



# SINGER<sup>®</sup>

Trusted Excellence



SINGER (SRI LANKA) PLC

INTERIM FINANCIAL STATEMENTS FOR THE  
THREE MONTHS ENDED 31ST MARCH 2015

## Group Chief Executive Officer's Review

The Singer Group Revenue grew by 28% over the prior year to reach Rs. 8.6 billion.

We witnessed an improvement in the overall business environment in the 4th quarter of last year and this trend continued and improved further in the current quarter.

The growth was also due to the initiatives taken by the Company. The Company has invested and continues to invest, in Establishing new shops, dealers and channels of distribution; improving and renovating shops; securing new brands and distributorships, such as SONY, DELL, SHARP and MITSUBISHI air conditioners; Introduction of new products, including the refrigerators with the R600A gas etc. All these initiatives enabled us to get maximum revenue and net income.

The revenue growth was once again driven by the Communication and the Digital Media segment which grew by 88%. This is now the third largest Segment. At the same time, all other segments other than transportation had a growth. Agro segment grew by 44%, Sewing products by 33%, Kitchen related products by 33%, White goods by 16%, Electronics by 16% and Furniture by 16%.

The Group Net Profit for the quarter is Rs. 277.8 million, which is an increase of 95% when compared with prior year. In case of the Company, Net Profit for the quarter was Rs. 123.8 Million, which is an increase of 59%.

While we have a good increase of profits in 2015, over that of 2014 and 2013, we need to be mindful that the profit is still below that of 2012.

The Company's public listed subsidiary - Singer Finance (Lanka) PLC, had increase of revenue of 3% and an increase of Net Profit of 91%, for the 1st quarter of 2015. Despite the good growth of business, the low revenue growth is due to the reduction in lending rates. This was compensated by reduction in borrowing rates.

The Company's new subsidiary - Singer Digital Media (Pvt) Ltd., which is specialising in the sale of mobile phones and computers to the trade channel had a Revenue to external parties of Rs. 709 million and a total Net Profit of Rs. 48.0 million.

I wish to place on record my appreciation of all our staff for their contribution and commitment in bringing these results.

I thank the Present Chairman and Board of Directors of the Company, Past Chairman Mr. Hemaka Amarasuriya, Chairman and Chief Executive Officer of Singer Asia for their valuable support and guidance.

I also thank all our shareholders for their continued trust in the Board of Directors and the Management of the Company.

Sincerely,

**Asoka Pieris**  
Group Chief Executive Officer

Colombo  
7th May 2015

## Statement of Profit or Loss and Other Comprehensive Income

For the Quarter ended 31st March	Group		Company		Variance		Variance	
	2015 Rs.'000	2014 Rs.'000	2015 Rs.'000	2014 Rs.'000	Group Rs.'000	%	Company Rs.'000	%
Revenue	8,595,446	6,741,325	7,412,907	6,285,719	1,854,121	+ 28	1,127,188	+ 18
Cost of Sales	(5,738,513)	(4,255,065)	(5,143,329)	(4,255,065)	(1,483,448)	+ 35	(888,264)	+ 21
Direct Interest Cost	(148,052)	(185,400)	—	—	(37,348)	- 20	—	—
Gross Profit	2,708,881	2,300,860	2,269,578	2,030,654	408,021	+ 18	238,924	+ 12
Other Income	27,356	41,304	17,163	22,653	13,948	- 34	5,490	- 24
Selling and Administration Expenses	(1,978,379)	(1,773,161)	(1,786,245)	(1,582,573)	(205,218)	+ 12	(203,672)	+ 13
Other Operating Expenses	(72,979)	(66,374)	(67,397)	(62,025)	(6,605)	+ 10	5,372	+ 9
Finance Cost	(272,324)	(293,691)	(286,101)	(293,691)	(21,367)	- 7	(7,590)	- 3
Finance Income	7,839	17,828	36,860	6,697	9,989	- 56	(30,163)	+ 450
Net Finance Cost	(264,484)	(275,863)	(249,241)	(286,994)	(11,379)	- 4	(37,753)	- 13
Share of Profit/(Loss) of Equity Accounted Investees (Net of Income Tax)	378	350	—	—	28	+ 8	—	—
Value Added Tax on Financial Services	(17,068)	(18,873)	(2,400)	(9,800)	(1,805)	- 10	7,400	- -76
Profit before Tax	403,705	208,242	181,459	111,915	195,463	+ 94	69,544	+ 62
Income Tax Expense	(125,916)	(65,749)	(57,701)	(34,157)	(60,167)	+ 92	(23,544)	+ 69
Profit for the Period	277,788	142,494	123,758	77,758	135,294	+ 95	46,000	+ 59
Other Comprehensive Income	—	—	—	—				
Total Comprehensive Income for the Period	277,788	142,494	123,758	77,758				
Profit Attributable to:								
Owners of the Company	253,665	129,875	123,758	77,758				
Non-Controlling Interest	24,123	12,618	—	—				
Profit for the Period	277,788	142,494	123,758	77,758				
Total Comprehensive Income Attributable to:								
Owners of the Company	253,665	129,875	123,758	77,758				
Non-Controlling Interest	24,123	12,618	—	—				
Total Comprehensive Income for the Period	277,788	142,494	123,758	77,758				
Earnings per Share-Basic (Rs.)	2.03	1.04	0.99	0.62				

Above figures are provisional and subject to audit.

	1st Quarter 2015 Rs.	1st Quarter 2014 Rs.
Share Prices		
Highest	125.00	97.00
Lowest	110.00	82.00
Last Traded Price	114.00	90.00

## Statement of Financial Position

As at 31st	Group			Company		
	March 2015 Rs. '000	March 2014 Rs. '000	December 2014 Rs. '000	March 2015 Rs. '000	March 2014 Rs. '000	December 2014 Rs. '000
<b>ASSETS</b>						
<b>Non-Current Assets</b>						
Property, Plant and Equipment	2,623,836	2,537,624	2,667,909	2,557,738	2,464,912	2,603,691
Intangible Assets	243,063	197,830	243,646	203,370	165,447	205,413
Investments in Subsidiaries	—	—	—	987,242	982,242	987,242
Investments in Equity Accounted Investees	55,003	53,576	55,189	48,000	48,000	48,000
Other Financial Assets	17,061	17,061	17,061	166,303	166,303	166,303
Trade and Other Receivables	6,402,314	5,667,863	5,778,199	1,565,947	1,616,537	1,564,675
Deferred Tax Assets	179,063	119,022	185,024	178,695	135,362	179,385
	<b>9,520,340</b>	<b>8,592,976</b>	<b>8,947,028</b>	<b>5,707,295</b>	<b>5,578,805</b>	<b>5,754,709</b>
<b>Current Assets</b>						
Inventories	7,387,954	6,174,344	5,475,790	6,994,931	6,174,342	5,178,215
Loans due from Related Parties	63,135	66,635	65,135	1,100,303	95,313	717,069
Income Tax Receivable	—	36,230	—	—	36,230	—
Trade and Other Receivables	11,406,373	9,868,342	10,963,330	7,216,472	6,755,075	7,043,914
Amounts due from Related Parties	7,650	7,612	45,073	76,373	7,612	298,389
Deposits with Banks	90,195	115,884	110,388	—	—	—
Other Financial Assets	617,662	453,888	653,380	—	—	—
Cash and Cash Equivalents	874,495	748,997	1,176,934	789,235	499,196	914,488
	<b>20,447,464</b>	<b>17,471,932</b>	<b>18,490,030</b>	<b>16,177,314</b>	<b>13,567,768</b>	<b>14,152,075</b>
<b>Total Assets</b>	<b>29,967,804</b>	<b>26,064,908</b>	<b>27,437,058</b>	<b>21,884,609</b>	<b>19,146,573</b>	<b>19,906,784</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Stated Capital	626,048	626,048	626,048	626,048	626,048	626,048
Capital Reserves	867,164	759,214	870,358	867,164	759,213	870,358
Statutory Reserve	136,128	128,447	136,128	—	—	—
Revenue Reserves	3,786,511	3,267,215	3,842,675	2,896,228	2,696,364	3,082,301
<b>Total Equity Attributable for Equity Holders of the Company</b>	<b>5,415,851</b>	<b>4,780,924</b>	<b>5,475,209</b>	<b>4,389,440</b>	<b>4,081,625</b>	<b>4,578,707</b>
<b>Non-Controlling Interest</b>	<b>466,083</b>	<b>408,521</b>	<b>441,960</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Equity</b>	<b>5,881,934</b>	<b>5,189,445</b>	<b>5,917,169</b>	<b>4,389,440</b>	<b>4,081,625</b>	<b>4,578,707</b>
<b>Non-Current Liabilities</b>						
Interest-Bearing Loans and Borrowings	3,485,272	4,231,243	4,226,596	2,400,000	3,150,443	3,146,636
Retirement Benefit Obligations	407,938	337,749	383,912	385,569	322,802	362,593
Deferred Taxation Liability	118,547	108,444	119,789	118,547	108,444	119,789
Security Deposits	758,361	670,279	732,124	758,361	670,279	732,124
Other Financial Liabilities	625,814	829,392	798,492	—	—	—
	<b>5,395,932</b>	<b>6,177,107</b>	<b>6,260,913</b>	<b>3,662,477</b>	<b>4,251,968</b>	<b>4,361,144</b>
<b>Current Liabilities</b>						
Trade and Other Payables	5,122,654	3,569,197	3,818,025	4,323,582	3,264,885	3,021,470
Deferred Revenue	246,396	17,844	235,334	246,396	17,844	235,333
Income Tax Payable	285,615	33,425	212,842	127,444	—	109,210
Dividends Payable	264,766	274,259	15,491	264,766	274,259	15,491
Amounts due to Related Parties - Trade	383,123	325,859	346,767	383,123	325,859	767,168
Amounts due to Related Parties - Non-Trade	194,504	151,297	90,246	194,504	151,297	90,246
Other Financial Liabilities	3,524,379	3,447,943	3,696,150	—	—	—
Interest Bearing Loans and Borrowings	8,668,501	6,878,532	6,844,121	8,292,877	6,778,836	6,728,013
	<b>18,689,938</b>	<b>14,698,356</b>	<b>15,258,976</b>	<b>13,832,692</b>	<b>10,812,980</b>	<b>10,966,933</b>
<b>Total Equity and Liabilities</b>	<b>29,967,804</b>	<b>26,064,908</b>	<b>27,437,058</b>	<b>21,884,609</b>	<b>19,146,573</b>	<b>19,906,784</b>
<b>Net Assets per Share</b>	<b>43.25</b>	<b>38.18</b>	<b>43.73</b>	<b>35.06</b>	<b>32.60</b>	<b>36.57</b>

I certify that the above Financial Statements of the Company comply with the requirements of the Companies Act No. 07 of 2007.

(Sgd.) Lalith Yatiwella

Finance Director

Above figures are provisional and subject to audit.

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the Board by,

(Sgd.) Dr. Saman Kelegama

Director

Colombo,  
7th May 2015

(Sgd.) Asoka Pieris

Director/Group Chief Executive Officer

## Statement of Changes in Equity

For the Three Months ended 31st March 2015

Group	Attributable to Equity Holders of the Company								
	Statutory Reserve	Reserve Fund	Investment Fund	Revaluation Reserves	General Reserves	Retained Earnings	Total	Non-Controlling Interest	Total Equity
	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000	Rs. '000
<b>Balance at 1st January 2014</b>	<b>626,048</b>	<b>40,455</b>	<b>87,992</b>	<b>762,034</b>	<b>2,500,000</b>	<b>947,544</b>	<b>4,964,073</b>	<b>395,902</b>	<b>5,359,975</b>
Realisation of Revaluation Surplus	-	-	-	(2,820)	-	2,820	-	-	-
<b>Distributions to Owners of the Company</b>									
Final Dividend - 2013	-	-	-	-	-	(313,024)	(313,024)	-	(334,086)
<b>Total Distributions to Owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(313,024)</b>	<b>(313,024)</b>	<b>-</b>	<b>(334,086)</b>
<b>Total Comprehensive Income for the Period</b>									
Profit for the Nine Months Period	-	-	-	-	-	129,875	129,875	12,618	142,494
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129,875</b>	<b>129,875</b>	<b>12,618</b>	<b>142,494</b>
<b>Balance at 31st March 2014</b>	<b>626,048</b>	<b>40,455</b>	<b>87,992</b>	<b>759,214</b>	<b>2,500,000</b>	<b>767,215</b>	<b>4,780,924</b>	<b>408,521</b>	<b>5,189,445</b>
Realisation of Revaluation Surplus	-	-	-	(8,459)	-	8,459	-	-	-
Transferred to/(from) during the Year	-	13,430	(5,749)	-	100,000	(107,681)	-	-	-
Dividend Paid by Subsidiary Company to Non-Controlling Interest - 2013	-	-	-	-	-	-	-	(21,061)	-
<b>Profit for the Nine Months Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>584,333</b>	<b>584,333</b>	<b>54,807</b>	<b>639,141</b>
<b>Other Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus on Revaluation for the year	-	-	-	134,237	-	-	134,237	-	134,237
Actuarial Loss on Retirement Benefit Obligation	-	-	-	-	-	(13,405)	(13,405)	(426)	(13,831)
Tax on Other Comprehensive Income	-	-	-	(14,635)	-	3,753	(10,881)	119	(10,762)
Total Other Comprehensive Income for the Period	-	-	-	119,603	-	(9,651)	109,951	(306)	109,644
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>119,603</b>	<b>-</b>	<b>475,459</b>	<b>694,285</b>	<b>54,501</b>	<b>748,785</b>
<b>Balance at 31st December 2014</b>	<b>626,048</b>	<b>40,455</b>	<b>82,243</b>	<b>870,358</b>	<b>2,600,000</b>	<b>1,242,675</b>	<b>5,475,208</b>	<b>441,960</b>	<b>5,917,169</b>
Realisation of Revaluation Surplus	-	-	-	(3,195)	-	3,195	-	-	-
<b>Distributions to owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Final Dividend - 2014	-	-	-	-	-	(313,024)	(313,024)	-	(313,024)
Dividend Paid by Subsidiary Company to Non-Controlling Interest - 2014	-	-	-	-	-	-	-	-	-
<b>Total Distributions to Owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(313,024)</b>	<b>(313,024)</b>	<b>-</b>	<b>(313,024)</b>
<b>Total Comprehensive Income for the Period</b>									
Profit for the Three Months Period	-	-	-	-	-	253,666	253,666	24,123	277,789
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>253,666</b>	<b>253,666</b>	<b>24,123</b>	<b>277,789</b>
<b>Balance at 31st March 2015</b>	<b>626,048</b>	<b>53,885</b>	<b>82,243</b>	<b>867,164</b>	<b>2,600,000</b>	<b>1,186,511</b>	<b>5,415,851</b>	<b>466,083</b>	<b>5,881,934</b>

## Statement of Changes in Equity

Company	Stated Capital Rs. '000	Revaluation Reserves Rs. '000	General Reserves Rs. '000	Retained Earnings Rs. '000	Total Rs. '000
<b>Balance at 1st January 2014</b>	626,048	762,034	2,500,000	428,810	<b>4,316,892</b>
Realisation on Revaluation Surplus	-	(2,820)	-	2,820	-
<b>Distributions to Owners of the Company</b>					
Final Dividend - 2013	-	-	-	(313,024)	<b>(313,024)</b>
<b>Total Distributions to Owners of the Company</b>	-	-	-	<b>(313,024)</b>	<b>(313,024)</b>
<b>Total Comprehensive Income for the Period</b>					
Profit for the Three Months Period	-	-	-	77,758	<b>77,758</b>
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income for the Period</b>	-	-	-	<b>77,758</b>	<b>77,758</b>
<b>Balance at 31st March 2014</b>	<b>626,048</b>	<b>759,214</b>	<b>2,500,000</b>	<b>196,364</b>	<b>4,081,625</b>
Realisation on Revaluation Surplus	-	(8,459)	-	8,459	-
Transferred to/(from) during the Year	-	-	100,000	(100,000)	-
Profit for the Nine Months Period	-	-	-	385,873	<b>385,873</b>
<b>Other Comprehensive Income</b>					
Surplus on Revaluation for the Year	-	134,237	-	-	<b>134,237</b>
Actuarial Loss on Retirement Benefit Obligation	-	-	-	(11,659)	<b>(11,659)</b>
Tax on Other Comprehensive Income	-	(14,635)	-	3,264	<b>(11,370)</b>
<b>Total other Comprehensive Income for the Period</b>	-	<b>119,603</b>	-	<b>(8,394)</b>	<b>111,208</b>
<b>Total Comprehensive Income for the Period</b>	-	<b>119,603</b>	-	<b>377,479</b>	<b>497,082</b>
<b>Balance at 31st December 2014</b>	<b>626,048</b>	<b>870,358</b>	<b>2,600,000</b>	<b>482,301</b>	<b>4,578,707</b>
Realisation on Revaluation Surplus	-	(3,195)	-	3,195	-
<b>Distributions to Owners of the Company</b>					
Final Dividend - 2014	-	-	-	(313,024)	<b>(313,024)</b>
<b>Total Distributions to owners of the Company</b>	-	-	-	<b>(313,024)</b>	<b>(313,024)</b>
<b>Total Comprehensive Income for the Period</b>					
Profit for the Three Months Period	-	-	-	123,758	<b>123,758</b>
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income for the Period</b>	-	-	-	<b>123,758</b>	<b>123,758</b>
<b>Balance at 31st March 2015</b>	<b>626,048</b>	<b>867,164</b>	<b>2,600,000</b>	<b>296,228</b>	<b>4,389,440</b>

## Statement of Cash Flow

For the Three Months ended 31st March	Group		Company	
	2015 Rs. '000	2014 Rs. '000	2015 Rs. '000	2014 Rs. '000
<b>Cash Flows from Operating Activities</b>				
Net Profit before Income Tax Expense	403,705	208,242	181,459	111,915
<b>Adjustments for:</b>				
Depreciation on Property, Plant & Equipment	67,630	68,495	71,726	65,231
Share of Profit from Equity Accounted Investees	(378)	(350)	-	-
Amortisation of Intangible Assets	5,348	4,283	3,105	3,198
Gain on Disposal of Property, Plant & Equipment	-	(51)	-	(51)
Interest Expense	266,634	286,450	291,790	286,450
Interest Income	(7,839)	(17,805)	(36,860)	(6,697)
Impairment of Inventories	44,832	15,577	44,832	15,577
Impairment on Trade and Other Receivables	(8,260)	55,848	23,585	38,761
Dividend Income	1,547	-	1,547	-
Provision for Retiring Gratuity	24,026	19,048	22,734	18,351
<b>Operating Profit before Working Capital Changes</b>	<b>797,246</b>	<b>639,737</b>	<b>603,919</b>	<b>532,737</b>
(Increase)/Decrease in Inventories	(1,956,995)	(1,034,253)	(1,861,547)	(1,034,253)
(Increase)/Decrease in Debtors Falling Due after one Year	(624,115)	1,366	(1,272)	(102,406)
(Increase)/Decrease in Debtors Falling Due within one Year	(423,722)	(409,187)	(206,327)	(397,278)
(Increase)/Decrease in Dues from Related Parties	37,423	8	222,016	8
Increase/(Decrease) in Dues to Related Parties	140,613	66,845	(279,788)	66,845
Increase/(Decrease) in Security Deposits	26,237	18,514	26,237	18,514
Increase/(Decrease) in Customer Deposit Liabilities	(344,449)	509,105	-	-
Increase/(Decrease) in Trade and Other Payables	1,304,630	199,920	1,334,329	279,585
<b>Cash Generated from Operations</b>	<b>(1,043,132)</b>	<b>(7,945)</b>	<b>(162,434)</b>	<b>(636,249)</b>
Finance Costs Paid	(324,007)	(303,812)	(324,007)	(265,644)
Retiring Gratuity Paid	(242)	(1,332)	(242)	(1,332)
Income Tax Paid	(53,142)	(34,325)	(40,710)	(20,520)
<b>Net Cash from/(used in) Operating Activities</b>	<b>(1,420,522)</b>	<b>(347,414)</b>	<b>(527,392)</b>	<b>(923,745)</b>
<b>Cash Flows from Investing Activities</b>				
Acquisition of Property, Plant & Equipment and Intangible Assets	(34,349)	(104,937)	(26,836)	(97,951)
Proceeds from Disposal of Property, Plant & Equipment	-	191	-	191
(Acquisition)/Disposal of Marketable Securities	35,718	(26,003)	-	-
Investment in Bank Deposits	20,193	(1,924)	-	-
Net Cash Flows from Loans Given to Related Companies	2,000	3,000	(383,234)	(4,433)
Interest Income Received	7,839	17,805	36,860	6,697
Dividend Received	1,547	-	1,547	-
<b>Net Cash Flows from Investing Activities</b>	<b>32,949</b>	<b>(111,867)</b>	<b>(371,663)</b>	<b>(95,495)</b>
<b>Cash Flows from Financing Activities</b>				
Net Proceeds from Interest-Bearing Loans and Borrowings	97,494	135,189	(129,599)	580,566
Dividends Paid	(63,749)	(53,721)	(63,749)	(53,721)
<b>Net Cash Flow from Financing Activities</b>	<b>33,745</b>	<b>81,468</b>	<b>(193,348)</b>	<b>526,845</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(1,353,828)</b>	<b>(377,814)</b>	<b>(1,092,403)</b>	<b>(492,396)</b>
<b>Cash and Cash Equivalents at the beginning of the Year</b>	<b>827,988</b>	<b>(148,644)</b>	<b>607,657</b>	<b>(234,304)</b>
<b>Cash and Cash Equivalents at the end of the Period</b>	<b>(525,840)</b>	<b>(526,458)</b>	<b>(484,748)</b>	<b>(726,700)</b>

## Notes to the Financial Statements

- 1.1** The Interim Financial Statements of the Company and Group have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st December 2014, are in compliance with Sri Lanka Accounting Standard 34 - 'Interim Financial Reporting'.

**2.1 Segmental Analysis of Company Net Turnover is as follows:**

	1st Quarter ending 31st March 2015 Rs. '000	1st Quarter ending 31st March 2014 Rs. '000
Sewing-Related Products	918,949	692,356
Consumer Electronics	1,666,173	1,433,889
White Goods	2,441,796	2,096,370
Kitchen-Related Products	535,618	402,980
Communications	877,273	845,164
Furniture	474,790	409,110
Transport	147,665	162,524
Agro	350,643	243,326
	<b>7,412,907</b>	<b>6,285,719</b>

**2.2 Segmental Analysis of Company Profits Before Tax is as follows:**

	1st Quarter ending 31st March 2015 Rs. '000	1st Quarter ending 31st March 2014 Rs. '000
Sewing-Related Products	22,302	13,620
Consumer Electronics	50,643	30,427
White Goods	58,729	36,424
Kitchen-Related Products	17,609	9,323
Communications	9,979	9,390
Furniture	12,159	7,303
Transport	1,462	614
Agro	8,575	4,814
Dividend	—	—
	<b>181,459</b>	<b>111,915</b>

**2.3 Segmental Analysis of Group Net Turnover is as follows:**

	1st Quarter ending 31st March 2015 Rs. '000	1st Quarter ending 31st March 2014 Rs. '000
Sewing-Related Products	918,949	692,356
Consumer Electronics	1,666,173	1,433,889
White Goods	2,441,796	2,096,370
Kitchen-Related Products	535,618	402,980
Communications	877,273	845,164
Furniture	474,790	409,110
Transport	147,665	162,524
Agro	350,643	243,326
Singer Finance (Lanka) PLC	473,291	455,606
Singer Digital Media (Pvt) Ltd.	709,249	—
	<b>8,595,446</b>	<b>6,741,325</b>



## Notes to the Financial Statements

### 2.4 Segmental Analysis of Group Profits Before Tax is as follows:

	1st Quarter ending 31st March 2015 Rs. '000	1st Quarter ending 31st March 2014 Rs. '000
Sewing-Related Products	22,302	13,620
Consumer Electronics	50,643	30,427
White Goods	58,729	36,424
Kitchen-Related Products	17,609	9,323
Communications	9,979	9,390
Furniture	12,159	7,303
Transport	1,462	614
Agro	8,575	4,814
Singer Finance (Lanka) PLC	180,108	95,977
Share of Profit on Equity Accounted Investees	378	350
Singer Digital Media (Pvt) Ltd.	41,760	—
	<b>403,705</b>	<b>208,242</b>

2.5 There are no separately distinguishable assets and liabilities for the above segments.

### 3. Related Parties

#### 3.1 Identity of Related Parties

The Company has a related party relationship with its Parent Company, its Associate Companies, Affiliate Companies and with its Directors.

#### 3.2 Transactions with Parent Companies

(a) During the year, the Company had the following transactions with its Parent Companies:

##### Singer Asia Ltd. - (Intermediate Parent)

	2015 Rs. Million	2014 Rs. Million
Royalty Expenses	95.2	69.8
Royalty Payable Balance as at Period End	194.7	151.3

##### Singer Asia Holdings BV - (Intermediate Parent)

Royalty Paid to Singer Asia Ltd. through Singer Asia Holding BV

## Notes to the Financial Statements

### 3.3 Transactions with Subsidiary Companies

			2015 Rs. Million	2014 Rs. Million
<b>Singer Finance (Lanka) PLC</b> (Subsidiary Company)	Dr. S. Kelegama (Chairman)	Sales financed through Singer Finance (Lanka) PLC	83.6	59.6
	Mr. J.A Setukavalar	Short-term loan Granted		
	Ms. M. Tharmaratnam	Interest income/(expense)	1.7	2.7
	Mr. G.J.Walker	Payment to Singer Sri Lanka PLC on behalf of customers	380.0	306.5
	Mr. J.J.Hyun	Short-term loan recovered		
	Mr. K.K.L.P Yatiwella	Dividend received - gross	86.4	—
		Cash collection through Singer (Sri Lanka) PLC	536.3	412.9
		Expenses Paid	49.1	44.0
		Administrative fee charged/(paid)	—	0.1
		Collecting commission paid through Singer (Sri Lanka) PLC	5.0	4.7
		Purchase of assets	—	0.5
		Rent reimbursed	3.3	0.3
		Royalty paid through Singer (Sri Lanka) PLC	5.0	4.8
		Balance receivable - loans	—	28.7
		Balance receivable	51.3	—
<b>Singer Digital Media (Pvt) Ltd.</b> (Subsidiary Company)	Mr. H.A Pieris	Purchases	719.6	—
	Mr. M.H Wijewardena	Expenses Reimbursed	26.3	—
	Mr. K.K.L.P Yatiwella	Interest Charged	15.5	—
		Loan Receivable	1,037.2	—
		Balance Payable - Non-Trade	17.4	—

### 3.4 Transactions with Associate Companies

(a) During the year, the Company had following transactions with its Associate Companies:

	2015 Rs. Million	2014 Rs. Million
<b>Reality (Lanka) Ltd.</b>		
Rent Expenses	1.4	2.6
Loans Receivable	63.1	73.7

(b) Following company is an Associate Company of Singer (Sri Lanka) PLC, with whom Singer (Sri Lanka) PLC or Singer Finance (Lanka) PLC had no transactions taken place other than through advertising agencies during the year:

Telshan Network (Pvt) Ltd.

## Notes to the Financial Statements

### 3.5 Transactions with Affiliate Companies

Name of the Company and Relationship	Name of Director	Nature of Transaction	2015 Rs. Million	2014 Rs. Million
Singer Industries (Ceylon) PLC (Affiliate Company)	Dr. S. Kelegama (Appointed w.e.f 01.04.2015)	Purchases	306.2	250.6
	Mr. Ranil De Silva (Appointed w.e.f 01.04.2015)	Lease Rental Paid	1.1	0.9
	Mr. H.A Pieris	Trade Creditor Settled	317.1	230.4
	Mr. V.G.K Vidyaratne	Corporate Guarantee given	75.0	75.0
	Mr. K.D Kospelawatta (Appointed w.e.f 01.04.2015)	Expenses Reimbursed	0.9	0.3
	Mr. H.D.S. Amarasuriya (Resigned w.e.f 31.03.2015)	Net Finance Charge	0.1	–
	Mr. A.M. de S. Jayarathna (Resigned w.e.f 31.03.2015)	Balance Payable	98.5	125.8
Regnis (Lanka) PLC (Affiliate Company)	Dr. S. Kelegama (Appointed w.e.f 01.04.2015)	Purchases	805.9	740.7
	Mr. Ranil De Silva (Appointed w.e.f 01.04.2015)	Corporate Guarantees given	455.5	455.5
	Mr. H.A Pieris	Interest Income/(Expense)	0.5	1.2
	Mr. V.G.K Vidyaratne	Sales Taxes	115.1	105.8
	Mr. K.D Kospelawatta (Appointed w.e.f 01.04.2015)	Trade Credit Settled	840.8	829.9
	Mr. H.D.S. Amarasuriya (Resigned w.e.f 31.03.2015)	Expenses Reimbursed	11.2	12.0
		Balance Payable	215.9	173.1
Regnis Appliances (Pvt) Ltd.	Dr. S. Kelegama (Appointed w.e.f 01.04.2015)	Purchases	233.9	157.3
	Mr. H.A. Pieris	Sales Taxes	31.0	22.8
	Mr. V.G.K. Vidyaratne	Trade Settlements	240.2	214.3
	Mr. K.D Kospelawatta (Appointed w.e.f 01.04.2015)	Expenses paid	1.4	0.6
	Mr. H.D.S. Amarasuriya (Resigned w.e.f 31.03.2015)	Finance charges	0.2	0.5
		Balance Payable Trade	68.7	27.8

- 3.6** Key Management Personnel includes members of the Board of Directors of the Company, its Subsidiary and Parent. Transactions with Key Management Personnel, their close family members and parties/entities in which such Key Management Personnel or their close family members have control, joint control or significant influence can be shown as follows:

**(i) Transactions with Key Management Personnel or their close family members**

	2015 Rs. Million	2014 Rs. Million
Deposits kept by Key Management Personnel or their close family members of Singer Finance (Lanka) PLC	93.2	75.8

## Notes to the Financial Statements

### 4. Stated Capital

4.1	31st March 2015	31st March 2014
Value - Ordinary Shares	<b>Rs. 626,048,050/-</b>	Rs. 626,048,050/-
No. of Shares - Ordinary Shares	<b>125,209,610</b>	125,209,610
Voting Rights	<b>One Vote per Ordinary Share</b>	One Vote per Ordinary Share

### 5. Contingencies

- (a) Guarantees given to banks and other lending institutions on behalf of Singer Industries (Ceylon) PLC, Regnis (Lanka) PLC and Singer Digital Media (Pvt) Ltd. amounts to Rs. 75 Million, Rs. 455.5 Million and Rs. 50 Million respectively.
- (b) The Company has provided bank guarantees amounting to Rs. 197.2 Million to Director General of Customs to clear imports 2008 to March 2015.
- The Bank guarantee related to alleged additional duty payables on imports, is being contested by the Company in courts.
- The Court of Appeal made order that the Director General of Customs continue with the investigations. The Company being aggrieved by the decision of the Court of Appeal, has filed an appeal, which is pending before the supreme court.
- The Company lawyers are of the opinion that there is no basis that the Company is liable for the additional duty and hence, no provision is made in the Financial Statements.
- (c) Singer Finance (Lanka) PLC has provided guarantees to its Fixed Deposit Holders amounting to Rs. 750,000/- holding deposit holders Fixed deposits amounting to Rs. 1,016,000 as security

### 6. Events Occurring after the Balance Sheet Date

There have been no material events occurring after the Balance Sheet date that require disclosure in the Financial Statements.

### 7. Listed Debentures

Details regarding the listed debentures are as follows:

1. 17% senior rated unsecured redeemable on 30th September 2015.
2. 14.5% senior rated listed unsecured redeemable on 30th May 2015 and 30th May 2016.
3. 8.25% senior rated listed unsecured redeemable on 22nd December 2017.

Interest rate of comparable Government Securities as at date of issue, 25th October 2012 was 11.84%.

Interest rate of comparable Government Securities as at 31st March 2015 was 7.55%.

## Notes to the Financial Statements

Highest Traded Price, Lowest Traded Price, Last Traded Price as at 31st March 2015, Interest Yield and Yield to Maturity of trade are as follows:

	Highest Traded Price Rs.	Lowest Traded Price Rs.	Last Traded Price Rs.	Interest Yield %	Yield to Maturity %
1. 17% senior rated unsecured redeemable debentures	104.51	104.51	104.51	16.00	8.00
2. 4.5% senior rated listed unsecured redeemable debentures	100	100	100	14.5	14.5
3. 8.25% senior rated listed unsecured redeemable Debentures	100.7	100.7	100.7	8.00	8.00
	<b>31st March 2015</b>			31st March 2014	
Debt Equity Ratio			<b>0.55</b>		0.73
Interest Cover			<b>1.73</b>		1.02
Quick Assets Ratio			<b>0.66</b>		0.80

### 8. Top 20 Shareholders as at 31st March 2015

Name	No. of Shares	%
1. Singer (Sri Lanka) BV	107,812,850	86.11
2. Bank of Ceylon A/c Ceybank Unit Trust	4,402,455	3.52
3. Bank of Ceylon A/c Ceybank Century Growth Fund	633,904	0.51
4. Mrs. Mihiri Virani Fernando	610,000	0.49
5. Deutsche Bank AG As Trustee For Jb Vantage Value Equity Fund Deut	587,710	0.47
6. People's Bank	350,000	0.28
7. Mrs. Zohra Taher Jafferjee	330,890	0.26
8. Dr. Nimal Ebenezer Herat Sanderatne	181,633	0.15
9. Mrs. Anoma Kamalika Amarasuriya	178,970	0.14
10. Mrs. Maria Tasneem Moosajee	154,257	0.12
11. Mrs. Kalutaravedage Jinangali Manel De Silva	131,248	0.10
12. Mr. Nalin Amita De Silva	126,326	0.10
13. Jafferjee Brothers (Exports) Ltd.	125,200	0.10
14. Miss Nai Kaluge Ruvani Hemamala De Silva	115,393	0.09
15. Mrs. Enoka Kamali Wickramasinghe	112,644	0.09
16. Mr. Abeyisiri Hemapala Munasinghe	109,548	0.09
17. Bank of Ceylon Eagle Growth Fund	100,848	0.08
18. Mrs. Jasbinderjit Kaur Piara Singh	91,268	0.07
19. Mr. Hemaka Devapriya Senarath Amarasuriya	89,482	0.07
20. Merchant Bank of Sri Lanka Ltd./Union Investments Ltd.	88,894	0.07
	116,333,520	0.93
Others	8,876,090	99.07
<b>Total</b>	<b>125,209,610</b>	<b>100.00</b>

## Notes to the Financial Statements

### 9. Directors and CEO's Shareholding as at 31st March 2015

Name of the Director	Shareholding 31st March 2015 No. of Shares	Shareholding 31st December 2014 No. of Shares
Mr. H.D.S. Amarasuriya (Resigned w.e.f. 31.03.2015)	89,482	89,482
Dr. Saman Kelegama (Chairman)	—	—
Deshabandu Ajit Jayaratne (Resigned w.e.f. 31.03.2015)	—	—
Prof. U.P. Liyanage	—	—
Mr. Ranil De Silva	—	—
Mr. G.J. Walker	—	—
Mr. P.J. O'Donnell	—	—
Mr. J.J. Hyun	—	—
Mr. H.A. Pieris - CEO	2,000	2,000
Mr. M.H. Wijewardene	—	—
Mr. K. Samarasinghe	4,124	4,124

### 10. Public Holding

Public holding as at 31st March 2015 is 13.67% (As at 31st March 2014 - 13.65%).

No. of public shareholders as at 31st March 2015 - 2,506.

### 11. Secretary Information

A.C.M. Irzan, FCMA (UK)

Contact No. 2300129





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