2018 are as below:

Particulars	As at	As at
	31 March 2019	31 March 2018
Financial assets		
Trade Receivables	90.23	254.16
<b>Total financial assets</b>	<b>90.23</b>	<b>254.16</b>
Financial liabilities		
Trade payables	399.14	101.46
<b>Total financial liabilities</b>	<b>399.14</b>	<b>101.46</b>

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31 March 2019 and 31 March 2018 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end.



**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**28 b. Financial risk management (continued)**

This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Statement of Profit and Loss for the year ended 31 March 2019		Statement of Profit and Loss for the year ended 31 March 2018	
	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation
<b>1% depreciation / appreciation in Indian Rupees against following foreign currencies:</b>				
USD	3.09	(3.09)	(1.53)	1.53
<b>Total</b>	<b>3.09</b>	<b>(3.09)</b>	<b>(1.53)</b>	<b>1.53</b>

USD: United States Dollar

**29 Capital Management**

The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. Management also monitors the return on equity.

The Board of directors regularly review the Company's capital structure in light of the economic conditions, business strategies and future commitments.

For the purpose of the Company's capital management, capital includes issued share capital, securities premium and all other equity reserves. Debt includes cash credit facilities, working capital demand loan and term loan from banks.

During the financial year ended 31 March 2019, no significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure.

**Debt equity ratio:**

Particulars	As at 31 March 2019	As at 31 March 2018
Cash credit facilities from banks	1,950.55	1,369.95
Working capital demand loan from banks	250.00	-
Term loans from banks (including current maturities)	22.74	27.89
<b>Total Debt (A)</b>	<b>2,223.29</b>	<b>1,397.84</b>
Equity share capital	1,074.31	1,074.31
Other equity	4,820.28	4,646.73
<b>Total Equity (B)</b>	<b>5,894.59</b>	<b>5,721.04</b>
<b>Debt equity ratio (C = A/B)</b>	<b>0.38</b>	<b>0.24</b>

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**29 Capital Management (continued)**

**Return on equity:**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Profit for the year</b>	<b>925.89</b>	<b>896.02</b>
Equity share capital	1,074.31	1,074.31
Other equity	4,820.28	4,646.73
<b>Total equity</b>	<b>5,894.59</b>	<b>5,721.04</b>
<b>Return on equity Ratio (%)</b>	<b>15.71%</b>	<b>15.66%</b>

**30 Contingent liabilities (to the extent not provided for)**

The Company is a party to various indirect taxation disputes and legal claims, which are not acknowledged as debts as detailed below. Significant management judgement is required to ascertain that it is not probable that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claims.

The Company is in legal proceedings for various disputed legal matters related to various creditors, ex-employees & Value Added Tax (VAT) and Income Tax. The amounts involved in these proceedings, not acknowledged as debt, are:-

Particulars	As at 31 March 2019	As at 31 March 2018
Value added tax / sales tax	134.92	184.54
Others	795.54	802.59
<b>Total</b>	<b>930.46</b>	<b>987.13</b>

The Company believes, based on advice from counsels/experts, that the views taken by authorities are not sustainable and accordingly no provision is required to be recorded in the books of account.

**Notes:**

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements / decisions pending with various forums/ authorities. Accordingly, the above mentioned contingent liabilities are disclosed at undiscounted amount.

**31 Commitments**

Particulars	As at 31 March 2019	As at 31 March 2018
a. Estimated amount of contracts remaining to be executed on capital account and other commitments, and not provided for in the books of account [net of advances Rs. 36.90 (31 March 2018: Rs. Nil)]	32.07	-
	<b>32.07</b>	<b>-</b>

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**32 Employee benefits**

The Company contributes to the following post-employment benefit plans in India.

**Defined contribution plan**

- (a) The Company pays provident fund contributions to Company's provident fund trust except contribution towards pension fund which is being paid to the appropriate government authorities, at rate specified as per regulations.

An amount of Rs. 116.55 (31 March 2018: Rs. 101.82) has been recognised as an expense in respect of the Company's contribution to Provident Fund deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

- (b) The Company pays Employees State Insurance contributions to the appropriate government authorities at rate specified as per regulations.

An amount of Rs. 11.56 (31 March 2018: Rs. 11.76) has been recognised as an expense in respect of the Company's contribution to Employees State Insurance deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

- (c) The Company pays Super Annuation Fund contributions to the Life Insurance Corporation of India at rate specified as per regulations.

An amount of Rs. 15.07 (31 March 2018: Rs. 15.26) has been recognised as an expense in respect of the Company's contribution to Super Annuation Fund deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

**Defined benefit plan**
**Funded Schemes**
**Gratuity**

The Company makes annual contribution to a gratuity fund administered by trustees and managed by Life Insurance Corporation of India (LIC). Every employee is entitled to the benefit equivalent to 15 days of total gross salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement or separation or death or permanent disablement in terms of the provisions of the Payment of Gratuity Act. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at balance sheet date, using the projected unit credit method. Liability for employee benefit has been determined by an actuary in conformity with the principles set out in the Indian Accounting Standard 19, the details of which are as hereunder.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Amount recognized in balance sheet</b>		
Present value of funded defined benefit obligation	263.99	225.04
Fair value of plan assets	(242.47)	(200.26)
Net funded obligation	21.52	24.78
<b>Expense recognized in the statement of profit and loss</b>		
Current service cost	31.10	28.41
Interest on net defined benefit liability / (assets)	0.13	0.42

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Total expense charged to profit and loss	31.23	28.83
<b>Amount recorded as Other Comprehensive Income (OCI)</b>		
Remeasurement during the period due to:		
Changes in financial assumptions	(1.61)	1.75
Experience adjustments	14.15	3.05
Actual return on plan assets less interest on plan assets	(0.81)	(0.98)
Amount recognised in OCI	11.73	3.82
<b>Reconciliation of net liability / (assets)</b>		
Opening net defined benefit liability / (assets)	24.78	19.18
Expense charged to profit and loss account	31.23	28.83
Amount recognised outside profit and loss account	11.73	3.82
Employer contributions	(46.22)	(27.05)
Closing net defined benefit liability / (assets)	21.52	24.78
<b>(i) Movement in benefit obligations</b>		
Opening of defined benefit obligation	225.04	187.27
Current service cost	31.10	28.41
Interest on defined benefit obligation	16.51	13.70
Remeasurement due to:		
Actuarial loss / (gain) arising from changes in financial assumptions	(1.61)	1.75
Actuarial loss / (gain) arising on account of experience changes	14.15	3.05
Benefits paid	(21.20)	(9.15)
Closing of defined benefit obligation	263.99	225.04
<b>Movement in plan assets</b>		
Opening fair value of plan assets	200.26	168.09
Employer contributions	46.22	27.05
Interest on plan assets	16.38	13.29
Remeasurement due to:		
Actual return on plan assets less interest on plan assets	0.81	0.98
Benefits paid	(21.20)	(9.15)
Closing fair value of plan assets	242.47	200.26
<b>(ii) Constitution of plan assets</b>		
Funded with LIC*		

\* The plan assets are maintained with Life Insurance Corporation of India (LIC) Gratuity Scheme. The details of investments maintained by LIC are not made available and have therefore not been disclosed.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**

**(iii) Assumptions:**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Economic assumptions</b>		
Discount rate	7.65%	7.70%
Rate of increase in compensation levels	8.00%	8.00%
<b>Demographic assumptions:</b>		
Retirement age	60 years	60 years
Mortality table	IALM (2012-14)	IALM (2006-08)
Withdrawal	17%	15%

Assumptions regarding future mortality have been based on published statistics and mortality tables.

**(iv) Sensitivity analysis**

**Defined benefit obligation**

Change in assumptions	As at 31 March 2019		As at 31 March 2018	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Increase/ (decrease) in obligation with 1% movement in discount rate	(10.93)	11.92	(10.43)	11.45
Increase/ (decrease) in obligation with 1% movement in future rate of increase in compensation levels	11.80	(11.03)	11.33	(10.53)

The sensitivity analysis are based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

**Risk exposure:**

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

**a. Investment risk:**

The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**b. Interest rate risk:**

A decrease in bond interest rate will increase the plan liability.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**c. Longevity risk:**

The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

**d. Salary risk:**

Higher than expected increase in salary will increase the defined benefit obligation

Expected contribution in the next fiscal year	For the year ended 31 March 2019	For the year ended 31 March 2018
Gratuity fund	48.00	43.00

**The weighted average duration of undiscounted defined benefit obligation is as follows:**

Particulars	As at 31 March 2019	As at 31 March 2018
Gratuity (in years)	9	10

Entire amount of provision is present as current, since the Company makes annual contribution to a gratuity fund administrated by trustees and managed by Life Insurance Corporation of India.

**33 Segment reporting**

**A. Basis for Segment reporting**

**Factors used to identify the entity's reportable segments, including the basis of organisation**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

The principal activities of the Company comprises selling of sewing machines, related accessories and domestic appliances.

Accordingly, the Company has two reportable segments as follows:

- Sewing machines and related accessories
- Domestic appliances

**Segment revenue and expenses:**

Segment revenue and expenses represents revenue and expenses that are either directly attributed to individual segments or are attributed to individual segments on a reasonable basis. The remainder of the revenue and expenses are categorized as unallocated which mainly comprises finance costs and other operating expenses and certain other income since the underlying assets/liabilities/services are used interchangeably. The Company believes that it is not practical to provide segment disclosures relating to these unallocated revenue and expenses, and accordingly these are separately disclosed as "unallocated".

**Notes forming part of the standalone financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**Segment assets and liabilities:**

Segment assets includes all operating assets used by a segment which are directly attributed to individual segments or are attributed to individual segments on a reasonable basis. Segment liabilities include all operating liabilities which are directly attributed to individual segments or are attributed to individual segments on a reasonable basis. The remainder of assets and liabilities are categorized as unallocated, since the Company believes that it is not practical to allocate the same over reportable segments on a reasonable basis.

**B. Information about reportable segments**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Segment Revenue from external customers*</b>		
Sewing machines and related accessories	34,023.88	30,846.63
Domestic appliances	14,274.42	11,311.27
<b>Total</b>	<b>48,298.30</b>	<b>42,157.90</b>

\* There is no transfer of products between operating segments.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Segment results</b>		
Sewing machines and related accessories	3,494.26	3,144.16
Domestic appliances	11.85	15.15
<b>Total</b>	<b>3,506.11</b>	<b>3,159.31</b>
<b>Add:</b>		
Interest Income	49.94	27.52
Unallocable revenue	120.66	103.99
	<b>170.60</b>	<b>131.51</b>
<b>Less:</b>		
Finance costs	118.01	56.45
Unallocable depreciation and amortisation expense	44.81	37.43
Unallocable expenses	2,055.19	1,933.84
<b>Profit before tax</b>	<b>1,458.70</b>	<b>1,263.10</b>
<b>Less:</b>		
Income tax expense	532.81	367.08
<b>Net Profit after tax</b>	<b>925.89</b>	<b>896.02</b>

**Notes forming part of the standalone financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Depreciation and amortisation expense</b>		
Sewing machines and related accessories	49.88	58.98
Domestic appliances	16.93	18.89
Un-allocable depreciation and amortisation expense	44.81	37.43
<b>Total</b>	<b>111.62</b>	<b>115.30</b>
<b>Material non-cash (income) / expenses other than depreciation and amortisation expense</b>		
Sewing machines and related accessories	56.05	74.84
Domestic appliances	5.14	26.42
Un-allocable income	(48.62)	(38.91)
	<b>12.57</b>	<b>62.35</b>
<b>Other disclosures</b>		
<b>Capital expenditure</b>		
Sewing machines and related accessories	32.22	18.60
Domestic appliances	5.54	4.70
Unallocable capital expenditure	51.40	62.46
<b>Total</b>	<b>89.16</b>	<b>85.76</b>
Particulars	As at 31 March 2019	As at 31 March 2018
<b>Segment assets</b>		
Sewing machines and related accessories	9,912.70	8,068.18
Domestic appliances	5,238.06	4,646.51
Unallocable assets	1,691.08	2,011.11
<b>Total</b>	<b>16,841.84</b>	<b>14,725.80</b>
<b>Segment liabilities</b>		
Sewing machines and related accessories	4,045.58	4,011.50
Domestic appliances	2,180.89	2,094.76
Unallocable liabilities	4,720.78	2,898.50
<b>Total</b>	<b>10,947.25</b>	<b>9,004.76</b>



**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**34 Related party disclosures**

**a. List of related parties and nature of relationship where control exists:**

**(i) Parent and Ultimate Controlling Party**

Retail Holdings (India) B. V. (Netherlands), (Formerly known as Singer (India) B. V.) - Holding Company

Retail Holdings N. V. (Curacao) - Ultimate Controlling Party

**(ii) Subsidiary**

Brand Trading (India) Private Limited (w.e.f. 6th April 2018)

**b. List of related parties and nature of relationship with whom transactions have taken place during the current/previous year**

**(i) Parent**

Retail Holdings (India) B. V. (Netherlands), (Formerly known as Singer (India) B. V.) - Holding Company

**(ii) Subsidiary**

Brand Trading (India) Private Limited (w.e.f. 6th April 2018)

**(iii) Key managerial personnel of the Company or its parent and their close family members**

Mr. Rajeev Bajaj Managing Director

Mr. Subhash Chand Nagpal Chief Financial Officer (CFO)

Mr. Richin Sangwan Company Secretary (till 1 March 2019)

Mr. P N Sharma Independent Director

Mr. Deepak Sabharwal Independent Director

Ms. Madhu Vij Independent Director

Ms. Tanuja Bajaj Wife of Mr. Rajeev Bajaj

**(iv) Other related parties - Entities which are subsidiaries or where control/ significant influence exists of parties as given in (a) or (b)(i), (b)(ii) and (b)(iii) above**

Retail Holdings Asia B. V. (Netherlands)

Singer Bangladesh Limited

Singer Asia Limited (Cayman Island)

Brand Trading (India) Private Limited

Bt India Limited (BVI)

Singer (Thailand) B.V., (Netherlands)

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**c. Transactions with related parties during the current / previous year:**

S. No.	Particular	For the year ended 31 March 2019	For the year ended 31 March 2018
(i)	<b>Reimbursement of expenses</b>		
	Brand Trading (India) Private Limited	(2.29)	(0.84)
	Singer Asia Limited (Cayman Island)	(0.24)	(0.70)
(ii)	<b>Trade mark license fee ^</b>		
	Retail Holdings Asia B. V. (Netherlands)	479.88	406.52
	^ The Company pays trademark fee for use of "Singer" brand name. The Company is authorised to use the name "SINGER" as the part of its corporate name so long as Singer Asia Limited continues to hold, directly or indirectly, at least a majority of the voting stock of the Company.		
(iii)	<b>Payment for purchase of equity shares in Brand Trading (India) Private Limited</b>		
	Bt India Limited (BVI)	165.20	-
	Singer (Thailand) B.V., (Netherlands)#	-	-
	The Company purchased balance one share from Singer (Thailand) B.V. The purchase consideration was Rs.17 in absolute terms.		
(iv)	<b>Compensation to key managerial personnel</b>		
	Short-term employee benefits	152.84	141.53
	Post-employment benefits	11.15	10.46
	Other long-term benefits	1.19	1.07
(v)	<b>Sitting fees*</b>		
	Mr. P.N.Sharma	3.75	3.75
	Mr. Deepak Sabharwal	2.25	3.90
	Ms. Madhu Vij	2.83	3.08
	* Excludes applicable taxes		
(vi)	<b>Final dividend (Refer to Note 14a.(iv))</b>		
	Retail Holdings (India) B. V. (Netherlands), (Formerly known as Singer (India) B. V.)	242.39	267.60
	Mr. P.N.Sharma**	-	-
	Ms.Tanuja Bajaj ***	-	-

**Notes forming part of the standalone financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**

S. No.	Particular	For the year ended 31 March 2019	For the year ended 31 March 2018
	** Amount in absolute terms - Rs.56.25 (31 March 2018 : Rs.35)		
	*** Amount in absolute terms - Rs.26.25 (31 March 2018 : Rs.24.50)		
<b>(vii)</b>	<b>Interim dividend (Refer to Note 14a.(iv))</b>		
	Retail Holdings (India) B. V. (Netherlands), (Formerly known as Singer (India) B. V.)	126.92	-
	Mr. P.N. Sharma**	-	-
	Ms.Tanuja Bajaj ***	-	-
	** Amount in absolute terms - Rs.30 (31 March 2018 : Rs. Nil)		
	*** Amount in absolute terms - Rs.14 (31 March 2018 : Rs. Nil)		
<b>(viii)</b>	<b>Sales of products</b>		
	Singer Bangladesh Limited	205.15	1,232.84
	Singer Industries (Ceylon) PLC (till August 2017)	-	93.24
	Brand Trading (India) Private Limited (w.e.f. 6 April 2018)	1.93	-
<b>(ix)</b>	<b>Travelling and conveyance</b>		
	Ms.Tanuja Bajaj (till September 2017)	-	0.90
<b>d.</b>	<b>Outstanding balances</b>		
S. No.	Particular	As at 31 March 2019	As at 31 March 2018
<b>(i)</b>	<b>Payables</b>		
	Retail Holdings Asia B. V. (Netherlands)	118.37	95.98
	Singer Asia Limited (Cayman Island)	10.32	9.92
<b>(ii)</b>	<b>Receivables</b>		
	Singer Bangladesh Limited	19.85	21.00
<b>e.</b>	<b>Terms and Conditions</b>		

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash. Transactions relating to dividend, subscriptions for new equity shares are on the same terms and conditions that are offered to other shareholders.

**Notes forming part of the standalone financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**35 Earnings per share (EPS)**
**a. Profit attributable to equity share holders**

Particular	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity share holders:		
Profit attributable to equity share holders for basic earnings	925.89	896.02
Profit attributable to equity share holders adjusted for the effect of dilution	925.89	896.02

**b. Weighted average number of equity shares**

Particular	For the year ended 31 March 2019	For the year ended 31 March 2018
Weighted average number of equity shares		
- For basic and dilutive earnings per share	53,715,675	53,715,675
	<u>53,715,675</u>	<u>53,715,675</u>
Basic earnings per share (Rs.)	1.72	1.67
Diluted earnings per share (Rs.)	1.72	1.67
Nominal value per share (Rs.) (Refer to note 13g (i))	2.00	2.00

**36 Corporate social responsibility**

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

Particular	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>a) Gross amount required to be spent by the Company during the year</b>	22.39	20.38
<b>b) Amount spent and paid during the year</b>	43.05	35.99
<b>Particulars of amount spent and paid during the year:</b>		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above :		
Promoting education, including special education and employment enhancing vocational skills especially among children, elderly and the differently abled and undertaking livelihood enhancement projects.	43.05	35.99
	<u>43.05</u>	<u>35.99</u>

## Notes forming part of the standalone financial statements for the year ended 31 March 2019 (Rupees in lakhs)

- 37** The Company has established a comprehensive system of maintenance of information and documents that are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its international transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.
- 38** The Supreme Court on 28 February 2019 has provided its judgment regarding inclusion of other allowances such as travel allowances, special allowances, etc within the expression 'basic wages' for the purpose of computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court Judgment including the period from which judgment would apply, consequential implications on resigned employees etc. Further, various stakeholders have also filed representations/ review petition with PF authorities and the Supreme Court respectively. All these factors raises significant uncertainty regarding the implementation of the Supreme Court Judgment.

Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Company has recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties on the standalone financial statements of the Company should not be material.

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**  
Partner  
Membership No. 092894

Place: New Delhi  
Date: 22 May 2019

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

Place: New Delhi  
Date: 22 May 2019

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

## INDEPENDENT AUDITORS' REPORT

To the Members of Singer India Limited

Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Singer India Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of other auditor on separate financial statements of such subsidiary as were audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## INDEPENDENT AUDITORS' REPORT

### Description of Key Audit Matter

Revenue recognition See note 2.b(xiv) and note 19 to the consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, i.e. when the control of the underlying products have been transferred to the customer. There is a risk that revenue may be overstated because of fraud resulting from the pressure management may feel to achieve performance targets at the reporting period end. The Group focuses on revenue as a key performance measure which could create an incentive for revenue to be recognised before the control of underlying products has been transferred.	<p>We applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> <li>• tested the design and operating effectiveness of key controls established by management over the completeness, accuracy and existence of revenue;</li> <li>• inspected individual revenue transactions on sample basis, selected by using statistical sampling, to underlying orders, invoices, delivery notes/ customer portal;</li> <li>• performed sales cut off procedures on sales prior to and post year end which included inspecting delivery notes/ customer portal on sample basis and ensuring revenue was recognised appropriately;</li> <li>• inspected post year end credit notes to ensure that revenue recognised during the year is not reversed in the subsequent period without sufficient cause;</li> <li>• as part of confirmation of the existence of revenue, we also selected a sample of trade receivables and agreed to balance confirmations obtained from debtors or agreed to after date cash receipts and/ or to delivery notes; and</li> <li>• evaluated the appropriateness of the revenue recognition policy compared to the requirements of accounting standards and that the policy was being complied with.</li> </ul>

### Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the

## INDEPENDENT AUDITORS' REPORT

companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

### As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and subsidiary) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



## INDEPENDENT AUDITORS' REPORT

- Obtain sufficient appropriate audit evidence regarding the financial information of such entity or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entity. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (a) We did not audit the financial statements / financial information of the subsidiary whose financial statements/financial information reflect total assets of Rs.195 lakhs as at 31 March 2019, total revenues of Rs.22 lakhs and net cash flows amounting to Rs.0.87 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor.

### Report on Other Legal and Regulatory Requirements

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

## INDEPENDENT AUDITORS' REPORT

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 29 to the consolidated financial statements;
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2019; and
  - iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2019.
- C. With respect to the matter to be included in the Auditor's report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the report of the statutory auditors of the subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

Place: New Delhi  
Date: 22 May 2019

**Jiten Chopra**  
Partner  
ICAI Membership No.:092894

## INDEPENDENT AUDITORS' REPORT

**Annexure A to the Independent Auditors' Report on the consolidated financial statements of Singer India Limited for the year ended 31 March 2019**

**Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Opinion**

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Singer India Limited (hereinafter referred to as "the Holding Company") and such company incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### **Management's Responsibility for Internal Financial Controls**

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

## INDEPENDENT AUDITORS' REPORT

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary company in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to the subsidiary company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

Place: New Delhi  
Date: 22 May 2019

**Jiten Chopra**  
Partner  
ICAI Membership No.:092894

## Consolidated Balance Sheet as at 31 March 2019 (Rupees in lakhs)

	Note	As at 31 March 2019	As at 31 March 2018
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
a. Property, plant and equipment	3	1,107.49	1,132.41
b. Intangible assets	4	75.96	76.91
c. Financial assets			
(i) Loans	5	73.78	63.08
(ii) Other financial assets	6	-	5.89
d. Deferred tax assets (net)	18.e	458.83	659.60
e. Income tax assets (net)	18.d	15.31	16.24
f. Other non-current assets	7	60.02	18.94
<b>Total non-current assets</b>		<b>1,791.39</b>	<b>1,973.07</b>
<b>Current assets</b>			
a. Inventories	8	7,378.63	6,623.14
b. Financial assets			
(i) Trade receivables	9	6,603.99	4,792.60
(ii) Cash and cash equivalents	10	220.54	381.00
(iii) Bank balances other than cash and cash equivalents	11	267.22	316.87
(iv) Loans	5	63.08	49.15
(v) Other financial assets	6	34.42	66.83
c. Other current assets	7	511.88	704.83
<b>Total current assets</b>		<b>15,079.76</b>	<b>12,934.42</b>
<b>TOTAL ASSETS</b>		<b>16,871.15</b>	<b>14,907.49</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity share capital	12	1,074.31	1,074.31
b. Other equity	13	4,844.97	4,658.51
<b>Total equity</b>		<b>5,919.28</b>	<b>5,732.82</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
a. Financial liabilities			
Borrowings	14.a	17.51	22.65
b. Provisions	15	152.17	147.67
<b>Total non-current liabilities</b>		<b>169.68</b>	<b>170.32</b>
<b>Current liabilities</b>			
a. Financial liabilities			
(i) Borrowings	14.a	2,200.55	1,369.95
(ii) Trade payables	16		
-total outstanding dues of micro and small enterprises		2,367.10	2,430.42
-total outstanding dues of creditors other than micro and small enterprises		4,713.39	3,733.58
(iii) Other financial liabilities	14.b	164.81	301.86
b. Other current liabilities	17	752.72	598.47
c. Provisions	15	571.93	558.44
d. Current tax liabilities (net)	18.d	11.69	11.63
<b>Total current liabilities</b>		<b>10,782.19</b>	<b>9,004.35</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,871.15</b>	<b>14,907.49</b>

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**

Partner

Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

Place: New Delhi  
Date: 22 May 2019

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

## Consolidated Statement of Profit and Loss for the period ended 31 March 2019 (Rupees in lakhs)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Income</b>			
Revenue from operations	19	48,298.51	42,157.90
Other income	20	190.84	142.87
<b>Total income</b>		<b>48,489.35</b>	<b>42,300.77</b>
<b>Expenses</b>			
Cost of materials consumed	21	1,195.80	1,144.76
Excise duty		-	7.64
Purchases of stock in trade		36,482.92	32,594.33
Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	(785.54)	(1,186.79)
Employee benefits expense	23	2,635.02	2,232.12
Finance costs	24	118.15	56.45
Depreciation and amortisation expense	25	111.62	115.30
Other expenses	26	7,261.96	6,064.10
<b>Total expenses</b>		<b>47,019.93</b>	<b>41,027.91</b>
<b>Profit before tax</b>		<b>1,469.42</b>	<b>1,272.86</b>
<b>Tax expense</b>			
Current tax	18	329.83	286.89
Tax for earlier years		(2.19)	(27.12)
Deferred tax (credit) / charge		202.98	109.17
<b>Total tax expense</b>		<b>530.62</b>	<b>368.94</b>
<b>Profit for the year</b>		<b>938.80</b>	<b>903.92</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit plans		(11.73)	(3.82)
- Income tax relating to above mentioned item		4.10	1.33
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>(7.63)</b>	<b>(2.49)</b>
<b>Total comprehensive income for the year</b>		<b>931.17</b>	<b>901.43</b>
<b>Profit for the year attributable to:</b>			
- Owners of the Company	38	938.80	903.92
- Non-controlling interest		-	-
<b>Other comprehensive income for the year attributable to:</b>	38		
- Owners of the Company		(7.63)	(2.49)
- Non-controlling interest		-	-
<b>Total comprehensive income for the year attributable to:</b>	38		
- Owners of the Company		931.17	901.43
- Non-controlling interest		-	-
<b>Earnings per equity share of face value of Rs. 2 each</b>			
Basic (Rs.)	34	1.75	1.68
Diluted (Rs.)		1.75	1.68

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**

Partner

Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

## Consolidated Statement of Changes in Equity for the year ended 31 March 2019 (Rupees in lakhs)

### a. Equity share capital

Particulars	Note	For the year ended 31 March 2019		For the year ended 31 March 2018	
		Number of shares	Amount	Number of shares	Amount
<b>Balance at the beginning of the year</b>		5,37,15,675	1,074.31	1,07,43,135	1,074.31
Increase due to sub-division of equity shares	12g (i).	-	-	4,29,72,540	-
<b>Balance at the end of the year</b>		<b>5,37,15,675</b>	<b>1,074.31</b>	<b>5,37,15,675</b>	<b>1,074.31</b>

### b. Other equity

Particulars	Note	Reserve and Surplus			Other comprehensive income*	Total
		Securities premium	General reserve	Retained earnings		
<b>Balance as at 1 April 2018</b>		122.50	198.37	4,337.64	-	4,658.51
Profit for the year				938.80		938.80
Other comprehensive income for the year	13 b.				(7.63)	(7.63)
<b>Total comprehensive income for the year</b>				<b>938.80</b>	<b>(7.63)</b>	<b>931.17</b>
Transferred to retained earnings				(7.63)	7.63	-
Dividends	13 a (iv)			(617.73)		(617.73)
Corporate dividend tax				(126.98)		(126.98)
<b>Balance as at 31 March 2019</b>		<b>122.50</b>	<b>198.37</b>	<b>4,524.10</b>	-	<b>4,844.97</b>
<b>Balance as at 1 April 2017</b>		122.50	198.37	3,888.77	-	4,209.64
Profit for the year				903.92		903.92
Other comprehensive income for the year	13 b.				(2.49)	(2.49)
<b>Total comprehensive income for the year</b>				<b>903.92</b>	<b>(2.49)</b>	<b>901.43</b>
Transferred to retained earnings				(2.49)	2.49	-
Dividends	13 a (iv)			(376.01)		(376.01)
Corporate dividend tax				(76.55)		(76.55)
<b>Balance as at 31 March 2018</b>		<b>122.50</b>	<b>198.37</b>	<b>4,337.64</b>	-	<b>4,658.51</b>

\* Other comprehensive income represents remeasurement of defined benefit plans (net of tax).

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**

Partner

Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

Place: New Delhi  
Date: 22 May 2019

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

## Consolidated Cash Flow Statement for the year ended 31 March 2019 (Rupees in lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. Cash flows from operating activities</b>		
Profit before tax	1,469.42	1,272.86
Adjustments for:		
Provisions / liabilities no longer required written back	(64.17)	(39.98)
Impairment allowance for doubtful receivables	39.01	85.19
Impairment allowance for obsolescence, slow / non-moving	7.19	6.37
Bad-debts/Advances written off	23.34	16.07
Loss/(profit) on sale of property, plant and equipment (net) / Assets written-off	1.29	0.69
Deferred rent amortisation (included in rent expenses)	7.34	7.60
Depreciation and amortisation expenses	111.62	115.30
Unrealised foreign exchange (gain) / loss (net)	7.45	(6.73)
Interest on borrowings measured at amortised cost	108.05	48.22
Interest on financial liabilities measured at amortised cost	7.70	6.33
Interest income from bank deposits	(20.17)	(21.73)
Interest income from financial assets at amortised cost	(7.72)	(6.90)
Interest - Others	2.26	1.90
<b>Operating profit before working capital changes</b>	<b>1,692.61</b>	<b>1,485.19</b>
Adjustments for:		
Increase in trade receivables	(1,880.03)	(1,487.07)
Increase in inventories	(762.68)	(1,210.24)
(Increase) / decrease in loans, other financial assets, and other assets	150.54	(453.76)
(Increase) / decrease in trade payables, other financial liabilities and other liabilities	1,004.13	1,456.51
<b>Cash generated from/ (used in) operating activities</b>	<b>204.57</b>	<b>(209.37)</b>
Income tax paid (net of refund)	(328.18)	(291.29)
<b>Net cash used in operating activities</b>	<b>(123.61)</b>	<b>(500.66)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, plant and equipment and intangible assets (including capital advances)	(89.16)	(85.76)
Proceeds from sale of property, plant and equipment	2.12	0.31
Deposits made with banks due to mature within 12 months from the reporting date (net) Refer to Note 11 [deposits under lien Rs. 56.35 (31 March 2018 : Rs. 55.25)]	53.00	(33.19)
Deposits made with banks due to mature after 12 months from the reporting date (net) Refer to Note 6 [deposits under lien Rs. 5 (31 March 2018 : Rs. 5)]	5.89	(5.89)
Change in earmarked balances with banks (unpaid dividend)	(3.35)	(1.74)
Interest received	21.96	20.73
<b>Net cash used in investing activities</b>	<b>(9.54)</b>	<b>(105.54)</b>
<b>C. Cash flows from financing activities</b>		
Net proceeds from bank borrowings	(5.15)	27.89
Interest paid	(108.05)	(48.22)
Dividends paid	(617.73)	(376.01)
Corporate dividend tax paid	(126.98)	(76.55)
<b>Net cash used in financing activities</b>	<b>(857.91)</b>	<b>(472.89)</b>
<b>Net decrease in cash and cash equivalents during the year (A+B+C)</b>	<b>(991.06)</b>	<b>(1,079.09)</b>



## Consolidated Cash Flow Statement for the year ended 31 March 2019 (Rupees in lakhs)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>D. Cash and cash equivalents at the beginning of the year*</b>		
Cash on hand	18.74	17.65
Cheques on hand	310.22	302.66
Balance with banks:		
- On current accounts	51.27	99.79
- On deposit accounts (with original maturity of three months or less)	0.77	0.74
Cash credit facilities and working capital demand loan	(1,369.95)	(330.70)
	<b>(988.95)</b>	<b>90.14</b>
<b>E. Cash and cash equivalents as at the end of the year*</b>		
Cash on hand	13.91	18.74
Cheques on hand	175.71	310.22
Balance with banks:		
- On current accounts	30.50	51.27
- On deposit accounts (with original maturity of three months or less)	0.42	0.77
Cash credit facilities and working capital demand loan	(2,200.55)	(1,369.95)
	<b>(1,980.01)</b>	<b>(988.95)</b>

\* Cash and cash equivalents includes cash credit facility and working capital demand loan from banks that are repayable on demand and form an integral part of the Group's cash management.

### Notes:

- The Consolidated Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.
- Changes in liabilities arising from financing activities.**

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Opening balance of borrowings</b>	27.89	-
<b>Cash flows</b>		
Proceeds from borrowings	-	30.00
Repayment of borrowings	(5.15)	(2.11)
<b>Non-cash changes</b>		
Changes in borrowings measured at amortised cost	-	-
<b>Closing balance of borrowings</b>	<b>22.74</b>	<b>27.89</b>

The accompanying notes form an integral part of these financial statements  
As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**  
Partner  
Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**  
Managing Director  
DIN: 02284467

**Subhash Chand Nagpal**  
Chief Financial Officer

Place: New Delhi  
Date: 22 May 2019

**P.N.Sharma**  
Chairman  
DIN: 00023625

**Priyanka Gandhi**  
Company Secretary

Place: New Delhi  
Date: 22 May 2019

Place: New Delhi  
Date: 22 May 2019

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### 1. Company Information / Overview

Singer India Limited (the "Company") is a public limited company domiciled in India. The Company was incorporated on 19 October 1977 under the provisions of the Company's Act, 1956. The Company's registered office is at A-26/4, 2nd Floor, Mohan Co-operative Industrial Estate, New Delhi-110 044. The shares of the Company are listed on BSE Limited (BSE). The Company is engaged in the business of trading / manufacturing of sewing machines, related accessories and in trading of domestic appliances.

The subsidiary of the Company, i.e. Brand Trading (India) Private Limited (the "Subsidiary") is a private limited company domiciled in India and incorporated on 24 June 2005 under the provisions of the Companies Act, 1956. The Subsidiary is engaged in the business of trading of sewing machines, related accessories and domestic appliances.

Singer India Limited together with its Subsidiary is hereinafter referred to as the "Group". The activities of the Group comprise of trading / manufacturing of sewing machines, related accessories and in trading of domestic appliances.

### 2.a Basis of preparation

#### (i) Statement of compliance

The consolidated financial statements comply with the Indian Accounting Standard ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. The Group has adopted Ind AS with effect from 1 April 2017, with transition date of 1 April 2016, pursuant to notification issued by the Ministry of Corporate Affairs dated 16 February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015.

These consolidated financial statements were authorised for issue by the Board of Directors of the Company on 22 May 2019.

#### (ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts are presented in Rs. lakhs and have been rounded-off to two decimal places, unless stated otherwise.

#### (iii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except certain financial assets and liabilities that are measured at fair value or amortised cost and net defined benefit asset or liability that is measured at fair value of plan assets less present value of defined benefit obligations.

#### (iv) Critical accounting estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates if any, are recognised prospectively.

Information about significant areas of estimation/uncertainty and judgements in applying accounting policies that have the most significant effect on the consolidated financial statements are as follows:

Note 2.(b) (xii) and 32- measurement of defined benefit obligations: key actuarial assumptions.

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

Note 2.(b) (vi) & (vii) - measurement of useful life and residual values of property, plant and equipment and intangible assets.

Note 2.(b) (xiii) and 30 - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claim.

Note 2.(b) (x) - judgement is required to ascertain whether it is probable or not that an outflow of resources embodying economic benefits will be required to settle the claims for warranty and returns.

Note 2.(b) (viii) - judgement required to ascertain lease classification.

Note 2.(b) (iii) (iv) and 28 - fair value measurement of financial instruments.

Note 2.(b) (xviii) - judgement required to determine probability of recognition of deferred tax assets and MAT credit entitlement.

There are no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

### (v) *Basis of consolidation*

The Group consolidates entity which it owns or controls. The consolidated financial statements comprise the standalone financial statements of the Group and its subsidiary as disclosed in Note 38. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The Company has acquired equity shares in its Subsidiary in the nature of a common control business combination as per Appendix C of Ind AS 103.

### *Common control business combinations*

**Business combinations involving entities that are controlled by the ultimate holding company are accounted for using the pooling of interests method as follows:**

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts;
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities;
- (iii) The financial information in the financial statements in respect of prior periods is presented as if the business combination had occurred from the beginning of the preceding period or, if later, at the date that common control was established, irrespective of the actual date of the combination; and
- (iv) The difference, if any, between the purchase consideration in the form of cash and the amount of net assets of the transferor is transferred to general reserve.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interest which represents part of net profit or loss and net assets of subsidiary that are not, directly or indirectly, owned or controlled by the Group, are excluded.

### 2.b Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these consolidated financial statements.

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### (i) **Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

### (ii) **Foreign currency transactions and translations**

Transactions in foreign currency are initially recorded in the functional currency i.e. Indian Rupees (Rs.) using the exchange rate at the date of transaction.

Monetary items (i.e. receivables, payables, loans etc.) denominated in foreign currency are reported using the closing exchange rate as on each balance sheet date. Gains/ (losses) arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

### (iii) **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Group.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value of financial instruments measured at amortised cost is disclosed in Note 27.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**(iv) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

**Recognition and initial measurement**

All financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Classification and subsequent measurement**

**Classification**

For the purpose of subsequent measurement, the Group classifies financial assets in following categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

**Subsequent measurement**

**Financial assets at amortised cost**

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the Consolidated Statement of Profit and Loss.

**Financial assets at FVTPL**

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the Consolidated Statement of Profit and Loss.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

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**Financial assets at FVTOCI**

These assets are subsequently measured at fair value through other comprehensive income (OCI). Changes in fair values are recognised in OCI and on derecognition, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest income calculated using EIR and impairment loss, if any, are recognised in the Consolidated Statement of Profit and Loss.

**Derecognition**

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its Consolidated Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Any gain or loss on derecognition is recognised in the Consolidated Statement of Profit and Loss.

**Impairment of financial assets**

Financial assets that are carried at amortised cost are assessed for possible impairments basis expected credit losses taking into account the past history of recovery, risk of default of the counterparty, existing market conditions etc. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables, the Group provides for expected credit losses based on a simplified approach as per Ind AS 109 – Financial Instruments. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. The changes (incremental or reversal) in loss allowance computed using Expected Credit Loss (ECL) model are recognised as an impairment gain or loss in the Consolidated Statement of Profit and Loss.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

**Financial liabilities****Recognition and initial measurement**

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

**Classification and subsequent measurement**

Financial liabilities are classified as measured at amortised cost or FVTPL.

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Consolidated Statement of Profit and Loss.

### **Derecognition**

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Consolidated Statement of Profit and Loss.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

#### **(v) Cash and cash equivalents**

Cash and cash equivalents comprises cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### **(vi) Property, plant and equipment and intangible assets**

##### **Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Cost is inclusive of freight, duties, taxes or levies (net of recoverable taxes) and any directly attributable cost of bringing the assets to their working condition for intended use.

Profit or loss on disposal/ scrapping/ write off/ retirement from active use of an item of property, plant and equipment is recognised in the Consolidated Statement of Profit and Loss.

The cost of improvements to leasehold premises, if recognition criteria are met, has been capitalised and disclosed separately as leasehold improvement.

##### **Subsequent costs**

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Consolidated Statement of Profit and Loss at the time of incurrence.

##### **Depreciation**

Property, plant and equipment are depreciated on a pro-rata basis on Straight Line Method (SLM) using the rates arrived based on useful lives as prescribed in Schedule-II of the Companies Act, 2013, or useful lives of assets estimated by the management based on technical advice in cases where a useful life is different than the useful

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

lives indicated in Schedule-II of the Companies Act, 2013, which represents the period over which management expects to use these assets, as follows:

Depreciation has been charged based on the following useful lives:

Asset Head	Management estimated Useful Life (in years)	Useful life as per Schedule II (in years)
Building	41-50	30
Plant and machinery	4-15	15
Furniture and fixtures	5	10
Computer		
-End user devices	3	3
-Server and networks	6	6
Office equipment	2-5	5
Vehicles	7	8

Leasehold land is depreciated on a straight line basis over the period of the lease. Leasehold improvement are depreciated on a straight line basis over the period of three years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by management at each reporting date and adjusted prospectively, as appropriate.

### (vii) Intangible assets

#### Recognition and measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs necessary to make the assets ready for their intended use and are carried at cost less accumulated amortisation and impairment losses, if any.

Gain or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

#### Subsequent costs

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure on intangible assets is recognised in the Consolidated Statement of Profit and Loss, as incurred.

#### Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives of 3-5 years using the straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased/ disposed during the year.

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.



## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### **(viii) Leases**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset/s and the arrangement conveys a right to use the asset/s, even if that right is not explicitly specified in an arrangement.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the asset to the lessee. All other leases are classified as operating leases.

Payments made under operating leases are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same is recognised as an expense in line with the contractual term.

### **(ix) Inventories**

Inventories (including raw material, stock- in trade, work in progress and finished goods) are stated at cost or net realisable value (NRV), whichever is lower. However, raw materials and other supplies held for use in the production of finished goods are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The cost of raw material, stock-in-trade (goods purchased for resale) is being determined at first-in, first-out basis. The cost of work-in-progress and finished goods is being measured at material cost plus appropriate share of production overheads and excise duty, wherever applicable.

NRV is the estimated selling price in the ordinary course of business, less estimated cost of completion to make the sale.

### **(x) Warranties**

Product warranty costs are determined using reasonable estimates based on costs incurred in the past and are provided for in the year sale is made. These includes free replacements, breakages, returns etc. in respect of sewing machines and domestic appliances

### **(xi) Impairment - non-financial assets**

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication of impairment exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs).

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**(xii) Employee benefits**

**i) Short-term benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. A liability is recognised for the amount expected to be paid e.g. under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**Post-employment benefit plans**

**ii) Defined contribution plans**

**Provident Fund**

In respect of the Subsidiary, eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employees and the Subsidiary make monthly contributions to this provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The Subsidiary has no further obligation to the plan beyond its monthly contributions.

**iii) Defined benefit plans**

**Provident Fund**

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to the Singer India Ltd. Staff Provident Fund Trust. The Trust invests in specific designated instruments as permitted by law. The remaining portion is contributed to the government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the Trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate.

**Gratuity**

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan), covering all eligible employees in accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

These are funded by the Group and are managed by LIC.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

recognised in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service (‘past service cost’ or ‘past service gain’) or the gain or loss on curtailment is recognised immediately in the Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**iv) Other long-term employee benefits**

The Group’s net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

**(xiii) Provisions and contingent liabilities**

**Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent liabilities**

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

**(xiv) Revenue recognition**

With effect from 1 April 2018, the Group has adopted Ind AS 115, ‘Revenue from Contracts with Customers’ using cumulative effect method which does not require comparative information to be restated in the financial statements. The standard is applied retrospectively only to contracts that were not completed as at the date of initial application (i.e. 1 April 2018). There is no significant net impact on retained earnings as at 1 April 2018. Moreover, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue from operations and other related items in the financial statement of the Group.

Under Ind AS 115, revenue is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties, or other similar items, if

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

any, as specified in the contract with the customer. Revenue is recorded provided the recovery of consideration is probable and determinable.

Revenue from the sale of products is recognized upon transfer of control of goods or services to the customers which coincides with their delivery and is measured at fair value of consideration received/receivable, net of returns and allowances, amount collected on behalf of third parties, discounts, incentives, volume rebates and cash discounts. The Group collects applicable taxes (i.e. Goods and Services Tax (GST), Value Added Taxes (VAT) etc.) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue.

### Interest income

Interest income on financial assets (including deposits with banks) is recognised using the effective interest rate method.

### (xv) Government grants / assistance

Government grant / assistance in relation to export of goods is recognized in the Consolidated Statement of Profit and Loss when there is reasonable assurance that the Group will comply with the conditions attaching to it, and that the grant/assistance will be received.

### (xvi) Commission

The commission paid / payable on sales is recognised in accordance with the terms of contracts with agents as an expense in the Consolidated Statement of Profit and Loss.

### (xvii) Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### (xviii) Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

#### Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any relating to income taxes. It is measured using tax rates enacted at the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

#### Deferred tax

Deferred taxes are recognised basis the balance sheet approach on temporary differences, being the difference between the carrying amount of assets and liabilities in the Balance Sheet and its corresponding tax base. Deferred tax assets are recognised only to the extent it is probable that future taxable profits will be available against which such assets can be utilised.

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in the Consolidated Balance Sheet. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets levied by the same tax authorities.

### (xix) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares.

### (xx) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

### (xxi) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

### (xxii) Recent accounting pronouncements

#### Standards issued but not yet effective

Ind AS 116 - Leases: Ind AS 116 Leases will replace the existing leases standard, Ind AS 17 Leases. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use (ROU) asset representing its right to use the underlying asset on lease and a lease liability representing its obligation to make lease payments. The standard is applicable from 1 April 2019.

The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

The Group plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. On that date, the Group will recognise a lease liability measured at the present value of the remaining lease payments using the lessee's incremental borrowing rate as at 1 April 2019 and corresponding ROU asset is measured at an

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

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amount equivalent to lease liability. Therefore, there will be no effect of adopting Ind AS on retained earnings as at 1 April 2019, with no restatement of comparative information. In accordance with the standard, the Group will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Group will opt for certain practical expedients available on transition under the modified retrospective approach.

The nature of expenses presently presented under rent under other expenses as per Ind AS 17 will now be presented as per Ind AS 116 in the form of:

- Amortization charge for the ROU asset
- Finance cost from interest accrued on lease liability

There will be consequent reclassification in the cash flow categories in the statement of cash flows.

Certain office premises, shops and warehouses which are taken on operating lease will now be capitalised under Ind AS 116.

**The following amended standards and interpretations are not expected to have a significant impact on the Group's financial statements:**

- Appendix C to Ind AS 12, Income taxes
- Amendments to Ind AS 12, Income taxes
- Amendments to Ind AS 19, Employee Benefits
- Amendments to Ind AS 23, Borrowing Costs
- Amendments to Ind AS 28, Investments to Associates and Joint Ventures
- Amendments to Ind AS 103, Business Combinations
- Amendments to Ind AS 109, Financial Instruments
- Amendments to Ind AS 111, Joint Arrangements

Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

3 Property, plant and equipment  
As at 31 March 2019

Particulars	Leasehold land	Building (on leasehold land)	Plant and equipment	Office equipments	Computers and fixtures	Furniture and fixtures improvements	Leasehold improvements	Vehicle	Total
<b>Gross value</b>									
Balance at the beginning of the year	600.40	392.62	133.97	31.54	65.59	36.49	19.40	30.00	1,310.01
Additions during the year	-	-	10.82	17.60	29.39	2.64	1.00	-	61.45
Disposals during the year	-	-	-	5.23	0.65	0.75	6.56	-	13.19
<b>Balance at the end of the year</b>	<b>600.40</b>	<b>392.62</b>	<b>144.79</b>	<b>43.91</b>	<b>94.33</b>	<b>38.38</b>	<b>13.84</b>	<b>30.00</b>	<b>1,358.27</b>
<b>Accumulated depreciation</b>									
Balance at the beginning of the year	19.51	16.57	64.02	14.73	34.47	13.23	13.13	1.94	177.60
Depreciation for the year	9.76	8.26	24.22	8.49	17.98	7.22	2.96	4.07	82.96
Disposals during the year	-	-	-	2.92	0.54	0.60	5.72	-	9.78
<b>Balance at the end of the year</b>	<b>29.27</b>	<b>24.83</b>	<b>88.24</b>	<b>20.30</b>	<b>51.91</b>	<b>19.85</b>	<b>10.37</b>	<b>6.01</b>	<b>250.78</b>
<b>Net carrying value as at 31 March 2019</b>	<b>571.13</b>	<b>367.79</b>	<b>56.55</b>	<b>23.61</b>	<b>42.42</b>	<b>18.53</b>	<b>3.47</b>	<b>23.99</b>	<b>1,107.49</b>
<b>As at 31 March 2018</b>									
<b>Gross value</b>									
Balance at the beginning of the year	600.40	392.62	133.48	27.43	50.13	29.18	18.65	-	1,251.89
Additions during the year	-	-	0.49	6.53	16.39	8.14	0.75	30.00	62.30
Disposals during the year	-	-	-	2.42	0.93	0.83	-	-	4.18
<b>Balance at the end of the year</b>	<b>600.40</b>	<b>392.62</b>	<b>133.97</b>	<b>31.54</b>	<b>65.59</b>	<b>36.49</b>	<b>19.40</b>	<b>30.00</b>	<b>1,310.01</b>
<b>Accumulated depreciation</b>									
Balance at the beginning of the year	9.76	8.26	31.42	9.95	17.81	6.64	6.83	-	90.67
Depreciation for the year	9.75	8.31	32.60	6.83	17.39	6.99	6.30	1.94	90.11
Disposals during the year	-	-	-	2.05	0.73	0.40	-	-	3.18
<b>Balance at the end of the year</b>	<b>19.51</b>	<b>16.57</b>	<b>64.02</b>	<b>14.73</b>	<b>34.47</b>	<b>13.23</b>	<b>13.13</b>	<b>1.94</b>	<b>177.60</b>
<b>Net carrying value as at 31 March 2018</b>	<b>580.89</b>	<b>376.05</b>	<b>69.95</b>	<b>16.81</b>	<b>31.12</b>	<b>23.26</b>	<b>6.27</b>	<b>28.06</b>	<b>1,132.41</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**4 Intangible assets**

**As at 31 March 2019**

Particulars	Computer software
<b>Gross value</b>	
Balance at the beginning of the year	117.29
Additions during the year	27.71
Disposals during the year	-
<b>Balance at the end of the year</b>	<b>145.00</b>
<b>Accumulated amortisation</b>	
Balance at the beginning of the year	40.38
Amortisation for the year	28.66
Disposals during the year	-
<b>Balance at the end of the year</b>	<b>69.04</b>
<b>Net carrying value as at 31 March 2019</b>	<b>75.96</b>

**As at 31 March 2018**

Particulars	Computer software
<b>Gross value</b>	
Balance at the beginning of the year	94.11
Additions during the year	23.46
Disposals during the year	0.28
<b>Balance at the end of the year</b>	<b>117.29</b>
<b>Accumulated amortisation</b>	
Balance at the beginning of the year	15.47
Amortisation for the year	25.19
Disposals during the year	0.28
<b>Balance at the end of the year</b>	<b>40.38</b>
<b>Net carrying value as at 31 March 2018</b>	<b>76.91</b>



Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

5 Loans

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<b>Unsecured</b>				
Security deposit				
- Considered good	73.78	63.08	63.08	49.15
- Credit impaired	2.70	-	2.70	-
	<b>76.48</b>	<b>63.08</b>	<b>65.78</b>	<b>49.15</b>
Less:- Impairment allowance for doubtful deposits	2.70	-	2.70	-
<b>Total</b>	<b>73.78</b>	<b>63.08</b>	<b>63.08</b>	<b>49.15</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 27.

6 Other financial assets

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<i>Unsecured, considered good, unless stated otherwise</i>				
Bank deposits (due for maturity after twelve months from the reporting date)	-	Nil	0.89	-
Bank deposits pledged as securities with government authorities	-	5.94	5.00	-
Interest accrued but not due on bank deposits	-	3.44	-	5.23
	-	<b>9.38</b>	<b>5.89</b>	<b>5.23</b>
Balance with custom authorities				
- Considered good	-	25.04	-	61.60
- Credit impaired	-	13.38	-	13.38
	-	<b>38.42</b>	-	<b>74.98</b>
Less:- Impairment allowance for doubtful balances	-	13.38	-	13.38
<b>Total</b>	-	<b>34.42</b>	<b>5.89</b>	<b>66.83</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 27.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**7 Other assets**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<i>Unsecured, considered good, unless stated otherwise</i>				
Capital advances	36.90	-	-	-
Advances other than capital advances				
Prepaid expenses	-	51.28	0.33	48.93
Deposits with government authorities under protest	-	48.28	-	41.86
Advance to employees	-	15.89	-	27.77
Goods and service tax (GST) receivables	-	268.79	-	459.89
Balances with government authorities	-	2.27	-	2.55
Other recoverable*	-	5.31	-	0.69
Prepaid rent	23.12	0.34	18.61	8.00
	<b>60.02</b>	<b>392.16</b>	<b>18.94</b>	<b>589.69</b>
Advance to suppliers				
- Considered good	-	119.72	-	115.14
- Considered doubtful	-	4.92	-	10.55
	-	<b>124.64</b>	-	<b>125.69</b>
Less: Provision for doubtful advances	-	4.92	-	10.55
	-	<b>119.72</b>	-	<b>115.14</b>
<b>Total</b>	<b>60.02</b>	<b>511.88</b>	<b>18.94</b>	<b>704.83</b>

\* Includes receivable from related parties (Refer to Note 33)

**8 Inventories**

Particulars	As at	As at
	31 March 2019	31 March 2018
<i>Valued at lower of cost or net realisable value</i>		
Raw material (includes in transit Rs.11.22 ( 31 March 2018 : Rs. 15.49)	127.98	160.04
Work-in-progress	13.43	8.46
Stock-in-trade (In respect of goods acquired for trading) (Includes in transit Rs. 639.30 ( 31 March 2018 : Rs. 625.57)	7,004.93	6,292.43
Finished goods (Includes in transit Rs. 72.78 ( 31 March 2018 : Rs. 39.28)	260.53	183.26
	<b>7,406.87</b>	<b>6,644.19</b>
Less: Impairment allowance for obsolescence, slow / non-moving	28.24	21.05
<b>Total</b>	<b>7,378.63</b>	<b>6,623.14</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**9 Trade receivables**

Particulars	As at 31 March 2019	As at 31 March 2018
<i>Unsecured, considered good, unless otherwise stated</i>		
Trade receivables		
- Considered good*	6,603.99	4,792.60
- Credit impaired	337.01	302.92
	<b>6,941.00</b>	<b>5,095.52</b>
Less: Impairment allowances for doubtful receivables	337.01	302.92
<b>Total</b>	<b>6,603.99</b>	<b>4,792.60</b>

\* Includes receivable from related parties (Refer to Note 33)

The carrying amount of trade receivables approximates their fair value, is included in Note 27.

The Group's exposure to credit and currency risks, and impairment allowances related to trade receivables is disclosed in Note 27.

**10 Cash and cash equivalents**

Particulars	As at 31 March 2019	As at 31 March 2018
Cash on hand	13.91	18.74
Cheques on hand	175.71	310.22
Balance with banks:		
- On current account	30.50	51.27
- On deposit account (with original maturity of three months or less)	0.42	0.77
<b>Total</b>	<b>220.54</b>	<b>381.00</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 27.

**11 Bank balances other than cash and cash equivalents**

Particulars	As at 31 March 2019	As at 31 March 2018
Bank deposits pledged as security with government authorities	56.35	55.25
Margin deposits	2.42	27.67
Unpaid dividend account	9.04	5.69
Bank deposits with remaining maturity of less than 12 months	199.41	228.26
<b>Total</b>	<b>267.22</b>	<b>316.87</b>

The exposure to financial risks and fair value measurement related to these financial instruments is described in Note 27.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**12 Share capital**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>a. Authorised*</b>		
Equity shares		
75,000,000 equity shares of Rs.2 each (31 March 2018: 75,000,000 equity shares of Rs. 2 each)	1,500.00	1,500.00
Preference Shares		
500,000 redeemable preference shares of Rs.100 each (31 March 2018: 500,000 preference shares of Rs.100 each)	500.00	500.00
<b>Total</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>b. Issued, subscribed and paid up*</b>		
53,715,675 equity shares of Rs.2 each ( 31 March 2018 : 53,715,675 equity shares of Rs. 2 each)	1,074.31	1,074.31
<b>Total</b>	<b>1,074.31</b>	<b>1,074.31</b>

\* Refer to Note 12g (i)

**c. Reconciliation of number of equity shares outstanding at the beginning and end of the year :**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Equity shares issued, subscribed and paid up</b>		
Equity shares at the beginning of the year	53,715,675	10,743,135
Increase due to sub-division of equity shares (Refer to Note 12g (i))	-	42,972,540
<b>Equity shares at the end of the year</b>	<b>53,715,675</b>	<b>53,715,675</b>

**d. Terms / rights attached to equity shares**

The Company has only one class of equity share. The par value of the shares issued was Rs.10 per share. With the approval of the members through postal ballot, the par value of the share was changed to Rs. 2 per share with effect from 18 January 2018 (Refer to Note 12 g (i) ). Each holder of the equity share is entitled to one vote per share and is entitled to dividend, declared if any. The paid up equity shares of the Company rank pari-pasu in all respects, including dividend. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

12 Share capital (continued)

e. Shares held by holding/ultimate holding company and /or their subsidiaries/ associates

Particulars	As at 31 March 2019		As at 31 March 2018	
	Number of Shares	Amount	Number of Shares	Amount
<b>Equity shares of Rs. 2 each, fully paid up held by:</b>				
Retail Holdings (India) B. V. (Netherlands), the holding company [formerly known as Singer (India) B. V.]	31,730,667	634.61	32,662,225	653.24
<b>Total</b>	<b>31,730,667</b>	<b>634.61</b>	<b>32,662,225</b>	<b>653.24</b>

f. Shareholders holding more than 5% shares in the Company:

Particulars	Class of share	As at 31 March 2019		As at 31 March 2018	
		Number of Shares	% of total shares	Number of Shares	% of total shares
Retail Holdings (India) B. V. (Netherlands), the holding company [formerly known as Singer (India) B. V.]	Equity shares	31,730,667	59.07%	32,662,225	60.81%
S. Shyam	Equity shares	2,706,588	5.04%	2,706,128	5.04%

g. Other Notes

- (i) The shareholders of the Company approved the sub-division of each equity share having a face value of Rs. 10 into five equity shares having a face value of Rs. 2 each with effect from 18 January 2018 through postal ballot.
- (ii) During the year ended 31 March 2010, in compliance with the rehabilitation scheme sanctioned by the Board for Industrial and Financial Reconstruction (BIFR), 9,177,900 equity shares having a face value of Rs. 10 each were allotted through preferential basis as fully paid up to Retail Holdings (India) B. V. Netherlands (formerly known as Singer (India) B. V.), the holding company. out of these, 827,900 equity shares of Rs. 10 each were allotted by converting 10% amount borrowed from the holding company in the form of external commercial borrowing.

13 Other equity

a. Reserves and surplus

Particulars	As at 31 March 2019	As at 31 March 2018
Securities premium	122.50	122.50
General reserve	198.37	198.37
Retained earnings	4,524.10	4,337.64
<b>Total</b>	<b>4,844.97</b>	<b>4,658.51</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**13 Other equity (continued)**

**(i) Securities premium**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Balance at the beginning of the year	122.50	122.50
Movement during the year	-	-
<b>Balance at the end of the year</b>	<b>122.50</b>	<b>122.50</b>

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**(ii) General reserve**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Balance at the beginning of the year	198.37	263.57
Adjustment in opening balance - Effect on account of common control business combination (Refer to Note 39)	-	(65.20)
Movement during the year	-	-
<b>Balance at the end of the year</b>	<b>198.37</b>	<b>198.37</b>

General reserve are free reserves of the Company which are kept aside out of the Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax to general reserve pursuant to the earlier provisions of the Companies Act, 1956.

**(iii) Retained earnings**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Balance at the beginning of the year	4,337.64	3,888.77
Add: Profit for the year	938.80	903.92
<b>Amount available for appropriation</b>	<b>5,276.44</b>	<b>4,792.69</b>
<b>Less: Appropriations</b>		
Dividends (Refer note below)	(617.73)	(376.01)
Corporate dividend tax	(126.98)	(76.55)
Transferred from other comprehensive income - Remeasurement of defined benefit plans (net of tax)	(7.63)	(2.49)
<b>Balance at the end of the year</b>	<b>4,524.10</b>	<b>4,337.64</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**
**13 Other equity (continued)**
**(iv) Dividends**

The following dividends were declared and paid by the Company

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Final dividend of Rs.0.75 per share on face value of Rs. 2 per share for FY 2017-18* (31 March 2018: Rs. 3.50 per share on face value of Rs. 10 per share for FY 2016-17)	402.87	376.01
Corporate dividend tax on final dividend	82.81	76.55
Interim dividend of Rs. 0.40 per share on face value of Rs. 2 per share for FY 2018-19# ( 31 March 2018: Rs. Nil)	214.86	-
Corporate dividend tax on interim dividend	44.17	-

After the reporting dates the following dividends were recommended by the Board of Directors subject to the approval of shareholders at Annual General Meeting; accordingly, the dividends have not been recognised as liabilities. Dividends would attract corporate dividend tax when declared.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Final dividend of Rs. 0.40 per share (face value Rs. 2 per share)** (31 March 2018: Rs. 0.75 per share - face value Rs. 2 per share)	214.86	402.87
Corporate dividend tax	44.17	82.81

\* On 28 May 2018, the Board of Directors had recommended a final dividend of Rs. 0.75 per share (face value of Rs. 2 per share) for the financial year ended 31 March 2018 and the same was approved by the shareholders at the Annual General Meeting held on 26 July 2018.

# On 5 February 2019, the Company had declared an interim dividend of Rs.0.40 per share (face value of Rs.2 per share).

\*\*On 22 May 2019, the Board of Directors has recommended a final dividend of Rs. 0.40 per share (face value of Rs. 2 per share) for the financial year ended 31 March 2019, subject to approval of the shareholders in the upcoming Annual General Meeting.

**b. Other comprehensive income - Remeasurement of defined benefit plans (net of tax)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Other comprehensive income</b>		
Balance at the beginning of the year	-	-
Actuarial losses on defined benefit plan for the year (net of tax) (Refer to Note 31)	(7.63)	(2.49)
Transferred to retained earnings	7.63	2.49
<b>Balance at the end of the year</b>	<u>-</u>	<u>-</u>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**14. Financial liabilities**

**14.a Borrowings**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<b>Secured</b>				
Cash credit facilities from banks	-	1,950.55	-	1,369.95
Working capital demand loan from banks	-	250.00	-	-
Term loans from banks	17.51	-	22.65	-
<b>Total</b>	<b>17.51</b>	<b>2,200.55</b>	<b>22.65</b>	<b>1,369.95</b>

Current maturities of term loan amounting to Rs.5.23 (31 March 2018 : Rs.5.24) have been disclosed under 'Other financial liabilities' (Refer to Note 14.b)

Information about the Group's exposure to interest rate and liquidity risks is included in Note 27.

**Secured - Term loans**

Particulars	Disclosed under	As at 31 March 2019	As at 31 March 2018	Interest rate	Period of maturity from the reporting date
Vehicle loan	Financial liabilities- borrowings	17.51	22.65	7.99%	43 months

- The above mentioned term loan sanctioned by Yes Bank Limited was repayable in 60 equal instalments and is secured by first and exclusive charge on the underlying vehicle purchased.
- Cash credit and working capital demand loan limit sanctioned by Yes Bank Limited of Rs. 2,200 (31 March 2018 : Rs.1,700) is pledged by exclusive charge on entire current assets (including inventories, trade receivables, cash and bank balances and other current assets) (present and future) excluding current assets of Jammu factory and is currently carrying interest at 6 month's marginal cost of funds based lending rate (MCLR) + 2% i.e. 11.70% (31 March 2018 : 10.55%).
- Cash credit limit sanctioned by Jammu and Kashmir Bank of Rs. 350 (31 March 2018 : Rs. 300) is secured by hypothecation of stocks and other chargeable current assets and assignment of book debts (present and future) of Jammu unit, mortgage of leasehold rights of the factory land measuring 40 Kanals (5 acres) alongwith building constructed thereupon and hypothecation of plant and machinery and moveable property, plant and equipments installed at factory on interest rate of MCLR + 2% i.e. currently 11.00% (31 March 2018 : 10.80%). The cash credit facility is repayable on demand.



**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**

**14. Financial liabilities (continued)**

**14.b Other financial liabilities**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
Capital creditors	-	2.79	-	-
Security deposit	-	147.75	-	125.73
Unpaid dividend	-	9.04	-	5.69
Current maturities of term loan from banks	-	5.23	-	5.24
Purchase consideration under common control business combination (Refer to Note 39)	-	-	-	165.20
<b>Total</b>	<b>-</b>	<b>164.81</b>	<b>-</b>	<b>301.86</b>

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 27.

**15 Provisions**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Non-current	Current	Non-current	Current
<b>Provision for employee benefits</b>				
- Provision for defined benefit plans (Refer to Note 31)	-	21.52	-	24.78
- Provision for other long term employee benefits	152.17	27.05	147.67	15.38
<b>Others</b>				
- Provision for litigation and related disputes	-	97.82	-	156.53
- Provision for warranties	-	425.54	-	361.75
<b>Total</b>	<b>152.17</b>	<b>571.93</b>	<b>147.67</b>	<b>558.44</b>

**Provision for contingencies**

The schedule of provision as required to be disclosed in compliance with Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets' is as under:

Particulars	As at 31 March 2018	Addition	Utilisation / Settlement	Reversal	As at 31 March 2019
Provision for litigation and related disputes	156.53	-	-	58.71	97.82
Provision for warranties	361.75	341.50	277.71	-	425.54
	<b>518.28</b>	<b>341.50</b>	<b>277.71</b>	<b>58.71</b>	<b>523.36</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**15 Provisions (continued)**

Particulars	As at 31 March 2017	Addition	Utilisation / Settlement	Reversal	As at 31 March 2018
Provision for litigation and related disputes	168.53	-	-	12.00	156.53
Provision for warranties	323.59	300.36	262.20	-	361.75
	<b>492.12</b>	<b>300.36</b>	<b>262.20</b>	<b>12.00</b>	<b>518.28</b>

- a. Provision for litigation and related disputes includes estimates made mainly for probable claims arising out of litigations / disputes pending with sales tax authorities and other creditors. The probability and the timing of the outflow with regard to these matters depends on the ultimate settlement / conclusion with the relevant parties.
- b. Product warranty and return costs are determined using reasonable estimates based on costs incurred in the past and are provided for in the year sale is made. These include free replacements, breakages, returns etc. in respect of sewing machines and domestic appliances. The Group expects to incur the related expenditure over the next year.

**Sensitivity analysis for key assumptions used:**

If expected cost differ by 10% from management's estimate, while holding all other assumptions constant, the provision for warranty and other cost may increase/ decrease by Rs. 52.34 (31 March 2018: Rs. 51.83).

**16 Trade payables**

Particulars	As at 31 March 2019	As at 31 March 2018
Micro enterprises and small enterprises (Refer to Note below)	2,367.10	2,430.42
	<b>2,367.10</b>	<b>2,430.42</b>
Other than micro enterprises and small enterprises		
- Related parties (Refer to Note 33)	129.40	106.66
- Other trade payables	4,583.99	3,626.92
	<b>4,713.39</b>	<b>3,733.58</b>
<b>Total</b>	<b>7,080.49</b>	<b>6,164.00</b>

The Group's exposure to currency and liquidity risk related to the above financial liabilities is disclosed in Note 27.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**16 Trade payables (continued)**
**Dues to micro and small enterprises**

Particulars	As at 31 March 2019	As at 31 March 2018
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	2,367.10	2,430.42
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

**17 Other current liabilities**

Particulars	As at 31 March 2019	As at 31 March 2018
Advances from customers	187.57	176.75
Contribution payable towards superannuation fund	3.22	3.96
Employee related liabilities	296.84	264.75
Statutory dues	215.09	153.01
Other advances	50.00	-
<b>Total</b>	<b>752.72</b>	<b>598.47</b>

Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

18 Income tax

a. Amounts recognised in the Statement of Profit and Loss comprises :

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Current tax:</b>		
- Current year	329.83	286.89
	<b>329.83</b>	<b>286.89</b>
<b>Deferred tax expense</b>		
Attributable to-		
Origination and reversal of temporary differences	(7.85)	(83.96)
Tax for earlier years	(2.19)	(27.12)
MAT credit entitlement*	210.83	196.25
Increase in tax rate	-	(3.12)
	<b>200.79</b>	<b>82.05</b>
<b>Total income tax expense</b>	<b>530.62</b>	<b>368.94</b>

\* Represents minimum alternative tax utilised [net of credit entitlement of Rs. 2.09 (31 March 2018: Rs.Nil)] during the year.

b. Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Remeasurements of defined benefit plans	(11.73)	(3.82)
Income tax relating to above mentioned item	4.10	1.33

c. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Profit before tax</b>	<b>1,469.42</b>	<b>1,272.86</b>
Tax using the Company's domestic tax rate - 34.944% (31 March 2018: 34.608%)	513.47	440.51
<b>Tax effect of:</b>		
Difference in tax rate of subsidiary	(1.68)	(1.52)
Non - deductible expenses	16.30	12.67
Reduction in capital gain tax	(0.73)	(57.98)
Recognition of previously unrecognised tax losses (Refer to Note 18e.)	(2.09)	-
Tax for earlier years	(2.19)	(27.12)
Others	7.54	2.38
<b>Income tax expense</b>	<b>530.62</b>	<b>368.94</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**
**18 Income tax (continued)**
**d. Income tax assets and income tax liabilities:**

Particulars	As at	As at
	31 March 2019	31 March 2018
Income tax assets	15.31	16.24
Less: Current income tax liabilities [net of advance tax Rs. 869.93 (31 March 2018 : Rs. 543.91)]	(11.69)	(11.63)
<b>Net income tax assets at the year end</b>	<b>3.62</b>	<b>4.61</b>

**e. Deferred tax assets and liabilities comprises:**

Particulars	As at	As at
	31 March 2019	31 March 2018
Property, plant and equipment and intangible assets	43.63	42.73
MAT credit entitlement	293.76	504.59
Employee related provisions and liabilities	83.31	81.99
Other liabilities and provisions	201.16	201.97
Revaluation of leasehold land and building	(165.22)	(171.68)
Tax losses carried-forward	2.19	-
<b>Deferred tax assets (net)</b>	<b>458.83</b>	<b>659.60</b>

The Group has recognised MAT credit entitlement which has been utilised in current year as well as in previous year. Further, the Subsidiary has restarted its business operations in trading of sewing machines and domestic appliances during the current year. As a result, management revised its estimate of future taxable profits and the Group has recognised deferred tax asset of Rs. 2.19 on previously unrecognised tax losses (tax impact: Rs. 4.28).

The utilisation of MAT credit entitlement (unused tax credits) is dependent on future taxable profits. The MAT credit entitlement and deferred tax assets on carry forward unused tax losses is recognised as it is probable that future taxable profits will be available against which such MAT credit entitlement and unused tax credit can be utilised.

**f. Movement in deferred tax assets / (liabilities) balances:**

Particulars	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2019
Property, plant and equipment and intangible assets	42.73	0.90	-	43.63
MAT credit entitlement*	504.59	(210.83)	-	293.76
Employee related provisions and liabilities	81.99	1.32	-	83.31
Other liabilities and provisions	201.97	(0.81)	-	201.16
Others	(171.68)	6.46	-	(165.22)
Tax losses carried-forward	-	2.19	-	2.19
<b>Deferred tax assets / (liabilities) (net)</b>	<b>659.60</b>	<b>(200.77)</b>	<b>-</b>	<b>458.83</b>

\* Represents minimum alternative tax utilised [net of credit entitlement of Rs. 2.09 (31 March 2018: Rs.Nil)] during the year.

Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

18 Income tax (continued)

Particulars	Net balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2018
Property, plant and equipment and intangible assets	38.75	3.98	-	42.73
MAT credit entitlement*	700.84	(196.25)	-	504.59
Employee related provisions and liabilities	78.01	2.65	1.33	81.99
Other liabilities and provisions	152.40	49.57	-	201.97
Others	(229.66)	57.98	-	(171.68)
<b>Deferred tax assets / (liabilities) (net)</b>	<b>740.34</b>	<b>(82.07)</b>	<b>1.33</b>	<b>659.60</b>

\* Represents minimum alternative tax utilised [net of credit entitlement of Rs. Nil (31 March 2017: Rs. Nil)] during the year.

19 Revenue from operations

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Sale of products</b>		
- Domestic sales	47,470.17	40,068.98
- Exports sales	723.06	1,909.41
<b>Sale of services</b>		
- Service income	11.84	9.94
<b>Other operating revenues</b>		
- Scrap sales	58.06	50.55
- Export incentive	35.38	101.09
- CVD refund	-	17.93
<b>Total</b>	<b>48,298.51</b>	<b>42,157.90</b>
<b>Details of sale of products:</b>		
-Sewing machines and related accessories	33,941.72	30,680.36
-Domestic appliances	14,251.51	11,298.03
<b>Total</b>	<b>48,193.23</b>	<b>41,978.39</b>

Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

20 Other income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income from bank deposits	20.17	21.73
Interest income from financial assets at amortised cost	7.72	6.90
Interest income others	34.33	10.21
Other non-operating income (net):		
- Foreign exchange gain (net)	25.83	25.76
- Provisions / liabilities no longer required written back	64.17	39.98
- Miscellaneous income	38.62	38.29
<b>Total</b>	<b>190.84</b>	<b>142.87</b>

21 Cost of material consumed

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Raw material consumed	1,195.80	1,144.76
<b>Total</b>	<b>1,195.80</b>	<b>1,144.76</b>

22 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Opening stock</b>		
Work-in-progress	8.46	12.46
Stock-in-trade (in respect of goods acquired for trading)	6,276.45	5,061.17
Finished goods	183.26	207.75
	<b>6,468.17</b>	<b>5,281.38</b>
<b>Closing stock</b>		
Work-in-progress	13.43	8.46
Stock-in-trade (in respect of goods acquired for trading) [net of provision Rs.25.18 (31 March 2018 : Rs.15.98)]	6,979.75	6,276.45
Finished goods	260.53	183.26
	<b>7,253.71</b>	<b>6,468.17</b>
<b>Net increase in finished goods, stock-in-trade and work-in-progress</b>	<b>(785.54)</b>	<b>(1,186.79)</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**23 Employee benefits expense**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	2,415.78	2,036.78
Contribution to provident and other funds (Refer to Note 31)	177.68	160.30
Staff welfare expenses	41.56	35.04
<b>Total</b>	<b><u>2,635.02</u></b>	<b><u>2,232.12</u></b>

**24 Finance costs**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expenses:		
- Interest on borrowings measured at amortised cost	115.75	54.55
- Interest others	2.40	1.90
<b>Total</b>	<b><u>118.15</u></b>	<b><u>56.45</u></b>

**25 Depreciation and amortisation expense**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation on property, plant and equipment (Refer to Note 3)	82.96	90.11
Amortisation on intangible assets (Refer to Note 4)	28.66	25.19
<b>Total</b>	<b><u>111.62</u></b>	<b><u>115.30</u></b>

**26 Other expenses**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Freight outward	1,812.14	1,250.89
Power and fuel	67.62	68.45
Repairs and maintenance		
Plant and machinery	9.34	5.65
Others	145.19	116.51
Insurance	51.53	45.56
Commission	250.70	251.71
Sales promotion and advertisement	1,014.47	810.29



**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**26 Other expenses (continued)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Trade mark license fee (including Service Tax till 30 June 2017)	479.88	420.63
Sales outlet expenses	85.61	85.65
After sales services	816.26	659.82
Warranty	343.20	301.13
Meeting & conference	90.98	105.86
Legal and professional	307.04	261.77
Auditor's remuneration:		
- Audit fees	12.40	9.90
- Limited reviews	9.00	9.00
- Tax audit	2.00	1.00
- Other matters	12.00	9.50
- Reimbursement of expenses	4.64	2.22
Rent (Refer to note below)	599.28	579.93
Rates and taxes	14.74	18.35
Bank charges	43.45	56.08
Loss on sale of fixed assets [net of profit on sale of sale of fixed assets Rs. 0.25 (previous year Rs. Nil)]	1.29	0.69
Travelling and conveyance	775.75	645.71
Printing and stationery	17.91	16.42
Postage and communication	107.44	124.06
Impairment allowance for doubtful receivables	39.01	85.19
Product development expenses	20.55	24.65
Bad-debts written off	22.18	16.07
Corporate social responsibility expenses (Refer to Note 35)	43.05	35.99
Sitting fees	8.83	10.98
Miscellaneous expenses	54.48	34.44
<b>Total</b>	<b>7,261.96</b>	<b>6,064.10</b>

**Operating leases**

The Group has taken its office premises, various commercial premises and residential premises for its employees under cancellable operating lease arrangements.

The lease payments charged during the year to the Statement of Profit and Loss amount to Rs.599.28 (31 March 2018: Rs.579.93). The lease has varying terms, escalation clauses and renewal rights. On renewal, the terms of lease are renegotiated.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**
**27 Fair value measurement and financial instruments**
**a. Financial instruments – by category and fair values hierarchy**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

**(i) As at 31 March 2019**

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>Non-current</b>								
Loans	5	-	-	73.78	73.78	-	-	73.78
Other financial assets*	6	-	-	-	-	-	-	-
<b>Current</b>								
Trade receivables*	9	-	-	6,603.99	6,603.99	-	-	-
Cash and cash equivalents*	10	-	-	220.54	220.54	-	-	-
Bank balances other than cash and cash equivalents*	11	-	-	267.22	267.22	-	-	-
Loans	5	-	-	63.08	63.08	-	-	63.08
Other financial assets*	6	-	-	34.42	34.42	-	-	-
<b>TOTAL</b>		-	-	<b>7,263.03</b>	<b>7,263.03</b>	-	-	<b>136.86</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings#	14.a	-	-	17.51	17.51	-	-	17.51
<b>Current</b>								
Borrowings#	14.a	-	-	2,200.55	2,200.55	-	-	2,200.55
Trade payables*	16	-	-	7,080.49	7,080.49	-	-	-
Other financial liabilities*	14.b	-	-	164.81	164.81	-	-	-
<b>TOTAL</b>		-	-	<b>9,463.36</b>	<b>9,463.36</b>	-	-	<b>2,218.06</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**
**27 a. Financial instruments – by category and fair values hierarchy (continued)**
**(ii) As at 31 March 2018**

Particulars	Note	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>								
<b>Non-current</b>								
Loans	5	-	-	63.08	63.08	-	-	63.08
Other financial assets*	6	-	-	5.89	5.89	-	-	5.89
<b>Current</b>								
Trade receivables*	9	-	-	4,792.60	4,792.60	-	-	-
Cash and cash equivalents*	10	-	-	381.00	381.00	-	-	-
Bank balances other than cash and cash equivalents*	11	-	-	316.87	316.87	-	-	-
Loans	5	-	-	49.15	49.15	-	-	49.15
Other financial assets*	6	-	-	66.83	66.83	-	-	-
<b>TOTAL</b>		-	-	<b>5,675.42</b>	<b>5,675.42</b>	-	-	<b>118.12</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Borrowings#	14.a	-	-	22.65	22.65	-	-	22.65
<b>Current</b>								
Borrowings#	14.a	-	-	1,369.95	1,369.95	-	-	1,369.95
Trade payables*	16	-	-	6,164.00	6,164.00	-	-	-
Other financial liabilities*	14.b	-	-	301.86	301.86	-	-	-
<b>TOTAL</b>		-	-	<b>7,858.46</b>	<b>7,858.46</b>	-	-	<b>1,392.60</b>

# The Group's borrowings majorly consist of cash credit facilities repayable on demand, which have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings approximates fair value.

\* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents and other current financial assets and other current financial liabilities, approximates the fair values, due to their short-term nature.

The other non-current financial assets represents bank deposits (due for maturity after twelve months from the reporting date) and bank deposits pledged as securities with government authorities, the carrying value of which approximates the fair values as on the reporting date.

The fair values for loans were calculated based on discounted cash flows using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**27 Financial instruments – by category and fair values hierarchy (continued)**

There has been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2019 and 31 March 2018.

**Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

The fair value of the remaining financial instruments is determined using discounted cash flow method.

**Valuation processes**

The finance department of the Group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Senior Management. Discussions on valuation and results are held between the Senior Management and valuation team atleast once every quarter in line with the Group's quarterly reporting periods.

**b. Financial risk management**

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market Risk - Foreign currency ; and
- Market Risk - Interest rate

**Risk management framework**

The Board of Directors of the Company is responsible for framing, implementing and monitoring the risk management plan for the Company. They are responsible for reviewing the risk management policy and ensuring its effectiveness.

The Group's risk management policy is established to identify and analyse the risks faced by the Group to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policy is reviewed regularly to reflect changes in market conditions and the Group's activities.

The Board of Directors of the Company oversee how management monitors compliance with Group's risk management policy and procedures and reviews the adequacy of the risk management framework in relation to the risk faced by the Group.

**(i) Credit risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet

Particulars	As at 31 March 2019	As at 31 March 2018
Trade receivables	6,603.99	4,792.60
Loans	136.86	112.23
Cash and cash equivalents	220.54	381.00
Other bank balances other than cash and cash equivalents	267.22	316.87
Other financial assets	34.42	72.72

## Notes forming part of the consolidated financial statements for the year ended 31 March 2019 (Rupees in lakhs)

### 27 b. Financial risk management (continued)

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk on cash and cash equivalents, bank deposits (included in other financial assets) and other bank balances is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loans primarily represents security deposits given to lessor for lease of office and other commercial premises. Such deposit will be returned to the Group on vacation of these premises. The credit risk associated with such deposits is relatively low.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India and certain parts of South Asia. The Group does monitor the economic environment in which it operates. The Group manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Group grants credit terms in the normal course of business.

The Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Group's historical experience for customers. Based on the business environment in which the Group operates, management considers that the trade receivables are in default (credit impaired) if the payments are more than 90 days past due. However, the Group based upon past trends, determine an impairment allowance for loss on receivables outstanding for more than 360 days past due.

Majority of trade receivables are from domestic customers, which are fragmented and are not concentrated to individual customers. Trade receivables as at year end consists Rs. 4,228.18 (31 March 2018: Rs. 3,320.17) relating to revenue generated from sewing machines and related accessories and Rs. 2,712.82 (31 March 2018: Rs. 1,775.35) relating to revenue generated from domestic appliances business.

The Group's exposure to credit risk for trade receivables is as follows:

Particulars	As at 31 March 2019	As at 31 March 2018
Not Due	3,892.87	3,167.21
1-90 days past due *	2,511.83	1,499.30
91 to 180 days past due	310.57	196.07
181 to 270 days past due	49.37	68.31
271 to 360 days past due	16.29	60.46
More than 360 days past due #	160.07	104.17
<b>Total</b>	<b>6,941.00</b>	<b>5,095.52</b>

\* The Group believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour.

# The Group based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 360 days past due.

The allowance for lifetime expected credit loss on customer balances as at 31 March 2019 is Rs. 337.01 (31 March 2018: Rs. 302.92).

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**
**27 b. Financial risk management (continued)**
**Movement in the allowance for impairment in respect of trade receivables**

Particulars	For the year	For the year
	ended	ended
	31 March 2019	31 March 2018
Balance at the beginning of the year	302.92	217.73
Impairment loss recognised / (reversed)	56.27	101.26
Amount written off	(22.18)	(16.07)
Balance at the end of the year	<b>337.01</b>	<b>302.92</b>

**(ii) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, including total cash (including bank deposits under lien and excluding interest accrued but not due on deposits and unpaid dividend) of Rs. 422.37 as at 31 March 2019 (31 March 2018: Rs. 636.93) anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility of Rs. 349.45 (31 March 2018: Rs. 630.05) will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity need were to arise, the Group believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The Group's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The contractual cash flow amounts are gross and undiscounted, and includes interest accrued but not due on borrowings.

As at 31 March 2019	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than 5 years	
Borrowings	2,218.06	2,200.55	-	17.51	-	2,218.06
Trade payables	7,080.49	7,080.49	-	-	-	7,080.49
Other financial liabilities						
Capital creditors	2.79	2.79	-	-	-	2.79
Security deposits	147.75	147.75	-	-	-	147.75
Unpaid dividend	9.04	9.04	-	-	-	9.04
Current maturities of term loan from banks	5.23	2.45	2.78	-	-	5.23
<b>Total</b>	<b>9,463.36</b>	<b>9,443.07</b>	<b>2.78</b>	<b>17.51</b>	<b>-</b>	<b>9,463.36</b>

Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

27 b. Financial risk management (continued)

As at 31 March 2018	Carrying amount	Contractual cash flows				Total
		Less than six months	Between six months and one year	Between one and five years	More than 5 years	
Borrowings	1,392.60	1,369.95	-	22.65	-	1,392.60
Trade payables	6,164.00	6,164.00	-	-	-	6,164.00
Other financial liabilities						
Security deposits	125.73	125.73	-	-	-	125.73
Unpaid dividend	5.69	5.69	-	-	-	5.69
Current maturities of term loan from banks	5.24	2.55	2.69	-	-	5.24
Purchase consideration under common control business combination	165.20	165.20	-	-	-	165.20
<b>Total</b>	<b>7,858.46</b>	<b>7,833.12</b>	<b>2.69</b>	<b>22.65</b>	<b>-</b>	<b>7,858.46</b>

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

A. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

Exposure to interest rate risk

The Group's interest rate risk arises majorly from the borrowings carrying floating rate of interest. These obligations expose the Group to cash flow interest rate risk. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Fixed rate instruments	As at 31 March 2019	As at 31 March 2018
Term loans from banks (including current maturities)	22.74	27.89
<b>Total</b>	<b>22.74</b>	<b>27.89</b>
Variable-rate instruments	As at 31 March 2019	As at 31 March 2018
Cash credit facilities from banks	1,950.55	1,369.95
Working capital demand loan from banks	250.00	-
<b>Total</b>	<b>2,200.55</b>	<b>1,369.95</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**27 b. Financial risk management (continued)**

**Interest rate sensitivity analysis**

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Fixed rate instruments	Statement of Profit and Loss	
	Increase by 0.50 %	Decrease by 0.50 %
<b>Increase/ (decrease) in interest on borrowings</b>		
For the year ended 31 March 2019	0.13	(0.13)
For the year ended 31 March 2018	0.07	(0.07)
Variable-rate instruments	Statement of Profit and Loss	
	Increase by 0.50 %	Decrease by 0.50 %
<b>Increase/ (decrease) in interest on borrowings</b>		
For the year ended 31 March 2019	4.81	(4.81)
For the year ended 31 March 2018	1.69	(1.69)

**B. Currency risk**

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

**Exposure to foreign currency risk**

The summary of quantitative data about the Group's exposure to currency risk in USD, as expressed in Indian Rupees, as at 31 March 2019 and 31 March 2018 are as below:

Particulars	As at	As at
	31 March 2019	31 March 2018
Financial assets		
Trade Receivables	90.23	254.16
<b>Total financial assets</b>	<b>90.23</b>	<b>254.16</b>
Financial liabilities		
Trade payables	399.85	102.22
<b>Total financial liabilities</b>	<b>399.85</b>	<b>102.22</b>

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31 March 2019 and 31 March 2018 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on



**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**27 b. Financial risk management (continued)**

foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Statement of Profit and Loss for the year ended 31 March 2019		Statement of Profit and Loss for the year ended 31 March 2018	
	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation	Gain/ (loss) on appreciation	Gain/ (loss) on depreciation
<b>1% depreciation / appreciation in Indian Rupees against following foreign currencies:</b>				
USD	3.10	(3.10)	(1.52)	1.52
<b>Total</b>	<b>3.10</b>	<b>(3.10)</b>	<b>(1.52)</b>	<b>1.52</b>

USD: United States Dollar

**28 Capital Management**

The primary objective of the management of the Group's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. Management also monitors the return on equity.

The Board of directors regularly review the Group's capital structure in light of the economic conditions, business strategies and future commitments.

For the purpose of the Group's capital management, capital includes issued share capital, securities premium and all other equity reserves. Debt includes cash credit facilities, working capital demand loan and term loan from banks.

During the financial year ended 31 March 2019, no significant changes were made in the objectives, policies or processes relating to the management of the Group's capital structure.

**Debt equity ratio:**

Particulars	As at 31 March 2019	As at 31 March 2018
Cash credit facilities from banks	1,950.55	1,369.95
Working capital demand loan from banks	250.00	-
Term loans from banks (including current maturities)	22.74	27.89
<b>Total Debt (A)</b>	<b>2,223.29</b>	<b>1,397.84</b>
Equity share capital	1,074.31	1,074.31
Other equity	4,844.97	4,658.51
<b>Total Equity (B)</b>	<b>5,919.28</b>	<b>5,732.82</b>
<b>Debt equity ratio (C = A/B)</b>	<b>0.38</b>	<b>0.24</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**28 Capital Management (continued)**

**Return on equity:**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Profit for the year</b>	<b>938.80</b>	<b>903.92</b>
Equity share capital	1,074.31	1,074.31
Other equity	4,844.97	4,658.51
<b>Total equity</b>	<b>5,919.28</b>	<b>5,732.82</b>
<b>Return on equity Ratio (%)</b>	<b>15.86%</b>	<b>15.77%</b>

**29 Contingent liabilities (to the extent not provided for)**

The Group is a party to various indirect taxation disputes and legal claims, which are not acknowledged as debts as detailed below. Significant management judgement is required to ascertain that it is not probable that an outflow of resources embodying economic benefits will be required to settle the taxation disputes and legal claims.

The Group is in legal proceedings for various disputed legal matters related to various creditors, ex-employees & Value Added Tax (VAT) and Income Tax. The amounts involved in these proceedings, not acknowledged as debt, are:-

Particulars	As at 31 March 2019	As at 31 March 2018
Value added tax / sales tax	137.83	184.54
Others	804.78	802.59
<b>Total</b>	<b>942.61</b>	<b>987.13</b>

The Group believes, based on advice from counsels/experts, that the views taken by authorities are not sustainable and accordingly no provision is required to be recorded in the books of account.

**Notes:**

Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements / decisions pending with various forums/ authorities. Accordingly, the above mentioned contingent liabilities are disclosed at undiscounted amount.

**30 Commitments**

Particulars	As at 31 March 2019	As at 31 March 2018
Estimated amount of contracts remaining to be executed on capital account and other commitments, and not provided for in the books of account [net of advances Rs. 36.90 (31 March 2018: Rs. Nil)]	32.07	-
<b>Total</b>	<b>32.07</b>	<b>-</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**31 Employee benefits**

The Group contributes to the following post-employment benefit plans in India.

**Defined contribution plan**

- (a) The Group pays provident fund contributions to Group's provident fund trust except contribution towards pension fund which is being paid to the appropriate government authorities, at rate specified as per regulations.

An amount of Rs. 116.80 (31 March 2018: Rs. 101.82) has been recognised as an expense in respect of the Group's contribution to Provident Fund deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

- (b) The Group pays Employees State Insurance contributions to the appropriate government authorities at rate specified as per regulations.

An amount of Rs. 11.56 (31 March 2018: Rs. 11.76) has been recognised as an expense in respect of the Group's contribution to Employees State Insurance deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

- (c) The Group pays Super Annuation Fund contributions to the Life Insurance Corporation of India at rate specified as per regulations.

An amount of Rs. 15.07 (31 March 2018: Rs. 15.26) has been recognised as an expense in respect of the Group's contribution to Super Annuation Fund deposited with the relevant authorities and has been shown under Employee benefits expense in the Statement of Profit and Loss.

**Defined benefit plan**

**Funded Schemes**

**Gratuity**

The Group makes annual contribution to a gratuity fund administered by trustees and managed by Life Insurance Corporation of India (LIC). Every employee is entitled to the benefit equivalent to 15 days of total gross salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Group on retirement or separation or death or permanent disablement in terms of the provisions of the Payment of Gratuity Act. The Group accounts its liability for future gratuity benefits based on actuarial valuation, as at balance sheet date, using the projected unit credit method. Liability for employee benefit has been determined by an actuary in conformity with the principles set out in the Indian Accounting Standard 19, the details of which are as hereunder.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Amount recognized in balance sheet</b>		
Present value of funded defined benefit obligation	263.99	225.04
Fair value of plan assets	(242.47)	(200.26)
Net funded obligation	21.52	24.78
<b>Expense recognized in the statement of profit and loss</b>		
Current service cost	31.10	28.41
Interest on net defined benefit liability / (assets)	0.13	0.42
<b>Total expense charged to profit and loss</b>	<b>31.23</b>	<b>28.83</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**31 Employee benefits (continued)**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Amount recorded as Other Comprehensive Income (OCI)</b>		
<b>Remeasurement during the period due to:</b>		
Changes in financial assumptions	(1.61)	1.75
Experience adjustments	14.15	3.05
Actual return on plan assets less interest on plan assets	(0.81)	(0.98)
Amount recognised in OCI	11.73	3.82
<b>Reconciliation of net liability / (assets)</b>		
Opening net defined benefit liability / (assets)	24.78	19.18
Expense charged to profit and loss account	31.23	28.83
Amount recognised outside profit and loss account	11.73	3.82
Employer contributions	(46.22)	(27.05)
Closing net defined benefit liability / (assets)	21.52	24.78
<b>(i) Movement in benefit obligations</b>		
Opening of defined benefit obligation	225.04	187.27
Current service cost	31.10	28.41
Interest on defined benefit obligation	16.51	13.70
Remeasurement due to:		
Actuarial loss / (gain) arising from changes in financial assumptions	(1.61)	1.75
Actuarial loss / (gain) arising on account of experience changes	14.15	3.05
Benefits paid	(21.20)	(9.15)
Closing of defined benefit obligation	263.99	225.04
Movement in plan assets		
Opening fair value of plan assets	200.26	168.09
Employer contributions	46.22	27.05
Interest on plan assets	16.38	13.29
Remeasurement due to:		
Actual return on plan assets less interest on plan assets	0.81	0.98
Benefits paid	(21.20)	(9.15)
Closing fair value of plan assets	242.47	200.26

**(ii) Constitution of plan assets**

Funded with LIC\*

\* The plan assets are maintained with Life Insurance Corporation of India (LIC) Gratuity Scheme. The details of investments maintained by LIC are not made available and have therefore not been disclosed.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
(Rupees in lakhs)

**31 Employee benefits (continued)**

**(iii) Assumptions:**

Particulars	As at	
	31 March 2019	31 March 2018
<b>Economic assumptions</b>		
Discount rate	7.65%	7.70%
Rate of increase in compensation levels	8.00%	8.00%
<b>Demographic assumptions:</b>		
Retirement age	60 years	60 years
Mortality table	IALM (2012-14)	IALM (2006-08)
Withdrawal	17%	15%

Assumptions regarding future mortality have been based on published statistics and mortality tables.

**(iv) Sensitivity analysis**

**Defined benefit obligation**

Change in assumptions	As at 31 March 2019		As at 31 March 2018	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Increase/ (decrease) in obligation with 1% movement in discount rate	(10.93)	11.92	(10.43)	11.45
Increase/ (decrease) in obligation with 1% movement in future rate of increase in compensation levels	11.80	(11.03)	11.33	(10.53)

The sensitivity analysis are based on a change in above assumption while holding all other assumptions constant. The changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied, as has been applied when calculating the provision for defined benefit plan recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

**Risk exposure:**

The defined benefit plan is exposed to a number of risks, the most significant of which are detailed below:

**a. Investment risk:**

The present value of the defined benefit obligation is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

**b. Interest rate risk:**

A decrease in bond interest rate will increase the plan liability.

**c. Longevity risk:**

The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**31 Employee benefits (continued)**

**d. Salary risk:**

Higher than expected increase in salary will increase the defined benefit obligation

Expected contribution in the next fiscal year	For the year ended 31 March 2019	For the year ended 31 March 2018
Gratuity fund	48.00	43.00

**The weighted average duration of undiscounted defined benefit obligation is as follows:**

Particulars	As at 31 March 2019	As at 31 March 2018
Gratuity (in years)	9	10

Entire amount of provision is present as current, since the Group makes annual contribution to a gratuity fund administrated by trustees and managed by Life Insurance Corporation of India.

**32 Segment reporting**

**A. Basis for Segment reporting**

**Factors used to identify the entity's reportable segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

The principal activities of the Group comprises selling of sewing machines, related accessories and domestic appliances. Accordingly, the Group has two reportable segments as follows:

- Sewing machines and related accessories
- Domestic appliances

**Segment revenue and expenses:**

Segment revenue and expenses represents revenue and expenses that are either directly attributed to individual segments or are attributed to individual segments on a reasonable basis. The remainder of the revenue and expenses are categorized as unallocated which mainly comprises finance costs and other operating expenses and certain other income since the underlying assets/liabilities/services are used interchangeably. The Group believes that it is not practical to provide segment disclosures relating to these unallocated revenue and expenses, and accordingly these are separately disclosed as "unallocated".

**Segment assets and liabilities:**

Segment assets includes all operating assets used by a segment which are directly attributed to individual segments or are attributed to individual segments on a reasonable basis. Segment liabilities include all operating liabilities which are directly attributed to individual segments or are attributed to individual segments on a reasonable basis. The remainder of assets and liabilities are categorized as unallocated, since the Group believes that it is not practical to allocate the same over reportable segments on a reasonable basis.

Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)

32 Segment reporting (continued)

B. Information about reportable segments

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Segment Revenue from external customers*</b>		
Sewing machines and related accessories	34,024.09	30,846.63
Domestic appliances	14,274.42	11,311.27
<b>Total</b>	<b>48,298.51</b>	<b>42,157.90</b>

\* There is no transfer of products between operating segments.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Segment results</b>		
Sewing machines and related accessories	3,494.47	3,144.16
Domestic appliances	11.85	15.15
<b>Total</b>	<b>3,506.32</b>	<b>3,159.31</b>
<b>Add:</b>		
Interest Income	62.22	38.84
Unallocable revenue	128.62	104.03
	<b>190.84</b>	<b>142.87</b>
<b>Less:</b>		
Finance costs	118.15	56.45
Unallocable depreciation and amortisation expense	44.81	37.43
Unallocable expenses	2,064.78	1,935.44
<b>Profit before tax</b>	<b>1,469.42</b>	<b>1,272.86</b>
<b>Less:</b>		
Income tax expense	530.62	368.94
<b>Net Profit after tax</b>	<b>938.80</b>	<b>903.92</b>
<b>Depreciation and amortisation expense</b>		
Sewing machines and related accessories	49.88	58.98
Domestic appliances	16.93	18.89
Un-allocable depreciation and amortisation expense	44.81	37.43
<b>Total</b>	<b>111.62</b>	<b>115.30</b>
<b>Material non-cash (income) / expenses other than depreciation and amortisation expense</b>		
Sewing machines and related accessories	56.05	74.84
Domestic appliances	5.14	26.42
Un-allocable income	(48.62)	(38.95)
	<b>12.57</b>	<b>62.31</b>





**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**
**33 Related party disclosures (continued)**

Mr. Richin Sangwan	Company Secretary of the Company (till 1 March 2019)
Mr. P N Sharma	Independent Director of the Company
Mr. Deepak Sabharwal	Independent Director of the Company
Ms. Madhu Vij	Independent Director of the Company
Ms. Tanuja Bajaj	Wife of Mr. Rajeev Bajaj

**(iii) Other related parties - Entities which are subsidiaries or where control/ significant influence exists of parties as given in (a) or (b)(i) and (b)(ii) above**

Retail Holdings Asia B. V. (Netherlands)
Singer Bangladesh Limited
Singer Asia Limited (Cayman Island)
Bt India Limited (BVI)
Singer (Thailand) B.V., (Netherlands)

**c. Transactions with related parties during the current / previous year:**

S. No.	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(i)	<b>Reimbursement of expenses</b>		
	Singer Asia Limited (Cayman Island)	(0.24)	(0.70)
(ii)	<b>Trade mark license fee ^</b>		
	Retail Holdings Asia B. V. (Netherlands)	479.88	406.52
	^ The Group pays trademark fee for use of "Singer" brand name. The Group is authorised to use the name "SINGER" as the part of its corporate name so long as Singer Asia Limited continues to hold, directly or indirectly, at least a majority of the voting stock of the Company.		
(iii)	<b>Payment for purchase of equity shares in Brand Trading (India) Private Limited</b>		
	Bt India Limited (BVI)	165.20	-
	Singer (Thailand) B.V., (Netherlands)#	-	-
	# The Company purchased balance one share from Singer (Thailand) B.V. The purchase consideration was Rs.17 in absolute terms.		
(iv)	<b>Compensation to key managerial personnel</b>		
	Short-term employee benefits	152.84	141.53
	Post-employment benefits	11.15	10.46
	Other long-term benefits	1.19	1.07

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**33 Transactions with related parties during the current / previous year: (continued)**

S. No.	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(v)	<b>Sitting fees*</b>		
	Mr. P.N.Sharma	3.75	3.75
	Mr. Deepak Sabharwal	2.25	3.90
	Ms. Madhu Vij	2.83	3.08
	<i>* Excludes applicable taxes</i>		
(vi)	<b>Final dividend (Refer to Note 13 a.(iv))</b>		
	Retail Holdings (India) B. V. (Formerly known as Singer (India) B.V.)	242.39	267.60
	Mr. P.N.Sharma**	-	-
	Ms.Tanuja Bajaj ***	-	-
	** Amount in absolute terms - Rs.56.25 (31 March 2018 : Rs.35)		
	*** Amount in absolute terms - Rs.26.25 (31 March 2018 : Rs.24.50)		
(vii)	<b>Interim dividend (Refer to Note 13 a.(iv))</b>		
	Retail Holdings (India) B. V. (Formerly known as Singer (India) B.V.)	126.92	-
	Mr. P.N. Sharma**	-	-
	Ms.Tanuja Bajaj ***	-	-
	** Amount in absolute terms - Rs.30 (31 March 2018 : Rs. Nil)		
	*** Amount in absolute terms - Rs.14 (31 March 2018 : Rs. Nil)		
(viii)	<b>Sales of products</b>		
	Singer Bangladesh Limited	205.15	1,232.84
	Singer Industries (Ceylon) PLC (till August 2017)	-	93.24
(ix)	<b>Travelling and conveyance</b>		
	Ms.Tanuja Bajaj (till September 2017)	-	0.90

**d. Outstanding balances**

S. No.	Particulars	As at 31 March 2019	As at 31 March 2018
(i)	<b>Payables</b>		
	Retail Holdings Asia B. V. (Netherlands)	118.37	95.98
	Singer Asia Limited (Cayman Island)	11.03	10.68
(ii)	<b>Receivables</b>		
	Singer Bangladesh Limited	19.85	21.00

**e. Terms and Conditions**

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash. Transactions relating to dividend are on the same terms and conditions that are offered to other shareholders.

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**
**34 Earnings per share (EPS)**
**a. Profit attributable to equity share holders**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit attributable to equity share holders:		
Profit attributable to equity share holders for basic earnings	938.80	903.92
Profit attributable to equity share holders adjusted for the effect of dilution	938.80	903.92

**b. Weighted average number of equity shares**

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Weighted average number of equity shares		
- For basic and dilutive earnings per share	53,715,675	53,715,675
	<u>53,715,675</u>	<u>53,715,675</u>
Basic earnings per share (Rs.)	1.75	1.68
Diluted earnings per share (Rs.)	1.75	1.68
Nominal value per share (Rs.) (Refer to note 12g (i))	2.00	2.00

**35 Corporate social responsibility**

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>a) Gross amount required to be spent by the Company during the year</b>	22.39	20.38
<b>b) Amount spent and paid during the year</b>	43.05	35.99
<b>Particulars of amount spent and paid during the year:</b>		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above :		
Promoting education, including special education and employment enhancing vocational skills especially among children, elderly and the differently abled and undertaking livelihood enhancement projects.	43.05	35.99
	<u>43.05</u>	<u>35.99</u>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

- 36** The Group has established a comprehensive system of maintenance of information and documents that are required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Group is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by due date as required under the law. The management is of the opinion that its international transactions with the associated enterprises are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.
- 37** The Supreme Court on 28 February 2019 has provided its judgment regarding inclusion of other allowances such as travel allowances, special allowances, etc within the expression 'basic wages' for the purpose of computation of contribution of provident fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ('EPF Act'). There are interpretive challenges on the application of the Supreme Court judgment including the period from which judgment would apply, consequential implications on resigned employees etc. Further, various stakeholders have also filed representations/ review petition with PF authorities and the Supreme Court respectively. All these factors raises significant uncertainty regarding the implementation of the Supreme Court judgment.

Owing to the aforesaid uncertainty and pending clarification from regulatory authorities in this regard, the Group has recognized provision for the PF contribution on the basis of above mentioned order with effect from the order date. Further, the management believes that impact of aforementioned uncertainties on the financial statements of the Group should not be material.

**38 Additional information required by schedule III of the Companies Act, 2013**
**As at 31 March 2019**

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit / (loss) for the year		Share in other comprehensive income (net of tax)		Share in total comprehensive income for the year	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
Singer India Limited	99.58%	5,894.59	98.62%	925.89	100.00%	(7.63)	98.61%	918.26
<b>Subsidiary</b>								
Brand Trading (India) Private Limited	0.42%	24.69	1.38%	12.91	0.00%	-	1.39%	12.91
Non-controlling interest	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>5,919.28</b>	<b>100.00%</b>	<b>938.80</b>	<b>100.00%</b>	<b>(7.63)</b>	<b>100.00%</b>	<b>931.17</b>

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019**  
**(Rupees in lakhs)**

**38 Additional information required by schedule III of the Companies Act, 2013 (continued)**

**As at 31 March 2018**

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit / (loss) for the year		Share in other comprehensive income (net of tax)		Share in total comprehensive income for the year	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
Singer India Limited	99.79%	5,721.04	99.13%	896.02	100.00%	(2.49)	99.12%	893.53
<b>Subsidiary</b>								
Brand Trading (India) Private Limited	0.21%	11.78	0.87%	7.90	0.00%	-	0.88%	7.90
Non-controlling interest	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total</b>	<b>100.00%</b>	<b>5,732.82</b>	<b>100.00%</b>	<b>903.92</b>	<b>100.00%</b>	<b>(2.49)</b>	<b>100.00%</b>	<b>901.43</b>

**39 Business combination under common control**

a. The Company acquired investments in Brand Trading (India) Private Limited in the nature of a common control business combination as per Appendix C of Ind AS 103 and has accordingly applied the pooling of interest method in preparing its consolidated financial statements as follows:

- (i) The assets and liabilities of the combining entities are reflected at their carrying amounts;
- (ii) No adjustments are made to reflect fair values, or recognise any new assets or liabilities;

b. The investment in the Subsidiary has been acquired by the Company w.e.f. 6 April, 2018. However, the Company has also presented the prior period with effect from 1 April 2017 as if the business combination had occurred from that date. Accordingly, the Company has recognised the assets and liabilities of the subsidiary from 1 April, 2017 in its consolidated financial statements and presented consolidated financial statements as at and for the year ended 31 March 2018.

c. The consideration for purchase of investment has been paid in cash.

Assets and liabilities of the Subsidiary recognised as on the date of business combination (6 April, 2018) and the effect of restatement from 1 April 2017 is as follows:

**Notes forming part of the consolidated financial statements for the year ended 31 March 2019  
(Rupees in lakhs)**

**39 Business combination under common control (continued)**

**Brand Trading (India) Private Limited**

<b>Increase / (Decrease)</b>	<b>As at April 6, 2018</b>	<b>As at March 31, 2018</b>	<b>As at April 1, 2017</b>
Income tax assets (net)	1.18	1.18	1.18
Cash and cash equivalents	3.65	3.65	24.33
Bank balances other than cash and cash equivalents, above	175.92	175.92	144.08
Other financial assets	0.94	0.94	9.38
Other current assets	-	-	0.60
Trade payables	(3.91)	(3.91)	(8.53)
Current tax liabilities (net)	(0.74)	(0.74)	-
Other current liabilities	(0.06)	(0.06)	(1.96)
<b>Net assets acquired / (liabilities) assumed</b>	<b>176.98</b>	<b>176.98</b>	<b>169.08</b>
Retained earnings acquired	(76.98)	(76.98)	(69.08)
<b>Net assets acquired retained earnings</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Purchase consideration under common control business combination	165.20	165.20	165.20
<b>Impact in General Reserve</b>	<b>(65.20)</b>	<b>(65.20)</b>	<b>(65.20)</b>

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W /W-100022

**Jiten Chopra**

Partner

Membership No. 092894

For and on behalf of the Board of Directors of  
Singer India Limited

**Rajeev Bajaj**

Managing Director

DIN: 02284467

**Subhash Chand Nagpal**

Chief Financial Officer

Place: New Delhi

Date: 22 May 2019

**P.N.Sharma**

Chairman

DIN: 00023625

**Priyanka Gandhi**

Company Secretary

Place: New Delhi

Date: 22 May 2019

Place: New Delhi

Date: 22 May 2019



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