

• FULLY INTEGRATED ONLINE RETAIL & HIRE PURCHASE SYSTEMS • FIRST CLASS MERCHANDISING • MULTIPLE RETAIL FORMATS FOR DIFFERENT CONSUMER GROUPS • MODERN RETAILING CONCEPTS • UNIQUE LOYALTY PROGRAMMES • MULTIPLE BRANDS OFFERED UNDER ONE ROOF • LARGEST ELECTRONICS & APPLIANCE STORES IN SOUTH ASIA • PAKISTAN, SRI LANKA, BANGLADESH, INDIA • MORE THAN 750 RETAIL APPLIANCE CENTERS FOR CUSTOMER CONVENIENCE • FIRST CLASS MERCHANDISING • MULTIPLE RETAIL FORMATS FOR DIFFERENT CONSUMER GROUPS • MODERN RETAILING CONCEPTS • UNIQUE LOYALTY PROGRAMMES • MULTIPLE BRANDS OFFERED UNDER ONE ROOF • LARGEST ELECTRONICS & APPLIANCE STORES IN SOUTH ASIA • PAKISTAN, SRI LANKA, BANGLADESH, INDIA • MORE THAN 750 RETAIL APPLIANCE CENTERS FOR CUSTOMER CONVENIENCE

» **DOING THE ROUNDS...  
THE SINGER STORY**

Singer has been operating in Pakistan since 1877, when the first Singer sewing machines went on sale in our shops.

Today, Singer Pakistan Limited is a large, diversified company with a presence throughout Pakistan. Singer has the largest retail network in South Asia with over 750 stores.

Beginning with the sewing machine, Singer's product portfolio has diversified to encompass a highly successful multi-brand strategy combining products of top world marques with the company's own products across a range of household and industrial categories.

Singer (Pakistan) B. V. holds 70.28% of the issued share capital of Singer Pakistan Limited.

Singer Pakistan Limited was listed on Karachi and Lahore Stock Exchanges in 1985.

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## VISION & MISSION STATEMENT

### **Vision**

To be a respected and leading Family  
Company in Pakistan  
providing consumer durables

### **Mission**

To improve the quality of life of people  
through the provision of consumer products and  
services at affordable prices

## COMPANY INFORMATION

### Board of Directors

Kamal Shah	Chairman & Chief Executive Officer
Stephen H. Goodman	(alternate : Fareed Khan)
Gavin Walker	(alternate : Badaruddin F. Vellani)
Peter James O' Donnell	(alternate : Ahmed S. Farrukh)
Rasheed Y. Chinoy	
Jahangir Siddiqui	
U. R. Usmani	Chief Operating Officer

### Company Secretary

Nasir Hussain

### Audit Committee

Badaruddin F. Vellani	Chairman
Rasheed Y. Chinoy	Member
Jahangir Siddiqui	Member
U. R. Usmani	Member
Fareed Khan	Member
A. H. Dawood	Secretary

### Bankers

ABN AMRO Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Citibank, N. A.  
Deutsche Bank AG  
Faysal Bank Limited  
Habib Bank Limited  
JS Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Pakistan Kuwait Investment Company (Pvt.) Limited  
Soneri Bank Limited  
The Bank of Punjab  
United Bank Limited

### Auditors

KPMG Taseer Hadi & Co.  
Chartered Accountants

### Share Registrar

Gangjees Registrar Services (Pvt.) Limited  
513, Clifton Centre, Khyaban-e-Roomi  
Clifton, Block-5  
Karachi

### Registered Office

Plot No. 39, Sector 19,  
Korangi Industrial Area, Korangi  
Karachi.

### Head Office

608, 6th Floor, Beaumont Plaza  
Beaumont Road, Near PIDC House  
Karachi

### Web Site

[www.singerpakistan.com.pk](http://www.singerpakistan.com.pk)

## TEN YEARS AT A GLANCE

	(Rupees in '000)									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
<b>ASSETS EMPLOYED</b>										
Current assets	1,361,138	1,094,432	914,053	739,318	662,286	583,480	555,351	534,164	508,486	488,923
Current liabilities	918,298	804,710	654,973	510,860	381,974	363,785	342,973	396,557	369,487	354,068
<b>NET CURRENT ASSETS</b>	<b>442,840</b>	<b>289,722</b>	<b>259,080</b>	<b>228,458</b>	<b>280,312</b>	<b>219,695</b>	<b>212,378</b>	<b>137,607</b>	<b>138,999</b>	<b>134,855</b>
Property, plant & equipment	156,915	110,312	99,248	77,278	69,999	66,067	52,363	74,001	81,074	90,439
Intangible assets	4,666	822	560	986	1,369	1,177	918	-	-	-
Investment	6,894	7,026	7,148	7,292	7,412	-	-	-	-	-
Employee retirement benefits - prepayments	5,617	3,578	3,632	-	-	-	-	-	-	-
Long term deposits	27,396	20,475	17,344	16,302	13,844	9,596	8,985	8,085	7,397	6,353
Deferred cost	-	-	-	-	-	-	-	1,139	1,355	1,429
Deferred tax	-	-	-	-	692	-	676	867	-	-
<b>TOTAL ASSETS EMPLOYED</b>	<b>644,328</b>	<b>431,935</b>	<b>387,012</b>	<b>330,316</b>	<b>373,628</b>	<b>296,535</b>	<b>275,320</b>	<b>221,699</b>	<b>228,825</b>	<b>233,076</b>
<b>FINANCED BY:</b>										
Share capital	245,038	133,173	113,339	113,339	113,339	113,339	113,339	113,339	113,339	52,472
Reserves & unappropriated profit	144,298	122,323	109,866	98,980	90,514	77,502	77,582	67,933	69,619	131,951
Surplus on revaluation of fixed assets	-	-	-	-	-	-	-	29,153	29,153	29,153
Deferred income	6,959	7,887	8,815	9,743	10,671	11,141	-	-	-	-
Employee retirement benefits - obligation	1,962	2,193	1,956	-	-	-	-	-	-	-
Long term loans, debenture lease facilities, deposit and deferred liabilities	246,071	166,359	153,036	108,254	159,104	94,553	84,399	11,274	16,714	19,500
<b>TOTAL CAPITAL EMPLOYED</b>	<b>644,328</b>	<b>431,935</b>	<b>387,012</b>	<b>330,316</b>	<b>373,628</b>	<b>296,535</b>	<b>275,320</b>	<b>221,699</b>	<b>228,825</b>	<b>233,076</b>
<b>FINANCIAL PERFORMANCE</b>										
Sales	1,744,173	1,427,112	1,197,188	979,541	835,781	720,415	646,668	606,257	597,477	561,433
Profit after taxation	41,951	32,291	25,053	19,799	13,012	8,420	7,232	6,814	7,035	7,125
Earnings per share	1.85	1.43	1.88	1.75	1.15	0.74	0.64	0.60	0.62	0.63
Cash dividend										
Amount	-	-	-	14,167	11,333	8,500	8,500	8,500	8,500	6,297
%	-	-	-	12.5%	10%	7.5%	7.5%	7.5%	7.5%	10%
Bonus share										
Amount	* 30,630	19,976	19,834	-	-	-	-	-	-	60,687
%	* 12.5%	15.0%	17.5%	-	-	-	-	-	-	116%

\* Proposed

## Board of Directors



**Kamal Shah**  
Chairman & CEO



**Stephen H. Goodman**  
Director



**Gavin Walker**  
Director



**Peter James O' Donnell**  
Director



**Rasheed Y. Chinoy**  
Director



**Jahangir Siddiqui**  
Director



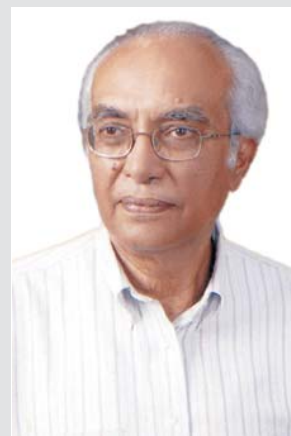
**U. R. Usmani**  
Director & COO



**Badaruddin F. Vellani**  
Alternate Director



**Ahmed S. Farrukh**  
Alternate Director



**Fareed Khan**  
Alternate Director

## Management Committee



From Left to Right: Salahuddin Khan (Director Manufacturing), Mahmood Ahmed (Director Sales), Kamal Shah (Chairman & CEO), Ahmed S. Farrukh (Director Marketing), Nasir Hussain (CFO & Company Secretary), Syed Aleem Hussain (Director Credit) and U. R. Usmani (Director & COO)

## Senior Management



**Muhammad Azam Khan**  
Controller



**Salman Ahmed**  
Factory Controller



**S. M. Akhtar**  
Senior I.T. Manager



**Abdul Hakeem Dawood**  
Chief Internal Auditor



**Abdul Ghaffar**  
Commercial Manager



**Waheed-ul-Hassan**  
Chief Engineer



**Khalid Jamil**  
Refrigerators Development Manager



**M. Lateef-ud-din Pasha**  
Director Administration



**Abid Pervez**  
National Sales Manager North



**Muzzafar Mehboob**  
National Sales Manager South



## NOTICE OF MEETING

Notice is hereby given that the Forty-Seventh Annual General Meeting of SINGER PAKISTAN LIMITED will be held on Monday, 31 March 2008 at 10.00 a.m. at Beach Luxury Hotel, Karachi, to transact the following businesses:

### Ordinary Business

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended 31 December 2007 alongwith the Reports of Directors' and Auditors' thereon.
2. To appoint Auditors of the Company for the financial year ending 31 December 2008 and to fix their remuneration.

### Special Business

3. To consider and, if thought fit, to approve an increase in the authorised share capital of the Company from Rs. 250 million to Rs. 500 million by the creation of 25 million ordinary shares of Rs. 10/- each.
4. To capitalize a sum of Rs. 30,629,780 out of the un-appropriated profits of the Company for the issuance of 3,062,978 Bonus Shares to the Members of the Company as at the close of business on 20 March 2008 in proportion to their respective shareholding at that date (the effective rate being 12.5%, that is, 3 shares for every 24 shares).

A statement under Section 160(1)(b) of the Companies Ordinance, 1984 setting forth the material facts concerning the Special Business to be considered at the Meeting is being sent to the Members, along with the copy of this notice.

By order of the Board



**Nasir Hussain**  
Company Secretary

Karachi : 10 March 2008

## Notes

- 1) The Share Transfer Books of the Company will be closed and no transfer will be accepted for registration from 21 March 2008 to 31 March 2008 (both days inclusive).
- 2) A Member of the Company, entitled to attend, speak and vote at the General Meeting is entitled to appoint another person as his / her proxy to attend, speak and vote instead of him / her and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the General Meeting as are available to the Member. Proxy Forms, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the Meeting. The proxy need not be a Member of the Company. The proxy shall produce his / her original computerized national identity cards (CNIC) or passport to prove his identity.
- 3) In case of corporate entity, the Board of Directors / Trustees' resolution / power of attorney with specimen signature of the nominee shall be submitted with the proxy form to the Company, and the same shall be produced in original at the time of the meeting to authenticate the identity.
- 4) Members are requested to notify any change in their addresses immediately to our registrar.
- 5) The Registered Office of the Company is located at Plot No. 39, Sector 19, Korangi Industrial Area, Korangi, Karachi.
- 6) Members who have not yet submitted photocopy of their computerized national identity cards (CNIC) are requested to send the same to our registrar at the earliest.
- 7) CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular 1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan:

### A. For Attending the Meeting:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC), or original passport at the time of attending the meeting. CDC Account Holders are also requested to bring their CDC participant ID numbers and account number.
- ii) In case of corporate entity, the Board of Directors' / Trustees' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

### B. For Appointing Proxies:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement (note 2 above).
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his original CNIC or original passport at the time of the meeting.
- v) In the case of corporate entity, the Board of Directors' / Trustees' resolution / power of attorney with specimen signature of the proxy holder shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

## STATEMENT UNDER SECTION 160 (1) (B) OF THE COMPANIES ORDINANCE, 1984

This statement sets out the material facts concerning the Special Business to be transacted at the Forty-Seventh Annual General Meeting of Singer Pakistan Limited to be held on Monday, 31 March 2008.

### Item No. 3 of the Agenda - Special Business

#### Increase in Authorised Share Capital

In order to meet its working and other capital requirements the Company may, from time to time, need to raise its share capital through the issuance of further shares. In order to facilitate this process it would be desirable to increase the authorised share capital of the Company from Rs. 250 million to Rs. 500 million by the creation of 25 million ordinary shares of Rs. 10/- each. Accordingly, the Board of Directors of the Company have recommended that the following resolution be passed at the Forty Seventh Annual General Meeting as an ordinary resolution:

**"Resolved that** the authorised share capital of the Company be and is hereby increased to Rs. 500 million by the creation of 25 million ordinary shares of Rs. 10/- each. Such new shares to rank pari passu in all respects with the existing ordinary shares in the Capital of the Company, and that Article 5 of the Memorandum of Association of the Company be and is hereby amended to read as follows:

The Capital of the Company is Rs. 500,000,000/- divided into 50,000,000 ordinary shares of Rs. 10/- each".

### Item No. 4 of the Agenda - Special Business

#### Issue of Bonus Shares:

In the opinion of the Board of Directors, the financial results and the existing growth plans of the Company justifies the capitalization of a sum of Rs. 30,629,780 from the un-appropriated profits of the Company for the issuance of Bonus Shares in the ratio of 3 ordinary shares for every 24 ordinary shares i.e. (at the rate of 12.5%). Those persons whose names appear on the Register of Members of the Company as at the close of business on 20 March 2008 will be entitled to the proposed issuance of Bonus Shares in the proportion mentioned above.

Accordingly, it is proposed to consider and pass the following resolution as an ordinary resolution:

#### RESOLVED THAT:

1. A sum of Rs. 30,629,780 out of the un-appropriated profit of the Company be capitalized and applied for making payment in full of Ordinary Shares of Rs. 10 each and that the said shares be allotted as fully paid Ordinary Shares to the Members of the Company whose names appear on the Register of Members as at the close of the business on 20 March, 2008 in the proportion of three Bonus Shares for every twenty four Shares then held and that such Bonus Shares shall rank pari passu as regards dividends and in all other respects with the existing Ordinary Shares of the Company.
2. In the event of any Member becoming entitled to a fraction of a share, the Directors be and are hereby authorized to consolidate all such fractions and sell the shares so constituted on the Stock Market and to pay the proceeds thereof to the Members entitled to the fraction in proportion to their respective entitlements.
3. For the purpose of giving effect to the foregoing, the Directors be and they are hereby authorized to do and cause to be done all acts, deeds and things that may be necessary to settle any question or difficulties that may arise in regard to the allotment and the distribution of the said Bonus Shares as they think fit.

The Directors of the Company are not directly or indirectly interested in these businesses except to the extent of their share holding in the Company.

# SINGER

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2007

The Directors of the Company are pleased to present their Annual Report together with Audited Accounts of the Company for the year ended 31 December 2007.

### Business Overview

We are pleased to report that the revenue and profitability of your Company continued to grow despite the disturbed business conditions throughout the year.

To support the continued growth of business, your Company issued during the year 60% Right Shares at par. The issue was fully subscribed and the entire process was completed within the required time frame.

Sales for the year increased to Rs. 1.744 billion, as compared to Rs 1.427 billion for the previous year, a growth of 22%. The major contribution in sales growth is attributed to appliances.

Gross Profit improved to Rs. 358.3 million from Rs. 280.1 million, a significant growth of 28% over the previous year. The reason for increase in gross profit is higher sales and higher earned carrying charges together with cost improvements.

Marketing, selling & distribution costs increased by Rs.40.6 million over the previous year, which is mainly due to increase in advertising, sales promotion and expansion of retail network to sustain sales growth. Administrative expenses have increased by Rs 4.6 million due to inflation and increased human resources costs required for supporting the growing retail network. Profit from operations before finance costs has increased to Rs. 139.0 million from Rs. 109.4 million, which was mainly offset by higher finance costs of Rs. 15.0 million, due to increased borrowings for business expansion.

Profit after taxation increased to Rs. 42.0 million from Rs. 32.3 million, a robust growth of 30 % over the previous year.

### Sales Overview

The growth in sales was mainly due to growth in sales of appliances. The sewing machines business also continued to grow. However, the competition in appliances business remained very tough. We continued to improve features and quality of our products and introduced new models and new products. We also expanded our retail network throughout the country with increased emphasis on service.

We upgraded and modernised our Call Centre into a state-of-the-art Call Centre. This has enabled us to increase emphasis on CRM (Customer Relationship Management) and retain our loyal customers. We also introduced a Loyalty Card for our loyal customers.

### Profitability and Appropriations

The profit for the year 2007 and proposed appropriations for the year 2008 are as follows:

	2007 (Rupees in '000)
Profit after tax	41,951
Un-appropriated profit brought forward	1,010
Profit available for appropriations	<u>42,961</u>
	2008 (Rupees in '000)
Un-appropriated profit brought forward	42,961
<b>Appropriations:</b>	
Transfer to Revenue Reserve	(12,000)
Proposed Bonus Issue	<u>(30,630)</u>
Un-appropriated profit	<u>331</u>

## Dividend

The Board has recommended that no cash dividend be paid for the year ended 31 December 2007. The Board has however proposed that a Bonus Issue in the proportion of three shares for every twenty four shares of Rs. 10/- each be made to all Members whose names appear on the Register of Members on 20 March 2008, out of the un-appropriated profit of the Company for the period under review.

## Earnings Per Share

Earnings per share for the year ended 31 December 2007 was Rs. 1.85 as against Rs. 1.43 for the previous year, an increase of 29.4%.

## Future Outlook

The Company plans to remain focused on its key strategies of expanding its distribution network, introduction of new models, new products and innovative advertising and sales promotion in a highly competitive market however a lot will depend on the business environment in the country.

To further upgrade our services and improve efficiency and control, a real time online Information Technology System is in the process of development.

## Directors

During the year, Mr. Fareed Khan was appointed as an Alternate Director for Mr. Stephen H. Goodman from 26 January 2007. No casual vacancy arose during the year.

## Human Resources

The relationship between the management and employees continues to be satisfactory. Training is an integral part of our HR policy. Management Development Programmes to improve employees' professional skills and knowledge were implemented during the year for all levels of Management. The agreement with the factory labour union has not yet been concluded and efforts are continuing to reach an agreement.

The Board of Directors would like to take this opportunity to express their appreciation for the hard work and dedication of the employees of the Company.

## Corporate Social Responsibility

The Company has always recognised the importance of Corporate Social Responsibility. Towards this end, the Company organized training classes for sewing, embroidery, designing and knitting which have helped average income groups to earn extra income.

During the year, the Company has also undertaken the following activities:

(a) Literacy Program:

To improve literacy, particularly in rural areas and as a community service, Singer Pakistan has undertaken a project that consists of a Primary School (through informal education) in Thatta District for very poor children in a remote village. The School will be run by a well-known, registered NGO, ECHO.

(b) Anti-Narcotic Project:

In order to bring awareness of this social evil Singer Pakistan has sponsored a tele film, which is shown in schools and colleges to educate the children against the devastating effects of smoking and narcotics on their life and their family members.

A professional demonstrator conducts the screening in various schools and other educational institutions which is followed by a quiz competition, explaining children about the devastating effects of drugs and smoking on them and their family.

(c) Restoration of Eye-Sight:

Singer Pakistan is sponsoring a programme for free restoration of eye sight through Al-Shifa Trust Eye Hospital for prevention and treatment of blindness.

(d) Support to Disadvantaged Children:

ABSA (Anjuman Behbood-e-Samat-e-Atfal) is a Centre for disabled children including deaf and dumb, run by a prominent NGO. They run classes for sewing and confectionery for young students. Singer Pakistan Limited has sponsored their sewing and confectionery classes by giving them Singer Sewing Machines and Cooking Ranges.

### Auditors

The present Auditors, M/s KPMG Taseer Hadi & Co., Chartered Accountants, retire and offer themselves for re-appointment for the audit of the accounts of the Company for the year ending 31 December 2008.

### Pattern of Shareholding

A statement of the general pattern of shareholding along with pattern of shareholding of certain classes of shareholders whose disclosure is required under the Code of Corporate Governance and the statement of purchase and sale of shares by Directors, CEO, COO, CFO & Company Secretary and their spouses including minor children during 2007 is shown on page 57 of this report.

### Holding Company

Singer (Pakistan) B.V. holds 70.28% of issued share capital of Singer Pakistan Limited.

### General

During the period from end of the financial year of the Company to which the Balance Sheet relates and the date of this report, there have been no material commitments made and no changes have occurred which materially affect the financial position of the Company.

### Corporate And Financial Reporting Framework

The Board of Directors has taken adequate measures for the implementation of the Regulations of the Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan.

We give below our statement on corporate and financial reporting framework:

The financial statements, prepared by the Management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity;

Proper books of accounts of the Company have been maintained;

Appropriate Accounting Policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;

International Accounting Standards, as applicable in Pakistan, have been followed in preparation of Company's financial statements;

The system of internal control is sound in design and has been effectively implemented and monitored;

There are no doubts upon the Company's ability to continue as a going concern;

There has been no material departure from the best practices of Corporate Governance, as detailed in the Listing Regulations;

Key operating and financial data for last ten years has been provided in a summarized form;

The outstanding duties, statutory charges and taxes, if any, have been duly disclosed in the financial statements.

Value of investments of Gratuity, Pension and Provident Funds based on their latest un-audited accounts for the year ended 31 December 2006 are as follows:

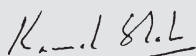
- Gratuity Fund	Rs. 50.9 million
- Pension Fund	Rs. 46.4 million
- Provident Fund	Rs. 102.0 million

During the year, seven meetings of the Board of Directors were held. Attendance by the Directors were as follows:

<b>Name of Directors</b>	<b>Attendance</b>
Mr. Kamal Shah	7
Mr. U R Usmani	7
Mr. Ahmed S. Farrukh (Alternate)	7
Mr. Badaruddin F. Vellani (Alternate)	5
Mr. Fareed Khan (Alternate)	5
Mr. Rasheed Y. Chinoy	4
Mr. Jahangir Siddiqui	3

Leave of absence was granted in case a Director was not able to attend the Board Meetings.

**On behalf of the Board**



**Kamal Shah**  
Chairman

Karachi: 4 March 2008



**SINGER**Plus

A True Shopping Experience



Singer Pakistan is expanding its **retail network all over the country**. Front and inside view of new Singer Plus shop.





Singer Pakistan recently launched 32" LCD TV in Pakistan having features;

- ▶ High Resolution 1366 x 768 Pixels
- ▶ AV Stereo
- ▶ 3D Comb Filter
- ▶ Progressive Scan

Bringing technologically advanced products to our customers. The new Singer LCD TV line combines technology and economy.

## Singer Refrigerators



New Models of Refrigerator with features such as Nano Silver Technology, Vitamin C - Fresh and Stainless Steel Doors, were introduced.

## Singer Washing Machines



Singer offers a wide range of washing machines from **Automatic Washing Machines** to twin & single tub washing machines.

# Multibrands

Singer Pakistan is a retailer of top brands

**SONY** Televisions

---

 **Dawlance** Refrigerators

---

**PHILIPS** LCD, Televisions  
Audio Systems, DVDs

---

 **Haier** Deep Freezers, Washing Machines,  
Air Conditioners, Microwave Ovens

---

 **LG** Televisions, Air Conditioners,  
Microwave Ovens


---

**NOBEL** Televisions,  
DVDs

---

 **WAVES** Deep Freezers


---

 **GABA NATIONAL** Food Processors, Vacuum Cleaners,  
Water Dispensers

---

**METRO** Motorcycles

---

 **SUPER POWER** Motorcycles

---

# CRM

Always in touch with customers

## Singer Call Centre

Our "State-of-the-Art" in house call centre ensures constant contact with customers throughout the country. Our toll free No. 0800-23450 is regularly advertised.



## Singer Loyalty Card

We introduced a loyalty card for our repeat customers which was received very well.



**SINGER** *Plus*

Service Centre



A new Service Centre in Karachi

After sales Services at Singer Plus is considered top priority. A new concept of after sales services is being implemented targeting **response within twenty four hours.**

Specially trained staff with emphasis on **customers satisfaction.**

A **"State-of-the-Art" Customer Service system** is being installed.



# Corporate Social Responsibility

Singer Pakistan Limited has always recognised the importance of Corporate Social Responsibility. In this regard a number of projects have been implemented.

## 1. LITERACY PROGRAM :

To improve literacy, particularly in rural areas and as a community service, Singer Pakistan has undertaken a project that consists of a Primary School (through informal education) in Thatta District (Sind) for very poor children in a remote village, about 100 kilometers away from Karachi. The School will be run by a well-known, registered NGO, ECHO.

The pictures of the children attending the School are shown below:



## 2. ANTI-NARCOTIC PROJECT :

In recent years, narcotics have become a very serious problem in school-going children, where its use is spreading rapidly. In order to combat this social evil, Singer Pakistan has sponsored a tele-film, which is shown in schools and colleges to educate the children against the devastating effects of smoking and narcotics on their life and their family members.

A professional demonstrator conducts the screening which is followed by a quiz competition. Thousands of students have so far been covered under this programme.



## 3. RESTORATION OF EYE-SIGHT :

Singer Pakistan is sponsoring a programme for free restoration of eye sight through Al-Shifa Trust Eye Hospital for prevention and treatment of blindness. Every month a deserving patient is sponsored for this operation. The Trust has publicized this contribution through print and electronic media and also in their annual fund raising festival

## 4. SUPPORT TO DISADVANTAGED CHILDREN :

ABSA (Anjuman Behbood-e-Samat-e-Atfal) is a Centre for disabled children including deaf and dumb, run by a prominent NGO. They conduct classes for sewing and confectionery for young students. Singer Pakistan Limited has sponsored their sewing and confectionery classes by giving them Singer Sewing Machines and Cooking Ranges.

## Human Resources



Mr. John Bennoch, Marketing Consultant conducting a training programme.



Training Manager Mr. S. A. Siddiqui conducting a training programme for salesmen.

Singer Pakistan considers human resources it's most important asset. Regular training courses both in-house and out side are conducted for employees to increase their skills and productivity. During the year 20 courses were conducted and 430 employees were trained.



**SINGER**

**FINANCIAL  
REPORTS  
2007**

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## STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2007

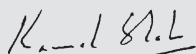
This statement is being presented to comply with the Code of Corporate Governance contained in the Listing Regulations of Karachi and Lahore Stock Exchanges for the purpose of establishing a framework of good governance, whereby a listed Company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Board comprises seven Directors including the CEO. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present, the Board includes five independent non-executive directors including two directors representing minority shareholders.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFC or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred in the Board during the year.
5. The Company has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the executive directors and key executives of the Company.
6. The Board has developed a vision/mission statement, and significant policies of the Company. A complete record of particulars of significant policies alongwith the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board arranges orientation courses as and when needed to apprise the Directors of their duties and responsibilities.
10. The Board has approved appointment of the CFO and Company Secretary including the remuneration and terms and conditions of employment, as determined by the CEO.
11. The Directors' report for the year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

## STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises of five members, of whom four members are non-executive Directors including the Chairman.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has set-up an effective Internal Audit Department on full time basis.
18. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other material principles contained in the Code have been complied.



**Kamal Shah**

Chairman and Chief Executive Officer

## REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

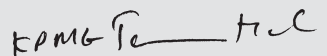
We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **Singer Pakistan Limited** ("the Company") to comply with the listing regulations of the respective Stock Exchanges, where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended 31 December 2007.

Date: 4 March 2008  
Karachi

  
**KPMG Taseer Hadi & Co.**  
Chartered Accountants

## AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Singer Pakistan Limited** ("the Company") as at 31 December 2007 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- b) in our opinion:
  - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
  - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
  - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2007 and of the profit, its cash flows and changes in equity for the year then ended; and
- d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Date: 4 March 2008  
Karachi

  
**KPMG Taseer Hadi & Co.**  
Chartered Accountants

## BALANCE SHEET AS AT 31 DECEMBER 2007

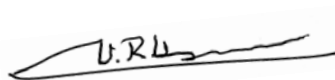
	Note	2007 (Rupees in '000)	2006
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital 25,000,000 (2006: 15,000,000) ordinary shares of Rs. 10 each		<u>250,000</u>	<u>150,000</u>
Issued, subscribed and paid-up capital	4	245,038	133,173
Capital reserve		5,000	5,000
Revenue reserve		96,337	84,337
Unappropriated profit		42,961	32,986
<b>Total equity</b>		<b>389,336</b>	<b>255,496</b>
<b>Non-current liabilities</b>			
Deferred income	5	6,959	7,887
Long term loans - secured	6	186,459	134,000
Liabilities against assets subject to finance leases	7	35,124	15,704
Long term deposits	8	16,033	10,858
Deferred tax liabilities	9	8,455	5,797
Employee retirement benefits - obligation	10	1,962	2,193
<b>Total non-current liabilities</b>		<b>254,992</b>	<b>176,439</b>
<b>Current liabilities</b>			
Trade and other payables	11	349,072	312,600
Mark-up accrued on short term running finances and long term loans		22,879	17,505
Short term running finances - secured	12	447,054	398,855
Current portion of long term loans	6	88,167	68,944
Current portion of liabilities against assets subject to finance leases	7	11,126	6,806
<b>Total current liabilities</b>		<b>918,298</b>	<b>804,710</b>
<b>Total equity and liabilities</b>		<b><u>1,562,626</u></b>	<b><u>1,236,645</u></b>
<b>Contingencies and commitments</b>	13		

The annexed notes 1 to 39 form an integral part of these financial statements.

	Note	2007 (Rupees in '000)	2006
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	14	156,915	110,312
Intangible assets	15	4,666	822
Investment	16	6,894	7,026
Employee retirement benefits - prepayments	10	5,617	3,578
Long term deposits	17	27,396	20,475
<b>Total non-current assets</b>		<b>201,488</b>	<b>142,213</b>
<b>Current assets</b>			
Stores and spares		5,433	3,083
Stock-in-trade	18	393,286	305,452
Trade debts	19	808,842	675,897
Advances, deposits and prepayments	20	25,782	13,901
Other receivables	21	7,036	2,301
Taxation - net		21,346	21,264
Cash and bank balances	22	99,413	72,534
<b>Total current assets</b>		<b>1,361,138</b>	<b>1,094,432</b>
<b>Total assets</b>		<b>1,562,626</b>	<b>1,236,645</b>



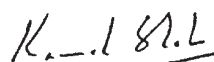
Chief Financial Officer



Chief Operating Officer



Director



Chief Executive

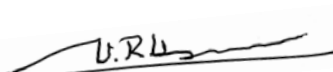
## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007 (Rupees in '000)	2006
Sales		1,744,173	1,427,112
Earned carrying charges		179,792	141,880
Sales tax / excise duty, commissions and discounts		(340,267)	(286,987)
Net sales	23	1,583,698	1,282,005
Cost of sales	24	(1,225,362)	(1,001,930)
<b>Gross profit</b>		<b>358,336</b>	<b>280,075</b>
Marketing, selling and distribution costs	25	(177,731)	(137,175)
Administrative expenses	26	(30,149)	(25,500)
Other operating expenses	27	(11,450)	(8,028)
		(219,330)	(170,703)
<b>Profit from operations before finance costs</b>		<b>139,006</b>	<b>109,372</b>
Finance costs	28	(85,876)	(70,915)
		53,130	38,457
Other income	29	9,123	5,612
<b>Profit before taxation</b>		<b>62,253</b>	<b>44,069</b>
Taxation	30	(20,302)	(11,778)
<b>Profit after taxation</b>		<b>41,951</b>	<b>32,291</b>
		(Rupees)	
Earnings per share - basic and diluted	31	1.85	1.43

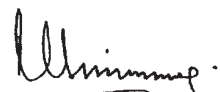
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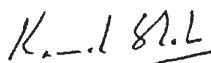
Chief Financial Officer



Chief Operating Officer



Director



Chief Executive

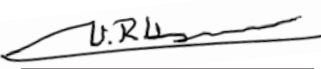


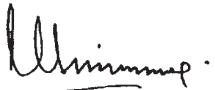
## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007 (Rupees in '000)	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before taxation		62,253	44,069
<b>Adjustment for:</b>			
- Depreciation on property, plant and equipment		13,627	11,535
- Amortisation of intangible assets		384	375
- Finance costs		85,876	70,915
- Amortisation on investment		132	122
- Gain on sale of property, plant and equipment		(747)	(962)
- Amortisation of deferred income		(928)	(928)
- (Reversal) / provision for employee retirement and other service benefits		(1,378)	580
		<u>159,219</u>	<u>125,706</u>
<b>Working capital changes</b>			
(Increase) / decrease in stores and spares		(2,350)	964
(Increase) in stock-in-trade		(87,834)	(76,069)
(Increase) in trade debts		(132,945)	(87,137)
(Increase) / decrease in advances, deposits and prepayments		(11,881)	404
(Increase) / decrease in other receivables		(4,735)	988
Increase in trade and other payables		36,472	72,919
Net cash (out flows) / inflows from operations		<u>(44,054)</u>	<u>37,775</u>
Income tax paid		(17,726)	(15,922)
Finance costs paid		(77,086)	(65,449)
Employee retirement and other service benefits paid		(892)	(289)
Security deposits received		5,175	1,842
Long term deposits paid		(6,921)	(3,131)
Net cash out flows from operating activities		<u>(141,504)</u>	<u>(45,174)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment		(32,323)	(17,635)
Proceeds from sale of property, plant and equipment		2,300	1,785
Net cash out flows from investing activities		<u>(30,023)</u>	<u>(15,850)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Lease rentals paid		(13,364)	(8,760)
Net additions in long term loans		71,682	14,024
Subscription received against right shares		91,889	-
Dividend paid		-	(12)
Net cash inflows from financing activities		<u>150,207</u>	<u>5,252</u>
Net decrease in cash and cash equivalents		<u>(21,320)</u>	<u>(55,772)</u>
Cash and cash equivalents at the beginning of the year		(326,321)	(270,549)
Cash and cash equivalents at the end of the year	32	<u>(347,641)</u>	<u>(326,321)</u>

The annexed notes 1 to 39 form an integral part of these financial statements.

  
Chief Financial Officer

  
Chief Operating Officer

  
Director

  
Chief Executive

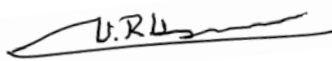
## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2007

	Issued subscribed and paid- up capital	Capital reserve	Revenue reserve	Unappro- priated profit	Total
	----- (Rupees in '000) -----				
Balance as at 1 January 2006	113,339	24,689	59,337	25,840	223,205
Issue of bonus shares for the year ended 31 December 2005 @ 17.5% per share	19,834	(19,689)	-	(145)	-
Total recognised income and expense - profit for the year	-	-	-	32,291	32,291
Transfer to revenue reserve	-	-	25,000	(25,000)	-
Balance as at 31 December 2006	133,173	5,000	84,337	32,986	255,496
Issue of bonus shares for the year ended 31 December 2006 @ 15% per share	19,976	-	-	(19,976)	-
Transfer to revenue reserve	-	-	12,000	(12,000)	-
Total recognised income and expense - profit for the year	-	-	-	41,951	41,951
Issue of right shares during the year in the ratio of 6 for every 10 shares held @ Rs. 10 per share	91,889	-	-	-	91,889
<b>Balance as at 31 December 2007</b>	<b>245,038</b>	<b>5,000</b>	<b>96,337</b>	<b>42,961</b>	<b>389,336</b>

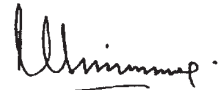
The annexed notes 1 to 39 form an integral part of these financial statements.



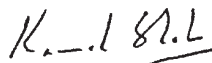
Chief Financial Officer



Chief Operating Officer



Director



Chief Executive

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

### 1. STATUS AND NATURE OF BUSINESS

Singer Pakistan Limited ("the Company") is incorporated in Pakistan as a public company limited by shares and is quoted on Karachi and Lahore Stock Exchanges. The Company is principally engaged in manufacturing, assembling and sale of sewing machines, domestic consumer appliances and other light engineering products and trading in other electric and domestic consumer appliances. The registered office of the Company is situated in Karachi.

The Company is a subsidiary of Singer (Pakistan) B.V., Netherlands, whereas its ultimate parent company is Retail Holdings N.V., Netherlands.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

#### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the remeasurement of derivative hedging instrument at fair value (note 3.15).

#### 2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the Company's functional currency.

#### 2.4 Use of estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements in the process of applying Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. The areas where assumptions and estimates that may affect the Company's financial statements in future years are as follows:

- Employee retirement benefits (note 3.1)
- Warranty obligations (note 3.4)
- Trade debts and other receivables (note 3.5)
- Taxation (note 3.8)
- Property, plant and equipment (note 3.9)
- Stock-in-trade (note 3.13)

## 2.5 Initial application of a Standard or an Interpretation

Amendment to IAS 1 - "Presentation of Financial Statements - Capital Disclosures", introduces new disclosures about the level of an entity's capital and how it manages capital. Adoption of this amendment has only resulted in additional disclosures given in note 33.7 to the financial statements.

## 2.6 New accounting standards and IFRIC interpretations that are not yet effective

The following standards, interpretations and amendments of approved accounting standards are effective for accounting periods beginning from the dates specified below. These standards are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than increase in disclosures in certain cases:

- Revised IAS 1 - Presentation of financial statements (effective for annual periods beginning on or after 1 January 2009).
- Revised IAS 23 - Borrowing costs (effective from 1 January 2009).
- IFRIC 11 - IFRS 2 - Group and Treasury Share Transactions (effective for annual periods beginning on or after 1 March 2007).
- IFRIC 12 - Service Concession Arrangements (effective for annual periods beginning on or after 1 January 2008).
- IFRIC 13 - Customer Loyalty Programmes (effective for annual periods beginning on or after 1 July 2008).
- IFRIC 14 - IAS 19 - The Limit on Defined Benefit Asset, Minimum Funding Requirements and their interaction (effective for annual periods beginning on or after 1 January 2008).

## 3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 3.1 Employee retirement and other service benefits

Employee retirement benefits

#### Defined benefit plans:

- a) The Company operates funded defined benefit pension scheme for executives and managers and a funded gratuity scheme for all of its permanent employees other than field staff. Provisions / contributions are made in the financial statements to cover obligations on the basis of actuarial valuation carried out annually under the projected unit credit method. Actuarial gains or losses in excess of 10% of the actuarial liability or plan assets are recognised over the expected average remaining working lives of the employees. Benefits under the pension and gratuity schemes are payable to employees on completion of prescribed qualifying period of service.

- b) The Company operates an unfunded gratuity scheme for its field staff. Benefits under the scheme is payable to staff on completion of prescribed qualifying period of service. Provisions are made in the financial statements to cover obligations on the basis of actuarial valuation carried out annually under the projected unit credit method.

#### **Defined contribution plan**

The Company operates a recognised provident fund scheme covering all permanent employees. The Company and employees make equal monthly contributions to the fund.

#### **Compensated absences**

The Company accounts for its liability towards accumulated compensated absences for unionized staff in accordance with CBA agreement and for other permanent employees as per the service rules of the Company.

The liability for employee retirement benefits is estimated based on certain assumptions. Any change in these assumptions may have an impact on subsequent years financial statements.

### **3.2 Government grants**

Government grants are included in non-current liabilities as deferred income and an amount equivalent to amortization on such deferred income is taken to profit and loss account periodically.

### **3.3 Provisions**

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, 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. However, provisions are reviewed at each balance sheet date and adjusted to reflect current best estimates.

### **3.4 Warranty obligations**

The Company accounts for its warranty obligations based on historical trends when the underlying products or services are sold.

### **3.5 Trade debts and other receivables**

Trade debts and other receivables are stated net of provision for doubtful debts, if any.

Provision for doubtful debts and other receivables is based on management's assessment of anticipated uncollectible amounts based on Company's past experience, historical bad debts statistics and ageing analysis. Debts considered irrecoverable are written off.

### **3.6 Trade and other payables**

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

### 3.7 Dividend

Dividend is recognised as liability in the financial statements in the period / year in which it is approved.

### 3.8 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account.

#### Current

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any, and taxes paid under the Final Tax Regime. The charge for current tax includes adjustments to charge for prior years, if any.

#### Deferred

Deferred tax is recognised using balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation. A deferred tax asset is recognised to the extent that it is probable that the future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### 3.9 Property, plant and equipment

#### Operating assets

Operating assets are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is charged to the profit and loss account applying the straight-line method whereby the depreciable amount of an asset is depreciated over its estimated useful life. Depreciation on additions and disposals is charged from the month in which the asset is available for use and upto the month of disposal.

The assets' residual values and useful lives are reviewed, at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Normal repairs and maintenance are charged to profit and loss account as and when incurred. Major renewals and improvements are capitalized and the assets so replaced are retired.

Gains and losses on disposal or retirement of operating assets are taken to profit and loss account currently.

### Assets subject to finance leases

The Company accounts for operating assets acquired under finance leases by recording the assets and related liabilities. The amounts are determined at the inception of lease on the basis of the lower of the fair value and the present value of minimum lease payments. Financial charges are allocated to accounting period in a manner so as to achieve the constant rate on the outstanding balance. Depreciation is charged to profit and loss account applying the same basis as for owned assets. Outstanding obligations under the lease less finance costs allocated to future periods are shown as liability.

### Capital work in progress

Capital work in progress is stated at cost. The costs are transferred to fixed assets as and when assets are available for use.

### 3.10 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortized on a straight-line basis over their estimated useful lives unless such lives are indefinite.

Costs associated with maintaining computer software are recognised as an expense as and when incurred.

### 3.11 Held to maturity investments

Financial assets with fixed and determinable payments and fixed maturity, for which the Company has ability and intention to hold till maturity are classified as held to maturity investments. These instruments are initially recognised in the balance sheet at fair value and subsequently measured at amortized cost using effective interest rate method.

### 3.12 Stores and spares

These are valued at cost determined on first-in-first-out. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon up to the balance sheet date.

### 3.13 Stock-in-trade

Stock-in-trade is valued at the lower of cost determined on first-in-first-out basis and net realizable value except for stock in transit which is stated at invoice value plus other charges paid thereon. Cost in relation to work in process and manufactured finished goods represents direct cost of materials, direct wages and appropriate manufacturing overheads. Cost of goods purchased for resale comprises of purchase price, import duties, taxes (other than those subsequently recoverable by the entity from the taxing authorities) and other directly attributable cost wherever applicable.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value signifies the estimated selling price in the ordinary course of business less net estimated costs of completion and selling expenses.

The management continuously reviews its inventory for existence of any items which may have become obsolete. These estimates are based on historical experience and are continuously reviewed. Provision is made for slow moving inventory based on management's estimation.

### 3.14 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, in transit and deposits held with banks. Short term running finance facilities availed by the Company are also included as part of cash and cash equivalents for the purpose of statement of cash flows.

### 3.15 Derivative financial instruments

Derivatives that do not qualify for hedge accounting are recognised in the balance sheet at their estimated fair value with corresponding effect to profit and loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

### 3.16 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the financial statements only when, the Company has a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### 3.17 Impairment

The carrying amount of the Company's non financial assets other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an asset exceeds its recoverable amount.

### 3.18 Foreign currency transactions and translation

Foreign currency transactions are translated into Pak Rupees at exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Pak Rupees at the rates of exchange prevailing at the balance sheet date. Exchange gains and losses are included in profit and loss account currently.

### 3.19 Revenue recognition

Revenue from sales of goods are recognised when the significant risks and rewards of ownership are transferred to the buyers.

Carrying charges represent the difference between the cash sales price and hire purchase sales price and is recognised through profit and loss account on straight line basis over the term of hire purchase.

Income on deposits and investment securities are recognised on accrual basis.

### 3.20 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.



#### 4. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2007		2006		2007		2006	
Number of Shares				(Rupees in '000)			
Fully paid-up Ordinary shares of Rs. 10 each							
11,461,568	2,272,634	Issued for cash		114,615		22,726	
703,733	703,733	Issued for consideration other than cash		7,037		7,037	
12,338,523	10,340,929	Issued as bonus shares		123,386		103,410	
<u>24,503,824</u>	<u>13,317,296</u>			<u>245,038</u>		<u>133,173</u>	

Singer (Pakistan) B.V., Netherlands, which is wholly owned subsidiary of Retail Holdings N.V., Netherlands, held 17,220,184 (2006: 9,331,179) ordinary shares of Rs. 10 each.

#### 5. DEFERRED INCOME

	Note	2007	2006
		(Rupees in '000)	
Grant amount		11,141	11,141
Accumulated amortisation		(3,254)	(2,326)
Amortisation during the year	29	(928)	(928)
		<u>(4,182)</u>	<u>(3,254)</u>
Balance as at 31 December		<u>6,959</u>	<u>7,887</u>

This represents grant received from World Bank disbursed through Government of Pakistan under Montreal Protocol for phasing out Ozone Depleting Substance (ODS). The grant was utilised by the Company in acquiring Green Gas Plant for converting traditional gas used for refrigeration into green gas in compliance with Regulations of Environmental Protection Agency. Under these Regulations refrigerator manufacturers are required to convert their manufacturing facilities from ODS to green gas, which is ozone friendly.

#### 6. LONG TERM LOANS - secured

This represents long term loans from financial institutions under mark-up arrangements:

	Security	Instalments payable	Repayment period	Mark-up rate	2007	2006
					(Rupees in '000)	
Term loan 1	6.1	half-yearly	2007-2011	6 Months KIBOR plus 1.25%	100,000	-
Term loan 2	6.1	quarterly	2006-2010	6 Months KIBOR plus 1.50%	62,500	87,500
Term loan 3	6.1	quarterly	2006-2010	6 Months KIBOR plus 1.50%	51,563	70,312
Term loan 4	6.3	quarterly	2007-2011	6 Months KIBOR plus 1.50%	40,625	-
Term loan 5	6.3	quarterly	2005-2009	6 Months KIBOR plus 1.00%	10,938	17,187
Term loan 6	6.2	quarterly	2004-2008	6 Months KIBOR plus 2.50%	9,000	21,000
Term loan 7	6.1	half-yearly	2003-2007	6 Months KIBOR plus 1.50%	-	2,778
Term loan 8	6.3	quarterly	2003-2007	6 Months KIBOR plus 1.00%	-	4,167
					<u>274,626</u>	<u>202,944</u>
Current portion of long term loans					<u>(88,167)</u>	<u>(68,944)</u>
					<u>186,459</u>	<u>134,000</u>

6.1 First pari passu charge on fixed assets of the Company, located at its factory.

6.2 Charge over present and future assets of the Company, located at its factory.

6.3 Equitable charge on owned shops of the Company, including building, structure, plant, machinery and equipment related to the said shops.

## 7. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASES

Represents finance leases entered into with leasing companies and modarabas for plant and machinery, computers and vehicles. Monthly payments of leases bearing pre-determined mark-up rates include finance charge ranging from 7% to 14% (2006: 7% to 14%) per annum which are used as discounting factor.

Monthly payments of leases bearing variable mark-up rates include finance charge at KIBOR Plus 2.25% to 3.0% (2006: KIBOR Plus 2.75% ) is determined on quarterly / semi-annual basis for future rentals.

The future minimum lease payments and their present values, to which the Company is committed under various leases arrangements are as follows:

	2007			2006		
	Minimum lease payments	Finance charge	Present value	Minimum lease payments	Finance charge	Present value
	----- (Rupees in '000) -----					
Not later than one year	15,611	4,485	11,126	8,753	1,947	6,806
Later than one year and not later than five years	41,853	6,729	35,124	18,012	2,308	15,704
	<b>57,464</b>	<b>11,214</b>	<b>46,250</b>	<b>26,765</b>	<b>4,255</b>	<b>22,510</b>

## 8. LONG TERM DEPOSITS

Represents security deposits from field staff repayable on retirement, resignation or termination from service and carry interest at 5% (2006: 5%) compounded annually.

## 9. DEFERRED TAX LIABILITIES

Credit / (debit) balances arising on account of:

- accelerated tax depreciation and finance leases
- provision for slow moving stock-in-trade
- provision for doubtful debts
- provision for other receivables
- provision for employee retirement and other service benefits

	2007	2006
	(Rupees in '000)	
	17,295	16,236
	(1,408)	(1,362)
	(6,920)	(6,002)
	-	(2,381)
	(512)	(694)
	<b>8,455</b>	<b>5,797</b>

## 10. EMPLOYEE RETIREMENT BENEFITS

The actuarial valuation of both pension and gratuity schemes was carried out as at 31 December 2007.

The projected unit credit method, using the following significant assumptions, has been used for the actuarial valuation:

- Discount rate is 10% per annum (2006: 10%).
- Expected rate of increase in salaries 8% per annum (2006: 8%).
- Expected rate of return on plan assets 12.5% per annum (2006: 11.5 %).
- Expected rate of increase in pension 0% (2006: 0%).

The amounts recognised in balance sheet are as follows:

	Pension fund		Gratuity			
	2007	2006	Permanent employees		Field staff	
	2007	2006	2007	2006	2007	2006
	----- (Rupees in '000) -----					
Present value of defined benefit obligation	39,931	31,666	50,377	41,294	1,755	2,193
Fair value of plan assets	(51,456)	(46,765)	(53,293)	(44,705)	-	-
	(11,525)	(15,099)	(2,916)	(3,411)	1,755	2,193
Unrecognised non-vested benefits	-	-	-	-	-	-
Un recognised actuarial gains	5,908	11,848	3,123	3,084	-	-
(Asset) / liability in balance sheet	(5,617)	(3,251)	207	(327)	1,755	2,193
<b>Movement in liability for defined benefit obligations</b>						
Liability for defined benefit obligation at 1 January	31,666	29,731	41,294	34,761	2,193	1,956
Benefits paid by the plan	(1,042)	(1,044)	(18)	(4,747)	(892)	(289)
Current service cost	941	756	1,831	1,648	454	526
Interest cost	3,130	2,636	3,693	2,949	-	-
Actuarial (gains) / losses	5,236	(413)	3,577	6,683	-	-
Liability for defined benefit obligation at 31 December	39,931	31,666	50,377	41,294	1,755	2,193
<b>Movement in plan assets</b>						
Fair value of plan assets - beginning of the year	46,765	41,111	44,705	40,707	-	-
Contribution to fund	-	-	-	-	-	-
Benefits paid	(1,042)	(1,044)	(18)	(4,747)	-	-
Expected return on plan assets	5,640	3,593	4,990	3,445	-	-
Actuarial gains	93	3,105	3,616	5,300	-	-
Fair value of plan assets - closing date	51,456	46,765	53,293	44,705	-	-
<b>Expense recognised in profit or loss account</b>						
Current service cost	941	756	1,831	1,648	454	526
Interest cost	3,130	2,636	3,693	2,949	-	-
Expected return on plan assets	(5,640)	(3,593)	(4,990)	(3,445)	-	-
Amortisation of actuarial gain	(797)	(527)	-	(370)	-	-
	(2,366)	(728)	534	782	454	526
The expense is recognised in the following line items in the profit and loss account :						
Cost of sales	(789)	(269)	150	289	-	-
Marketing, selling and distribution costs	(907)	(272)	200	292	454	526
Administrative expenses	(670)	(187)	184	201	-	-
	(2,366)	(728)	534	782	454	526
Actual return on plan assets	5,733	6,698	8,606	8,745	-	-
<b>Composition / fair value of plan assets used by the fund</b>						
	----- (Percent %) -----					
Equity	0	0	0	0	N/A	N/A
Debt instruments	99	99	99	100	N/A	N/A
Others	1	1	1	0	N/A	N/A
<b>Expected return on plan assets used by the fund</b>						
Expected return on equity	N/A	N/A	N/A	N/A	N/A	N/A
Expected return on debt instruments	12.5	11.5	12.5	11.5	N/A	N/A
Expected return on others	4	3	4	3	N/A	N/A

## Historical information

	2007	2006	2005	2004	2003
	----- (Rupees in '000) -----				
Present value of the defined benefit obligation	(92,063)	(75,153)	(66,448)	(64,185)	(54,253)
Fair value of plan assets	104,749	91,470	81,818	74,428	58,543
	<u>12,686</u>	<u>16,317</u>	<u>15,370</u>	<u>10,243</u>	<u>4,290</u>
Unrecognised non-vested benefits	-	-	-	-	-
Surplus in the plan	<u>12,686</u>	<u>16,317</u>	<u>15,370</u>	<u>10,243</u>	<u>4,290</u>
Experience adjustments arising on plan liabilities	<u>(8,813)</u>	<u>(3,273)</u>	<u>(516)</u>	<u>(8,616)</u>	<u>(1,758)</u>
Experience adjustments arising on plan assets	<u>3,709</u>	<u>8,405</u>	<u>2,836</u>	<u>12,941</u>	<u>3,671</u>

	Note	2007	2006
		(Rupees in '000)	
<b>11. TRADE AND OTHER PAYABLES</b>			
Creditors		116,197	111,316
Bills payable		113,877	63,610
Accrued liabilities and provisions		20,845	21,189
Due to associated companies	11.1		
- for royalty		34,841	32,520
- for goods		8,355	31,081
- others		709	517
Advances from dealers		3,014	2,309
Retention from employees		5,104	6,551
Provision in respect of compensated absences		995	801
Provisions in respect of warranty obligations	11.2	4,958	4,236
Sales tax and excise duty		31,127	31,679
Unrealised loss on derivative financial instruments		987	271
Workers' profits participation fund	11.3	3,627	3,171
Workers' welfare fund		1,369	881
Unclaimed dividends		808	808
Others		2,259	1,660
		<u>349,072</u>	<u>312,600</u>

11.1 The maximum aggregate amount due to associated companies at the end of any month during the year was Rs.82.4 million (2006: Rs. 72.5 million).

11.2 Warranty obligations	Note	2007 (Rupees in '000)	2006
Balance at beginning of the year		4,236	6,038
Additional provision	25	6,488	6,080
Provision utilised during the year		(5,766)	(7,882)
Balance at end of the year		<u>4,958</u>	<u>4,236</u>

### 11.3 Workers' profits participation fund

Balance at beginning of the year		3,171	2,933
Allocation for the year	27	3,422	2,247
Interest on funds utilised in the Company's business	28	205	219
		<u>6,798</u>	<u>5,399</u>
Payments made during the year		(3,171)	(2,228)
Balance at end of the year		<u>3,627</u>	<u>3,171</u>

## 12. SHORT TERM RUNNING FINANCES - secured

This represents short term running finance facilities from various banks aggregating to Rs. 783.1 million (2006: Rs. 455.1 million), carrying mark-up rate of 10.43 to 11.54 percent (2006: 11.48 to 12.42 percent) per annum. These arrangements are secured by hypothecation of stock-in-trade, trade debts and charge on property, plant and equipment of the Company.

## 13. CONTINGENCIES AND COMMITMENTS

### 13.1 Contingencies

There are certain pending lawsuits initiated by and against the Company concerning shop leases and ex-employees. However, based on the consultation with the legal advisors, management believes that no significant liability is likely to occur in these cases. Guarantees have been extended by various commercial banks amounting to Rs. 0.966 million (2006: Rs. 0.966 million).

13.2 Commitments	Note	2007 (Rupees in '000)	2006
Outstanding letters of credit		<u>169,398</u>	<u>75,929</u>
Software development		<u>19,037</u>	<u>-</u>

## 14. PROPERTY, PLANT AND EQUIPMENT

Operating assets	14.1	<u>138,274</u>	110,171
Capital work-in-progress	14.2	<u>18,641</u>	141
		<u>156,915</u>	<u>110,312</u>

## 14.1 Operating assets

	2007												
	COST					Rates %	DEPRECIATION					WDV	
	As at 1 January	Additions/transfer from CWIP	Disposals	Transfers	As at 31 December		As at 1 January	For the year	Disposals	Transfers	As at 31 December	As at 31 December	
(Rupees in '000)					(Rupees in '000)								
<b>Owned</b>													
Leasehold land	350	-	-	-	350	1	100	4	-	-	104	246	
Buildings on leasehold land	22,885	1,001	(175)	-	23,711	3	7,875	642	(24)	-	8,493	15,218	
Leasehold improvements	48,660	23,713	(2,632)	-	69,741	10	14,501	5,582	(1,335)	-	18,748	50,993	
Plant and machinery	115,308	2,617	(910)	-	117,015	8.33	89,329	1,962	(875)	-	90,416	26,599	
Furniture and equipment	17,130	4,177	(147)	-	21,160	10	11,641	1,201	(121)	-	12,721	8,439	
Vehicles	2,775	59	(1,202)	-	1,632	20	2,235	80	(1,199)	-	1,116	516	
Computers	6,480	676	(41)	1,154	8,269	20	5,056	775	-	1,039	6,870	1,399	
	<b>213,588</b>	<b>32,243</b>	<b>(5,107)</b>	<b>1,154</b>	<b>241,878</b>		<b>130,737</b>	<b>10,246</b>	<b>(3,554)</b>	<b>1,039</b>	<b>138,468</b>	<b>103,410</b>	
<b>Leased</b>													
Plant and machinery	16,035	2,020	-	-	18,055	8.33	2,072	1,080	-	-	3,152	14,903	
Vehicles	17,344	4,623	-	-	21,967	20	5,289	1,508	-	-	6,797	15,170	
Computers	2,259	4,397	-	(1,154)	5,502	20	957	793	-	(1,039)	711	4,791	
	<b>35,638</b>	<b>11,040</b>	<b>-</b>	<b>(1,154)</b>	<b>45,524</b>		<b>8,318</b>	<b>3,381</b>	<b>-</b>	<b>(1,039)</b>	<b>10,660</b>	<b>34,864</b>	
	<b>249,226</b>	<b>43,283</b>	<b>(5,107)</b>	<b>-</b>	<b>287,402</b>		<b>139,055</b>	<b>13,627</b>	<b>(3,554)</b>	<b>-</b>	<b>149,128</b>	<b>138,274</b>	
2006													
	COST / ASSIGNED VALUE					Rates %	DEPRECIATION					WDV	
	As at 1 January	Additions/transfer from CWIP	Disposals	Transfers	As at 31 December		As at 1 January	For the year	Disposals	Transfers	As at 31 December	As at 31 December	
	(Rupees in '000)					(Rupees in '000)							
<b>Owned</b>													
Leasehold land	350	-	-	-	350	1	96	4	-	-	100	250	
Buildings on leasehold land	22,885	-	-	-	22,885	3	7,239	636	-	-	7,875	15,010	
Leasehold improvements	35,948	12,712	-	-	48,660	10	10,723	3,778	-	-	14,501	34,159	
Plant and machinery	112,237	3,459	(388)	-	115,308	8.33	87,117	2,600	(388)	-	89,329	25,979	
Furniture and equipment	15,402	1,833	(105)	-	17,130	10	10,781	948	(88)	-	11,641	5,489	
Vehicles	4,773	71	(3,068)	999	2,775	20	3,806	191	(2,262)	500	2,235	540	
Computers	5,583	897	-	-	6,480	20	4,586	470	-	-	5,056	1,424	
	<b>197,178</b>	<b>18,972</b>	<b>(3,561)</b>	<b>999</b>	<b>213,588</b>		<b>124,348</b>	<b>8,627</b>	<b>(2,738)</b>	<b>500</b>	<b>130,737</b>	<b>82,851</b>	
<b>Leased</b>													
Plant and machinery	16,035	-	-	-	16,035	8.33	1,003	1,069	-	-	2,072	13,963	
Vehicles	13,661	4,682	-	(999)	17,344	20	4,310	1,479	-	(500)	5,289	12,055	
Computers	1,154	1,105	-	-	2,259	20	597	360	-	-	957	1,302	
	<b>30,850</b>	<b>5,787</b>	<b>-</b>	<b>(999)</b>	<b>35,638</b>		<b>5,910</b>	<b>2,908</b>	<b>-</b>	<b>(500)</b>	<b>8,318</b>	<b>27,320</b>	
	<b>228,028</b>	<b>24,759</b>	<b>(3,561)</b>	<b>-</b>	<b>249,226</b>		<b>130,258</b>	<b>11,535</b>	<b>(2,738)</b>	<b>-</b>	<b>139,055</b>	<b>110,171</b>	

14.1.1 Buildings on leasehold land include the value assigned to a shop acquired by the Company in exchange for a shop on rent. In addition, the Company has also capitalised the exchange differences of Rs. 1.380 million arising on devaluation of Pak rupee in 1972.

### 14.1.2 Depreciation for the year has been allocated as follows:

	Note	2007 (Rupees in '000)	2006
Cost of sales	24.1	4,709	4,841
Marketing, selling and distribution costs	25	7,547	5,801
Administrative expenses	26	1,371	893
		<u>13,627</u>	<u>11,535</u>

### 14.1.3 Detail of property, plant and equipment disposed off during the year :

	Cost	Accumulated depreciation	Book value	Claim / sale proceeds	Gain / (loss)	Mode of disposal	Particulars of Purchaser
----- (Rupees in '000) -----							
Leasehold Improvement	1,462	1,062	400	400	-	Negotiation	Mr. Javaid Ali Ghori
Leasehold Improvement	1,171	273	898	898	-	Insurance Claim	New Jubilee Insurance Co.
Building	175	24	151	151	-	Insurance Claim	New Jubilee Insurance Co.
Written down value not exceeding Rs. 50,000 each	2,299	2,195	104	851	747	Tender / Negotiation	Various
	<u>5,107</u>	<u>3,554</u>	<u>1,553</u>	<u>2,300</u>	<u>747</u>		

### 14.2 Capital work in progress

	2007 (Rupees in '000)	2006
Balance as at 1 January	141	1,478
Additions during the year	21,087	1,974
Transfers to operating assets	(2,587)	(3,311)
Balance as at 31 December	<u>18,641</u>	<u>141</u>

## 15. INTANGIBLE ASSETS

		COST			Rate %	AMORTISATION			WDV
		As at 1 January	Additions	As at 31 December		As at 1 January	For the year	As at 31 December	As at 31 December
---- (Rupees in '000) ----									
Software	2007	<u>3,589</u>	<u>4,228</u>	<u>7,817</u>	25	<u>2,767</u>	<u>384</u>	<u>3,151</u>	<u>4,666</u>
Software	2006	<u>2,952</u>	<u>637</u>	<u>3,589</u>	25	<u>2,392</u>	<u>375</u>	<u>2,767</u>	<u>822</u>

### 15.1 Amortization for the year has been allocated as follows:

	Note	2007 (Rupees in '000)	2006
Cost of sales	24.1	192	190
Administrative expenses	26	192	185
		<u>384</u>	<u>375</u>

	Note	2007 (Rupees in '000)	2006
<b>16. INVESTMENT</b>			
<b>Held to maturity</b>			
Pakistan Investment Bonds (PIBs)		<u>6,894</u>	<u>7,026</u>
The above PIBs are of 5 years tenure carrying a coupon rate of 7% with maturity in October 2008 having semi-annual interest payments.			
<b>17. LONG TERM DEPOSITS</b>			
Deposits			
- shops and others		23,163	17,711
- leases		4,233	2,764
		<u>27,396</u>	<u>20,475</u>
<b>18. STOCK-IN-TRADE</b>			
Raw materials			
- in stores		30,614	19,817
- in bonded warehouse		54,438	54,378
- in transit		39,979	45,458
		<u>125,031</u>	<u>119,653</u>
Work in process		31,747	21,780
Finished goods			
- own manufactured	24	166,170	123,188
- purchased for resale	24	75,160	45,471
		<u>241,330</u>	<u>168,659</u>
Provision for slow moving items		(4,822)	(4,640)
		<u>393,286</u>	<u>305,452</u>
<b>19. TRADE DEBTS</b>			
Considered good			
Hire purchase (note 19.1)			
- Retail		623,711	503,659
- Institutional		216,503	204,428
		<u>840,214</u>	<u>708,087</u>
Unearned carrying charges		(101,404)	(92,012)
		<u>738,810</u>	<u>616,075</u>
Dealers		70,032	59,822
		<u>808,842</u>	<u>675,897</u>
Considered doubtful		19,542	16,300
		<u>828,384</u>	<u>692,197</u>
Provision for doubtful debts	19.2	(19,542)	(16,300)
		<u>808,842</u>	<u>675,897</u>

19.1 The hire purchase contracts are generally for a period ranging from 6 months to 12 months carrying interest rates prevalent in the market.

19.2 The company has recognised a provision of Rs. 14.086 million (2006: Rs. 11.297 million) for doubtful debts, and Rs. 10.844 million were written off (2006: Rs.16.940 million) during the year.



<b>20. ADVANCES, DEPOSITS AND PREPAYMENTS</b>	<b>2007</b>	<b>2006</b>
	<b>(Rupees in '000)</b>	
Advances - considered good		
- Employees and executives	677	818
- Suppliers	935	1,048
- Software development	7,886	-
	<u>9,498</u>	<u>1,866</u>
Deposits - trade	825	769
Deposits - customs	8,167	6,464
Claims	6,293	4,151
Prepayments	5,150	4,802
	<u>29,933</u>	<u>18,052</u>
Provision for doubtful claims	(4,151)	(4,151)
	<u>25,782</u>	<u>13,901</u>

**20.1** The maximum aggregate amount of advances due from executives at the end of any month during the year was Rs. 1.278 million (2006: Rs. 0.246 million).

## 21. OTHER RECEIVABLES

Insurance claims	4,963	612
Commission	-	8,114
Accrued interest income	764	1,450
Others	1,309	239
	<u>7,036</u>	<u>10,415</u>
Provision for doubtful receivables	-	(8,114)
	<u>7,036</u>	<u>2,301</u>

**21.1** The commission receivable of Rs. 8.114 million were written off (2006: Rs.Nil) during the year.

## 22. CASH AND BANK BALANCES

Cash in hand	1,426	1,533
With banks in		
- current accounts	7,814	3,999
- deposit accounts	16,033	11,260
	<u>23,847</u>	<u>15,259</u>
In transit	74,140	55,742
	<u>99,413</u>	<u>72,534</u>

	Note	2007 (Rupees in '000)	2006
<b>23. Net Sales</b>			
Sales			
- Local		1,742,751	1,423,808
- Export		1,422	3,304
		<u>1,744,173</u>	<u>1,427,112</u>
Earned carrying charges		179,792	141,880
		<u>1,923,965</u>	<u>1,568,992</u>
- Sales tax / excise duty		(218,773)	(185,167)
- Commissions / discounts		(121,494)	(101,820)
		<u>(340,267)</u>	<u>(286,987)</u>
		<u>1,583,698</u>	<u>1,282,005</u>
<b>24. COST OF SALES</b>			
Opening stock - finished goods			
- own manufactured		123,188	97,086
- purchased for resale		45,471	39,944
		<u>168,659</u>	<u>137,030</u>
Purchases		463,025	360,317
Cost of goods manufactured	24.1	835,008	673,242
		<u>1,466,692</u>	<u>1,170,589</u>
Closing stock - finished goods			
- own manufactured	18	(166,170)	(123,188)
- purchased for resale	18	(75,160)	(45,471)
		<u>(241,330)</u>	<u>(168,659)</u>
		<u>1,225,362</u>	<u>1,001,930</u>
<b>24.1 Cost of goods manufactured</b>			
Raw material consumed			
Opening stock		119,653	68,062
Purchases		736,502	620,189
		<u>856,155</u>	<u>688,251</u>
Closing stock		(125,031)	(119,653)
		<u>731,124</u>	<u>568,598</u>
Salaries, wages and other benefits	24.1.1	58,964	50,317
Stores and spares consumed		13,044	12,530
Depreciation on property, plant and equipment	14.1.2	4,709	4,841
Amortisation of intangible assets	15.1	192	190
Royalty		16,438	13,297
Fuel and power		9,239	8,614
Insurance		2,766	2,728
Rent, rates and taxes		2,273	1,208
Repairs and maintenance		3,132	1,204
Travelling and conveyance		2,008	1,525
Communication		460	509
Printing and stationery		341	343
Cartage and others		103	187
Provision for slow moving stock		182	1,481
Work in process - opening stock		21,780	27,450
Work in process - closing stock		(31,747)	(21,780)
Cost of goods manufactured		<u>835,008</u>	<u>673,242</u>

24.1.1 Salaries, wages and other benefits include Rs. 0.506 million (2006: Rs. 0.975 million) in respect of employee retirement benefits and Rs. 1.693 million (2006: Rs. 1.664 million) in respect of bonus to workers.

## 25. MARKETING, SELLING AND DISTRIBUTION COSTS

	Note	2007 (Rupees in '000)	2006
Publicity and sales promotions		73,674	52,733
Salaries and benefits	25.1	30,832	24,236
Rent, rates and taxes		24,073	19,290
Provision for doubtful debts		14,086	11,297
Utilities		8,961	7,375
Warranty obligations	11.2	6,488	6,080
Depreciation on property, plant and equipment	14.1.2	7,547	5,801
Travelling and conveyance		4,596	4,373
Communication		3,974	3,709
Printing and stationery		2,546	1,303
Repairs and renovations		371	437
Sundries		583	541
		<u>177,731</u>	<u>137,175</u>

25.1 Salaries and benefits include Rs. 0.960 million (2006: Rs. 1.514 million) in respect of employee retirement benefits.

## 26. ADMINISTRATIVE EXPENSES

Salaries and benefits	26.1	19,391	16,554
Rent, rates and taxes		2,432	1,961
Utilities		2,239	1,901
Communication		2,622	2,278
Travelling and conveyance		1,076	944
Depreciation on property, plant and equipment	14.1.2	1,371	893
Amortisation of intangible assets	15.1	192	185
Printing and stationery		826	784
		<u>30,149</u>	<u>25,500</u>

26.1 Salaries and benefits include Rs. 0.388 million (2006: Rs. 0.675 million) in respect of employee retirement benefits.

	Note	2007 (Rupees in '000)	2006
<b>27. OTHER OPERATING EXPENSES</b>			
Legal and professional charges		2,704	2,545
Amortisation of premium on Pakistan Investment Bonds		132	122
Auditors' remuneration	27.1	525	400
Donations	27.2	127	-
Loss on revaluation of derivative financial instruments		987	271
Exchange loss		2,184	1,562
Workers' profits participation fund	11.3	3,422	2,247
Workers' welfare fund		1,369	881
		<u>11,450</u>	<u>8,028</u>
<b>27.1 Auditors' remuneration</b>			
Audit fee		280	240
Certification and limited review		195	120
Out of pocket expenses		50	40
		<u>525</u>	<u>400</u>
<b>27.2 No director or his spouse has any interest in the donee's fund.</b>			
<b>28. FINANCE COSTS</b>			
Mark-up on long term loans		33,901	23,218
Mark-up on short term running finances under mark-up arrangements		44,603	40,751
Interest on workers' profits participation fund	11.3	205	219
Finance lease charges		3,416	2,234
Interest on employee security deposit		802	560
Bank charges		2,949	3,933
		<u>85,876</u>	<u>70,915</u>
<b>29. OTHER INCOME</b>			
<b>Income from financial assets</b>			
Interest on deposit accounts		826	512
Interest on Pakistan Investment Bonds (PIBs)		476	476
<b>Income from non-financial assets</b>			
Gain on disposal of property, plant and equipment	14.1.3	747	962
Amortisation of deferred income	5	928	928
Service income		2,538	1,724
Commissions and others		3,608	1,010
		<u>9,123</u>	<u>5,612</u>

	2007 (Rupees in '000)	2006
<b>30. TAXATION</b>		
Current	17,644	11,239
Prior	-	(3,619)
Deferred	2,658	4,158
	<u>20,302</u>	<u>11,778</u>

**30.1** The income tax assessments of the Company have been finalised up to and including the assessment year 2002-2003. Tax returns of subsequent tax years are deemed to be assessed under provisions of Income Tax Ordinance 2001. In respect of certain assessment years, the Company has filed appeals with appellate authorities for various disallowances and short credits of the taxes paid. However, no adverse liability is expected to occur.

**30.2 Numerical reconciliation between average effective tax rate and applicable tax rate:**

	(Percent)	
Applicable tax rate	35.0	35.0
Permanent differences, tax effect of income assessed under Final Tax Regime and others	(2.4)	-
Total tax expense	<u>32.6</u>	<u>35.0</u>

**31. EARNINGS PER SHARE - basic and diluted**

There is no dilutive effect on the basic earnings per share of the Company, which is based on :

	(Rupees in '000)	
Profit for the year	<u>41,951</u>	<u>32,291</u>
	(No. of shares in '000)	
Weighted average number of ordinary shares	<u>22,644</u>	<u>22,513</u>
	(Rupees)	
Earnings per share - basic and diluted	<u>1.85</u>	<u>1.43</u>

**31.1** The number of shares for the prior period has also been adjusted for the effect of bonus and right shares issued during the current year.

	Note	2007 (Rupees in '000)	2006
<b>32. CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	22	99,413	72,534
Short term running finances - secured		(447,054)	(398,855)
		<u>(347,641)</u>	<u>(326,321)</u>

### 33. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

#### 33.1 Interest / Mark-up Rate Risk Management

Interest / mark-up rate risk arises from the possibility that changes in interest / mark-up rates will affect the value of financial instruments. In respect of income earning financial assets and interest / mark-up bearing financial liabilities, the following table indicate their effective interest / mark-up rates at the balance sheet date and the periods in which they will re-price or mature:

	Effective mark up rates %	2007			Non-interest / mark-up bearing	Total
		Interest/ mark-up Bearing				
		Maturity less than one year	Maturity one to five years	Maturity after five years		
------(Rupees in '000)-----						
<b>Financial Assets</b>						
Investment	7	6,894	-	-	-	6,894
Long term deposits	-	-	-	-	27,396	27,396
Trade debts	18-26	738,810	-	-	70,032	808,842
Advances and deposits	-	-	-	-	19,697	19,697
Other receivables	-	-	-	-	7,036	7,036
Cash and bank balances	9 - 11	5,000	11,033	-	83,380	99,413
		<u>750,704</u>	<u>11,033</u>	<u>-</u>	<u>207,541</u>	<u>969,278</u>
<b>Financial Liabilities</b>						
Long term loans	11.00-12.50	88,167	186,459	-	-	274,626
Liabilities against assets						
subject to finance leases	7-14	11,126	35,124	-	-	46,250
Long term deposits	5	-	16,033	-	-	16,033
Trade and other payables	-	-	-	-	304,977	304,977
Mark-up accrued on short term running finances and long term loans	-	-	-	-	22,879	22,879
Short term running finances	10.43-11.54	447,054	-	-	-	447,054
		<u>546,347</u>	<u>237,616</u>	<u>-</u>	<u>327,856</u>	<u>1,111,819</u>
Net financial assets / (liabilities)		<u>204,357</u>	<u>(226,583)</u>	<u>-</u>	<u>(120,315)</u>	<u>(142,541)</u>

	Effective mark up rates %	2006			Non-interest / mark-up bearing	Total
		Interest/ mark-up Bearing				
		Maturity less than one year	Maturity one to five years	Maturity after five years		
------(Rupees in '000)-----						
<b>Financial Assets</b>						
Investment	7	-	7,026	-	-	7,026
Long term deposits	-	-	-	-	20,475	20,475
Trade debts	18-26	616,075	-	-	59,822	675,897
Advances and deposits	-	-	-	-	8,051	8,051
Other receivables	-	-	-	-	2,301	2,301
Cash and bank balances	9 - 10.50	-	11,260	-	61,274	72,534
		616,075	18,286	-	151,923	786,284
<b>Financial Liabilities</b>						
Long term loans	11.65-13.15	68,944	134,000	-	-	202,944
Liabilities against assets subject to finance leases	7-14	6,806	15,704	-	-	22,510
Long term deposits	5	-	10,858	-	-	10,858
Trade and other payables	-	-	-	-	270,324	270,324
Mark-up accrued on short term running finances and long term loans	-	-	-	-	17,505	17,505
Short term running finances	11.48-12.42	398,855	-	-	-	398,855
		474,605	160,562	-	287,829	922,996
Net financial assets / (liabilities)		141,470	(142,276)	-	(135,906)	(136,712)

### 33.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is mainly attributable to the outstanding debtor balances. The Company does not have a significant concentration of credit risk as exposure is spread over a large number of individuals. Out of total financial assets, the amount exposed to credit risk is Rs.808.84 million (2006: Rs.675.90 million). To reduce its exposure to the credit risk, the Company has developed a formal approval process and obtains third party guarantees in respect of certain credit risk exposures. Further, the management continuously monitors the credit exposure, reviews credit worthiness of its customers and makes provision against balances considered doubtful of recovery.

### 33.3 Liquidity risk

Liquidity risk reflects the Company's inability in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company follows an effective cash flow management to ensure availability of funds and to take appropriate measures for expected requirements.

### 33.4 Foreign exchange risk management

Foreign currency risk arises mainly where receivables and payables exist due to transactions with foreign suppliers and customers. Payables exposed to foreign currency risks are usually covered through foreign exchange forward cover contracts on the basis of management's assessment of fluctuations in rates.

### 33.5 Fair value of financial instruments

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

### 33.6 Interest / mark-up rate risk

The interest / mark-up rate risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest / mark up rate. Sensitivity to interest / mark-up rate risk arises from mismatches of financial assets and liabilities that mature or reprice in a given period. The Company has long term Rupee based loans at variable rates. Variable rate loans have a prepayment option, which can be exercised upon any adverse movement. Rates on short term loans are effectively fixed.

### 33.7 Capital management

The management's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management closely monitors the return on capital along with the level of distributions to ordinary share holders.

The management seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

## 34. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements in respect of remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Directors		Executives		Total	
	2007	2006	2007	2006	2007	2006	2007	2006
	(Rupees in '000)							
Managerial remuneration	4,570	3,870	2,659	3,010	5,605	3,561	12,834	10,441
Retirement benefits	381	322	221	251	462	297	1,064	870
Reimbursable expenditure	195	168	320	416	1,246	597	1,761	1,181
Housing	156	156	715	923	2,101	1,322	2,972	2,401
Leave passage and others	3,319	2,464	962	1,281	1,759	1,024	6,040	4,769
	<u>8,621</u>	<u>6,980</u>	<u>4,877</u>	<u>5,881</u>	<u>11,173</u>	<u>6,801</u>	<u>24,671</u>	<u>19,662</u>
Number of persons	1	1	2	3	8	4	11	8



**34.1** In addition to the above, the Chief Executive, Directors and Executives are provided with free use of the Company maintained cars and certain items of furniture and fixtures in accordance with their entitlement.

**34.2** Directors' remuneration includes Rs.2.247 million (2006: Rs.1.926 million) being the remuneration of the Executive appointed as Alternate Director.

**34.3** Aggregate amount charged in the financial statements for fee to four non-executive directors was Rs. 0.115 million (2006: three directors, Rs. 0.120 million).

### 35. TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The related parties comprises of parent company Singer (Pakistan) B.V., Netherlands - ultimate parent company Retail Holdings N.V., Netherlands, related foreign group companies, local associated companies, directors of the company, companies where directors also hold directorships, key management personnel and employee retirement benefit funds. The aggregate value of transactions and outstanding balances as at 31 December 2007 with related parties other than those which have been disclosed else where are as follows:

		Transaction Value		Balance payable / (receivable)	
		2007	2006	2007	2006
			(Rupees in '000)		
Royalty	35.1	16,438	13,297	34,841	32,520
Purchase of goods, materials and services	35.2	220,770	171,100	8,355	31,081
Dividend paid		-	-	517	517
Employee retirement benefits	35.3	1,854	3,164	(3,655)	(1,385)

**35.1** The Company accrues royalty to Singer Asia Limited, Cayman Islands (a subsidiary of Retail Holdings N.V., Netherlands) based on sales of the Company in accordance with the royalty agreement.

**35.2** Purchases of goods, materials and services are entered into on the basis of commercial terms and at market prices.

**35.3** Contributions to the employee retirement benefits are made in accordance with the terms of employee retirement benefit schemes and actuarial advice.

### 36. PLANT CAPACITY AND ACTUAL PRODUCTION

	Capacity (Units)	Actual Production	
		2007 (Units)	2006
Sewing machines	50,000	44,556	42,841
Gas appliances	25,000	17,730	15,974
Refrigerators / deep freezers	25,000	29,880	27,425
Washing machines	15,000	10,980	9,591
Colour televisions	20,000	21,456	17,388

Capacity reflects units expected to be produced on the basis of normal production hours. The under utilisation of capacity is mainly attributed to market conditions.

### 37. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors in its meeting held on 4 March 2008 has proposed a bonus issue of 12.5% (2006: 15% bonus issue). This appropriation will be approved in forthcoming Annual General Meeting.

### 38. DATE OF AUTHORISATION

These financial statements were authorised for issue in the meeting of Board of Directors held on 4 March 2008.

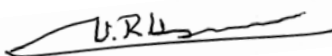
### 39. GENERAL

39.1 The comparative figures have been arranged and reclassified wherever necessary for the purpose of comparison.

39.2 Figures have been rounded off to the nearest thousand rupees except stated otherwise.



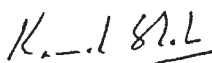
Chief Financial Officer



Chief Operating Officer



Director



Chief Executive

# SINGER

## PATTERN OF SHAREHOLDING AS PER REQUIREMENT OF CODE OF CORPORATE GOVERNANCE AS AT 31 DECEMBER 2007

Description	No. of Shares
<b>Associated Companies, Undertakings and Related Parties</b>	
Singer (Pakistan) B.V. Holding Company	17,220,184
First Dawood Investment Bank Limited	22,009
Continental Furnishing Co., (Pvt.) Limited	174
Pakistan Agencies Limited	174
Industrial Engineers Limited	174
<b>Chief Executive Officer</b>	
Mr. Kamal Shah	45,071
<b>Directors</b>	
Mr. Rasheed Y. Chinoy	770,075
Mr. Jahangir Siddiqui	17,655
Mr. Stephen H. Goodman {Nominee of Singer (Pakistan) B. V.}	440
Mr. Gavin Walker {Nominee of Singer (Pakistan) B. V.}	134
Mr. Peter James O' Donnell {Nominee of Singer (Pakistan) B. V.}	16
Mr. U. R. Usmani	1,444
Mr. Badaruddin F. Vellani (Alternate of Mr. Gavin Walker)	1,259
Mr. Fareed Khan (Alternate of Mr. Stephen H. Goodman)	100
<b>Director's Spouse</b>	
Mrs. Kamal Shah	58,480
<b>Executives</b>	
	2,302
<b>Public Sector Companies and Corporations, Banks / Financial Institutions, Insurance Companies, Mutual Funds etc.</b>	
	4,274,204
<b>Shareholder Holding Ten Percent or More Voting Interest</b>	
Singer (Pakistan) B. V. Holding Company	17,220,184
Jahangir Siddiqui & Co. Ltd.	4,204,400

### Details of Purchase / Sale of Shares by Directors, CEO, COO, CFO & Company Secretary and their Spouses & Minor Children During 2007

Name	Shares Purchased	Shares Sold
Mr. Kamal Shah	17,141 *	-
Mr. U. R. Usmani	541 *	-
Mr. Rasheed Y. Chinoy	310,556 *	50,000
Mr. Jahangir Siddiqui	14,278 *	-
Mr. Badaruddin F. Vellani	472 *	-
Mr. Fareed Khan	100	-
Mrs. Kamal Shah	21,930 *	-

\* Subscribed against Right Shares of Singer Pakistan Limited

# SINGER

## PATTERN OF HOLDING OF SHARES HELD BY THE SHAREHOLDERS OF SINGER PAKISTAN LIMITED AS AT 31 DECEMBER 2007

Number of Shareholders	From	Shareholding	To	Total Number of Shares Held
211	1	-	100	8,996
222	101	-	500	54,841
180	501	-	1000	137,381
132	1001	-	5000	253,734
10	5001	-	10000	75,029
6	10001	-	15000	73,547
3	15001	-	20000	52,048
1	20001	-	25000	21,592
1	25001	-	30000	28,753
1	40001	-	45000	43,812
1	50001	-	55000	52,400
1	55001	-	60000	58,480
1	80001	-	85000	81,838
1	115001	-	120000	115,859
1	130001	-	135000	134,916
1	160001	-	165000	162,148
1	190001	-	195000	190,700
1	265001	-	270000	266,634
1	400001	-	405000	403,492
1	415001	-	420000	418,742
1	845001	-	850000	847,790
1	4200001	-	4205000	4,204,400
1	16815001	-	16820000	16,816,692
<b>780</b>				<b>24,503,824</b>

## CATEGORIES OF SHAREHOLDERS BY THE SHAREHOLDERS OF SINGER PAKISTAN LIMITED AS AT 31 DECEMBER 2007

S.No.	Categories of Share Holders	Number of Shareholders	Number of Shares Held	Percentage %
1	Associated Companies, Undertakings and Related Parties	7	17,242,715	70.37
2	Joint Stock Companies	15	4,273,805	17.44
3	Individuals	754	2,986,905	12.19
4	Banks, Development Finance Institutions, NBFC, Mutual Funds & Modarbas	4	399	-
	<b>TOTAL</b>	<b>780</b>	<b>24,503,824</b>	<b>100.00</b>

## FORM OF PROXY

The Company Secretary  
Singer Pakistan Limited,  
Plot No. 39, Sector 19,  
Korangi Industrial Area, Korangi,  
**KARACHI**

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a member of **Singer Pakistan Limited** hereby appoint \_\_\_\_\_  
of \_\_\_\_\_  
or failing him \_\_\_\_\_  
of \_\_\_\_\_  
as my proxy in my absence to attend, speak and vote for me and on my behalf at the Forty Seventh Annual General Meeting of the Company to be held on Monday 31 March 2008 and at any adjournment thereof.  
As witness my / our hand this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

### Witness No. 1

Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
\_\_\_\_\_  
CNIC No. : \_\_\_\_\_

Rs. 5/-  
Revenue  
Stamp

\_\_\_\_\_  
Signature of Member(s)

### Witness No. 2

Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
\_\_\_\_\_  
CNIC No. : \_\_\_\_\_

\_\_\_\_\_  
(Name in Block letters)

Folio No. \_\_\_\_\_

Participant ID No. \_\_\_\_\_

Account No. in CDC \_\_\_\_\_

### Important:

1. CDC Account Holders are requested to strictly follow the guidelines mentioned in the Notice of Meeting.
2. A Member entitled to attend a General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
3. Members are requested:
  - (a) To affix Revenue Stamp of Rs. 5/- at the place indicated above.
  - (b) to sign across the Revenue Stamp in the same style of signature as is registered with the Company.
  - (c) To write down their Folio Numbers.
4. This form of proxy, duly completed and signed across a Rs. 5/- revenue stamp, must be deposited at the Company's Registered Office not less than 48 hours before the time for holding the meeting.



The Company Secretary  
Singer Pakistan Limited,  
Plot No. 39, Sector 19,  
Korangi Industrial Area, Korangi,  
**KARACHI**

AFFIX  
CORRECT  
POSTAGE

Fold : Here

Fold : Here

Fold : Here

Fold : Here

## Singer Factory



A view of Singer Factory located in Korangi Industrial Area, Karachi.

**SINGER PAKISTAN LIMITED**  
608, (6th FLOOR), BEAUMONT PLAZA,  
BEAUMONT ROAD,  
NEAR PIDC HOUSE, KARACHI-75530,  
PAKISTAN.

[www.singerpakistan.com.pk](http://www.singerpakistan.com.pk)

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