

July 17, 2021

To,  
National Stock Exchange of India Limited  
Symbol – SYMPHONY

To,  
BSE Limited  
Security Code - 517385

Dear Sir / Madam,

**Sub.: Notice of 34<sup>th</sup> Annual General Meeting (AGM), Annual Report and E-voting**

We are submitting herewith the Annual Report of the Company for the financial year 2020-21, alongwith notice of 34<sup>th</sup> AGM of the Company scheduled to be held on Tuesday, August 10, 2021 at 10:00 A.M. (IST) through Video Conference (VC)/Other Audio Visual Means (OAVM).

As per Section 108 of the Companies Act, 2013, read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide to its members the facility to cast their vote(s) on all resolutions set forth in the Notice by electronic means ('remote e-voting'). The detailed instructions for remote e-voting are mentioned in the attached Notice of AGM.

**The schedule of events of 34<sup>th</sup> AGM is set out below:**

Particular	Details	Time
Day, Date and Time	Tuesday, August 10, 2021	10:00 a.m.
Mode	Video conference and other audio visual means	-
Link for participation	<a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>	-
E-voting cut off date	Tuesday, August 3, 2021	-
E-voting start date	Friday, August 6, 2021	9:00 a.m.
E-voting end date	Monday, August 9, 2021	5:00 p.m.

This is in due compliance of Regulation 34 (1), 44 and other applicable provisions of the Listing Regulations and Circulars issued by MCA and SEBI.

This is for the purpose of dissemination of information widely to the Members of the Company.

Thanking You,

Yours Truly,  
**For Symphony Limited**

**Mayur Barvadiya**  
**Company Secretary**

Encl.: As above

Email: [companysecretary@symphonylimited.com](mailto:companysecretary@symphonylimited.com)

Symphony Limited, Symphony House, Third Floor, FP12-TP50 Bodakdev, Off SG Highway, Ahmedabad-380059, Gujarat, India  
T: +91-79-66211111 F: +91-79-66211140 | [www.symphonylimited.com](http://www.symphonylimited.com)  
CIN - L32201GJ1988PLC010331



27°C  
world

# Contents

## Corporate overview

---

**02** \_\_\_\_\_  
Corporate Snapshot

**06** \_\_\_\_\_  
Financial Highlights

**16** \_\_\_\_\_  
Chairman and Managing  
Director's Statement

**22** \_\_\_\_\_  
The Symphony Brand Report

**46** \_\_\_\_\_  
Corporate Social  
Responsibility

**48** \_\_\_\_\_  
Management Discussion &  
Analysis

**58** \_\_\_\_\_  
Board of Directors

## Statutory section

---

**60** \_\_\_\_\_  
Board's Report

**80** \_\_\_\_\_  
Business Reponsibility Report

**88** \_\_\_\_\_  
Corporate Governance Report

## Financial section

---

**108** \_\_\_\_\_  
Consolidated Financial  
Statements

**176** \_\_\_\_\_  
Standalone Financial  
Statements

**241** \_\_\_\_\_  
Statement of Information on  
Subsidiaries in Form AOC-1

**242** \_\_\_\_\_  
Notice for AGM

### Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is

subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. Due to the global Corona virus outbreak (COVID-19), the company's operations were affected from the fourth quarter of FY2019-20, extending into FY2020-21, so the performance of the company for the FY2020-21 and FY2019-20 may not be strictly comparable.



---

Online Annual report  
[www.symphonylimited.com](http://www.symphonylimited.com)

---

## **At the outset...**

At Symphony, we need to send a clear message.

Much has transpired between the end of the last financial year and the time of writing this report.

The Second Wave of the pandemic has only deepened the uncertainty surrounding us.

In such times, it would be ill-advised to sound boastful or optimistic of our immediate prospects.

The reality is that no one knows how things may transpire a quarter ahead.

In such an environment, we will only assure our stakeholders that we will stay safe, stay innovative and stay plugged into consumer needs.

# Symphony Limited

The world's largest air-cooler products and solutions company.

Addressing the residential-commercial-industrial spaces, marked by growing relevance.

With a direct business presence in four continents and marketing products across more than 60 countries.

Driven with the singular objective of creating a 27-degree centigrade world.



## Mission

Our mission drives us to give all we can to our customers, to each other, and to our Company.

### Design, quality and service –

Always the foremost

### Innovation and improvement –

Always the endeavor

### Customer comfort –

Always the inspiration



## Background

Symphony Limited entered the business of cooling products in the late Eighties. The company has since emerged as the world's largest air-coolers company. The Company was promoted by Achal Bakeri in 1988. Headquartered in Ahmedabad The company is respected for its innovative approach to air-cooling.



## Products

Symphony addresses cooling needs of households, and commercial and industrial spaces. The company's products are marked by cost- efficiency, affordability, portability, environment-friendliness and effectiveness. Over the years, the company has innovated, customised and launched various technology-driven products ahead of the curve with the objective of creating a market rather than merely protecting its large market share.



## Sustainability

Symphony's commitment to energy conservation places it at the forefront of global environmental stewardship. The R&D team works closely with design engineers, air cooling technologists and consumers to develop energy-efficient products that focus on reducing carbon footprint. Symphony invested in state-of-the-art R&D facilities operating out of India, China, Australia and Mexico complementing mutual capabilities.



## Brand

Symphony is a respected global brand, whose products have been endorsed by industrial giants like General Electric (US), Lear Corporation (US) and Walmart (US), facilitating a presence in respected supermarkets like Walmart, Sears, Metro, Carrefour, Lowe's, Home Depot and others.



## Global presence

Symphony products are marketed in more than 60 countries, making it possibly the most widely available air-cooling brand in the world. These countries include Australia, China, Mexico, USA, UK, UAE, Brazil, Saudi Arabia, Spain and almost all African and South-East Asian countries.



## Listing

The Company's equity shares are listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The Company enjoyed a market capitalisation of ₹8,849 crore as on March 31, 2021.



## Subsidiaries



The Company comprises the following global subsidiaries:

### Mexico

Symphony acquired IMPCO in 2009, facilitating a ready-made market access to North America and forayed into industrial cooling space, in which the company was previously absent.

### China

Symphony acquired Guangdong Symphony Keruilai Air Coolers (GSK) in 2016, a Company that had in the past helped frame China's air-cooling quality standards and had been awarded 50 patents for industrial coolers.

### Australia

Symphony completed the acquisition of Climate Technologies (CT) in 2018, the leader of the Australian air-cooling market. The subsidiary possesses prominent multi-decade brands like Bonaire and Celair, specialised in the manufacture of air-coolers and premium ducted gas heaters.

### USA

Bonaire USA (BUSA), a subsidiary of Climate Technologies, is a step-down subsidiary of Symphony. BUSA produces air coolers and markets to Home Depot, Lowe's and Amazon.

### Brazil

Symphony Climatizadores Limitada (SCL) was established as a 100% subsidiary of Symphony India to address the Brazilian market.



## Awards

Symphony received recognition of **Star Export House** from the **Government of India**.

Symphony won the coveted **Quality Mark Award** in 2014 in the **Home Appliances** category, edging past all the major players in the segment.

Symphony bagged the '**Best Innovative Company Award**' in 2015.

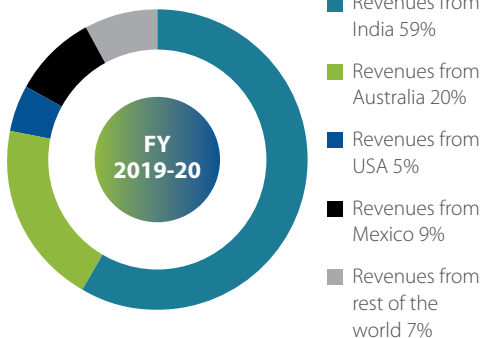
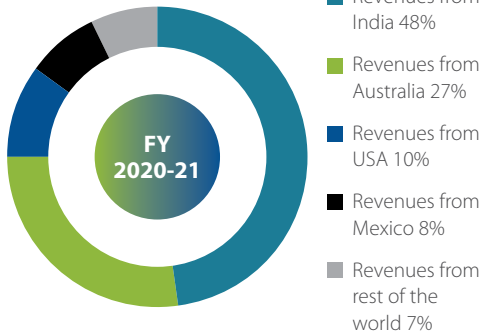
Symphony won awards for **Overall and Best SME – Manufacturing** in 2015.

Symphony bagged the prestigious "**Best Presented Annual Report Award for Manufacturing Sector**" for its annual report of FY2011-12, awarded by the **South Asian Federation of Accounts (SAFA)**.

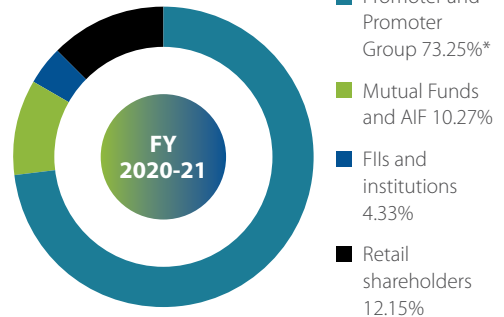
Symphony won twice consecutively the **Awards for "Excellence in Financial Reporting"** by **The Institute of Chartered Accountants of India** for its annual report of FY2009-10 as well as for FY2010-11.



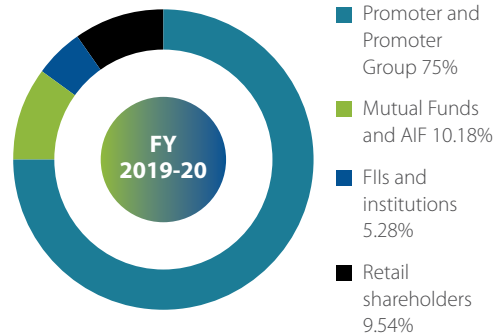
## Operations by geographic mix



## Shareholding by ownership



\* reduced only due to reclassification





# At Symphony, this is how we **performed** across the various quarters of a challenging FY2020-21

## The financial health of our business (Consolidated)

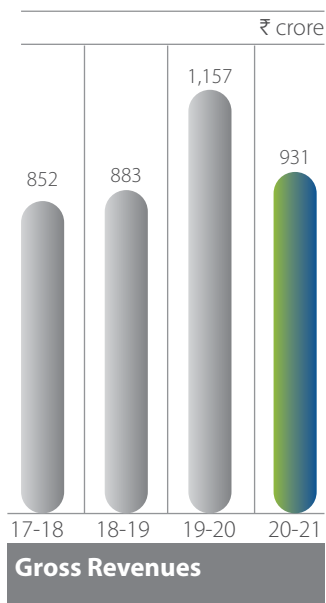
FY2020-21	Quarter one*	Quarter two*	Quarter three*	Quarter four
<b>Gross Revenues</b> (₹ crore)	<b>162</b>	<b>199</b>	<b>225</b>	<b>345</b>
<b>EBITDA</b> (Excluding Exceptional Items) (₹ crore)	<b>3</b>	<b>35</b>	<b>42</b>	<b>90</b>
<b>Profit after tax</b> (₹ crore)	<b>2</b>	<b>15</b>	<b>27</b>	<b>63</b>
<b>Cash profit</b> (₹ crore)	<b>-2</b>	<b>14</b>	<b>29</b>	<b>65</b>

\* COVID impacted quarters

## The financial hygiene of our business

FY2020-21	Quarter one	Quarter two	Quarter three	Quarter four
<b>EBITDA margin</b> (%)	<b>2</b>	<b>18</b>	<b>19</b>	<b>26</b>
<b>Interest cover</b> (x)	<b>1</b>	<b>9</b>	<b>21</b>	<b>30</b>
<b>Interest Expenses</b> (₹ crore)	<b>2</b>	<b>4</b>	<b>2</b>	<b>3</b>

# How we **performed** in the last few years (Consolidated basis)



## Definition

Gross Revenue indicates revenue net of taxes.

## Why is this measured?

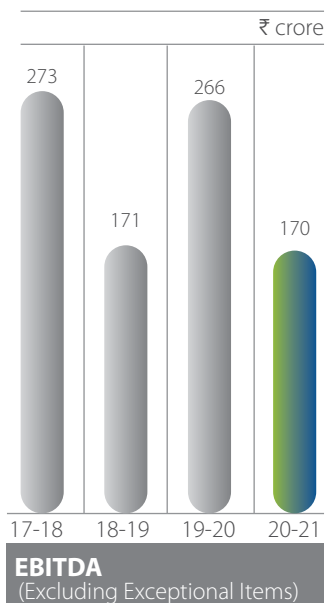
Indicates ability of the business to generate revenue, a measure to compare with sectoral peers.

## What does it mean?

Aggregate gross revenue declined 20% to ₹931 crore in FY2020-21 following the effect of the pandemic-induced lockdown.

## Value impact

The company performed better than the sectoral average.



## Definition

Earning before the deduction of interest, depreciation, amortisation and extraordinary items.

## Why is this measured?

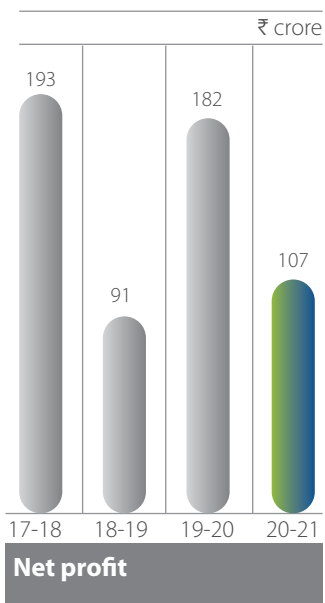
It is a measure of profitability that shows the Company's ability to generate a surplus after expensing of operating costs.

## What does it mean?

EBITDA reduced by ~36% mainly because of fall in revenue.

## Value impact

The Company generated an attractive surplus despite sectoral challenges.



## Definition

Profit earned during the year after deducting all expenses and provisions.

## Why is this measured?

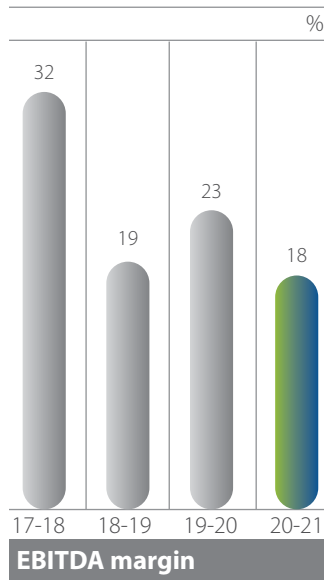
This measure highlights the strength of the business model in enhancing shareholder value.

## What does it mean?

The Company reported a 41% decrease in net profit in FY2020-21 on account of the pandemic.

## Value impact

Ensure adequate surplus is available for the distribution to the shareholders and re-investment into the business.



**Definition**

EBITDA (Excluding Exceptional Items) margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency.

**Why is this measured?**

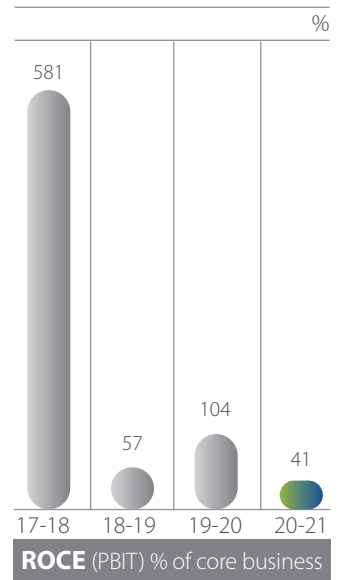
The EBITDA margin provides a perspective of how much a company earns (before accounting for depreciation, interest and taxes) on each rupee of revenue.

**What does it mean?**

The Company reported a 472 bps decrease in EBITDA margin during FY2020-21 mainly due to lower sales on account of COVID-19 pandemic.

**Value impact**

Despite COVID-19, EBITDA margin was nearly at a level of FY2018-19.



**Definition**

It is a financial ratio that measures efficiency with which capital is employed in the business (PBIT divided by average monthly capital employed expressed as a percentage).

**Why is this measured?**

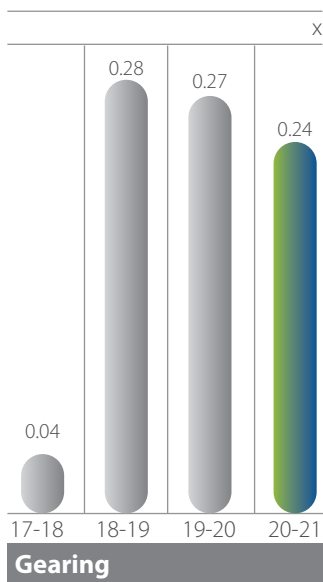
ROCE is a useful metric for comparing profitability across companies based on the amount of capital they use.

**What does it mean?**

Enhanced ROCE can potentially drive valuations and perception.

**Value impact**

The Company reported a 63% decrease in ROCE during FY2020-21 on account of the pandemic.



#### Definition

This is derived through the ratio of debt to net worth less revaluation reserves.

#### Why is this measured?

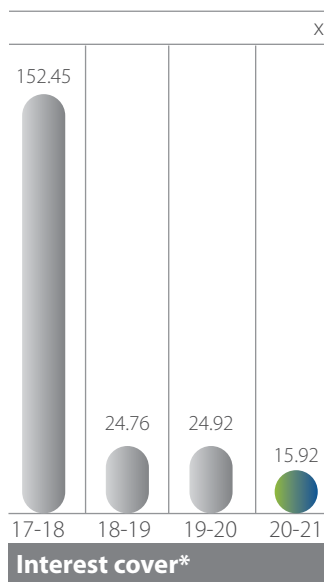
This is one of the defining measures of a company's financial solvency.

#### What does it mean?

This measure enhances the perception of the borrowing room within the company, the lower the gearing the better.

#### Value impact

The Company's gearing improved/ by 0.03x on account of increased net worth.



#### Definition

This is derived through the division of EBITDA (Excluding Exceptional Items) by interest outflow.

#### Why is this measured?

Interest cover indicates the Company's comfort in servicing the finance cost– the higher the better.

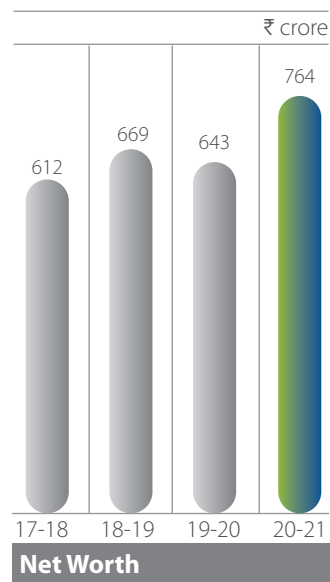
#### What does it mean?

A company's ability to meet its interest obligations, an aspect of its solvency, is one of the most important factors in assuring sizeable returns to shareholders.

#### Value impact

The Company's interest cover declined during the year under review but continued to be comfortable.

\* The company acquired Climate Technologies Pty Ltd in July 2018 partly through debt so subsequent interest cover has been lower. However, it is at a comfortable level



#### Definition

This is derived through the accretion of shareholder-owned funds.

#### Why is this measured?

Net worth indicates the financial soundness of the company – the higher the better.

#### What does it mean?

This indicates the borrowing capacity of the company and influences the gearing (which in turn influenced the cost at which the company can mobilise debt).

#### Value impact

The Company's net worth strengthened 19% during the year under review.



---


Part one



...and why our world revolves  
around this number

**27**  
degrees  
centigrade





**At Symphony, we are engaged in the overarching exercise of cooling the world.**

Yes, we must emphasise that critical word.

The 'world'.

We aspire to transform every interior into an environment that is comfortable and productive – where you neither sweat nor need a blanket.

It is our picture of the world where everything is in balance, where everything seems perfect and where life appears to be a batting wicket with the bowlers fatigued.

We call this sweet spot '27-degrees centigrade.'

It is not just a desired temperature; it is also a state of mind.

This disproportionate ambition provides us with a limitless addressable market where we expect to be perpetually playing catch-up. We call this: 'A multi-decade growth opportunity.'





---

Part two

# Strategic and tactical overview

Symphony's senior  
management narrates the  
way it was in FY2020-21

# The **vision** of making the world 27 degrees centigrade overrides everything that may have happened last year

## Overview

Over the last few months, I have been romancing the highly readable book 'The Psychology of Money' by Morgan Housel.

There are two parts of the book that I would like to share with you as a segue to the Symphony story.

In the chapter 'Getting Wealthy versus Staying Wealthy', the author reduces investing success to a single word: 'survival.' He then elaborates on how getting money and keeping money are two different skills. 'Getting money requires taking risks, being optimistic, and putting yourself out there and fear that what you have made can be taken away from you just as fast. It requires frugality and an acceptance that at least some of what you've made is attributable to luck, so past success can't be relied upon to repeat indefinitely.'

In the same chapter, he describes what for me was the principal take-home from the book. Some 1.3 million Americans died while fighting nine major wars. Around 99.9% of all companies that were created went out of business. Some 33 US recessions lasted a cumulative 48 years. The stock market declined more than 10% from their recent peaks at least 102 times. Annual inflation exceeded 7% in 20 years. And yet, the standard of living for an American increased 20-fold in 170 years, reinforcing the message that short-term economic or social aberrations are a short-term 'fee' to be paid for long-term growth.

## The Symphony segue

These extracts from Housef's book have a resonance with the Symphony story of FY2020-21.

The company's revenues declined 20% to ₹931 crore; EBITDA (Excluding Exceptional Items) declined 36% to ₹170 crore; profit after tax declined 41% to ₹107 crore.

And yet, interestingly, we at Symphony have seldom been more optimistic about our prospects than now.

Consider the reasons.

**One**, the earth will progressively warm through our lifetimes whether we like it or not. Over the next few years, we are likely to respond to air-cooling products the way we respond to a refrigerator or a car or a television. Even as recently as three decades ago, these were products that were considered inaccessible to most mid-low income Indians; today they are an unquestionable part of people's homes. We believe that the same is likely to happen to air-cooling products and not just across urban or semi-urban India; you will see air-cooling products (including air-conditioners) across economic classes. Walk into a rural neighbourhood that you would not necessarily associate with comfortable incomes and you will be surprised to find air-cooling products just about everywhere a few years from now.

Why? That brings me to something that we saw play out after the lockdown was imposed. As people huddled into their drawing rooms, there were a number of messages that came in: "Ek cooler to karaavi aapo!" ("could you get me a cooler, please?") and "Tamara dealer ne kaho ne. Pottay maanas moklaavi ne delivery aapi shakaayi chhey"

("Arrange a man to deliver me a cooler"). Why would people want to buy air-coolers at a time of income uncertainty and hazy economic outlook?

**a**, because people seek to live better. Because people seek to spend their way out of discomfort. Because people seek to spend on improving the family experience and what better way than the air-cooler?

**b**, the price-value proposition of an air-cooler continues to extend way beyond competing products – not just in terms of the outright cost but also in terms of the running electricity cost.

**Two**, the market for air-coolers will pass through its usual cycles of a benign summer, lockdown and other factors, but on the whole if you have a sustainable pipeline of growing incomes and aspirations, the demand curve will soon catch up and suddenly there will be years when the air-coolers will disappear even before they have been put on shelves of retailers.

So the big message I wish to leave with our shareholders is that the perceived utility of the air-cooler strengthened in an otherwise initially weak year. Until a couple of years ago, the air-cooler was 'good to have'; during the course of a 'stay at home' year, it graduated to 'must have' as users in a pandemic environment prioritised the need for ventilation with the line 'Khol do khidki, chalaao Symphony!'

We exited the year under review more optimistic about our long-term prospects than we have been in a long time.

So the big message I wish to leave with our shareholders is that the perceived utility of the air-cooler strengthened in an otherwise initially weak year. Until a couple of years ago, the air-cooler was 'good to have'; during the course of a 'stay at home' year, it graduated to 'must have.'

We focused on moderating our cost structure as well (no sixth sense, just a restless streak and the urge to make what was good even better). We questioned every practice; we convinced ourselves that the more we dug, the more we would discover.

## Dig more, discover more

At Symphony, we remain intrinsically restless.

Even before the Novel Coronavirus had broken out – which incidentally was nearly 33 years after we had gone into business - our team in Ahmedabad had gone into a huddle with a singular agenda: 'Cut costs.' In a sense there was no conclusive need to; sales were expected to be upbeat; the sector was growing; most business consultants would have recommended 'Focus on growing the market'.

We focused on moderating our cost structure as well (no sixth sense, just a restless streak and the urge to make what was good even better). We questioned every practice; we convinced ourselves that the more we dug, the more we would discover. Discover we did; through a combination of value-engineering,

schemes and eliminating the redundant, we reduced our break-even point and increased our competitiveness.

Then – and only then - came the pandemic.

As people locked into their homes, we realised that we had lower sales on our books... but we had lower costs as well. Now that we had a pandemic on our hands and sales declined 18% through the year. More relevantly, sales were extensively affected during our peak season when temperatures rose but consumers were locked into their homes. What an irony.

Seldom has Symphony been as proud about reporting a flat number as we were during the last financial year as this year tested the resilience of our business model and instill new energy to our confidence.

## Widen the market; rest will be taken care of

In the last annual report, we had identified a number of initiatives on growing our share in Australia through our acquired subsidiary (Climate Technologies).

I am delighted to state that in a year when sales evaporated across a number of consumer appliance categories, we reported the unexpected: higher revenues out of our operations in Australia, largely arising out of increased heater offtake (coinciding with the Australian winter).

This was the outcome of the hard work that had gone into widening our distribution network, positioning our brand more visibly and strengthening the price-value proposition.

However, this increased market presence came at a temporary

cost: because we could not ship components out from China, we selected to buy from the local markets at a higher cost; the air-freighting of certain components to beat the ports lockdown resulted in a cost escalation that could not be covered by passing them on to consumers.

Our optimism comes from a simple extrapolation: if we retain shelf space, consumer recall and market share on the one hand and are able to draw in components from China and increasingly from India by sea on the other, our cost economics should fall into place and our Australian subsidiary should be able to deliver not just to our consolidated revenues but to the bottomline as well.

## How the pandemic validated our acquisitions

A number of analysts have repeatedly asked: How have your acquisitions paid off, when you consider their modest bottomlines and the costs paid for their respective acquisitions?

**This is my answer:** When we acquired businesses in Mexico, China and Australia during the last decade, most analysts missed one point. We were buying on the basis of the aggregate value they would bring to the consolidated Symphony table as opposed to the value they would deliver to their respective bottomlines.

**There was a rationale for our contrarian perspective:** our Chinese acquisition possessed a deep insight into air-cooler research, coming as it did on the back of a number of pioneering launches in the vast Chinese market; our Mexican acquisition was inspired by its extensive knowledge into industrial cooling, a space where we were completely absent; our Australian acquisition was prompted by the largeness of the market of that continent, seasonal complementarity with India that rounded our annual sales profile and inroads into marquee retail brands in USA.

So, all those asking 'Yes, but what profits have these subsidiaries reported?' are missing the point. The operative word is 'holistic'. When one appraises the acquisitions from a standalone perspective, they are possibly doing the overarching strategy a disservice because the acquisitions were never meant to be appraised independently.

So, the next question: what have these acquisitions achieved from a holistic perspective? This is my answer: 'Sohail Abbas.'

That is right. Abbas has been recognised as the most successful penalty corner and drag flick specialist in modern hockey with a 65% success rate. A number of players partnered Abbas; he scored.

This then is the Symphony story as well; our partners (read subsidiaries) deliver to us; we score. Interestingly, we could have never scored them without our subsidiaries. The bottomline then is that the value that the subsidiaries bring to our table cannot be appraised by the narrow perspective of 'goals' but in the precious dribbles across competitive markets and the passes that have empowered Symphony to score.

In Mexico we generated approximately ₹178 crore in revenues for the last twelve years; the aggregate profit inspired by our performance in Mexico has more than paid for the acquisition price of our entry into that geography several times over; our Australian business led us into the US market through a sales engagement with the iconic Home Depot (represented in multiple locations across USA); our China business helped us moderate components costs, strengthening the competitiveness of our Indian operations and inspiring us to export the world over – a typical orchestra where each one plays a role. The result is that our multi-country presence is reinforcing the Make in India initiative, transforming Symphony into a global products provider.

So all those asking 'Yes, but what profits have these subsidiaries reported?' are missing an important point. The operative word is 'holistic'. When one appraises the acquisitions from a standalone perspective they are possibly doing the overarching strategy a disservice because the acquisitions were never meant to be appraised independently (but only cumulatively).

Our singular focus on marketing coolers, tailored to customer needs, graduated us into the highest recalled brand. The logical offshoot was to extend this strategy to our subsidiaries as well.

## Clarity on our existence

Over the last couple of years, there is a deepening of the Symphony clarity in the area of asset lightness.

This is not something new; in fact, it is the principal reason why Symphony is valued distinctively on the markets; we own the brands, we research and innovate products, we prospect markets, we enhance product visibility and widen our distribution.

The result? With the flexibility that our asset-light strategy affords us, we are singularly focused on the markets, changes, growth and every feeler we can pick up with the object to sell more and price better.

There is a specific reason why markets are becoming increasingly complex, warranting a singular focus: cooler ownership is concurrently widening and deepening; the increased use of data analytics has 'unearthed' consumers that one did not know existed; by an extension of algorithms, a simple word like 'consumer' can now generate a number of interpretations; markets have become complex to the point that it takes informed study to comprehend which model at which price is likely to open up an entirely new segment; multiple cooler ownership is one thing but we are also beginning to see models being replaced faster than ever;

we are seeing coolers evolve from functional use to products against which to take selfies and generate 'likes' on social media.

Our singular focus on marketing coolers, tailored to customer needs, graduated us into the highest recalled brand. The logical offshoot was to extend this strategy to our subsidiaries as well. Along with the focus on consumer expectations, we have been applying the principle of comparative advantage to our subsidiaries in Mexico and China, which we have now extended to Australia. A large number of products that used to be manufactured in Australia will gradually be manufactured completely in India; ditto for Brazil; we launched a subsidiary in Brazil to penetrate the market.

By reorienting these constituents, Symphony will avoid duplication in manufacturing by importing the products from India. Through this, we expect to achieve two objectives: one, we expect the teams in those countries to develop a feet-on-the-street specialisation on what will work and what will not, strengthening productisation for those markets. By sourcing all the coolers for those markets from India, we expect to capitalise on significant economies arising out of a manufacturing hub. By

empowering each Symphony constituent then to play a specialised role – inch wide and mile deep – we expect to enhance holistic value (it is amazing how this term keeps coming up in my copy) for the organisation.

We are sure that what worked for Symphony in India (asset lightness)

will work for the company's international subsidiaries in the future, enhancing overall value and deepening our positioning as a branding and distribution multinational committed to customer satisfaction.

### The mood at the point

The performance of the Company was affected in the first quarter of the current year - the quarter that normally accounts for the major part of our revenues. The quarter was marked by the pandemic's second surge that kept consumers indoors and moderated demand for a range of products, air-coolers included. Our focus will be to do what we have always done - protect our Balance Sheet, keep engaging with our trade partners, strengthening the price-value proposition of our products and

enhancing the visibility of our brand. These are testing times and I must not give you the impression that the solution is simple. However, what I can - and will - commit is that Symphony will remain creative, resilient and passionate with the objective to be the last person standing during the downtrend and the first off the blocks when the sentiment revives.

With warmth (of the other kind),  
**Achal Bakeri**, *Chairman*

For the first time  
in my career as  
an air-cooling  
entrepreneur, I am  
seeing a decline in  
price-sensitivity.



# The Symphony Brand Report, FY2020-21

## Overview

The headline communication that Symphony intends to send out to its shareholders is that the health of the company's brand emerged stronger from a challenging FY2020-21.

While this may not be evident from the overall performance of the year (considering that lockdown quarter in FY2020-21 coincided with the period when we sell the most air-coolers), revenues increased quarter on quarter thereafter and the company finished with a record fourth quarter in terms of revenues and profits – the highest in its existence.

During this last quarter, Symphony reverted to the mean: the company reported profitable growth; Gross revenues increased 31% while profit after tax grew 9% on a standalone basis, validating the strength of Symphony's brand.

## Properties

At Symphony, we like to perceive our models as 'properties' – enduring assets that generate returns well into the long-term.

Our five oldest models accounted for 16% of the company's revenues in FY2020-21.

Our ten youngest models (launched pre-FY2020-21) accounted for 23% of the company's revenues in FY2020-21, indicating the ability of the company to refresh and rejuvenate revenues.

### Brand efficiency

At Symphony, we measure the efficiency of our brand through a simple metric: how much we can generate from our brands compared with what we can put into them.

### Brand ammunition

**39**

₹ crore, Brand spending in FY2019-20

**22**

₹ crore, Brand spending in FY2020-21

### Brand investment

**5%**

Brand spending as a % of revenues, FY2019-20

**4%**

Brand spending as a % of revenues, FY2020-21

### Brand productivity

**18**

₹ of revenue from every rupee invested in the brand, FY2019-20

**23**

₹ of revenue from every rupee invested in the brand, FY2020-21

### Market leadership

At Symphony, we focus on sustained market leadership as an index of our brand effectiveness.

Symphony remained the undisputed market leader as on March 31, 2021 with an estimated organised market share of 50% in FY2020-21. Some 12 Symphony models had been category or segment leaders for ten years or more as on March 31, 2021.

This sustained leadership has transformed a number of our models into annuity revenue generators, an assurance of revenues and profit visibility in an unpredictable world.

### Success

At Symphony, we believe that the success of our models is not reflected as much in their longevity as in our capacity to sustain them with moderate annual investments. Most of our brands do not require substantial re-investments in positioning or visibility, making it possible for the company to benefit in two ways: allocation of the savings into new brands and utilising returns generated by the existing brands into new launches. The capacity to sustain new launches – in FY2020-21, the company made four launches while much of the air-cooler sector in India played safe around maintenance revenues - provides the company with a platform for sustainable growth.

### Promotional spending

At Symphony, we continued to be the largest sectorial spender in FY2020-21. Even though this quantum was lower than in the previous year, we stood out by continuing to promote the air-cooler category during the locked down period, playing a statesmanlike role in widening the market as opposed to focusing singularly on market share.

\*This entire section addresses the strength of the Symphony brand from a standalone perspective

#### Brand basket

**10** Number of brands in Symphony's brand basket, FY2015-16

**14** Number of brands in Symphony's brand basket, FY2020-21

#### Brand commitment

**247** ₹ crore, Brand spending in the ten years ending FY2020-21

#### Brand portfolio

**70+** Number of models on offer, FY2020-21

**3** Number of categories of presence, FY2020-21

#### Brand accessibility

**25,000+** Touch points, more than twice the size of the nearest brand

**18,000+** Number of pin-codes addressed (out of India's 19,000+ pincodes).

### Trust

The Symphony brand stands for a peace of mind on account of the product, service and corporate integrity

### Recall

The Symphony brand stands for various recalls: entrepreneurially contrarian, asset-lightness, net debt-free, multi-continental presence and innovator.

### Share

The Symphony brand accounts for nearly 50% share of the organised market for air-coolers in India, a leadership position despite growing competition

### Availability

The Symphony brand is available whenever consumers need it – adequately stocked which means that no consumer needs to return disappointed

### Accessibility

The Symphony brand is available across more than 25,000 retail points across its 26-State Indian footprint

### Affordability

The Symphony brand provides a superior price-value proposition to consumers – a considerably superior return on their spending (high uptime, lower running cost and superior features) that encourages them to pay a reasonable premium

### Choice

The Symphony brand stands for a wide choice across a range of products that makes it a single-stop solution provider for consumer needs

### Application

The Symphony brand is a single-stop solution provider for home, commercial and industrial cooling needs, making it synonymous with the word 'cooling'



## The strengths of the Symphony brand

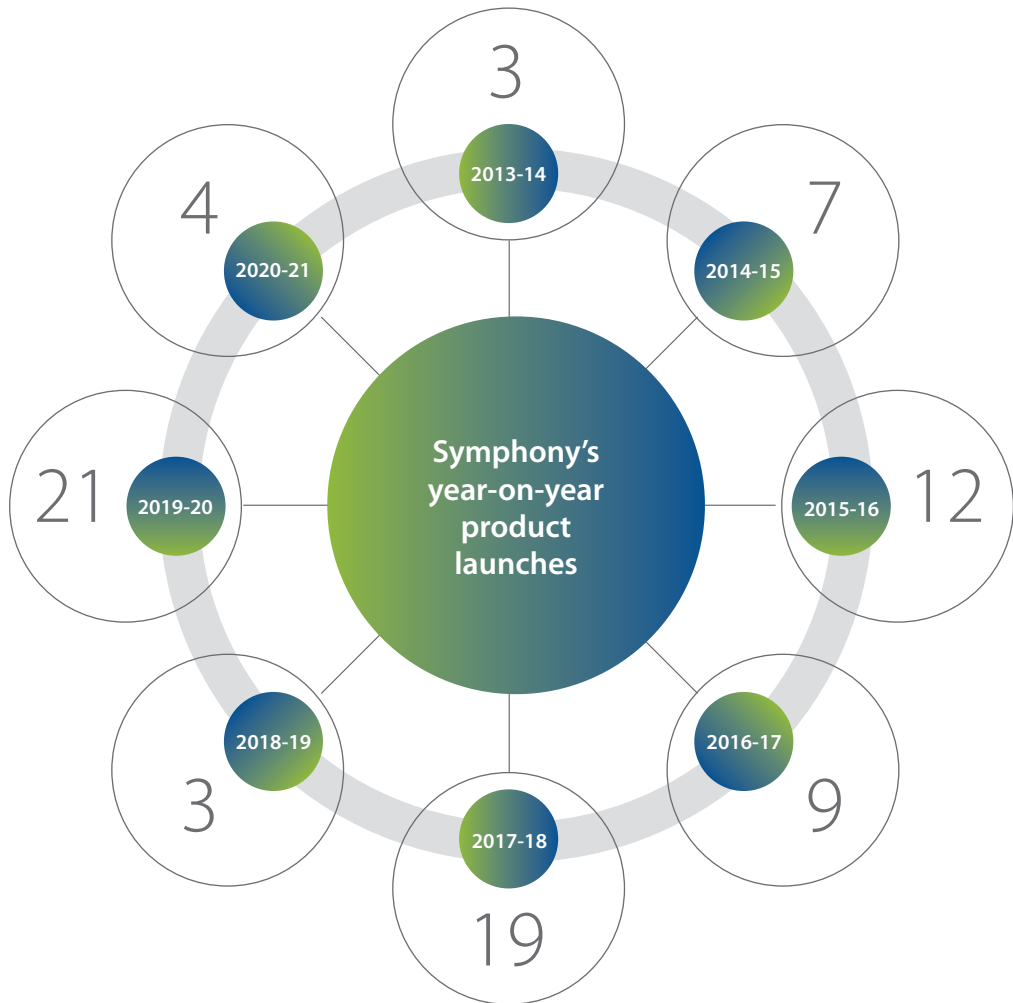
### Symphony brand recall



% Share of Voice of the Symphony brand  
(Source: BAARC)



Net Promoter Score which is way above the standard  
(Source: Nielsen research 2020)



# The worst of times brought out the best in us

## Overview

When India was locked down from March 24, 2020 and no one quite knew when this would be relaxed, the first reaction of most industry observers was that air-cooler sales

professionals would have virtually no work to do ('Shukaam office nu kaam karo chho; koi cooler purchase karvanu toh chhey nahi!').

## Innovation

At Symphony, by contrast, our sales & marketing team got busier than ever. They created a hybrid offline-online approach that encouraged consumers pan-India to send Symphony a message that they needed to buy air-coolers; we passed the word on to our trade partners closest to their respective pin codes who, in turn, called the prospective consumers and arranged to deliver to their residence at unheard-of hours like 4 a.m. (of course, by following local COVID-19 guidelines).

Wait a minute, this incidentally did not mean that we reported additional offtake or revenues (our trade partners did because they liquidated inventory that had already been purchased from us). What this actually did was pleasantly surprise our consumers because our cooler proved to be a welcome additional member

in their drawing rooms; besides, it graduated the respect of our trade partners to a new level: some would have hugged us over the phone if such a thing was digitally possible; some called to say they could not believe that a large and mighty brand would get off its high horse and go out into the streets (metaphorically) to assist stranded trade partners (something we did by playing the role of assistants to our worthy Trade Partners).

We did not report aggregate numbers from these sales that made any transformative impact to our topline in the first quarter, but it did make most of our dealers and distributors feel that we had stayed eye-level with them through thick and thin. The word that kept coming back to us about our role was surprisingly the same 'Family'.

## Out-of-the-box schemes

Our sales executives recognised that when the hot dry summer ended (June 2020) a number of our dealers and distributors nursed a large unsold inventory carried over an extended number of months that had progressively reduced the intrinsic inventory profitability in view of the relatively high carrying cost (interest). The normal response of any principal to this unlikely situation would have been to get onto a Zoom call and commiserate in typical jargon: 'We understand your pain and must assure you that things will soon get better, so please retain faith.'

We selected to talk a different walk instead; we drew out a stock compensation plan where a discount was applied to the entire unsold inventory. Yes, entire unsold inventory. This was our equivalent of the financial stimulus. With one punch of a keyboard, the break-even point of all our Symphony inventory lying unsold

across the country declined. Our dealers and distributors lived to fight another day; it was now their turn to surprise us. They came back to place large orders for more air-coolers to sell over the coming months when we opened new season bookings in July 2020. When most trade partners were destocking, Symphony dealers had begun restocking.

Our sales executives recognised that they were on to a good thing getting even better. They pressed home their secondary sales programme, where we provided a discount directly to the dealer, who now took advantage of this additional pricing room to go out and sell more coolers. Now that their inventory was progressively liquidated, they ordered a larger cooler quantity from their distributors, who, in turn, placed higher indents with Symphony. Win-win-win.

## India Discovery Programme

Our sales executives recognised that even as the economy was shrinking, the number of air-cooler consumers was potentially rising, and it was only a question of spreading ourselves wide and deep to be able to find them. Even though Symphony had been around for more than three decades marketing coolers across India, the word that we sent out across our teams was 'Prospect every town with a population of 10,000 or less' which opened up a larger universe to us. We increased our feet on the ground through the engagement of an army of Retail Sales Officers who

worked closely with distributors in these small towns.

Were we able to access this universe completely in the last financial year? Not by a long shot. But what we did kick start was an 'India discovery programme' likely to take us the next few years to bring to a logical conclusion, where anyone feeling the heat (climatically) in a remote pocket will feel reflexively inspired enough to say 'Ek cooler woh nazdeek ke Symphony se mangvaa hi lete to achcha hota...'

Our sales executives recognised that even as the economy was shrinking, the number of air-cooler consumers was potentially rising, and it was only a question of spreading ourselves wide and deep to be able to find them.

What excites us is that this is not just one more product; 'Bharat' represents a platform that will remain relevant for years; we intend to launch more products around this platform; India's rural consumer is likely to be spoilt for choice (quite in contrast to what a legendary automaker once said that 'They can buy any car as long as it is black').

## The 'Bharat' range...and others

At Symphony, we did not just assume that our rural focus would end with one last distribution deep-dive. We did something bolder; at a time when most our competitors shelved new product launches, Symphony sent out a note to trade partners: 'You will be pleased to note that we are launching a range of models customised around the needs of the semi-urban and rural customer.' We launched a range of models to go with ruralisation; we created a new product range (appropriately called 'Bharat') designed, positioned and priced around the rural and semi-urban consumer.

What excites us is that this is not just one more product; 'Bharat' represents a platform that will remain relevant for years; we intend

to launch more products around this platform; India's rural consumer is likely to be spoilt for choice (quite in contrast to what a legendary automaker once said that 'They can buy any car as long as it is black').

Just when most industry observers felt that perhaps we had overdone it on the product launch front, we surprised again: we re-positioned Movicool from the industrial to the commercial outdoor space along with a brand new TV commercial created during the pandemic, transforming what for long had been a strictly B2B application to the B2C space (which elicited a term that one of our dealers drew from the great Gaitonde in Sacred Games – 'Bahut daring.')

## Advertising spending

And lastly, the quantum of advertising spending. A number of industry observers felt that any rupee expended during the lockdown would be like a ship turning off its lights and passing through the waters on a moonless night: no one would even realise that a ripple had been created. We did precisely what the pundits said would be a colossal waste: we went out and spent precious promotional rupees during the lockdown when it was impossible to buy.

This then, m'lord, is our defense: we said this is what visionary leadership companies do; this is what brands focused beyond the transaction commit; this is how the nimble seek opportunities in challenges; this is how the sensitive build emotional recall. The result is that we believe (no market research agency computed any number so we would rather go by gut-feel) we enhanced our Share of Voice and Share of Unaided Recall at a time when virtually no one was putting money into the print, social or television media.

The result of these initiatives is that when we addressed our next big examination (the last quarter of FY2020-21 when consumers start buying for the impending summer), we virtually maxed the paper. We

reported 37% higher standalone revenues than in the corresponding quarter of the previous financial year - and the highest reported in any March quarter in our existence.

### Putting the binoculars on

Coming off this high, it would be simplistic to be optimistic. Of course, it would be natural to say that when the worst is over and the pandemic controlled, the launching pad would be ready for an exciting future at Symphony.

Let us tell you why this reboot is something more than just a quarter-based rebound.

One, it might surprise readers but for a country where the penetration of the television is 70%, the penetration of the air-cooler is less than 20%, so for the next many years, the air-cooler category is expected to be playing catch-up even as incomes and aspirations continue to rise.

Two, India is still at the primary consumption stage of air-coolers with virtually no replacement consumption, which, in other words, means that the market is a number of years away from maturing to an acceptable critical mass.

Three, (and here it becomes interesting), we do not see air-conditioners as a competing but as a complementary category; the person who has used air-conditioners across the drawing room or the bed room (and finds the idea of extending the AC to every room of the home as wastefully embarrassing) is more likely to buy an air-cooler for the children's study or the kitchen to enhance everyone's comfort quotient and retain a semblance of democratic product application.

Four, there is a greater preference for the branded air-cooler in a country where 70% of the offtake is being derived from the unbranded and unorganised sector. Even a modest 10% shift towards the branded could transform the sector's dynamics, resulting in a disproportionate multi-year push for leading labels like Symphony.

It might surprise readers but for a country where the penetration of the television is 70%, the penetration of the air-cooler is less than 20%, so for the next many years, the air-cooler category is expected to be playing catch-up even as incomes and aspirations continue to rise.



## How 'Dial a cooler' won the day

At Symphony, there is never a 'Havay shu thashey? (What will happen now?) moment.

When the lockdown was declared – which meant that consumers would not be able to saunter into our showrooms to buy – we did the next best thing.

We reached out to consumers instead.

This is how we value-engineered our way around convention.

One, simply provided consumers with a number with a message: Call us if you wish to buy an air-cooler and we will do the rest.

We collected those numbers and addresses, farmed them out to our dealers nearest to those locations.

Whenever the lockdown was relaxed – even partially or temporarily – our dealers immediately shipped out the cooler to the desiring consumer.

Did our dealers make a lot of money through this 'Dial a cooler' programme?

That is not the point. What transpired was that when the dealer delivered the large box to the consumer's residence, children were overjoyed ('Pappa-mamma jov kaun aayvu!' moment), the product was plugged in within the next few minutes, every single member of those families put their face to our cooler vent and said 'Majaa aavi gayi!' and for the next some hours (or days or weeks), the grimness of the pandemic appeared distant.

And yes, a number of our dealers called back to tell us this: 'They said that whenever they wish to buy any consumer appliance in the future, they would check with us first.'

PS. We need to add this in an important footnote. Excited about the response that we received, we launched an e-commerce website where we now accept enquiries and ship directly from our warehouses. All this started when someone at Symphony said, 'If they can't come to buy from us what stops us from going to them to deliver instead?'

'Symphony helped  
sell our stocks!  
Kamaal hain!'

'Saab, this is what even  
a number of the really  
large companies did  
not do'

'My entire family  
sat around to call  
customers on the  
numbers provided by  
Symphony. Sab kaam  
pe lag gaye!'

'We found a way to  
deliver coolers to  
customers at 4am.'

'Symphony kept trying,  
trying and trying so  
that we could liquidate  
our inventory. This is  
something that we will  
always remember.'

---

### What our dealers told us after we launched 'Dial a cooler'

---

'For years, Symphony  
stood for a professional  
company. After 'Dial a  
cooler' I would change  
that description to  
'professional and  
caring' company.'

'Symphony was  
the only consumer  
appliance company  
that was there in the  
field meeting partners  
when everyone else  
was doing Zoom calls.'

'Sirjee, complete  
respect.'

'Symphony  
passed the ball  
and we scored.'

'My wife said,  
'Symphony ka  
dealership kabhi mat  
waapas karna.'

# Building an integrated global Symphony personality

## Overview

As cross-border communication becomes stronger following the increased use of social media, we foresee domestic brands becoming global; we see a large number of global brands consolidating around a select few.

This is how Symphony has been building towards this evolving world.

**One**, we are segregating roles: we believe that a subsidiary focusing on one discipline (say marketing) would be more efficient than one focusing on multiple (manufacturing and marketing).

**Two**, we are optimistic that the effective complement of the parent company and subsidiaries will make it possible for us to draw research out of China because that is what the subsidiary has always been best at; we are shrinking our manufacturing exposure in Mexico and Australia (enhancing asset-lightness) but deepening this focus in India where we enjoy engagements with back-end partners who provide superior economies of scale and manufacturing flexibility. Besides, we have progressively seeded the concept of asset lightness into each subsidiary, enhancing their competitiveness.

**Three**, in a world where the battle for supremacy will lie in customer acquisition, we intend to transform our international subsidiaries into marketing and distribution gateways. Their principal role will be in deepening consumer understanding, introducing products, entering adjacent product segments and widening the market. We expect our beach heads in Australia and Mexico to serve as sales gateways; we commissioned a subsidiary in Brazil with the objective to put our feet on the ground and prospect demand.

This evolving avatar - the aggregate value of India, USA, Australia, Mexico and China - is unusual in the world of air-coolers. Rarely (probably never) has any single company in our space brought to the global market a consolidated competence of this nature.

Over the years, IMPCO helped the parent company create a new business platform (industrial coolers); a subsidiary that had been acquired for US\$650,000 in 2009 had generated more than US\$140 million in revenues across the last 12 years, generated half of Symphony's exports and delivered approx.

₹116 crore in PAT (accounted in the books of Symphony standalone plus IMPCO) and recovered the acquisition cost several times over.

In the last few years, Symphony benefited seamlessly from Keruilai's insight into the design and development of commercial air-coolers in addition to access across the most competitive Chinese component vendors.

The acquisition of Climate Technologies in Australia brought to Symphony the entire portfolio of valuable customer relationships that the former possessed; it immediately opened Symphony to new markets (Australia and USA); it

provided Symphony with markets for residential coolers manufactured in India and China.

To all these entities, Symphony brought its validated entrepreneurship where it engaged in products and knowledge cross-flows directed to enhance value for the consolidated Symphony.

These have been the various outcomes: Climate Technologies replaced manufacturing cum outsourcing to sourcing directly from China at a lower cost; Climate Technologies, which had never marketed portable air-cooling products, now sourced from Symphony in India and marketed these in Australia; Symphony India helped Climate Technologies liquidate slow moving products, focus on value-addition, implement SAP, rationalise the portfolio, focus on product winners and shrink mind-to-market.

The result is an active Brownian movement within a cross-culturally multi-national Symphony of 2021: the research insight of Keruilai (China) is being productised within India and directed to Climate Technologies (Australia) for customisation; the entrepreneurial insight coming out of Symphony (India) is helping IMPCO (Mexico) restructure and sell better in USA; the knowledge of IMPCO is helping us create a new market for industrial air-coolers in India; the bandwidth of Keruilai is helping us extend into commercial air-coolers; in a few years, our industrial and commercial coolers could be sold across the world like household air-coolers are being sold today.

This then is our global ambition: be the biggest air-cooling solution provider in the world that researches from where it goes deepest, manufactures where it can be done best, quickest and cheapest and sells... well, everywhere.

## The integrated value of our parent and subsidiary companies



**Keruilai  
(China)**  
Research



**Climate  
Technologies  
(Australia)**  
Local and US market  
access



**IMPCO  
(Mexico)**  
Industrial cooler  
insight; America's  
access



**Symphony  
(India)**  
Outsourced  
manufacturing base;  
asset-lightness;  
strong Balance Sheet;  
entrepreneurial  
culture

## The global cross-pollination at Symphony

**Symphony  
(India)**

Market building



Entrepreneurial



Asset lightness



Value-engineering

**Keruilai  
(China)**

Deep research



Wide insight into the  
Chinese component  
eco-system



Market building  
competence



Wide products  
portfolio

**IMPCO  
(Mexico)**

Rich experience in  
industrial coolers



Manufacturing  
presence in North  
America

**Climate  
Technologies  
(Australia)**

Wide and deep  
Australian distribution  
network



Market knowledge



Popular proprietary  
brand



Marketing  
relationship with  
Home Depot (USA)



# Operating review of our business constituents

# “How **Climate Technologies** Pty. Limited, our Australian subsidiary, enhanced revenues in a difficult year”

A conversation with Tim O’Leary, CEO of Climate Technologies Pty. Limited.



## **To what extent was the performance of Climate Technologies affected in FY2020-21?**

A: The company’s revenues improved 10% in FY2020-21 (in Australian dollars) compared with the previous financial year. This by itself was a significant achievement at a time when most consumer appliance companies the world over went through a decline in uptake, partly because lockdowns made it difficult to buy and partly

because of income impairment that made consumers defer purchases. We believe that this increase in revenues is possibly one of the first instances that we can showcase to our investors on how we are building the Australian business into a platform for sustainable multi-year growth.



## **What tactical responses were responsible for the company’s outperformance?**

A: The company embarked on business-strengthening initiatives (increased presence in USA through The Home Depot, increased share in portable spot coolers

in Australia and growth in split aircons) to accelerate revenues. When it encountered a decline in temperatures, it turned to the increased uptake of ducted gas

heaters. It introduced portable air coolers in the US market that had been manufactured by Symphony India (leveraging asset-light distribution-led revenues) and expansion of the Symphony India

portable coolers range in Australia. We believe that this consolidated approach helped in protecting the subsidiary's performance in a difficult year.



### **How does the company intend to counter the prevailing challenges and post a better performance?**

A: At Climate Technologies, our objective is to increase our EBITDA in the current financial year. The company embarked on strategic and tactical initiatives: the organisation structure was simplified; the fixed overheads and cost of doing business were moderated without compromising sales growth. Projects were initiated to reduce dependence on in-house manufacturing and outsource a large part of the parts and/or products, making it possible to convert fixed costs to variables.

Besides, the company is focused on the following initiatives: outsource the fabrication of

high volume metal parts to India with the objective to moderate costs without a corresponding decline in quality; extend Climate Technologies' presence into the Australian refrigerated air-conditioning market with the prominent Bonaire brand; expand the Symphony India air-cooler product offering in the large and growing US market; introduce a new range of small commercial air coolers in Australia; grow portable spot coolers and other retail cooling products in Australia; outsource ducted evaporative air cooler kits supply to India.



### **How does Climate Technologies intend to take its business ahead?**

At Climate Technologies, we intend to take the business ahead through various initiatives.

One, we will sustain the marketing of products manufactured by Symphony India in USA and Australia, coupled with the introduction of new models marketed to new customers – a broad-basing of the operational pyramid.

Two, a streamlined supply chain – products supplied to the USA to be manufactured in India – will enhance our critical mass, economies of scale and speed of responsiveness.

Three, we intend to deepen value-engineering that moderates the cost of materials used in products being manufactured for the Australian market products; we expect to use metal parts, reducing the need for proprietary manufacture that liberates investment in equipment, people and working capital.

Four, we intend to streamline the supply chain for products shipped to Australia with the facility to deliver finished goods directly to the warehouse, thereby saving us much of internal transportation in Australia.

The company's revenues improved 10% in FY2020-21 (in Australian dollars) compared with the previous financial year. This by itself was a significant achievement at a time when most consumer appliance companies the world over went through a decline in uptake



## Principal challenges faced by Climate Technologies, FY2020-21

Pandemic overhang; fears of revenue de-growth

Supply chain disruptions due to factory closures in China

Container shipping delays; increased container shipping costs

Commodity inflation (steel, plastic, copper, others) towards the year-end

## Our response, FY2020-21

Significant USA business expansion; net revenue growth

Materials air freighted from countries apart from China

Products sourced from Symphony India at a lower cost

Manufacture of some products relocated to Symphony India

## What drove revenues at Climate Technologies in FY2020-21

**Strong growth in ducted gas heater sales in Australia**

**Introduction of Symphony India-manufactured portable air coolers for the US market**

(routed through Climate Technologies)

**Expansion of the Symphony India portable coolers range in Australia**

# How our IMPCO operations performed in Mexico

## Overview

When we acquired IMPCO in 2009, we did not just acquire this Mexican company for the way it would empower our presence in the Americas. We acquired it from a holistic perspective of how IMPCO would hand-hold us towards complementary capabilities that we did not possess and how the sum of that whole could gradually become larger than the simple aggregation of the constituents.

The company's performance was challenged during the last financial year when the market suffered extensive demand destruction. Despite this unprecedented reality, IMPCO reported 79% revenues of the previous financial year, which, given the realities and consumer resistance to making fresh investments, is an achievement. This relatively creditable performance was achieved despite the unforeseen bankruptcy of a major appliances and furniture retailer in Mexico and one of IMPCO's leading customers.

Besides, the pandemic affected the capacity of IMPCO to deliver and install installable products for customers at a time when demand would have been the highest. The result was not just a potential

revenue loss but also a sustained compulsion to incur overheads and reversing what could have been a winning proposition into a challenging reality.

The closure of dealers and their stores (completely and partially) between April and July 2020 affected the company's capability in achieving sales at a time when air-coolers would have been in peak demand.

The company did not just experience a moderate decline in offtake; it also experienced an extension in receivables cycle that affected working capital efficiency.

Despite these extensive bottlenecks, IMPCO downsized to emerge leaner; it moderated marketing, travel and non-essential expenses; it passed on a 10% price escalation on imported products to consumers. The company grew on-line sales (through on-line dealers).

The company experienced a performance revival from the fourth quarter, enhancing optimism of an improved outcome in the current financial year.

IMPCO remained flexible at a time when the operating conditions transformed with speed. Due to the lockdown restrictions, office responsibilities were moved to employee residences; the company's factory and distribution operations remained uninterrupted.

## Strategic differentiators

IMPCO remained flexible at a time when the operating conditions transformed with speed. Due to the lockdown restrictions, office responsibilities were moved to employee residences; the company's factory and distribution operations remained uninterrupted.

As a cautious response, IMPCO moderated its headcount; travel, promotion and other expenses were contained. As the company's

competitiveness strengthened in a shrinking cooler market, IMPCO's share grew.

The company's e-commerce focus enhanced revenues from this channel 2x, a trend that is expected to sustain. Increased direct stores sales and strengthened offtake.

The heater segment reported significant growth when the easing of the lockdowns coincided with the winter.

## Outlook

At IMPCO, we are optimistic of prospects related to the sales of air-coolers and the introduction of new categories. The support from the parent company is expected to translate into sustained cost competitiveness including the

design of two new product SKUs to be added to IMPCO's portfolio, that widens its market presence, strengthen its brand and enhances competitiveness.

# How our China subsidiary performed in FY2020-21

## Overview

When Symphony acquired Guangdong Symphony Keruilai Air Coolers (GSK) in 2016, there were two perspectives at play – gaining access to the rich research base of the acquired company that could feed Symphony's global innovation pipeline and gaining access to the vast market of China with Symphony group's products.

During the last few years, Symphony moderated the operational loss of the Chinese subsidiary, right-sized the team, enhanced engagements with Symphony's global subsidiaries and parent, and widened synergic cross flows.

The pace of the turnaround of the subsidiary was affected during the year under review following the outbreak of the pandemic.

The subsidiary GSK was among the first batch of companies to resume operations following government permission.

In the first quarter, GSK signed a co-operation agreement for 1,000 units of the flagship model of industrial coolers for Jd.com warehouse across China. This has also opened up an opportunity for continuing supplies as a "preferred supplier" for newer warehouses for Jd.com planned in subsequent years.

GSK invested in a new industrial cooler model KM35 and a new portable spot cooler model called 'Crown'.

GSK entered GOME, a large appliances Chinese retailer present in key cities and stores.

GSK launched stores on online platforms like Pinduoduo, Taobao, Youzan and Alibaba, which should enhance visibility and offtake in FY2021-22; the company decided to sell 'live' on the YiHe TV shopping platform.

GSK participated in the 127th online Canton Fair by investing in VR content making.

In June 2020, the Keruilai brand was promoted on Tik Tok, the most famous app in China, enhancing Keruilai's exposure to nearly 5 million views and collecting more than 300 clues.

Due to revised regulations in China, GSK came under increased banking pressure to repay borrowings, drawing on its parent for timely support.

By the last quarter of the financial year under review when the Chinese economy had returned to normal, GSK reported domestic revenues higher than the corresponding quarter of the earlier years (even as the international business was yet to revive).

## Outlook

GSK continued to introduce products, develop new sales channels for the Chinese market and acquire new South East Asian customers.

The launch of new products will also widen sales to Mexico

and Australia through group companies.

Besides, GSK will catalyse product development for the parent across the industrial and commercial segments.





**How our  
business  
enablers  
performed in  
FY2020-21**

# Growing our Industrial and Commercial Air Coolers

## Overview

During the first half of the year under review most companies deferred their capital spending even as the industrial and commercial air coolers.

Earlier, the product was manufactured in Mexico and China and imported into India. From the last financial year, we made a critical switch in approach: we began to manufacture the product in India. We launched a simple plug-and-play solution that could be commissioned in a single day as opposed to the erstwhile workflow that extended into weeks. We indigenised virtually everything that could be made within a few hundred kms, so that we could provide customers with a complete solution (modular ducts, stands etc.). Because

these products were now manufactured in India, they carried cost advantages; more than that, they were available just when required, which circumvented the long shipping tenure and investment in working capital outlay.

By virtue of providing these products through our quality appraisal filter we were putting our Symphony stamp of quality approval on them; we were guaranteeing that the integrated solution would work just right and we eliminated any misgiving in the event of operational downtime ('That other product is not working. We are not to blame. Our Symphony products are working just right!')

## Outlook

When it comes to industrial air-cooling, we see ourselves at the same point where we were in the early Nineties in respect of domestic air-coolers. The market was extensively under-penetrated; the awareness about air-coolers was low side; there was a question on 'Will this provide a better holistic value than the air-conditioner?'

A large part of India lives through at least five months of the year in temperatures higher than 35 degrees centigrade with nothing more than a ceiling fan for refuge. In this fastest growing global economy (FY2021-22 estimate) there are literally thousands of factories, warehouses, educational institutions,

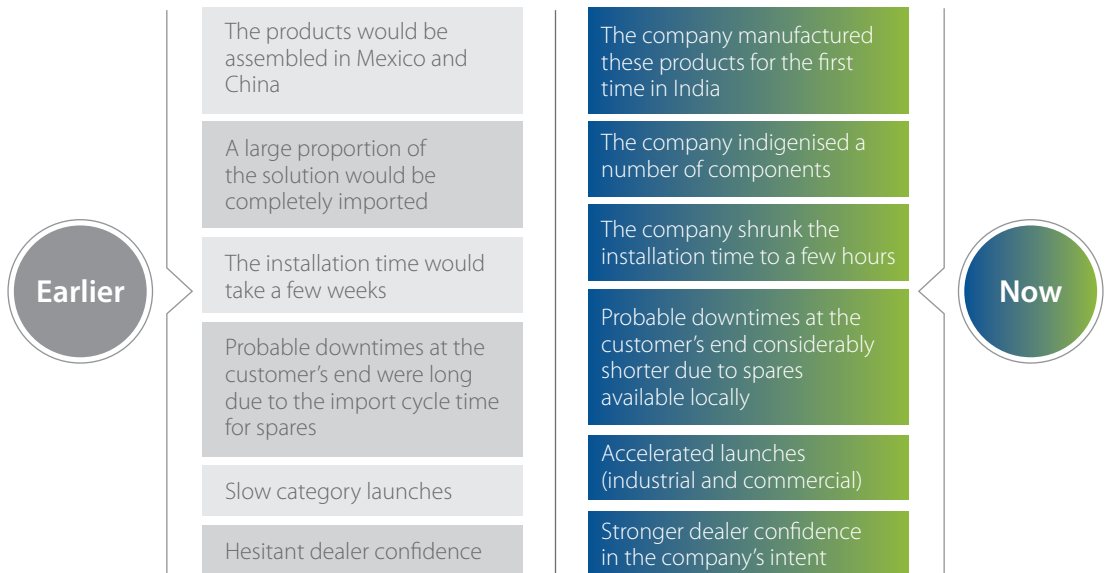
banquet halls, restaurants, open-air restaurants, resorts, hospitals, hostels, places of worship, movie theatres, gyms, showrooms, service centers and data centers who would not wish to spend on sophisticated air-conditioning systems to provide their guests or employees with a superior experience.

During the financial year under review, the company worked with eight models manufactured in India (as opposed to importing equivalents from China or Mexico),

an attractive critical mass of choice. The company's 'Made in India' models helped moderate air-cooling cost down to ₹5 per hour; when used in classrooms, the models moderated cooling cost to 10% of the electricity generally consumed by an air-conditioner; when installed in retail stores, a single commercial unit moderated interiors temperature nearly 10 degrees centigrade across 2,500 sq ft.

Our time in this supplementary revenue engine starts now.

We believe that the world's second most populous market needs to be made aware of the benefits of industrial air-cooling and how even a reasonable decline in temperature can enhance interior productivity





# Symphony. Committed to make the world a better place



## Overview

Symphony is a responsible and sensitive corporate citizen.

The company is not only driven by the need to make the world a better place through an air-cooling solution but also through widening the prosperity circle.

At Symphony, our engagements in corporate social responsibility projects are aligned with national and regional priorities. We have extended beyond 'cheque-writing' to a deeper engagement.

The company's engagement is directed by a defined CSR Policy, implemented under the guidance of a CSR Committee and senior management. The outcomes of these programmes are periodically tracked.

The Company is focused on health care (general and preventive), addressing hunger and poverty and malnutrition and environment conservation.

## Outcomes

The year under review was the first full year of Symphony Forest Park that was launched as a public-private partnership model, which has already

begun to attract numerous species of exotic birds, and a resuscitated lake with aquatic species.



The creditable features of the park comprised the following:

The area was a waste dump transformed into a unique urban forest opened to the public from February 2020.

Differentiated from the usual hangout zone for residential neighbourhoods; positioned as an 'oasis' for office goers to take a stroll in during breaks, for artists to find inspiration in, for students to seek knowledge from, and for other interested visitors.

The concept drew from national parks and jungles of Sri Lanka, tropical national parks in Singapore and those in Madhya Pradesh, Southern India and Gujarat.

The urban forest sourced locally available species (no imports from outside the State

or country), moderating the carbon footprint of the facility from the design stage. The urban forest nurtured local endangered species that could possibly have become extinct (Salvadora or Piludi).

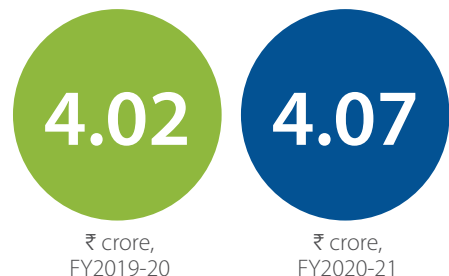
The planned use of indigenous species was designed to make the urban forest sustainable without ongoing maintenance. The facility will require minimal maintenance for the first three years after which it should be self-sustainable.

The urban forest has not consumed and will not consume, chemical fertilisers, pesticides or manure. No cement was used; walkways were created by compacting the earth and using construction bricks.

### Some rare species planted

Scientific name	Gujarati name
Anogeissus latifolia	Dhavado
Salvadora persica	Piludi
Putranjiva roxburghii	Putranjiva
Bombax ceiba	Shemlo/Shemdo/ Semado
Tecomella undulate	Rohido

### Our CSR spending



# Management discussion & analysis

## Global economic overview

The global economy reported a contraction 3.5% in 2020 compared to a growth of 2.9% in 2019. This slide in economic growth was due to the outbreak of the novel coronavirus, which led to global supply chain disruptions. Consequently, global FDI reported

a significant decline from US\$1.5 trillion in 2019 to US\$859 billion in 2020, the lowest since the 1990s and more than 30% below the investment trough that followed the FY2008-09 global financial meltdown.

Regional growth %	2020	2019
World output	(3.5)	2.9
Advanced economies	(4.9)	1.7
Emerging and developing economies	(2.4)	3.7

(Source: IMF)

## Performance of some major economies

**United States:** The country witnessed a GDP de-growth of 3.4% in 2020 compared to a growth of 2.3% in 2019.

**China:** The country's Gross Domestic Product grew 2.3% in 2020 compared to 6.1% in 2019 despite being the epicenter of the outbreak of the novel coronavirus.

The global economy is projected to grow by 5.5% in 2021 largely due to the successful roll-out of vaccines across the globe, coupled with policy stimulus support in large economies. (Source: IMF)

## Indian economic review

The Indian economy de-grew 23.9% in the first quarter of FY2020-21, the sharpest de-growth experienced by the country since the index was prepared. Thereafter, the Indian and state governments selectively lifted controls on movement, public gatherings and events from June 2020 onwards, each stage of lockdown relaxation linked to corresponding economic recovery.

The result is that India's relief consumption, following the lifting of social distancing controls, translated into a full-blown economic recovery. A number of sectors in India – real estate, steel, cement, home building products and consumer durables, among others - reported unprecedented growth. India de-grew at a relatively improved 7.5% in the

July-September quarter and reported 0.4% growth in the October-December quarter and an estimated 2% growth in the last quarter of the year under review.

India's GDP contracted an estimated 8% during 2020-21,

largely on account of the sharp depreciation of the first two quarters. This sharp Indian recovery underlined India's robust consumption potential.

(Source: Economic Times, IMF, EIU, Business Standard, McKinsey)

### Y-o-Y growth of the Indian economy

	FY2017-18	FY2018-19	FY2019-20	FY2020-21
Real GDP growth (%)	7	6.1	4.2	-8

### Indian economic reforms and recovery

There were positive features of the Indian economy during the year under review.

The per capita income was estimated to have declined by 5% from ₹1.35 lac in FY2019-20 to ₹1.27 lac in FY2020-21, which was moderate in view of the extensive slowdown in the first two quarters of FY2020-21.

India's foreign exchange reserves continue to be in record setting mode – FY2020-21 saw US\$101.5 billion dollars accretion in reserves, the steepest rise in foreign exchange reserves in any financial year; India's forex reserves are ranked third after Japan and China and can cover more than a year's import payments.

A slowdown in economic growth and inflation weakened the country's currency rate nearly 2.83% in 2020 from ₹71.28 to ₹73.30 to a US dollar before recovering towards the close of the financial year.

India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of FY2020-21 following the relaxation of the lockdown, validating the consumption-driven improvement in the economy.

The gap between government expenditure and revenue was estimated at ~₹12 trillion due to increased borrowing by the government in May 2020 to address the COVID-19 outbreak.

The per capita income was estimated to have declined by 5% from ₹1.35 lac in FY2019-20 to ₹1.27 lac in FY2020-21, which was moderate in view of the extensive slowdown in the first two quarters of FY2020-21.

India jumped 14 places to 63 in the 2020 World Bank's Ease of Doing Business ranking and was the only country in the emerging market basket that received positive FPIs of US\$23.6 billion in 2020; the country ranked eighth among the world's top stock markets with a market capitalisation of US\$2.5 trillion in 2020.

The Indian government initiated structural reforms in agriculture, labour laws and medium-small enterprise segments. The labour reforms were intended to empower MSMEs increase employment, enhance labour productivity and wages.

## Outlook

The outlook for the country appears to be cautious following the outbreak of the pandemic in the first quarter of the current financial year with all annual growth guidances trending downwards. However, the medium-term outlook appears positive from the second half of the financial year under review.

## Global consumer electronics market

The global consumer electronics market's revenue trade value stood at US\$358.5 billion in 2020, with a year-on-year rise of 7%. With the consumer electronics business going through a rapid expansion

of new ideas, technologies and economic models creating changes, there is a premium to keep in step. Although the market faced disruptions in the first half of the year on account of the

pandemic, the second half of 2020 witnessed growth. (Source: Market Watch, Business Wire, maximisemarketresearch.com)

## Indian appliances and consumer electronic industry

The Indian electrical appliances market reached ₹76,400 crore (US\$10.93 billion) in 2019 and is expected to double to reach ₹1.48 lac crore (US\$21.18 billion) by 2025. Production of consumer durables under Index of Industrial Production grew in FY2020-21. The Indian consumer durables market grew 15 % in the five years ending FY2019-20. Owing to COVID-19 and dampened consumer confidence, the industry lost over 25% of sales in the first quarter of FY2020-21.

The market size of the consumer durables sector was estimated at ₹55,000 crore in 2020 and is expected to double to over ₹1 lac crore by 2025. The S&P BSE Consumer Durables index rose to 6.58% in February 2021 and stood at 25.05% higher over the last year.

Despite temporary interruptions caused by the strict lockdowns, the consumer durables industry rebounded during the second half. The destocking within trade channels was complemented

by a sharp increase in consumer demand as a result of which most manufacturers struggled to keep pace with demand. Besides, downtrading and price sensitivity declined, strengthening the market for established consumer appliance brands. Extensive rural electrification, relatively stable disposable incomes and work from home encouraged domestic appliance companies grow through the rest of the year. (Source: IBEF, Economic Times)

## Indian air coolers market

Air-coolers have emerged as one of the fastest growing segments within the consumer appliances space. They are energy-saving, moderate in power consumption, are eco-friendly and can cool effectively. They provide superior

air quality and do not make the air overly dry. They do not use harmful cooling agents (CFC or HFC). They moderate the electricity bill by ~90% compared to ACs and is priced attractively lower than air-conditioners.

Due to above, the air cooler industry market in India, is expected to reach ₹9,000 crore in the next few years following increased incomes and temperatures, widened market presence, increased aspirations and a cost

advantage over air-conditioners. The air cooler segment can be categorised into residential and industrial segments.

Although unorganised segment players are sustaining the position of dominant players in the air cooler market, branded coolers are penetrating deeper following the introduction of GST, which reduced the cost gap between the two, favouring organised players.

### Outlook

Owing to enhanced rural electrification, increasing urbanisation and the impact of global warming, the Indian air cooler market is anticipated to report attractive growth. The residential sector will continue to be a dominant buyer in the Indian air cooler market due to the larger portion of the country's population belonging to the lower and middle-income bracket and the rapid implementation of urban and rural housing projects by the government. The industrial and commercial segments are anticipated to see demand growth as various players implement cooling solutions. (Source: Research market)

### Demand drivers

**Digital penetration:** India's e-commerce penetration is expected to double to 11% by 2024. Growing urbanisation coupled with increasing internet penetration is expected to widen the Indian e-commerce sector. India's internet user base stood

at 696.77 million in 2020 and is anticipated to grow to 974 million by 2025.

**Young population:** India is a young country with more than 65% of its population below the age of 35 years compared with 38% in China and 49% in Japan. The median age of the country was 28.9 years, an economically productive age as against the global average of 31 years.

### Emerging non-metro markets:

Non-metro cities have seen rapid consumption growth which has transformed them into new economic growth centers.

**Urbanisation:** Urbanisation in India was 35% in 2020 and estimated to grow to 40.76% by 2030, strengthening aspirations and increasing the demand for products like air-coolers.

**Working population:** India is adding 12 million people to its workforce each year. The percentage of the working age population in India is expected to increase from 61% in 2011 to 65% in 2036. This increase in working population is likely to catalyze growth for the air cooler segment.

**Rural development:** The government strengthened electrical connectivity down to the last village, widening the market for electrical appliances.

**Global warming:** According to World Meteorological Organisation, the global climate was 0.6 C warmer in 2020 than averages between (1981-2010) and around

1.25 C above pre-industrial levels. The year ended with the hottest decade registered out of which the last six years were the warmest ever.

### Technological innovations:

Technological innovations like smart locks, feather-touch digital control panels, remote control, auto swings, alarms and other alcove features are gaining popularity against technologically backward products of the unorganised segment.

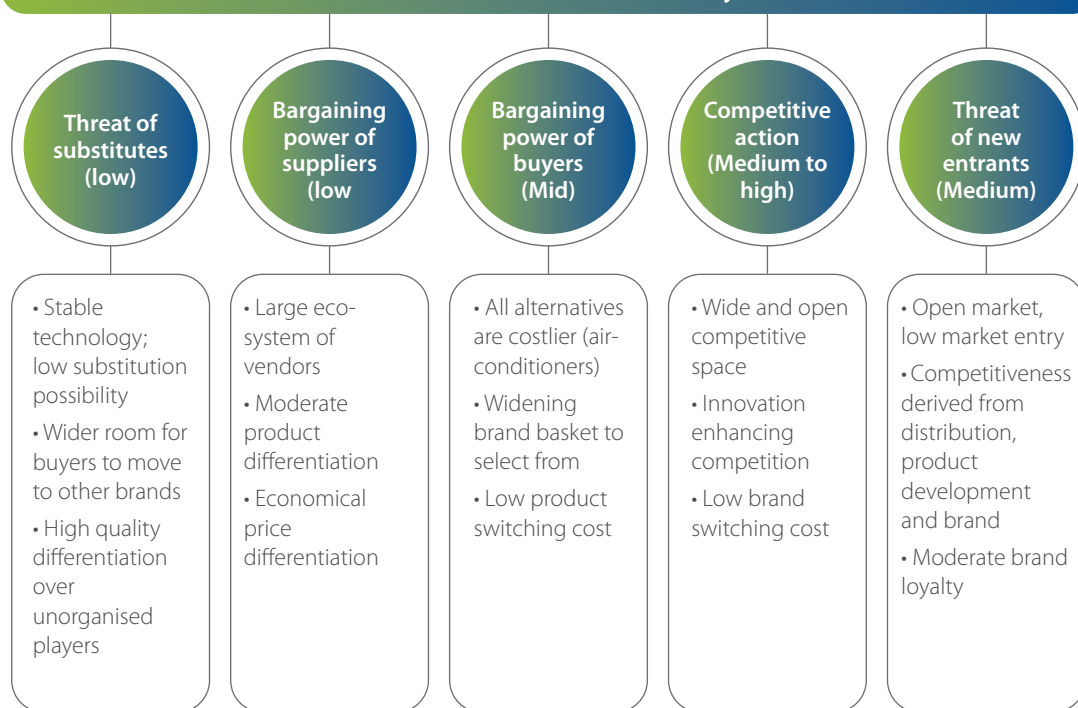
**Low penetration:** Low penetration in India's consumer durables market provides space for sustained growth. Electronic items which fell in the category of luxury goods are going to be necessities of the future.

**Organised retail:** Organised retailers have penetrated the Tier-II, III and IV cities, enhancing visibility.

(Sources: Economic Times, Statista, First post, population u.com, index mundi, statistics times, Hindustan Times, Euro news)



## Michael Porter's five forces analysis



## The Company's operations

**Background:** Symphony Limited (incorporated in 1988) is a pioneer in the country's cooling sector with more than three decades of experience. The Company is engaged in designing, branding and marketing residential, commercial and industrial air coolers for the Indian and foreign markets. The operations of the Company consist of two sections: production of air coolers and treasury management.

**Products:** The Company offers products for the residential segment comprising models like tower, personal, desert, room and window air-coolers. The installation of the Company's commercial air-cooling solutions in open

restaurants, large halls and party plots enabled consumers to enjoy improved air quality and ambience. The company's industrial air coolers largely address the growing demand from factories, schools, malls, assembly halls, warehouses and metro stations, among others. The Company provides services to industries like banking, automobile, packaging, distilleries and railways.

**Footprint:** The Company is headquartered in Ahmedabad and has subsidiary companies in Mexico, China, USA, Brazil and Australia. The Company concentrates on innovative design for developing superior and energy efficient products for domestic and industrial consumption not just in

India but in more than 60 countries.

**Manufacturing:** Symphony is associated with 11 OEMs. The Company's operations comprised no investments in manufacturing facilities in its Indian operations and a phased decline in its global subsidiaries.

**Technology:** The Company enjoyed a competitive advantage due to strategic investments in state-of-the-art technologies like SAP-HANA, CRM, Data analytics etc.

**Sustainability:** The Company pioneered energy-saving products to moderate emissions and increase energy conservation.

## Risk management

### Product risk:

A decline in demand for air-cooling products was witnessed in some months of FY2020-21.

### Mitigation:

Symphony expanded its portfolio of residential, packaged and central air cooling to stay relevant. Moreover, the increase in temperatures is anticipated to strengthen the demand for air-cooling products.

### Industry risk:

Slowdown in downstream sectors could impact offtake.

### Mitigation:

With comprehensive solutions in Air Coolers catering to Household, Industrial & Commercial segments, the Company expects to have a sustainable growth.

### Quality risk:

Low quality could impact the Company's brand.

### Mitigation:

The Company has access to state-of-the-art facilities owned by vendors that ensure the manufacture of quality coolers at the lowest costs with the quickest turnaround time.

### Distribution risk:

The Company may not be able to expand its footprint due to an inefficient distribution network.

### Mitigation:

Symphony enjoys an international footprint across 60 countries, moderating its risk in the event of one or few geographies encountering a slowdown.

Company is enhancing its footprint year by year in the domestic market. Still, there seems to be a long runway.

### Competition risk:

Increase in competition could affect sales.

### Mitigation:

Following consistent investments in research and development, the Company launched innovative products that resulted in a competitive advantage.



## Financial performance

The Company's consolidated gross revenue was ₹931 crore in FY2020-21, compared to ₹1,157 crore in FY2019-20. The EBITDA of the

Company (excluding exceptional items) stood at ₹170 crore in FY2020-21 compared to ₹266 crore in the previous year. The Company

reported a PAT of ₹107 crore in FY2020-21 compared to ₹182 crore in FY2019-20.

### Details of significant changes in the key financial ratios & return on net worth ( on standalone basis)

As per the amendment made under Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details of significant changes i.e. change of 25% or more as compared to the immediately previous financial year in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations therefor are given below:

Sr. No.	Particulars	FY 2019-20	FY 2020-21	Change in %	Explanation for change of 25% or more
1	Debtors Turnover (days)	31	61	98.75	Increase in Debtors Turnover is due to : a) Decrease in sales in current year by 32% due to nation wide lockdown on account of COVID-19 during first two month of FY2020-21 which is company's main season which has spill over effect in subsequent quarters. b) 35% Increase in trade receivables.
2	Inventory Turnover (days)	21	37	74.07	Increase in Inventory Turnover is due to : a) Decrease in sales in current year by 32%. b) 20% Increase in Inventory to cater to seasonal requirement of June, 21 quarter.
3	Interest Coverage Ratio	N.A.	N.A.	N.A.	N.A.
4	Current Ratio	4.94	4.38	(11.39)	N.A.
5	Debt Equity Ratio	N.A.	N.A.	N.A.	N.A.
6	Operating Profit Margin (%)	27	23	(16.15)	N.A.
7	Net Profit Margin (%)	24	21	(11.93)	N.A.
8	Return on Net Worth	28	16	(43.50)	Decrease in return on Net worth is due to (a) decrease in PAT by 40% on account of lower sales. (b) increase in net worth by ₹112 crore.

## Information technology

The Digital transformation is a journey & Symphony group decided to take a first baby step by digitising important documents like invoices, LR copies & other documents. The invoices generated from SAP is having Eway bill no , IRN number & Digital signature. These three actions are performed without any manual interventions.

All our service centre will share the invoice with Aadhar authenticate digital copy of invoices uploaded in SAP so no physical document handling process. All important communication is going to endorse the E sign as a token of acceptance.

All historical documents are archived on the document management system.

Our service centre human activities have been partially replaced with Speech to Text & Whats app business functions.

## Human resource management

The Company considers its people to be its biggest asset and credits its sustained improvements to their ethics, dedication and energy. It is its endeavor to offer a work environment and HR processes that promote creativity, teamwork, meritocracy, learning and leadership.

The Human Resource Management continues to be focused on improving employee productivity, reducing employee cost and building necessary skill sets whilst building employee motivation through varied employee engagement initiatives. The Symphony employment base

(officers and workmen) was 452 as on March 31, 2021, while work strength was ~694 including overseas subsidiaries.

## Internal control systems and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues

are addressed promptly. The audit committee reviews reports presented by the internal auditors and statutory auditors on a routine basis. The committee makes note of the audit observations and takes

corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

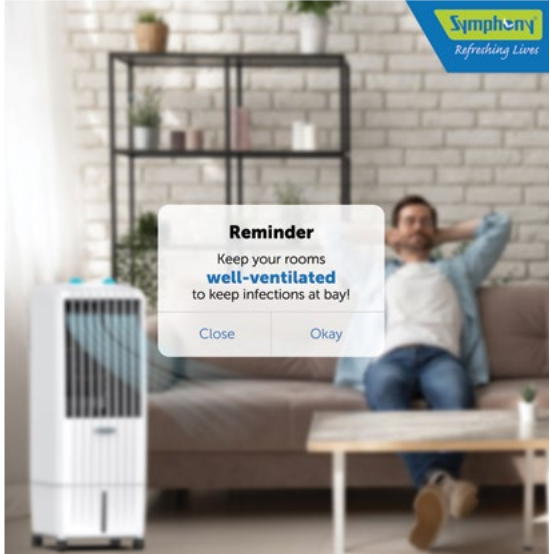
## Cautionary statement

The Management Discussion and Analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements

in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in

the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

# Our presence on the Digital Media



**Symphony**  
Refreshing Lives

**PREMIUM QUALITY WITH ASSURED WARRANTY**

WARRANTY 1 YEAR WARRANTY

**Symphony**  
Refreshing Lives

MAKE YOUR HEALING SPACE COOLER AT **JUST 10%** THE COST OF AIR CONDITIONING WITH SYMPHONY INDUSTRIAL COOLERS.

**Symphony**  
Refreshing Lives

**A REFRESHING WAY TO KEEP YOUR FACTORIES COOL WITH SYMPHONY INDUSTRIAL COOLERS**

**Symphony**  
Refreshing Lives

MEET YOUR KITCHEN COMPANION **DIET 20i** READY TO SERVE YOU REFRESHMENT WITH EVERY MEAL

# Board of Directors



**ACHAL BAKERI**  
DIN: 00397573  
Chairman and Managing  
Director and Founder  
Architect, MBA  
(University of Southern  
California)

Mr. Achal Bakeri, a game-changer in the industry of environment-friendly products, is the founder of the world's largest air coolers company. In 1988, he founded Symphony Limited with the aim of providing economically viable cooling solutions that would be accessible to all. He has infused respectability and aesthetics into air coolers through an innovative approach.



**NRUPESH SHAH**  
DIN: 00397701  
Executive Director  
B.Com., FCA and CS

Mr. Nrupesh Shah heads the company's Corporate Affairs functions. He is responsible for corporate affairs, growth, performance, strategies, merger & acquisitions, finance, M.I.S., secretarial, legal, treasury etc. He has been with the Company since 1993. He played a key role in turnaround of the Company and putting on growth trajectory.



**JONAKI BAKERI**  
DIN: 06950998  
Non-Executive Director  
B.A.

She has an experience in various business functions including sales and marketing, accounts and finance, legal and product development.



**NAISHADH PARIKH**  
DIN: 00009314  
Independent Director  
B. Sc. and MBA

Mr. Naishadh Parikh is an Entrepreneur-Manager with education in the areas of Science & Management and a track record of more than 40 years in performing various roles at corporate level in diverse sectors viz. Air-conditioning & Refrigeration, Textile & Engineering. Mr. Parikh is currently Chairman & Managing Director of Equinox Solutions Limited. He was also the Founder & Managing Director of Amtrex Hitachi Appliances Limited (now Johnson Controls- Hitachi Air Conditioning India Limited).





**ASHISH DESHPANDE**  
DIN : 00498890  
Independent Director  
Industrial Designer  
(National Institute of Design)

He is an experienced practitioner in the field of product design and he leads the Product & Retail Experience Innovation Group. He has led projects in consumer appliances related to air, water & energy, medical equipment, wearable electronics, automotive products and the retail sector.



**REENA BHAGWATI**  
DIN : 00096280  
Independent Director  
MBA

She is an industrialist having experience in providing Fiscal, Strategic and Operations leadership in various Engineering businesses and also leads operations and strategic directions with full responsibility for top and bottom line including strategy formulation, long-term planning, cross-functional management, legal and financial obligations.



**SANTOSH NEMA**  
DIN : 01907138  
Independent Director  
B.E. (Mechanical)  
MBA (IIM, Ahmedabad)

He has extensive experience in leadership roles across consumer facing industries like Asian Paints Limited, Shalimar Paints Limited and CERA Sanitaryware Limited. He has expertise in sales, marketing, operations and business development, strategic planning, dealer network, leading and developing teams, P&L management, customer centricity, brand building, JV and strategic alliances, change management and building high performance cultures.

## BOARD'S REPORT

*Dear members*

Your directors are pleased to present the Company's 34<sup>th</sup> Annual Report on business and operations, together with the audited financial statements for the year ended March 31, 2021.

### HIGHLIGHTS OF RESULTS AND STATE OF COMPANY'S AFFAIRS

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from Operations & Other Income	523.59	763.05	931.24	1157.36
Profit before Financial Charges Depreciation & Taxation	152.37	246.46	163.27	262.30
Less: Financial Charges	0.08	0.25	10.71	10.68
Less: Depreciation & Amortisation Expenses	5.16	5.94	21.42	21.15
<b>Profit Before Tax</b>	<b>147.13</b>	<b>240.27</b>	<b>131.14</b>	<b>230.47</b>
Less: Income Tax	34.85	56.23	35.67	56.23
Less: Provision for tax of earlier years	(0.90)	-	(0.90)	-
Less: Deferred Tax Liability	0.83	(1.87)	(11.01)	(7.53)
<b>Profit After Tax</b>	<b>112.35</b>	<b>185.91</b>	<b>107.38</b>	<b>181.77</b>
Less: Non-controlling Interest	-	-	0.04	0.32
<b>Profit After Tax attributable to the shareholders</b>	<b>112.35</b>	<b>185.91</b>	<b>107.34</b>	<b>181.45</b>
Other comprehensive income	0.38	(0.25)	0.31	(0.75)
Total comprehensive income for the year	112.73	185.66	107.65	180.70
Add: Balance as per last year Balance Sheet	591.31	612.27	588.66	614.58
<b>Amount available for Appropriation</b>	<b>704.04</b>	<b>797.93</b>	<b>696.31</b>	<b>795.28</b>
Less: Dividend and Dividend Distribution Tax	7.00	206.62	7.00	206.62
<b>Surplus in statement of profit and loss</b>	<b>697.04</b>	<b>591.31</b>	<b>689.31</b>	<b>588.66</b>

#### Key Financials as on March 31, 2021

Your Company, along-with its subsidiaries, has a global presence. The Company has prepared consolidated accounts of the holding company and all its subsidiaries, in accordance with the Ind AS that are applicable. The consolidated revenue from operations along with other income stood at ₹ 931.24 Crores

(PY ₹ 1157.36 Crores). The profit after tax was ₹ 107.38 Crores (PY ₹ 181.77 Crores).

The Standalone revenue from operations alongwith other income stood at ₹ 523.59 Crores (PY ₹ 763.05 crores). The profit after tax was ₹ 112.35 Crores (PY ₹ 185.91 crores).

The highlights of the key financials are as under:

(₹ in Crores except per share data)

Particulars	Standalone	Consolidated
Equity Share Capital	13.99	13.99
Net Worth	760.57	763.92
Book Value Per Equity Share	108.72	109.20
Earnings Per Share (EPS)	16.06	15.35
Investments	578.83	484.42

## CONTRIBUTION TO EXCHEQUER

Your Company has contributed a sum of ₹ 71.24 crores to the exchequer during the financial year 2020-21 by way of duties and taxes on a standalone basis.

## TRANSFER TO RESERVES

The Board of Directors have decided to retain the entire amount of profit for FY 2020-21 in the profit and loss account.

## DIVIDEND

During the year under review, the Board of Directors declared an interim dividend of ₹ 1.00/- (50%) per equity share in their meeting held on January 22, 2021.

The Board has recommended a final dividend of ₹ 4.00/- (200%) per equity share having face value of ₹ 2/- each subject to approval of members at their ensuing annual general meeting for the financial year ended on March 31, 2021.

The aggregate dividend for the financial year ended on March 31, 2021, on approval of the proposed final dividend at ensuing annual general meeting would be ₹ 5.00/- (250%) [including interim dividend of ₹ 1.00/- (50%)] per share amounting to ₹ 34.98 Crores.

## Shareholders' Reward Policy

Symphony believes in maintaining a fair balance over a long-term period between pay out / reward to the shareholders and cash retention. The Company has been conscious of the need to maintain consistency

in pay-out / reward to the shareholders. The quantum and manner of pay out / reward to shareholders of the Company shall be recommended by the Board of Directors of the Company.

Shareholder's Reward policy (including Dividend Distribution Policy) can be accessed at <https://www.symphonylimited.com/corporate-governance>.

## MATERIAL CHANGES AND COMMITMENT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

## PERFORMANCE REVIEW – INDIA OPERATIONS

The COVID - 19 pandemic and subsequent lockdown impacted the summer season in an unprecedented way. However, Symphony was quick to respond with various innovative moves to counter the roadblocks. The timely response was empathetic in nature and was intended to help the channel partners during these trying times.

### Initiative during lockdown

Your Company has implemented 'Book a Cooler Campaign', a system that connects customers with dealers, who can supply the coolers when the situation improves. This involved a massive lead generation campaign through digital media which was appreciated by the trade as it helped them to liquidate their stocks.



## Trade channel and network

Consequent on the lockdown following COVID - 19, our sales channels were left with unsold inventory. The Company supported its channel partners (who were left with unsold inventory) providing stock compensation schemes and attractive off-season schemes to maximize their profits. The Company also floated attractive secondary schemes that helped distributors sell larger quantities to the retailers. There was no major price increase despite the pressure on the input costs. In addition, the Company implemented various initiatives like exchange offers and consumer offers in selected locations to help channel partners sell their inventory. These initiatives helped boost the confidence of our channel partners immensely.

To fulfil the huge latent demand for quality air coolers from the rural market, Symphony launched a special range of economy coolers on 15<sup>th</sup> August, 2020. A network of wholesale distributors and direct dealers is being created in rural and semi-urban towns across India.

## Industrial Coolers

Symphony launched specially designed accessories like duct, stand, controller, etc. for the range of industrial coolers for providing end-to-end solutions to our customers. This proactive move has made Symphony a one stop shop for industrial cooler customers. The Company did a virtual launch event for Industrial Cooler Accessories where channel partners from all over India joined. Like our latest Industrial Cooler models, the accessories are also being made in India. This makes us more competitive because of the lower cost and reduced lead time compared to the option of importing such coolers from our subsidiary companies in China and Mexico. This is also in line with the Make in India initiative launched by Government of India.

The Company has commissioned a lead generation campaign to generate business leads and to increase awareness about Industrial Cooling backed by a solid lead management software.

## Brand Building

The Company continued its advertisements even during the lockdown period to protect its share of mind and market share. This also boosted the confidence of our channel partners.

In order to maintain brand dominance and increase customer pull, Symphony launched two new campaigns, one for Household Coolers and another for the Movicool Range of Commercial Coolers. Symphony adopted a 360-degree approach by executing the campaigns through various ATL media like TV, Print, Radio, Internet, etc. and BTL initiatives like In-Shop Branding, Brand Promoters, Activations, etc.

## International Business

During the year, there was a decline in sales compared to previous year due to the prevalence of COVID - 19 pandemic. This led to large unsold inventory in most countries as there were no sales during summer months because of local lockdowns. The maximum impact of the decline was observed in the first three quarters. Recovery started from the fourth quarter. Sales in the regions of Middle East, Africa and Europe were more or less at the previous year's levels. The Company continues to have several international quality certifications like CE, SASO, NOM etc., which provide access to market in several countries.

## Service

After Sales services of all companies were affected as the service staff could not travel and technicians were not available. Symphony solved this issue in a very innovative manner by guiding the customers using videos shared via WhatsApp or telephonically and helped them resolve minor issues.

Many initiatives were taken to motivate the service team and the service associates during the year. Your Company has conducted intensive training to all the technicians, launched special incentive programs in some selected cities to reach the next level of service

delivery and nurtured the service associates to also sell Symphony coolers under exchange program to existing customers who were looking for an upgrade.

### SEZ UNIT

During the year under review, your Company has discontinued the operations in its SEZ unit in Kandla and started merchant export to cater to the needs of international business resulting in rationalising operations and saving in overheads without affecting overseas business.

## PERFORMANCE REVIEW - OVERSEAS OPERATIONS

### (i) Climate Technologies Pty Limited, Australia (CT):

There has been a significant impact of COVID - 19 on the business (mainly on the profitability). Lockdown periods have impacted sale and installation of ductable products (coolers and heaters) which forms a large part of CT's domestic sales.

However, despite COVID-19 the consolidated gross revenues were higher than last year.

The main factors for revenue improvement were: (a) strong growth in ducted gas heater sales in Australia, (b) introduction of portable air coolers manufactured by Symphony India in the US market and (c) the expansion of the Symphony India portable coolers range in Australia.

COVID-19 significantly impacted COGS and Contribution Margins with increase in the cost of raw materials, labour cost and freights. In several cases, there were supplier delays and we had to manage by either (a) spending air freights instead of ocean shipment, or (b) resort to alternate sourcing from more expensive sources.

With a view to improve EBITDA growth in FY22, key project initiatives have been planned including: (a) outsourcing of the fabrication requirement of the

high volume ducted gas heater range to India; (b) expanding Climate Technologies presence in the Australian refrigerated air conditioning market, leveraging the Bonaire brand name, (c) expanding the Symphony India air cooler product offering in the USA, (d) introducing a new range of small commercial air coolers in the Australian market, (e) increasing the sales of portable spot coolers and other retail cooling products in Australia and (f) outsourcing ducted evaporative air cooler kits supply to India.

The organization structure of the business has been simplified resulting in reduction of fixed overheads and cost of doing business without compromising sales growth. Several projects have been initiated with a view to outsource a large part of the manufacturing, thereby converting several fixed costs to variable costs.

### (ii) IMPCO S. de. R. L. de. C. V. (IMPCO), Mexico

COVID - 19 has significantly affected IMPCO business (mainly Q1) because of lockdowns during summer, which is a peak sales season, and economic turmoil in Mexico (as also in Latin American countries).

To protect margins against falling revenues, rising RM prices, rising ocean freights and significant currency rate fluctuations, we took several important steps. Some of the main initiatives were: (a) downsized the organization and made it leaner, (b) cut down on marketing, travel and other less-essential expenses, and (c) implemented a 10% price increase on imported products. All these steps led to increased gross profit margins and contribution margin percentage.

Online sales increased by 70%, sales and contribution values for heater segment doubled, and this, coupled with revised strategies, we could manage to bring the revenues up to 85% those of the previous year.

Due to unexpected bankruptcy of FAMSA, a major appliances and furniture retailer in Mexico and also one of IMPCO's top customers, we had to write-off a debt of \$21.9 mn. MXP (INR 7.16 Crores). This has severely affected the profitability for the year.

We experienced a business revival in Q4 and we are hopeful of much better performance for the next financial year, where we have also planned expansion within Mexico (geographical expansion as well as product category expansion).

### (iii) Guangdong Symphony Kerulai Air coolers Co. Ltd, (GSK), China

China was the first country to get severely affected by COVID - 19. The business disruptions happened owing to a variety of reasons: (a) strict lockdowns within China in the initial periods, (b) reduction in consumer spend in initial part of the year (that affected hot peak season for us) except for essentials, (c) significant reductions in China exports due to lockdowns in several importing countries.

The year ended with worst-ever performance for GSK post its acquisition by Symphony Limited in 2016. Despite all the challenges and an evident downturn trend, we decided to go head-on. GSK was in the first batch of enterprises to resume work after COVID - 19, in Q1.

GSK signed a cooperation agreement on 1000 units of flagship model of its industrial coolers for Jd.com warehouse all over China. GSK invested in a new industrial cooler model KM35 and a new portable spot cooler model "Crown" to fill gaps in its offering.

GSK managed entry to GOME, a big appliances retailer in China. As a result, our products are now already present in some key cities and key stores. GSK opened stores on online platforms such as Pinduoduo, Taobao, Youzan and Alibaba.

We believe that this will give us a considerable advantage. GSK also made arrangements to sell live on YiHe TV shopping platform.

GSK participated in the 127<sup>th</sup> online Canton Fair by investing into VR content making. In June 2020, Kerulai promoted on Tiktok which is the most famous App in China.

Towards Q4, there was an evidence that the economy of China was springing back to normal. As a result, GSK domestic revenues are higher than those of Q4 of the previous years, although the international business is yet to get a revival.

### (iv) Symphony Climatizadores Ltda, (SCL) Brazil

Brazil is an important market for Air coolers. It is also a country with high import duties and taxes. Prices of all the products tend to be high due to this. In order to be competitive and to tap this air cooler market, SCL has been established. SCL imports range of Industrial and portable coolers from Symphony India and from GSK China and distributes in the local market. Offering high quality products at competitive prices has been the strategy of SCL.

## AWARDS AND ACCOLADES

- Mr. Nrupesh Shah, Executive Director of the Company has been conferred with "The Gem of a CA profession" award by the Institute of Chartered Accountants of India (ICAI), Ahmedabad Branch.
- Received award for India's Most Trusted Air Coolers Brand – 2020 from Trust Research Advisory (TRA).
- Received award for Best Brand from Gujarat Brand Leadership Awards 2020 by World Marketing Congress.
- ISO 9001: 2015 certification for quality management and systems for its design, sales, marketing and after sales services of air coolers, certified by BVC.

- Information Security Management System certification ISO - 27001 by Bureau Veritas Certification Holding SAS UK.
- Our plant is compliant with QSA (Quality System Assessment), RESA (Retail Ethical Sourcing Assessment) and CTPAT (Customs-Trade Partnership Against Terrorism) to cater to the needs of US Market.
- Few products are ETL / CE / CEC / FCC certified.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to the provisions of Regulation 34 of the Listing Regulations, Management Discussion and Analysis Report for the financial year ended on March 31, 2021, is forming part of this annual report.

## CORPORATE GOVERNANCE

Pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, Corporate Governance Report for the financial year ended on March 31, 2021, is annexed to this annual report.

The requisite certificate obtained from the Practising Company Secretaries confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

## SUBSIDIARIES

Your Company has six overseas subsidiary companies, (i) IMPCO S. de R. L. de C.V., (IMPCO), México, (ii) Guangdong Symphony Keruilai Air Coolers Co. Ltd., China, (iii) Symphony AU Pty Limited, Australia, (iv) Climate Technologies Pty Limited, Australia, (v) Bonaire USA LLC, U.S.A. and (vi) Symphony Climatizadores Ltda. Brazil.

As per the requirements of Regulation 24 of the SEBI Listing Regulations, the Company has appointed Mr. Naishadh Parikh, Independent Director of the Company on the board of its subsidiary companies viz. (i) Climate Technologies Pty Limited, Australia and (ii) Symphony AU Pty Limited, Australia, w.e.f. April 1, 2019.

In accordance with Section 129 (3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and its subsidiary companies, which forms part of the Annual Report. Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries in Form No. AOC-1 is annexed to the financial statements of the Company. The statement also provides the details of performance and financial position of the subsidiaries of the Company.

The financial statements of the subsidiary companies and related information are available for inspection by the members at the Registered Office of the Company during business hours on all days except Sundays and public holidays upto the date of the Annual General Meeting as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statement may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statement, financial statements of subsidiaries and all other documents required to be attached to this report have been uploaded on the website of the Company [www.symphonylimited.com](http://www.symphonylimited.com).

## AUDITORS

M/s. Deloitte Haskins and Sells, Chartered Accountants (Firm Registration No. 117365W) was appointed as Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 33<sup>rd</sup> AGM of the Company held on September 22, 2020, till the conclusion of the 38<sup>th</sup> AGM to be held in 2025. They have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company for financial year 2021-22.

The Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and thus does not require any further clarifications/ comments.

## COST AUDITORS

During the year under review, the Company was not required to appoint cost auditors.

Cost records: The cost accounts and records as required to be maintained under section 148(i) of the Companies Act, 2013 are duly prepared and maintained by the Company.

## CORPORATE SOCIAL RESPONSIBILITY

As required under Section 135 of the Companies Act, 2013 and the rules made thereunder, the annual report on Corporate Social Responsibility containing details about the composition of the Committee, CSR activities, amount spent during the year and other details is enclosed as **Annexure - 1**. The Corporate Social Responsibility Policy is displayed on the website of the Company.

## SECRETARIAL AUDIT REPORT

As required under the provisions of section 204 of the Companies Act, 2013, the Board of Directors of your Company had appointed M/s. SPANJ & Associates, Practicing Company Secretaries, to conduct Secretarial Audit. The Secretarial Audit Report for the financial year ended on March 31, 2021, is annexed to Board's Report as **Annexure - 2**.

The Secretarial Auditors' report does not contain any qualification, reservation or adverse remark and is self-explanatory and thus does not require any further clarifications/comments.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Ms. Jonaki Bakeri, Non - Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment.

Mr. Nrupesh Shah was re-appointed as an Executive Director for a period of five years effective November 1, 2016, pursuant to which his present term will be expiring on October 31, 2021. The Board of Directors

at its meeting held on April 27, 2021 has re-appointed Mr. Nrupesh Shah as Whole Time Director designated as an Executive Director for a period of five years from November 1, 2021 subject to approval of members.

The Board has, at its meeting held on June 19, 2021, approved the appointment of Mr. Amit Kumar as an Additional Director designated as Executive Director and Group CEO of the Company with effect from August 2, 2021 for a period of five years. A resolution seeking shareholders' approval for approving his appointment and terms of appointment including remuneration, forms part of the Notice of the ensuing Annual General Meeting.

Brief profiles of Ms. Jonaki Bakeri, Mr. Nrupesh Shah and Mr. Amit Kumar as required under Regulation 36 (3) of the Listing Regulations and Secretarial Standards - 1, are annexed to the notice convening the 34<sup>th</sup> Annual General Meeting, which forms part of this Annual Report. Your directors recommend their appointment.

## ANNUAL RETURN

In accordance with Section 134 (3) (a) and Section 92 (3) of the Companies Act, 2013, the Annual Return of the Company has been placed on the website of the Company and can be accessed at <https://www.symphonylimited.com/annual-reports-related-documents>

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors of the Company hereby state and confirm that:

- (a) in the preparation of the annual accounts for the financial year ended on March 31, 2021, the applicable Indian accounting standards have been followed and there are no material departures from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so

as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 read with Rules made thereunder for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## MEETINGS OF THE BOARD

Four meetings of the Board of Directors of the Company were held during the year under review. The details of composition, meetings, attendance and other details of the Board are reported under Corporate Governance Report which is annexed to Board's Report.

Your Company has complied with the Secretarial Standards as applicable to the Company pursuant to the provisions of the Companies Act, 2013.

## AUDIT COMMITTEE

The Committee comprises Mr. Naishadh Parikh, Chairman, Mr. Ashish Deshpande, Ms. Reena Bhagwati and Mr. Santosh Nema as members. In accordance with the provisions of section 177(8) of the Companies Act, 2013 and Listing Regulations, the Board has accepted all the recommendations of the Audit Committee during the financial year 2020-21.

The details of composition, meetings, attendance and other details of the Audit Committee and other

committees are reported under Corporate Governance Report which is annexed to Board's Report.

## NOMINATION & REMUNERATION POLICY

The Company has framed Nomination & Remuneration Policy for appointment of directors, key managerial personnel and senior management personnel, their remuneration and evaluation of directors and Board. The said policy is forming part of Corporate Governance Report.

## PARTICULARS OF LOANS, GUARANTEES, SECURITY OR INVESTMENTS

The liquidity position of your Company is fairly comfortable and therefore the surplus funds were invested to generate returns.

The Company has given loan and provided guarantee and security to the subsidiary companies for general business purpose.

Details of loans, guarantees and investments under the provisions of Section 186 of the Act as on March 31, 2021, are set out in Note nos. 4, 9 and 35 to the Standalone Financial Statements of the Company.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and the same were placed before the Audit Committee and also to the Board for their approval. The Company has also obtained omnibus approval on a yearly basis for transactions which are of repetitive nature. All Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

There are no materially significant related party transactions that may have potential conflict with interest of the Company. The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 is not applicable to your Company. Members may refer to note no. 35 to the standalone financial statement which sets out related party disclosures pursuant to IND AS.

Transactions with person or entity belonging to the Promoter/ Promoter Group which holds 10% or more shareholding in the Company have been disclosed in the accompanying financial statements.

## RISK MANAGEMENT

As per requirement of the Listing Regulations, Risk Management Committee has been constituted by the Company. The Risk Management Committee comprises of Mr. Naishadh Parikh, Chairman, Mr. Achal Bakeri and Mr. Nrupesh Shah as Members.

The Company is aware of the risks associated with its business. It regularly analyses and takes corrective actions for managing / mitigating the same. The Company periodically reviews its process for identifying, minimizing and mitigating risks. The Board of Directors of the Company have framed a risk management policy and same is being adhered to by the Company. There are no risks which, in the opinion of the Board, threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

## ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board of Directors has carried out annual performance evaluation of its own performance, its committees and all directors of the Company as per the guidance notes issued by SEBI in this regard. The Nomination and Remuneration Committee has also reviewed the performance of Board, Committee and all directors of the Company as required under the Companies Act, 2013 and the Listing Regulations.

### i. Criteria for evaluation of Board

Criteria for evaluation of Board broadly covers the competency, experience, qualification of the director, diversity of the board, meeting procedures, strategy, management relations, succession planning, functions, duties, conflict of interest, grievance redressal, corporate culture and values, governance and compliance, evaluation of risks etc.

### ii. Criteria for evaluation of Committee

Criteria for evaluation of committee cover mandate and composition, effectiveness, structure and meetings, independence of the committee from Board and contribution to decisions of the Board.

### iii. Criteria for evaluation of Directors

These broadly cover qualification, experience, knowledge and competency, ability to function as a team, initiative, attendance, commitment, contribution, integrity, independence, participation at meetings, knowledge & skill, personal attributes, leadership, impartiality etc.

The Board of Directors expressed their satisfaction with the evaluation process.

## DECLARATION BY INDEPENDENT DIRECTORS

Independent Directors have submitted their declarations stating that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and Listing Regulations as amended from time to time.

## VIGIL MECHANISM

The Company has established a vigil mechanism to provide adequate safeguards against victimization and to provide direct access to the Chairman of the Audit Committee in appropriate cases. This mechanism is available on the website of the Company.

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

## PARTICULARS OF EMPLOYEES

The statement of disclosure of remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules) are set out as **Annexure - 3** to the Board's Report.



The statement of disclosures and other information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Rules is forming part of this Report. However, as per second proviso to Section 136(1) of the Act and second proviso of Rule 5(3) of the Rules, the Report and Financial Statement are being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

### INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Company has laid down internal financial controls to ensure the systematic and efficient conduct of its business, including adherence to Company's policies and procedures, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information. The same is reviewed by the Statutory Auditor and Internal Auditor at regular intervals and also by the Audit Committee.

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

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal Complaints Committee has been set up to redress complaints regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

There were no complaints received, disposed of during the year under review and pending as at the end of the financial year.

### DEPOSIT

The Company has not accepted any deposit during the year under review and no unclaimed deposits or interest was outstanding as on March 31, 2021.

### INSURANCE

The insurable interests of the Company including building, plant & machinery, stocks, vehicles and other insurable interests are adequately covered.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given as **Annexure - 4**.

### BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report for the financial year 2020-21, as stipulated under Regulation 34 of the Listing Regulations is annexed to this Report as **Annexure - 5**.

### APPRECIATION

Your directors wish to place on record their appreciation of the contribution made by employees at all levels to the continued growth and prosperity of your Company. Your directors also wish to place on record their deep sense of appreciation to the shareholders, OEMs, dealers, distributors, service franchises, CFA, consumers, banks and other financial institutions for their continued support.

For and on behalf of the Board

**Achal Anil Bakeri**

Place: Ahmedabad *Chairman and Managing Director*

Date: June 19, 2021

DIN - 00397573



## Annexure - 1

# CORPORATE SOCIAL RESPONSIBILITY

### 1. Brief outline on CSR Policy of the Company:

Symphony is committed to provide society with environment friendly products which consumes less energy and have no harmful emissions. The Company believes in helping social economic development of society by providing fundamental facilities as provided in Section 135 of the Companies Act, 2013 read with Rules made thereunder. This is the cornerstone of our CSR policy.

The Company supports various bodies in carrying out activities in the areas of education, health care, women empowerment, old age homes, environment protection and genetic disorder, etc.

### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	No. of meeting of CSR Committee held during the year	No. of Meeting of CSR Committee attended during the year
1	Mr. Naishadh Parikh	Chairman of CSR committee Independent Director	2	2
2	Mr. Achal Bakeri	Member of CSR Committee Chairman and Managing Director	2	2
3	Mr. Nrupesh Shah	Member of CSR Committee Executive Director	2	2

### 3. Weblink: -

#### i. Composition of CSR Committee-

<https://www.symphonylimited.com/corporate-governance>

#### ii. CSR Policy: -

<https://www.symphonylimited.com/corporate-governance>

#### iii. CSR Project: -

Sustainability: - <https://www.symphonylimited.com/sustainability>

Healthcare: - <https://www.symphonylimited.com/healthcare>

Education: - <https://www.symphonylimited.com/education>

- Details of Impact assessment of CSR projects carryout in pursuance of sub rule (3) of rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, (attach the report): - **NOT APPLICABLE**
- Details of amount available for set off and amount required for set off for the financial year: - **NOT APPLICABLE**
- Average net profit of the Company as per section 135 (5): - ₹ 199.72 crores
- (a) Two percent (2%) of net profit of the Company as per section 135 (5): - ₹ 3.99 crores  
(b) Surplus arising out of the CSR Project/ activities of the previous FY: - **NIL**  
(c) Amount required to be set off for the FY: - **NIL**  
(d) Total CSR obligation for the FY (7a + 7b – 7(c)): - ₹ 3.99 crores

## 8. (a) CSR amount spent / unspent for the financial year:

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 4.07 crores	Not Applicable				

## b. Details of CSR amount spent against ongoing projects | Not Applicable

## c. Details of CSR Amount spent against other than ongoing project for the financial year: ₹ In crores

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	Location of the project State/ District	Amount spent for the project	Mode of Implementation Direct (Yes/ No)	Mode of Implementation Through implementing agency	
							Name	CSR Registration No.
1	Preventive Healthcare and Promoting Healthcare	(i)	Yes	Ahmedabad, Gujarat	3.36	No	Dr. Jivraj Mehta Smarak Health Foundation	CSR00003117
2	Development and Maintenance of Public Park	(iv)	Yes	Ahmedabad, Gujarat	0.30	Yes	N.A.	N.A.
3	Preventive Healthcare and Promoting Healthcare	(i)	Yes	Ahmedabad, Gujarat	0.36	Yes	N.A.	N.A.
4	Eradicating hunger, poverty and malnutrition and Preventive Healthcare	(i)	Yes	Kolkata, West Bengal	0.040	No	Gurudwara Behala Nishkam Sewa Sabha	N.A.
5	Disaster Management and Relief, Rehabilitation	(xii)	Yes	Kolkata, West Bengal	0.010	No	Pragya Foundation	N.A.
6.	Promoting education	(ii)	Yes	Ahmedabad, Gujarat	0.002	No	Ahmedabad Management Association	N.A.
7.	Promotion and development of traditional art	(v)	Yes	New Delhi	0.003	No	Teamwork Arts Society	N.A.

## d. Amount spent in Administrative overheads: - NIL

## e. Amount spent on impact assessment, if applicable: - NIL

## f. Total amount spent for the financial year (8b + 8c + 8d + 8e) - ₹ 4.07 crores

g. Excess amount for set off, if any: - (₹ in crores)

Sr. No.	Particulars	Amount
i	Two percent of average net profit of the company as per section 135(5)	3.99
ii	Total amount spent for the Financial Year	4.07
iii	Excess amount spent for the financial year [(ii)-(i)]	0.08
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.08

9. (a) Details of Unspent CSR amount for the preceding three financial years: -

Sr. No.	Preceding FY	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting financial year	Amount transferred to any fund specified Under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): -

Sr. No.	Project ID	Name of the Project	Financial year in which project commenced	Project duration	Total amount allocated for the project (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project – Completed/ Ongoing
Not Applicable							

10. In case of creation or acquisition of capital assets, furnish the details relating to the assets so created or acquired through CSR spent in the financial year: - **NOT APPLICABLE**

(a) Date of creation or acquisition of the capital asset(s): -

(b) Amount of CSR spent for creation or acquisition of capital asset: -

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: -

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital assets): -

11. Specify the reason(s) if the Company has failed to spend two percent of the average net profit as per section 135 (5): - **NOT APPLICABLE**

Date: April 27, 2021  
Place: Ahmedabad

Naishadh Parikh  
Chairman - CSR Committee  
DIN - 00009314

Achal Bakeri  
Chairman & Managing Director  
DIN - 00397573

## Annexure - 2

Form No. MR-3  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2021

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

To,

The Members

**SYMPHONY LIMITED**

{CIN: L32201GJ1988PLC010331}

Regd. Off: "Symphony House", Third Floor, FP-12, TP-50,  
 Off S.G. Highway, Bodakdev, Ahmedabad – 380 059

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives in electronic form in online system in view of continued situation of COVID - 19 pandemic during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2021 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to an extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company copies of which were made available in electronic form by electronic transmission mode as per Annexure - A for the Financial Year ended on

31<sup>st</sup> March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (c), (d), (e), (g) and (h) of para (v) mentioned hereinabove during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreement entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended).
- (vi) We further report that having regard to the compliance management system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof made available to us in electronic form, on test-check basis, the Company has compliance management system for the sector specific laws applicable specifically to the company, however in view of continued situation of COVID - 19

pandemic across the nation, physical verification was not possible.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned hereinabove. We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws applicable to the Company.

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

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

Majority decision at the board meeting as represented by the management were carried through unanimously whereas as informed, there is a system of capturing the views of dissenting members' and recording the same as part of the minutes, wherever required.

**We further report that** based on review of compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the company secretary and taken on record by the board of directors at their meeting(s), we are of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable rules, regulations and guidelines as referred hereinabove.

**We further report that** during the audit period of the Company there were no other specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except events more specifically related to following matters:

- During the year, 'Rupa Achal Bakeri Family Trust' was added in the list of Promoters of the Company, after Acquisition of 1000 Equity Shares from open market.
- During the year, Mr. Pavan Bakeri Jt. Mr. Anil Bakeri (12,04,000 Equity Shares) and Mrs. Hansa Bakeri Jt. Mr. Anil Bakeri (20,000 Equity Shares) were Reclassified from Promoter Group Category to Public Category as per approval of members as well as Stock Exchanges.
- During the year, Board has approved change of RTA from KFin Technologies Private Limited to Bigshare Services Private Limited.

**ASHISH C DOSHI, PARTNER  
SPANJ & ASSOCIATES**

*Company Secretaries*

ACS/FCS No.: F3544

COP No.: 2356

Date: April 26, 2021

PR Certificate No. : 702/2020

Place : Ahmedabad

UDIN : F003544C000181876

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

## ANNEXURE - A

List of documents verified in electronic mode

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and Committees including Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee along with attendance register held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Act and rules made there under.
5. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Act.
7. Intimations/Disclosure/Declaration received from Directors under & The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Act and attachments thereof during the period under report.
9. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the period under report.
10. Communications/ Letters issued to and acknowledgements received from the Independent Directors for their appointment.
11. Various policies framed by the Company from time to time as required under the Act as well as Listing Agreement and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read

with circulars issued by SEBI from time to time as mentioned hereunder:

- Shareholders' reward policy
- Shareholder Referencer
- Code of Ethics & Business Conduct
- Vigil Mechanism
- CSR Policy
- Familiarization Program Imparted

- Policy for Materiality & Dealing with RPT
- Policy for determining Material Subsidiaries
- Code of Practices and Procedures for Fair Disclosure
- Archival Policy
- Materiality of Events Policy
- Code of Corporate Governance

## Annexure - B

To,

The Members

**SYMPHONY LIMITED**

{CIN: L32201GJ1988PLC010331}

Regd. Off: "Symphony House", Third Floor, FP-12, TP-50,  
Off S.G. Highway, Bodakdev, Ahmedabad – 380 059

Sir,

**Sub: Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2021**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the

compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**ASHISH C DOSHI, PARTNER**  
**SPANJ & ASSOCIATES**  
*Company Secretaries*  
ACS/FCS No.: F3544  
COP No.: 2356

Date: April 26, 2021  
Place: Ahmedabad

PR Certificate No.: 702/2020  
UDIN : F003544C000181876

## Annexure - 3

**A. INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of Directors / KMPs	Remuneration		% increase / (decrease) in Remuneration	Ratio to median remuneration
	2020-21 (₹ in lacs)	2019-20 (₹ in lacs)		
<b>Executive Directors~</b>				
Mr. Achal Bakeri, Chairman & Managing Director	0.02	237.65	N.A. <sup>§</sup>	-
Mr. Nrupesh Shah, Executive Director	108.05	163.15	(33.78) <sup>£</sup>	13.90
<b>Non-Executive Independent Directors*</b>				
Mr. Naishadh Parikh	2.00	1.50	N.A.	0.26
Mr. Ashish Deshpande	2.00	2.00	N.A.	0.26
Ms. Reena Bhagwati	2.00	2.00	N.A.	0.26
Mr. Santosh Nema	2.00	0.90	N.A.	0.26
<b>Non-Executive Non-Independent Director</b>				
Ms. Jonaki Bakeri#	-	-	N.A.	-
<b>Key Managerial Personnel</b>				
Mr. Bhadresh Mehta, Chief Financial Officer - Global	-	-	13.80 <sup>≠</sup>	-
Mr. Mayur Barvadiya, Company Secretary	-	-	13.98 <sup>≠</sup>	-

~ Calculated on the basis of annual CTC plus performance linked incentives for better comparison.

<sup>§</sup> He has waived his rights to receive remuneration / commission for the year 2020-21 due to COVID - 19 pandemic.

<sup>£</sup> As per data sheet of financial year 2020-21.

\* Non-Executive Directors are paid sitting fees for attending Board and Audit Committee meetings, hence not comparable.

# She has waived her rights to receive sitting fees.

<sup>≠</sup> Variable pay for the financial year 2019-20 paid in financial year 2020-21.

- 2 The median remuneration of employees during the financial year under review was ₹. **7.78 lacs**
- 3 The percentage increase in the median remuneration of employees in the financial year: **(6.45%)**.
- 4 The number of permanent employees on the rolls of Company as on March 31, 2021: **452**
- 5 Average percentiles increase / (decrease) already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average Increase/ (decrease) in remuneration of employees other than Managerial Personnel is (6.45%) and average increase/(decrease) in remuneration of Managerial Personnel is (30.93%). The criteria for increase in remuneration of employees other than Managerial Personnel is based on an internal performance evaluation carried out by the Management annually, which is further linked to the overall performance of the Company.
- 6 We affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

**Note:**

1. Managerial Personnel includes Chairman and Managing Director and Executive Director.
2. Median remuneration calculated on the basis of number of employees who were in the employment of the Company throughout the year for better comparison.



## Annexure - 4

### INFORMATION AS REQUIRED UNDER RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE BOARD'S REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021.

The Company has continued its focus on the key aspect of Social & Environment Impacts. The Company has taken a few steps to maintain & improve carbon footprints:

#### (A) CONSERVATION OF ENERGY

##### (a) Steps taken or impact on conservation of energy:

- i. Lead-free PCB developed for saving the environment and thus energy.
- ii. All products are having RoHS compliance.
- iii. Incorporation of more efficient fan design in the product.
- iv. Company is using PCBA which complies with ErP (Energy resource Products).
- v. Introduced bearing in a few motors to minimise friction to reduce energy consumption.
- vi. Use of polymers which are 100% recyclable.
- vii. Focused on family kind of mould so that maximum output can be achieved with minimal use of energy.
- viii. Replaced metallic components by global specially engineered plastics.
- ix. Introduced changes in electrical distribution system viz. LT Panels, cable routing etc.
- x. Replacement of ballasts (chokes) by more efficient ones and pumps with energy-efficient pumps and also Development of smaller and more efficient pumps.
- xi. Reduction of inwards and online inspection by bringing manufacturing procedures under statistical quality control [SQC].
- xii. Redesigning the product and packaging dimensions to allow the optimum quantity

of transportation per truck or container. This leads to lower fuel consumption per piece.

- xiii. Designing of Motor (A most critical part of coolers) to consume minimum power.
- xiv. Use of Dura pump technology which cuts off the power supply in case of overheating.
- xv. Switching to LED lights instead of CFL.

##### (b) Steps taken by the Company for utilizing alternate sources of energy: Nil

##### (c) Capital investment on energy conservation equipment: Nil

#### (B) TECHNOLOGY ABSORPTION:

##### (i) The Efforts made in technology absorption

- a. Constant R & D efforts directed towards product improvement, new product development, enhancement of features of existing products, cost reduction, automation, OEMs, development, environmentally friendly products, import substitute and energy-efficient products.
- b. In-house development of aesthetically designed full plastic body air coolers/ storage.
- c. In-house testing of all types of plastic materials for their development, reliability and usability.
- d. Intelligent electronic components with user-friendly features.
- e. Revolutionary water distribution technology.
- f. Special plastic formulation developed for the fan blades which has drastically reduced its breakage.
- g. LCD technology in coolers.

- h. Introduction of power PCB to work even in fluctuating voltage in various parts of the country.
  - i. Energy-efficient products.
  - j. Extensive usage of simulation and prototypes to reduce development time and predict failures.
  - k. Developed and adopted new RPT technology to avoid the laser cutting of plastic pollution flames and save power.
  - l. Enhanced reliability of parts to avoid 100% testing and thereby saving usage of power.
- (ii) **The benefits derived like product improvement, cost reduction, product development or import substitution**
- a. Reduced part/component replacement in the field.
  - b. Enhanced customer satisfaction.
  - c. Improvement in quality and reliability.
  - d. Cost Reduction.
  - e. Improvement in productivity.
  - f. Reduction in wastage/rework.
  - g. New product development as well as enhancement of features in existing products resulting in higher sales and market shares.
  - h. Improved serviceability and improved field service.
  - i. Power saving.
- (iii) **Imported Technology (Imported during the last three years reckoned from the beginning of the financial year):** No imported technology is involved. The Company has its proven technology which is duly tested and approved. However, certain critical tools & moulds have been imported.

(iv) **Expenditure incurred on Research and Development:**

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
1. Revenue	3.70	3.79	11.07	7.71
2. Capital	0.05	0.35	0.10	1.59
3. Total	3.75	4.14	11.17	9.30
4. Total R&D expenditure (as % of turnover)	0.77	0.58	1.24	0.85

(C) **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details of Foreign Exchange Earnings and Outgo are mentioned below:

(₹ in Crores)

Particulars	2020-21	2019-20
Foreign Exchange Earnings	58.13	63.95
Foreign Exchange Outgo	37.30	54.27

## BUSINESS RESPONSIBILITY REPORT

### Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L32201GJ1988PLC010331
2.	Name of the Company	Symphony Limited
3.	Registered Office address	"Symphony House", Third Floor, FP-12, TP-50, Off S. G. Highway, Bodakdev, Ahmedabad – 380059, Gujarat, India.
4.	Website	www.symphonylimited.com
5.	E-mail id	investors@symphonylimited.com
6.	Financial Year reported	April 1, 2020 to March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	46529
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Air Coolers, Heaters and Spares
9.	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations (Provide details of major 5)	Six International Subsidiaries The Company, through its subsidiaries, has operations in Mexico, China, Australia, USA and Brazil
	ii. Number of National Locations	22 locations across India.
10.	Markets served by the Company Local/State/National/International/	National and International

### Section B: Financial Details of the Company

1.	Paid up Capital (₹ In Crores)	13.99
2.	Total Turnover (₹ In Crores) (Consolidated)	899.84
3.	Total Profit after Taxes (₹ In Crores) (Consolidated)	107.34
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Details of CSR spending is given in CSR report forming part of Board's Report.
5.	List of activities in which expenditure in 4 above has been incurred:-	

## Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies? <b>Yes. At present the Company is having six overseas subsidiaries.</b>
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary companies. <b>No. None of the subsidiaries of the Company is in India.</b>
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] <b>The Company always encourages its suppliers, distributors, dealers, associates etc. to take BR initiatives at their end.</b>

## Section D: BR Information

### 1. Details of Director/Directors responsible for BR

- a) Details of the Director / Director responsible for implementation of the BR policy/policies

DIN	00397573
Name	Mr. Achal Bakeri
Designation	Chairman and Managing Director

- b) Details of the BR head

Sr. No.	Particulars	Details
1.	DIN	00397573
2.	Name	Mr. Achal Bakeri
3.	Designation	Chairman and Managing Director
4.	Telephone number	+91-79-6621 1111
5.	e-mail id	investors@symphonylimited.com

### 2. Principle-wise (NVGs) BR Policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for...	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy being formulated in consultation with the relevant stakeholders?	-	-	Yes	-	-	Yes	-	-	-
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	-	-	-	-	-	Yes	-	-	-
		Yes. The policies are based on the "National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business" released by the Ministry of Corporate Affairs.								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Yes. Policy (ies) which are mandatory under the Companies Act, 2013 and SEBI Listing Regulations are approved by the Board. Other policies are approved by the Chairman and Managing Director.								
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes. The Company has various committees to oversee the implementation of the policy and adequate internal control systems for implementation of the same.								
6.	Indicate the link for the policy to be viewed online?	<a href="https://www.symphonylimited.com/corporate-governance">https://www.symphonylimited.com/corporate-governance</a>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes, wherever applicable								
8.	Does the company have in-house structure to implement the policy /policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, wherever applicable								
10.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Yes, wherever applicable								

2a. If answer to Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	Not applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

**The Board/Committee will review the BR performance at least annually.**

Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

**The Company does not publish a Sustainability Report. However the BRR is part of the Annual Report which is available on the website of the Company i.e. <http://www.symphonylimited.com/investor-annual-reports.aspx>**

**Section E: Principle-wise performance**

**Principle 1**

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

**Yes. The Company has a code of conduct and business ethics and a vigil mechanism (whistle blower policy). These are applicable to all directors and employees of the Company and all its subsidiaries.**

**All Group Companies / Suppliers/ Dealers/ Distributors/ agents are also expected to adopt and implement the Company's Code of Ethics and Business Conduct in its true letter and spirit.**

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

**Nil.**

**Principle 2**

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

**Air Cooler is an environment friendly product, considered as a green product. Symphony air coolers are specially designed in such a way that is energy efficient and provides more cooling with less power consumption.**

**Further, the i-pure series of air coolers launched by the Company also provide air purification over and above efficient air cooling.**

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

- i. At Symphony, we continually strive to improve our operations and minimize our impact on the environment. We pursue new ways to reduce emissions and improve energy management through conservation, and energy-efficient product design and also consider to increase use of renewable and recycled materials, evaluate and adjust water and energy usage pattern to become water positive and carbon neutral.
  - ii. Polymers used in Symphony Coolers are 100% recyclable as Symphony has a long history of environmental stewardship. Our growth is guided by the core belief of doing right for the business by doing right for people and our planet.
  - iii. Over the years, we have been embracing the challenge of developing energy-efficient products while minimizing the adverse impact on the environment. This is important to us as we believe innovation is key to a sustainable future for our planet.
3. Does the company have procedures in place for sustainable sourcing (including transportation)?
- i. If yes, what percentage of your inputs was sourced sustainably?  
Also, provide details thereof, in about 50 words or so.
- The Company continuously strives to implant sustainability throughout its supply chain system. The Company has implemented SAP/ ERP system to enhance the sustainability as well as supply chain.**
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?  
If yes, what steps have been taken to improve their capacity and capability of local and small vendors?  
**Yes**

Company has a policy and ensures localisation and outsourcing to a competitive supplier for quality products. The Company provides necessary hands-on Training to the suppliers/ OEMs.

- 5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

**Not applicable**

### Principle 3

- 1. Please indicate the Total number of employees.

**Total number of Employees as of March 31, 2021 is 452 in Symphony, India and ~694 including overseas subsidiaries.**

- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

**65**

- 3. Please indicate the Number of permanent women employees.

**9 (Nine) Permanent women employees in Symphony, India and 93 including overseas subsidiaries.**

- 4. Please indicate the Number of permanent employees with disabilities.

**NIL**

- 5. Do you have an employee association that is recognised by management?

**The Company does not have any employee association.**

- 6. What percentage of your permanent employees are members of this recognised employee association?

**Not Applicable.**

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	number of complaints filed during the financial year	number of complaints disposed of during the financial year	number of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil	Nil
2.	Sexual harassment	Nil	Nil	Nil
3.	Discriminatory employment	Nil	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

Permanent Employees	76%
Permanent Women Employees	100%
Casual/Temporary/Contractual Employees	60%
Employees with Disabilities	N.A.

#### Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

**Yes, the Company has mapped its key internal and external stakeholders.**

- (i) Employees,
- (ii) Original Equipment Manufacturers,
- (iii) Distributors,
- (iv) Dealers,
- (v) Customers,
- (vi) Governments and their authorities,
- (vii) Shareholders,
- (viii) Suppliers,
- (ix) Bankers,
- (x) Lenders,
- (xi) Auditors and
- (xii) Law Firms.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.

**As per Company's information, there are no disadvantaged or vulnerable or marginalised stakeholders.**

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

NIL

#### Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

**The Company's Policy on Human Rights covers not only the Company but also extends to its Subsidiaries and Group Companies, Suppliers, etc.**

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

**The Company has received total 3 complaints from shareholders which were satisfactorily resolved.**

#### Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.



The Company has adopted sustainability policy and the same is available at <https://www.symphonylimited.com/corporate-governance>

The Company is a manufacturer of Air coolers which is an environment friendly and green product. Air Coolers have following advantages:

- i. Energy-efficient
- ii. Eco-friendly,
- iii. Use minimal water
- iv. Do not emit harmful CFCs.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

As a global corporate, we will strive to fulfil our social responsibility to deliver sustainable innovative product & services, create economic, social & maintain environmental values.

Climate change, global warming and environmental degrading pose unique challenges as well as opportunities for the Company. The Company is continually investing in new technologies and innovation to address global environment challenges.

3. Does the company identify and assess potential environmental risks? Y/N

Yes. On account of pollution hazards, the Company has come out with i-pure series of air coolers which also purifies the air over and above air cooling.

4. Does the company have any project related to Clean Development Mechanism?

If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

**Green Cooling for a Cleaner and Better Tomorrow:**

Tomorrow's world needs environment-friendly, energy conserving solutions and products. With

increased global warming and environmental degradation, people around the world recognise that businesses must act responsibly and offer green products to customers.

Symphony enables people across the world to capitalise on eco-friendly, energy-saving air cooling technologies as a serious alternative to harmful and inefficient air-conditioners.

We believe an environment-friendly approach transcends commercial considerations and a cleaner environment is the best legacy one can leave behind for future generations. Symphony's power-saving technology is currently the only air-cooling technology in the market that complies with international standards for product energy efficiency.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes. The Company strives to adopt process improvement measures and invest in efficient technologies to reduce its impact on the environment.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

**Not Applicable**

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year

**NIL**

### Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
- (a) Gujarat Chamber of Commerce,
  - (b) Confederation of Indian Industry and
  - (c) Federation of Indian Export Organisations.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (dropdown: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

No

### Principle 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

**Yes, the Company has identified specified projects in the pursuit of the CSR policy of the Company.**

**Details of the programme are given in CSR report forming part of Board's Report.**

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

**The identified projects are carried out directly by the Company itself.**

**The Company is also supplementing the efforts of the local institutions/ NGOs in the field of Education, Healthcare, empowerment of Women, Old age homes and Family Planning to meet priority needs of the underprivileged communities with the aim to help them to become self-reliant.**

3. Have you done any impact assessment of your initiative?

**The CSR Committee of the Board assesses the impact of its CSR programmes. Any update on CSR programme is placed before the Board for their review.**

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

**INR 4.07 crores Details of the programme are given in CSR report forming part of Board's Report.**

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

**Yes. CSR Programmes are done independently as well as rolled out through Public Charitable Trust, NGO. This helps in increasing reach as well as ensuring the adoption of initiative by communities.**

### Principle 9

1. What percentage of customer complaints / consumer cases are pending as on the end of the financial year.

**The Company is committed to provide world class products and services to its customers. 65 cases / complaints were pending as on March 31, 2021.**

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

**Yes. Company adheres to all applicable laws, regulations regarding product labelling and displays relevant information on it.**

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

**Yes. The Company continuously carries out consumer surveys to understand consumer feedback, product satisfaction and consumer's latest trend.**

# CORPORATE GOVERNANCE REPORT

Your Directors present the Company's Corporate Governance Report for the year ended March 31, 2021, in terms of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Symphony Limited (hereinafter referred as "Symphony" or "the Company") believes in the highest level of accountability towards its stakeholders and actively promotes fair, transparent and ethical Corporate Governance practices. The basic philosophy for better Corporate Governance practices is to achieve business excellence and strengthen the confidence of all stakeholders. The Company's philosophy on Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values.

Corporate Governance broadly refers to the mechanisms, processes and relations by which the Company is controlled and directed. Corporate governance includes the processes through which Company's objectives are set and pursued in the context of the social, regulatory and market environment. Corporate Governance mechanisms include monitoring the actions, policies, practices, and decisions of companies, their agents and affected stakeholders.

The Company has adopted the best practices of corporate governance over a long period of time as per the provisions of the Listing Regulations and the Companies Act, 2013. The Company continues to focus on good Corporate Governance, in line with the best practices in the areas of Corporate Governance.

## (A) Board of Directors

An active, well-informed and independent Board of Directors (hereinafter referred as "Board") is necessary to ensure the highest standards of corporate governance. The Board is responsible for management and performance of the Company. The Board shall exercise all powers and do all acts, deeds and things for which the Company is authorised.

1. The Board comprises 7 directors with an executive chairman as of March 31, 2021, out of which more than 50% directors are independent directors and two women directors including one Independent Woman Director which are in line with the requirement of Regulation 17(1)(a) of the Listing Regulations. The Board is headed by Mr. Achal Bakeri, Chairman and Managing Director, who is also a promoter of the Company. The Board does not have any nominee director as on March 31, 2021.

The maximum tenure of the independent directors is in compliance with the provision of the Companies Act, 2013 and Listing Regulations. All the independent directors have confirmed that they meet with the criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Companies Act, 2013.

2. **Matrix setting out the skills/ expertise/ competencies of Board of Directors:**

The Company is an Indian multi-national Company with presence in more than 60 countries and world's largest manufacturer of air-coolers. From inventions to innovations, energy responsibility to environment stewardship, Symphony is a market leader which has been cooling customers for generations. The massive supremacy of Symphony coolers in the residential, industrial and commercial segments have made the brand synonymous with 'cooling'.

The Board of Directors comprises of professionals of eminence and stature drawn from diverse fields. They collectively bring to the fore a wide range of skills and experience to the Board, which elevates the quality of the Board's decision making process. Brief Profile of directors may be accessed on the website of the Company at [www.symphonylimited.com](http://www.symphonylimited.com).

The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively, along with the names of directors who have such skills/ expertise/ competence:

Skills/ Expertise / Competencies and its description	Name of Directors						
	Mr. Achal Bakeri	Mr. Nrupesh Shah	Mr. Naishadh Parikh	Mr. Ashish Deshpande	Ms. Reena Bhagwati	Mr. Santosh Nema	Ms. Jonaki Bakeri
<b>Sales and Marketing</b> Experience in sales and marketing management based on Insights of consumer behaviour and experience in understanding trends of consumer preferences and Innovation management.	✓	✓	✓	✓	✓	✓	✓
<b>International Business</b> Experience in leading, expansion and diversification of business in different geographies / markets around the world.	✓	✓	✓			✓	✓
<b>Financials</b> expertise in understanding and management of complex financial functions and processes of the organization, deep knowledge of accounting, finance and treasury	✓	✓	✓	✓	✓	✓	✓
<b>Innovation / Quality Assurance/ Design of Product</b> experience in understanding trends of consumer preferences and Innovation management/ quality assurance and design of products.	✓		✓	✓			
<b>Supply Chain Management</b> Ability and expertise in the management of complex supply chain operations. Understanding technological developments in supply chain management and experience in leveraging the use of technology in supply chains	✓	✓	✓		✓	✓	
<b>General Management</b> Experience of leading operations of organizations with deep understanding of regulatory and governance, strategic thinking, decision making, legal and regulatory aspects	✓	✓	✓	✓	✓		✓

3. Details of listed entities where the person is director and category of directorship as on March 31, 2021 are as under:

Name of Director	Name of Listed entities where the person is a director	Category of directorship
Mr. Achal Bakeri	Symphony Limited	Chairman & Managing Director
	Arvind Fashions Limited	Independent Director
Mr. Nrupesh Shah	Symphony Limited	Executive Director
Ms. Jonaki Bakeri	Symphony Limited	Non-Executive Director
Mr. Naishadh Parikh	Symphony Limited	Independent Director
Mr. Ashish Deshpande	Symphony Limited	Independent Director
Ms. Reena Bhagwati	Symphony Limited	Independent Director
	Bhagwati Autocast Limited	Managing Director
	Eimco Elecon (India) Limited	Independent Director
	The Anup Engineering Limited	Independent Director
Mr. Santosh Nema	Symphony Limited	Independent Director

4. The names and categories of the directors, number of board meetings held and attended by directors, number of directorships held in other public companies, number of committee chairmanship / membership held in other public companies, attendance at last annual general meeting and the number of shares held as on March 31, 2021 are given below:

Name of Director	Category@	Number of Board Meeting			No. of directorship held in public companies including Symphony	No. of committee chairmanship / membership held in public companies including Symphony	Attended last AGM	No. of shares held as on March 31, 2021
		held	entitled to attend	attended				
Mr. Achal Bakeri <sup>&amp;</sup>	CMD	4	4	4	3	-	Yes	5,12,43,740#
Mr. Nrupesh Shah	ED	4	4	4	1	1	Yes	11,74,052*
Ms. Jonaki Bakeri ^	NED	4	4	4	1	-	Yes	5,12,43,740#
Mr. Naishadh Parikh	NE – ID	4	4	4	6	4	Yes	-
Mr. Ashish Deshpande	NE – ID	4	4	4	1	1	Yes	-
Ms. Reena Bhagwati	NE – ID	4	4	4	4	5	Yes	-
Mr. Santosh Nema	NE – ID	4	4	4	1	1	Yes	500

@ CMD – Chairman and Managing Director, ED – Executive Director, NED – Non-Executive Director, NE – ID – Non Executive - Independent Director

& Mr. Achal Bakeri is father of Ms. Jonaki Bakeri

# Mr. Achal Bakeri and Ms. Jonaki Bakeri are part of promoter group which holds 73.25% of the total paid share capital of the Company.

\* includes shares held by Mr. Nrupesh Shah, his spouse, two bodies corporate in which he is substantially interested as a partner, father's HUF and family trust in which he and his family members are trustees and beneficiaries.

^ Ms. Jonaki Bakeri is daughter of Mr. Achal Bakeri.

Number of other directorships, as mentioned above, does not include alternate directorships, directorships held in foreign companies, section 8 companies and private limited companies. Other chairmanship / memberships include only the Audit Committee and the Stakeholders Relationship Committee.

**5. During the year, the Board met four times on the following dates:**

May 29, 2020, August 11, 2020, November 10, 2020 and January 22, 2021.

6. The Company has a system to circulate and provide adequate information to the Board, including minimum information to be placed before the Board as required under Part - A of Schedule II of Listing Regulations to enable the Board to take informed decisions. As required under Regulation 17(3) of the Listing Regulations, the Board periodically reviews compliances of various laws applicable to the Company.
7. The Board meets at least once a quarter with the gap between two meetings not exceeding 120 days.
8. The Directors also have access to all the information about the Company and are free to recommend inclusion of any matter in the agenda for discussion.
9. The Company has in place a structured induction and familiarization programme for all its directors including the independent directors. The objective of the programme is to familiarize the Directors to enable them to understand the Company, its operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company also educates them regarding their role, responsibility and duties under the Companies Act, 2013 and under the Listing Regulations.

Details of familiarization programmes imparted to independent directors is available at <https://www.symphonylimited.com/corporate-governance>

10. The disclosures regarding appointment/re-appointment of Directors are forming part of Notice.

11. Confirmation as regards to independence of Independent Directors

In the opinion of the Board Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the Management.

12. **Roles of various constituents of Corporate Governance in the Company:**

- (i) Board: The directors of the Company are in a fiduciary position, empowered to oversee the management functions in order to ensure effectiveness and enrichment of stakeholders' value. The Board reviews, considers and approves management's strategic business plan and business objectives and monitors the Company's strategic direction.
- (ii) Chairman and Managing Director: The role of a chairman and managing director is to provide leadership to the Board and the senior executive team for realizing the approved strategy, business plan and business objectives. He presides over the meetings of the Board and members.
- (iii) Executive Director: Executive director, as a member of the Board, contributes to strategic management of the Company's businesses, growth and performance within Board approved direction and framework. He assumes overall responsibility for strategic management of business, corporate affairs functions including governance processes and top management effectiveness.

(iv) Non-Executive Directors (including Independent Directors): The non-executive directors play a critical role in improving the Board's effectiveness with their judgment on issues of strategy, performance, resources, standards of conduct, etc. besides providing valuable inputs to the Board.

### 13. Code of Conduct

The Board has laid down a code of ethics and business conduct for directors and senior management personnel of the Company which is posted on the website of the Company. The said code also includes duties of independent directors as per the provisions of the Companies Act, 2013. All directors and senior management personnel of the Company have affirmed compliance with this code of conduct.

#### Declaration of code of ethics and business conduct for financial year 2020-21:

I hereby confirm that all directors and senior management personnel have affirmed compliance with the code of ethics and business conduct for the financial year ended on March 31, 2021.

Place: Ahmedabad

**Achal Anil Bakeri**

Date: April 27, 2021

*Chairman & Managing Director*

### (B) Audit Committee

1. The Board has constituted Audit Committee under Listing Regulations which is in line with Section 177 of Companies Act, 2013. The role and responsibility and minimum information to be reviewed by the Audit Committee are as per Companies Act, 2013 and Listing Regulations and broadly cover the following:

- I. The Audit committee mandatorily reviews :
  - i. Management discussion and analysis of financial condition and results of operations.

- ii. Statement of significant related party transactions submitted by management.

- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors.

- iv. Internal audit reports relating to internal control weaknesses.

- II. The role of Audit Committee also includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible, recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors, reviewing with the management quarterly results and annual financial statements before submission to the Board for approval, approval or any subsequent modification of any transactions of the Company with related parties, review and monitor the auditor's independence and performance and effectiveness of audit process, scrutiny of inter corporate loans and investments, evaluation of internal financial controls and risk management system, review of utilization of loans/ advances from / investment by the Company in the subsidiary exceeding ₹ 100 Crores or 10% of the assets size of the subsidiary, valuation of undertaking and assets, performance of statutory auditors and internal auditors and adequacy of internal control systems, and reviewing the functioning of the whistle blower mechanism and such other functions as is mentioned in the terms of reference of the audit committee and more specifically stated in Part C of Schedule II of the Listing Regulations.

2. The Audit Committee consists of Mr. Naishadh Parikh, Chairman, Mr. Ashish Deshpande, Mr. Santosh Nema and Ms. Reena Bhagwati as members.
3. All members of Committee are financially literate as specified in Regulation 18 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.
4. Executive summary of the Audit Committee Meeting is placed before the Board Meeting held after the Audit Committee Meeting for deliberation and the full minutes of the same are placed before the following Board Meeting for record. The Chairman of the Audit Committee apprises the Board on the recommendations made by the Committee.
5. The Committee has freedom to invite executives, as it considers appropriate, (particularly the head of finance function) the head of internal audit, auditor and chief financial officer to be present at the meeting of the Committee.
6. Mr. Naishadh Parikh, Chairman of the Committee has attended the last annual general meeting held on September 22, 2020.
7. During the year under review, the committee met four times on May 29, 2020, August 11, 2020, November 10, 2020 and January 22, 2021 and attendance of the members is shown below:

Name of Member	Membership	Meetings entitled to attend	Meetings Attended
Mr. Naishadh Parikh	Chairman	4	4
Mr. Ashish Deshpande	Member	4	4
Ms. Reena Bhagwati	Member	4	4
Mr. Santosh Nema	Member	4	4

### (C) Nomination and Remuneration Committee

1. The Board has constituted a Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013 and Listing Regulations. The terms of reference of the Committee are as per the provisions of the Companies Act, 2013 and the Listing Regulations, which broadly covers the following:
  - (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
  - (ii) Formulation of criteria for evaluation of independent directors and the Board.
  - (iii) Devising a policy on Board diversity.
  - (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board for their appointment and removal.
  - (v) Whether to extend or continue the term of appointment of the independent director(s) based on the report of performance evaluation of independent directors.



(vi) Any other terms of reference as per the provisions of the Companies Act, 2013 and Listing Regulations (including any amendments thereto).

**2. The Nomination and Remuneration Committee of the Company as on March 31, 2021 comprised of the following members:**

Ms. Reena Bhagwati, Chairperson, Mr. Naishadh Parikh, Mr. Ashish Deshpande and Mr. Santosh Nema, as members. All members of the committee are Independent Directors.

3. Executive summary of the Nomination and Remuneration Committee Meeting is placed before the Board Meeting held after the Nomination and Remuneration Committee Meeting for deliberation and the full minutes of the same are placed before the following Board Meeting for record. The Chairman of the Nomination and Remuneration Committee apprises the Board on the recommendations made by the Committee.

**4. During the year under review, the committee met on May 29, 2020 and attendance of the members is shown below:**

Name of Member	Membership	Meeting details	
		Entitled to Attend	Attended
Ms. Reena Bhagwati	Chairperson	1	1
Mr. Naishadh Parikh	Member	1	1
Mr. Ashish Deshpande	Member	1	1
Mr. Santosh Nema	Member	1	1

**5. Nomination and Remuneration Policy**

**I. Appointment**

- i. The Nomination and Remuneration Committee shall be responsible to identify and ascertain the qualification, expertise and experience of a person for appointment as director, key managerial personnel or employee at senior management level.
- ii. Appointment of directors, whether executive, non-executive or independent shall be made as per applicable provisions of the Companies Act, 2013 read with Listing Regulations.

**II. Evaluation**

The Nomination and Remuneration Committee shall carry out evaluation of Board, Committee and every director's performance annually.

**III. Removal**

Subject to provision of the Companies Act, 2013 and policy of the Company, the Nomination and Remuneration Committee may recommend removal of a director, key managerial personnel or employee at senior management personnel to Board upon recording of reason in writing.

**IV. Remuneration**

- i. The Nomination and Remuneration Committee shall recommend remuneration to be paid to managing director and whole-time director as per provisions of the Companies Act, 2013 and payment of sitting fees to independent and non-executive directors as per provisions of the Companies Act, 2013.
- ii. The Nomination and Remuneration Committee shall recommend remuneration

to be paid to key managerial personnel and employees at senior management at the time of their appointment. Further, the Committee may recommend increment / incentive to key managerial personnel and employees at senior management based on their performance annually or at such intervals.

6. The criteria for performance evaluation of independent directors are part of the Board's Report. The performance of evaluation of independent directors was done by the entire Board of Directors and in the evaluation of the Directors, the Directors being evaluated had not participated.

7. The details of remuneration paid to chairman & managing director and executive director are as under:

(₹ in lacs)

Name of Director	Salary	Perquisites/ Gratuity/ PF/ Others	Performance linked remuneration*	Total
Mr. Achal Bakeri@	Nil	1.80	Nil	1.80
Mr. Nrupesh Shah	12.59	6.63	88.82	108.05

\* Provision for the year 2020-21 and payable in the year 2021-22.

@ He has waived his remuneration (fixed and variables) entirely for the year 2020-21 due to COVID - 19 pandemic.

Above remuneration has been approved by the Board of Directors of the Company as per the Remuneration Policy adopted by the Company and within the overall limits as approved by the Members of the Company. Details of remuneration including salary, perquisites and performance linked incentives are as per terms approved by the Members of the Company. No stock option is provided to the Managerial Personnel.

8. Details showing gross sitting fees paid to non-executive directors are as under:

(₹ in lacs)

Name of Directors	Sitting Fees	
	Board Meeting	Audit Committee
Mr. Naishadh Parikh	1.60	0.40
Mr. Ashish Deshpande	1.60	0.40
Ms. Reena Bhagwati	1.60	0.40
Mr. Santosh Nema	1.60	0.40

9. Ms. Reena Bhagwati being chairperson of the Committee has attended the last annual general meeting held on September 22, 2020.

10. Elephant Design Private Limited in which Mr. Ashish Deshpande, an Independent Director, was paid ₹ 35.30 lacs as professional fees for design services provided by it during the year. Apart from above, there were no other pecuniary relationships / transactions with the Non-Executive

/ Independent Directors vis-à-vis the Company. None of the Independent Directors shall be entitled to any stock option of the Company.

(D) Stakeholders Relationship Committee

- The Board has constituted a Stakeholders Relationship Committee pursuant to Section 178 of the Companies Act, 2013 and Listing Regulations.
- The terms of reference of the Committee are to consider and resolve grievances of shareholders of the Company and more specifically prescribed under Section 178 of the Companies act, 2013 and Regulation 20 of the Listing Regulations.
- The Stakeholders Relationship Committee of the Company as on March 31, 2021 comprised of Mr. Naishadh Parikh, Chairman, Mr. Nrupesh Shah and Ms. Reena Bhagwati as members.
- Mr. Mayur Barvadiya, Company Secretary of the Company is a Compliance Officer of the Company.

- (e) During the year, the Committee met four times on May 29, 2020, August 11, 2020, November 10, 2020 and January 22, 2021 and attendance of the members is shown below:

Name of Member	Membership	Meeting details	
		Entitled to Attend	Attended
Mr. Naishadh Parikh	Chairman	4	4
Ms. Reena Bhagwati	Member	4	4
Mr. Nrupesh Shah	Member	4	4

- (f) All correspondences / queries were replied to the satisfaction of members. The status of members complaints received, resolved and pending at the year is as under:

Opening balance at 01.04.2020	Received during the year	Resolved during the year	Closing balance as at 31.03.2021
0	3	2	1

## (E) Other Committees

### 1. Corporate Social Responsibility Committee

- Corporate Social Responsibility Committee consists of Mr. Naishadh Parikh, Chairman, Mr. Achal Bakeri and Mr. Nrupesh Shah as members of the Committee.
- The terms of reference of the Committee are as under:
  - to formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
  - to recommend the amount of expenditure to be incurred on the activities.
  - to monitor the corporate social responsibility policy of the Company from time to time.
- During the year, the Committee met two times on May 29, 2020 and November 10, 2020 and attendance of the members is shown below:

Name of Member	Membership	Meeting details	
		Entitled to Attend	Attended
Mr. Naishadh Parikh	Chairman	2	2
Mr. Achal Bakeri	Member	2	2
Mr. Nrupesh Shah	Member	2	2

### 2. Risk Management Committee

#### a. Risk Management Policy:

Pursuant to the provisions of Regulation 21 of the Listing Regulations, a Risk Management Committee has been constituted by the Board. The Company satisfies the requirement of Regulation 21 of the Listing Regulations, which states that the majority of Committee

shall consist of members of the Board of Directors; senior executives of the Company may be members of the said committee but chairman of the Risk Committee shall be a member of the Board of Directors. The Company is having well defined Risk Management Policy and Risk Management Framework.

**b. The composition of the Risk Management Committee is as under:**

Mr. Naishadh Parikh, Chairman, Mr. Achal Bakeri and Mr. Nrupesh Shah as Members

**c. Terms of Reference:**

The role of Risk Management Committee also includes (a) framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee (b) Measures for risk mitigation including systems and processes for internal control of identified risks. (c) Business continuity plan and more specifically stated in part D of Schedule II of the Listing Regulations.

**d. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company does not have any exposure to commodity price risk. However, foreign exchange exposure risks have not been hedged by any derivative instrument or otherwise.

**e.** During the year, the Committee met on May 29, 2020 and all the members of committee were present in the meeting.

**3. Management Committee**

**a.** The Management Committee consists of Mr. Achal Bakeri, Chairman, Mr. Nrupesh Shah, Mr. Naishadh Parikh and Ms. Jonaki Bakeri as members of the Committee.

**b.** Management Committee deals with day-to-day business operations such as banking, treasury, insurance, legal, GST, customs, authorization, administration and dealing with other government/non-government authorities.

**c.** During the year, the Committee met on September 22, 2020 and all members of committee were present in the meeting.

**4. Separate Meeting of Independent Directors**

During the year, separate meeting of independent directors was held on January 22, 2021 in which all independent directors were present. Mr. Naishadh Parikh was appointed as chairman of the meeting. In this meeting they have discussed and evaluated:

- (i) performance of Non-Independent Directors, and the Board of Directors as a whole.
- (ii) performance of the Chairman of the Company, considering the views of the Executive and Non-Executive Directors.
- (iii) performance of the various committees of the Board.
- (iv) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

Mr. Naishadh Parikh has been appointed as Lead Independent Director of the Company.

**(F) Disclosures**

1. There have been no materially significant related party transactions, which have potential conflict with the interests of the Company at large. Audit Committee considers and approves related party transactions and omnibus approval from Audit Committee is taken as per the terms and conditions of as required under the Listing Regulations. The details showing related party transactions are provided in Note no. 35 of Notes forming part of the standalone financial statements for the financial year ended on March 31, 2021 in accordance with the provisions of Accounting Standard 18.

2. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalty has been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority during the year under review.
3. In preparation of the financial statements, the Company has followed the applicable Indian Accounting Standards. The significant accounting policies applied in the preparation and presentation of financial statements have been set out in Note no. 2-a of Notes forming part of the financial statements for the financial year ended on March 31, 2021.
4. **CEO/CFO Certification:**  
Pursuant to Regulation 17(8) of the Listing Regulations, the certificate of Chairman and Managing Director, Executive Director and Chief Financial Officer was placed before the Board.
5. **SEBI (Prohibition of Insider Trading) Regulations, 2015:**  
In order to comply with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information relating to dealing in the shares of the Company. The Company has also adopted a Code of Conduct to Regulate, Monitor and Report trading by Insiders which provides for disclosures from promoter, director and designated person as well as pre-clearance of transactions above the threshold limit as prescribed under the Code.
6. **Vigil Mechanism/ Whistle Blower Policy:**  
Pursuant to Section 177(9) and (10) of the

Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. This policy has been posted on the Company's website <https://www.symphonylimited.com/corporate-governance>

7. **Reconciliation of Share Capital Audit:**

Every quarter, a practicing company secretary provides reconciliation of share capital audit to reconcile total admitted equity shares with the National Securities Depository Limited and Central Depository Services (India) Limited. This audit is carried out every quarter and the reports thereon are submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and the total number of shares in physical form.

8. The policy for determining material subsidiaries may be accessed on the website of the Company at the following link: <https://www.symphonylimited.com/corporate-governance>.
9. The policy on materiality and dealing with related party transactions may be accessed on the website of the Company at the following link: <https://www.symphonylimited.com/corporate-governance>.

**10. Subsidiary Companies:**

Climate Technologies Pty Limited, Australia (on standalone basis) and Symphony AU Pty Limited, Australia, (on consolidated basis) subsidiaries of the Company come under the purview of the material non-listed subsidiary as per criteria given in Regulation 16(1) of the Listing Regulations. The Audit Committee of the Company reviews the financial statements and investments made by unlisted subsidiary Companies and the minutes of the unlisted subsidiary Companies are placed at the Board Meeting of the Company.

11. The Company has put in place succession plan for appointment to the Board and to senior management.
12. The designated senior management personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have a personal interest, which may have a potential conflict with the interests of the Company at large.

**13. Details of Compliance with mandatory requirements and adoption of non-mandatory requirements:**

The Company has complied with all mandatory requirements of the Regulation 17 to 27, clause (b) to (i) of Regulation 46(2) of the Listing Regulations and has voluntarily complied with following non-mandatory requirements:

- I. During the year under review, there was no audit qualification on your Company's financial statements.
- II. Quarterly/Half yearly results of the Company are sent to shareholders and other stakeholders through an email.

III. The Internal Auditor has direct access to the Audit Committee.

14. The Company has obtained a certificate from M/s. SPANJ & Associates, Practising Company Secretaries regarding confirmation that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board (i.e. SEBI) / Ministry of Corporate Affairs or any such statutory authority and the same is attached to the Report on Corporate Governance.
15. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

(₹ in lacs)	
Payment to Statutory Auditors	FY 2020-21
Audit Fees	12.00
Limited Review Reports & Certifications	22.20
Fees paid to Network Entities	1.15

16. Disclosure of complaint received, disposed of during the year under review and pending as at the end of the financial year under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: **NONE**

**17. Legal Compliance Management Tool**

The Company has in place an on-line legal compliance management tool, which has been devised to ensure compliance with all applicable laws that impact the Company's business. The tool is intended to provide an assurance to the Board on legal compliances as ensured by the Company. The Board is informed about the progress and the status of legal compliances through this tool.

## (G) General Body Meeting

### 1. Annual General Meeting

Financial Year	Date of AGM	Venue	Time	Special resolution passed at AGM
2017-18	August 31, 2018	Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	10.00 a.m.	Creation of Charge on assets of the Company including subsidiaries
2018-19	July 31, 2019	Ahmedabad – 380 015	5:00 p.m.	-
2019-20	September 22, 2020	Through Video Conferencing / Other Audio Video Mode	10.00 a.m.	Re-appointment of Mr. Naishadh Parikh as an Independent Director for second term of five years

- No extra ordinary general meeting was held during the year under review.
- No resolution has been passed through postal ballot during the financial year 2020-21.
- None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a special resolution through postal ballot.

## (H) Means of Communications:

### 1. Quarterly Results

Quarterly results are approved and taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirement of the Listing Regulations. At present, Company is communicating date of board meeting for approval of financial results and outcome of board meeting post approval by the board of directors to the shareholders and other stakeholders through email.

### 2. Annual Report

Annual report is circulated to members and other stakeholders entitled thereto.

### 3. Publication of Results

Quarterly results are normally published in Financial Express (English and Gujarati) as per requirements of the Listing Regulations.

### 4. News Releases, Presentation etc.

Official news releases and official media releases are sent to the Stock Exchanges. The Company displays its official news on its website [www.symphonylimited.com](http://www.symphonylimited.com)

### 5. Presentations to Analysts / Investors

Detailed Analysts' Conference call is being made with financial analysts on a quarterly basis to discuss unaudited quarterly results as well as audited annual results of the Company. The transcripts of this conference call are uploaded on the Company's website. Presentation made to Institutional Investors or to other Analysts is uploaded on the Company's website from time to time.

### 6. BSE Listing Centre

BSE has developed a web-based application namely BSE Listing Centre for corporates to file all periodical compliance namely quarterly corporate governance report, shareholding pattern, board meeting intimation, announcement media releases, reconciliation of share capital audit report and many others in electronic mode.

### 7. NSE Electronic Application Processing System (NEAPS)

NSE has developed a web-based application namely NEAPS for corporates to file all periodical compliance namely quarterly corporate governance report, shareholding pattern, board

meeting intimation, announcement media releases, reconciliation of share capital audit report and many others in electronic mode.

#### 8. SEBI Complaints Redress System (SCORES)

Investor complaints are processed on the centralised web-based complaints redress system. The salient features of the systems are: Centralised Database of all Complaints, online upload of Action Taken Reports (ATRs) by the concerned companies

and online viewing by Investors of action taken on the complaint and its status.

#### 9. Reminder to the Shareholders

Reminders to shareholders for claiming their returned undelivered share certificates, unclaimed dividend and prior intimations regarding transfer of their shares to the Investor Education and Protection Fund (IEPF) are regularly dispatched.

#### (I) DIVIDEND PAYMENT HISTORY OF LAST EIGHT YEARS (including year under review):

Financial year		Date of declaration of dividend	Dividend per share (amount in ₹)	Due date for transfer to IEPF + 30 days
2013-14	Final	September 24, 2014	11.00	October 24, 2021
2014-15	Interim	January 17, 2015	4.00	February 17, 2022
	Final	October 27, 2015	10.00	November 27, 2022
2015-16	1st Interim	January 28, 2016	5.00	February 27, 2023
	2nd Interim	March 10, 2016	20.00	April 10, 2023
2016-17	1st Interim	July 26, 2016	1.50	August 24, 2023
	2nd Interim	October 25, 2016	1.00	November 24, 2023
	3rd Interim	February 10, 2017	1.00	March 13, 2024
	Final Dividend	September 8, 2017	1.00	October 12, 2024
2017-18	1st Interim	August 10, 2017	1.00	September 12, 2024
	2nd Interim	October 31, 2017	1.00	November 30, 2024
	3rd Interim	January 23, 2018	1.00	February 22, 2025
	Final Dividend	August 31, 2018	1.50	October 1, 2025
2018-19	1st Interim	July 24, 2018	1.00	August 23, 2025
	2nd Interim	October 30, 2018	1.00	December 20, 2025
	3rd Interim	February 5, 2019	1.00	March 9, 2026
	Final Dividend	July 31, 2019	1.50	August 31, 2026
2019-20	1st Interim	July 31, 2019	1.00	August 31, 2026
	2nd Interim	November 12, 2019	2.00	December 27, 2026
	3rd Interim	February 7, 2020	20.00	March 11, 2027
2020-21	1st Interim	January 22, 2021	1.00	February 24, 2028
	Final Dividend <sup>®</sup>	Next AGM Date	4.00	-

<sup>®</sup> Final dividend of ₹4.00 per share having face value of ₹2 recommended by Board at its meeting held on April 27, 2021, is subject to approval by members at ensuing annual general meeting.



#### (J) Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with provisions of IEPF (Accounting, Audit, Transfer & Refund) Rules 2016 (as amended/modified from time to time), all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more, has been transferred by the Company in to IEPF. The Company had communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at [www.symphonylimited.com/iepf](http://www.symphonylimited.com/iepf)

Shareholders to take note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing

on such shares, if any, can be claimed back by them from IEPF Authority after following the stipulated procedure viz., an application in E-form No. IEPF-5 prescribed in the Rules is to be filed with IEPF authority.

The unclaimed final dividend for the financial year 2012-13 amounting to ₹ 33.54 lacs and unclaimed interim dividend for the financial year 2013-14 amounting to ₹ 11.44 lacs have been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government and no claim shall lie with the Company in respect of the unclaimed dividend transferred to IEPF. The Company used to send individual reminders to all the members at their registered address whose dividend have remained unclaimed, before transferring the monies to the IEPF. The information on unclaimed dividend is also posted on the website of the Company.

#### (K) Unclaimed Shares Suspense Account

As per Regulations 34(3) and 39(4) read with Schedule V of the Listing Regulations, the details of unclaimed suspense account are as follows:

Particulars	No. of Shareholders	No. of Shares
Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	110	82,000
Number of Shares transferred to Suspense account during the year	0	0
Number of shareholders/legal heirs to whom the shares were transferred from the Unclaimed Suspense Account	2	1,000
Number of shareholders whose shares were transferred from the Unclaimed Suspense Account to IEPF authority account	10	8,000
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	98	73,000

\*The voting rights on the above shares shall remain frozen till the rightful owner of such shares claims the shares.

**(L) General Shareholders Information****1. Annual General Meeting:**

Date	Time	Venue
Tuesday, August 10, 2021	10:00 a.m.	Through Video Conferencing / Other Audio-Visual Means as set out in the Notice convening the Annual General Meeting

**2. Financial Year:** April 1 to March 31**3. Financial Calendar (FY 2021-22):**

Quarterly Results	Tentative Schedule
Quarter ending on June 30, 2021	On or before August 14, 2021
Quarter ending on September 30, 2021	On or before November 14, 2021
Quarter ending on December 31, 2021	On or before February 14, 2022
Quarter ending on March 31, 2022	On or before May 30, 2022

**4. Book Closure:** Saturday, July 31, 2021 to Friday, August 6, 2021 (both days inclusive).**5. Dividend Payment date :**

For interim dividends 2020-21:

1st Interim dividend declared on January 22, 2021	February 16, 2021
---	-------------------

**6. Listing on stock exchange:**

BSE Limited - Stock Code:	517385
National Stock Exchange of India Limited - Symbol:	SYMPHONY

**7. Payment of Listing Fees:** The Company has paid the Listing fee to BSE and NSE for the year 2020-21. The Company has also paid the listing fees to BSE and NSE for the year 2021-22.**8. Corporate Identity No.:** L32201GJ1988PLC010331**9. ISIN of the Company:** INE225D01027**10. Registrar and Share Transfer Agent**

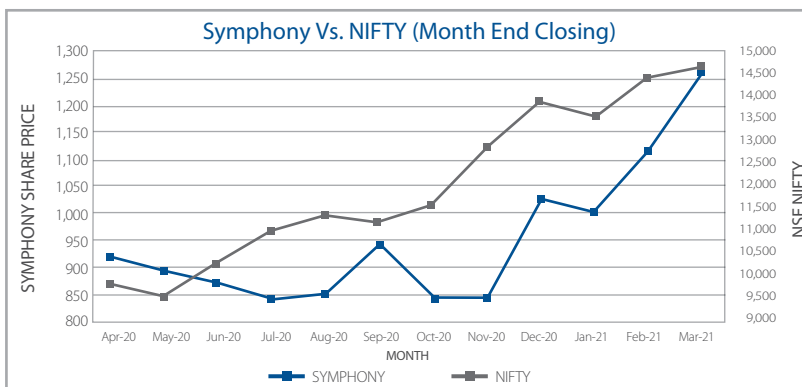
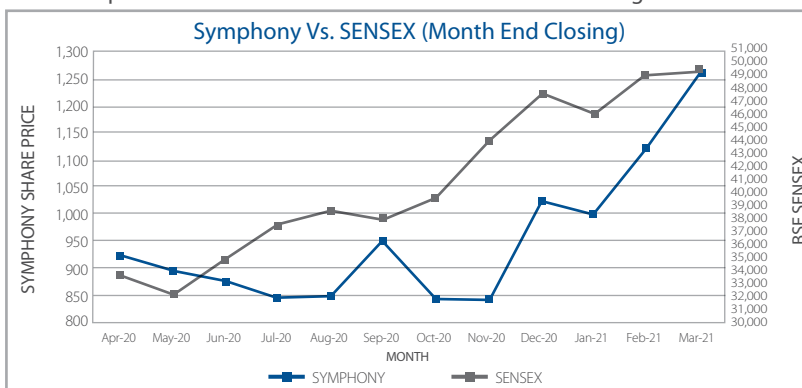
Bigshare Services Private Limited  
 1st Floor, Bharat Tin Works Building,  
 Opp. Vasant Oasis, Makwana Road,  
 Marol, Andheri (East), Mumbai - 400 059 Maharashtra  
 Tel No.: +91-22-62638200  
 E-mail: investors@bigshareonline.com  
 Website: www.bigshareonline.com

11. Market Price Data Monthly high and low during financial year ended on March 31, 2021, is as under:

(Amount in ₹)

Month	BSE		NSE	
	High	Low	High	Low
<b>2020</b>				
April	1,072.25	785.00	1,074.95	780.00
May	920.00	763.25	918.75	755.70
June	972.60	862.00	975.80	860.00
July	924.50	817.30	920.00	835.00
August	940.00	803.05	936.00	820.00
September	966.20	821.25	970.35	820.40
October	965.00	833.60	957.90	833.00
November	881.00	811.00	856.00	820.40
December	1,045.00	820.50	1,046.65	820.00
<b>2021</b>				
January	1,108.70	952.05	1,108.45	950.15
February	1,169.20	992.00	1,169.70	990.00
March	1,529.65	1,140.10	1,528.80	1,145.20

12. Performance in comparison to broad-based indices on Month end Closing basis



### 13. Share Transfer and other related activities

The Company has regularly obtained half-yearly certificates from practising company secretary regarding compliance with share transfer formalities including other matters pursuant to Listing Regulations and the same is filed with stock exchanges.

### 14. Distribution of shareholding

Distribution of Shareholding as on March 31, 2021 is as under:

Category	No. of holders	% of holders	No. of shares	% of total shares
1 - 5000	39,050	99.31	34,31,708	4.91
5001 - 10000	123	0.31	4,44,104	0.63
10001 - 20000	59	0.15	4,32,664	0.62
20001 - 30000	15	0.04	1,82,152	0.26
30001 - 40000	14	0.04	2,50,695	0.36
40001 - 50000	5	0.01	1,08,583	0.16
50001 - 100000	13	0.03	4,66,911	0.66
100001 & Above	42	0.11	6,46,40,183	92.40
<b>Total</b>	<b>39,321</b>	<b>100.00</b>	<b>6,99,57,000</b>	<b>100.00</b>

### 15. Category wise holding as on March 31, 2021 is as under:

Category	No. of shares	% of total shares
Promoter and Promoter Group	512,43,740	73.25
Mutual Funds	71,30,797	10.19
FPIs / FII	30,28,843	4.33
Bodies Corporate	11,43,318	1.63
Bank/ FI/NBFC	295	0.00
NRIs	2,80,542	0.40
Trust	4,131	0.01
Clearing Members	32,306	0.05
Resident Individuals	51,45,349	7.36
HUF	92,177	0.13
IEPF	4,03,000	0.58
Alternate Investment Fund	54,699	0.08
Director and Directors relatives	11,74,552*	1.68
Qualified Institutional Buyer	2,23,251	0.32
<b>Total</b>	<b>6,99,57,000</b>	<b>100.00</b>

\*Director and Directors relatives total holding is 11,74,552 (1.68%) equity shares.

- Mr. Nrupesh Shah, his spouse, two bodies corporates in which Mr. Nrupesh Shah, Executive Director, is substantially interested as a partner, his HUF and family trust in which he and his family members are beneficiaries together holds total 11,74,052 (1.68%) equity shares.
- Mr. Santosh Kumar Nema holds 500 equity shares

## 16. Dematerialization of Shares and Liquidity

As on March 31, 2021, 6,93,79,550 equity shares of the Company equivalent to 99.17 % of total shares are held in electronic form.

## 17. Plant Location

Survey No. 703/704, Sanand Kadi Highway, Village Thol, Tal. Kadi, Dist. Mehsana, Gujarat PIN- 382728.

## 18. Communication Address

Symphony Limited  
Symphony House, Third Floor, FP12-TP50,  
Bodakdev, Off S.G. Highway,  
Ahmedabad - 380 059. Gujarat, India  
Phone No.: +91-79-6621 1111,  
Fax No.: +91-79- 6621 1140  
Email ID: investors@symphonylimited.com

## (M) Company's Recommendations to the Shareholders

The Company has following recommendations to members to mitigate/avoid risks while dealing with shares and related matters:

### 1. Dematerialisation (demat) of shares

Members are requested to demat their physical shares through any of the Depository Participants (DPs) to avoid the problems involved in the physical shares such as possibility of loss, mutilation, etc. and to ensure safe and speedy transaction in shares.

Holding shares in demat form helps members to get immediate transfer. No stamp duty is payable

on transfer of shares held in demat form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

### 2. Register your National Electronic Clearing Service (NECS) Mandate

Members are encouraged to register an NECS mandate to Company or registrar and share transfer agent in case of shares held in physical form and ensure that the correct and updated particulars of their bank accounts are registered with the DPs in case of shares held in demat form. This would facilitate in receiving direct credits of dividends etc. from Company and avoiding postal delays and loss in transit.

### 3. Encash your Dividends on time

Members who have not registered their bank details with Company or DP are requested to encash their dividend warrants promptly to avoid problems of revalidation/losing your right of claim due to transfer of unclaimed dividends to Investor Education and Protection Fund.

### 4. To support the 'Green Initiative'

Members holding shares in demat form are requested to register their email id with their DPs and members holding shares in physical form are requested to register their email addresses with the registrar and share transfer agent. This would facilitate receipt of the annual report and other communications from the Company through email.

## Compliance certificate on Corporate Governance

The Members of  
**SYMPHONY LIMITED**  
{CIN: L32201GJ1988PLC010331}  
Ahmedabad

We have examined the compliance of conditions of Corporate Governance by SYMPHONY LIMITED, for the year ended 31<sup>st</sup> March, 2021, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us along with documents & submissions for regulatory compliances provided for our verification in electronic form in online system in view of continued situation of COVID - 19 pandemic and representation made by the management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Moreover, as per information provided by the company and declarations provided by the directors, in terms of schedule V, Part C, Clause (10)(i), we further state that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of the company by the Board/Ministry of Corporate Affairs or any such statutory authority.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: April 26, 2021  
Place : Ahmedabad

**ASHISH C DOSHI, PARTNER**  
**SPANJ & ASSOCIATES**  
*Company Secretaries*  
FCS No.: F3544  
COP No.: 2356  
PR Certificate No. : 702/2020  
UDIN : F003544C000181975

---

# Consolidated Financial Statements

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Symphony Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Symphony Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our audit report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report of even



date and annexures thereof, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with

the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## Other Matters

- (a) We did not audit the financial statements of 5 subsidiaries, whose financial statements reflect total assets of ₹508.68 crore as at March 31, 2021, total revenues of ₹451.67 Crore and net cash outflows amounting to ₹5.92 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹3 Crore as at March 31, 2021, total revenues of ₹1.24 Crore and net cash inflows amounting to ₹0.30 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statement is not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2021 taken on record by the Board of Directors of the Parent, being the only company in the Group to which such requirements of the Act are applicable, none

- of the directors of the Parent is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the parent.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
  - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent, being the only company to which such requirements apply.

---

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Kartikeya Raval**  
(Partner)  
(Membership No. 106189)  
(UDIN: 21106189AAAADP1377)

Place: Ahmedabad  
Date: April 27, 2021

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Symphony Limited (hereinafter referred to as “Parent”), as of that date.

### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Parent’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Parent’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit

preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial

controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

---

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Kartikeya Raval**  
(Partner)  
(Membership No. 106189)  
(UDIN: 21106189AAAADP1377)

Place: Ahmedabad  
Date: April 27, 2021

# Consolidated Balance Sheet as at March 31, 2021

(₹ in Crore)

Particulars	Note	As at 31/03/2021	As at 31/03/2020
<b>I ASSETS</b>			
(1) Non-current assets			
(a) Property, plant and equipment	3(A)	105.24	99.96
(b) Right-of-use asset	3(A)	32.01	35.52
(c) Capital work - in - Progress	3(C)	0.46	1.83
(d) Goodwill	41	161.39	135.97
(e) Other intangible assets	3(B)	54.90	46.90
(f) Intangible assets under development	3(D)	0.02	-
(g) Financial Assets			
(i) Investments			
a) Other investments	4	159.33	113.35
(ii) Other financial assets	5	0.62	0.70
		513.97	434.23
(h) Deferred Tax Assets (Net)	19.2	9.05	-
(j) Other non-current assets	6	4.16	3.97
<b>Total Non-current assets</b>		<b>527.18</b>	<b>438.20</b>
(2) Current assets			
(a) Inventories	7	118.38	117.82
(b) Financial assets			
(i) Other investments	8	325.09	298.72
(ii) Trade receivables	9	166.14	120.99
(iii) Cash and cash equivalents	10	34.55	20.59
(iv) Bank balances other than (iii) above	10	3.94	4.85
(v) Other financial assets	11	1.21	1.63
(c) Current tax assets (Net)	25	0.24	-
(d) Other current assets	12	42.87	61.48
<b>Total Current assets</b>		<b>692.42</b>	<b>626.08</b>
<b>Total Assets</b>		<b>1,219.60</b>	<b>1,064.28</b>
<b>II EQUITY AND LIABILITIES</b>			
(1) Equity			
(a) Equity share capital	13	13.99	13.99
(b) Other equity	14	745.23	625.22
<b>Equity attributable to owners of the Company</b>		<b>759.22</b>	<b>639.21</b>
Non-controlling interests	15	4.70	4.25
<b>Total Equity</b>		<b>763.92</b>	<b>643.46</b>
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	139.70	71.51
(ii) Lease liabilities	17	26.03	28.19
		165.73	99.70
(b) Provisions	18	10.72	9.15
(c) Deferred tax liabilities (Net)	19.1	5.72	6.79
<b>Total Non-current liabilities</b>		<b>182.17</b>	<b>115.64</b>
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	44.30	101.69
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	21	1.86	0.52
- total outstanding dues of creditors other than micro enterprises and small enterprises	21	128.35	114.02
(iii) Lease liabilities	22	8.74	8.85
(iv) Other financial liabilities	22	6.43	9.46
		189.68	234.54
(b) Other current liabilities	23	69.50	55.21
(c) Provisions	24	10.89	12.53
(d) Current tax liabilities (Net)	25	3.44	2.90
<b>Total Current liabilities</b>		<b>273.51</b>	<b>305.18</b>
<b>Total Liabilities</b>		<b>455.68</b>	<b>420.82</b>
<b>Total Equity and Liabilities</b>		<b>1,219.60</b>	<b>1,064.28</b>
See accompanying notes forming part of the consolidated financial statements	1-53		

In terms of our report attached

**For Deloitte Haskins & Sells**

Chartered Accountants

**Kartikeya Raval**

Partner

Place : Ahmedabad

Date : April 27, 2021

For and on behalf of the board

**Achal Bakeri**

Chairman & Managing Director

DIN-00397573

**Mayur Barvadiya**

Company Secretary

**Nrupesh Shah**

Executive Director

DIN-00397701

**Bhadresh Mehta**

Chief Financial Officer

## Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(₹ in Crore)

Particulars	Note	Year Ended 31/03/2021	Year Ended 31/03/2020
I Revenue from Operations	26	899.84	1,102.64
II Other income	27	31.40	54.72
III <b>Total Revenue (I + II)</b>		<b>931.24</b>	<b>1,157.36</b>
IV <b>Expenses:</b>			
Cost of materials consumed	28	238.10	262.21
Purchase of stock-in-trade	29	260.02	327.86
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(0.72)	(6.76)
Employee benefits expense	31	103.05	112.56
Finance costs	32	10.71	10.68
Depreciation and amortisation expense	3	21.42	21.15
Advertisement and Sales Promotion Expenses		25.05	44.70
Other Expenses	33	135.31	150.49
<b>Total Expenses (IV)</b>		<b>792.94</b>	<b>922.89</b>
V <b>Profit Before Exceptional Items and Tax (III – IV)</b>		<b>138.30</b>	<b>234.47</b>
VI Exceptional Items	44	7.16	4.00
VII <b>Profit Before Tax (V - VI)</b>		<b>131.14</b>	<b>230.47</b>
VIII Tax expense / (Benefits):			
(1) Current tax	35.1	35.67	56.23
(2) Excess provision of tax relating to previous years	35.1	(0.90)	-
(3) Net current tax		34.77	56.23
(4) Deferred tax	35.1	(11.01)	(7.53)
Net tax expense (VIII)		23.76	48.70
IX <b>Profit for the year (VII - VIII)</b>		<b>107.38</b>	<b>181.77</b>
X <b>Other comprehensive income</b>			
<b>Items that will not to be reclassified to profit or loss :</b>			
(i) Remeasurements of the defined benefit plans	42	0.40	(0.83)
(ii) Income tax effect on above	35.2	(0.09)	0.08
<b>Items that will be reclassified to profit or loss :</b>			
(i) Gain / (Loss) on Items designated as Fair Value Through Other Comprehensive Income	14.3	4.74	0.49
(ii) Income tax effect on above	35.2	(0.56)	(0.13)
Total other comprehensive income/(loss) (X)		4.49	(0.39)
XI <b>Total comprehensive income for the year (IX+X)</b>		<b>111.87</b>	<b>181.38</b>
<b>Profit for the year attributable to</b>			
Owners of the Company		107.34	181.45
Non Controlling Interests		0.04	0.32
<b>Total comprehensive income for the year attributable to</b>		<b>107.38</b>	<b>181.77</b>
Owners of the Company		111.83	181.06
Non Controlling Interests		0.04	0.32
<b>Total comprehensive income for the year attributable to</b>		<b>111.87</b>	<b>181.38</b>
XII Earnings per equity share of face value of ₹2/- each :			
(1) Basic	34	15.35	25.98
(2) Diluted	34	15.35	25.98
See accompanying notes forming part of the consolidated financial statements	1-53		

In terms of our report attached

For Deloitte Haskins &amp; Sells

Chartered Accountants

Kartikeya Raval  
PartnerPlace : Ahmedabad  
Date : April 27, 2021

For and on behalf of the board

Achal Bakeri  
Chairman & Managing Director  
DIN-00397573Mayur Barvadiya  
Company SecretaryNrupesh Shah  
Executive Director  
DIN-00397701Bhadresh Mehta  
Chief Financial Officer



# Consolidated Statement of Changes in Equity for the year ended March 31, 2021

## A Equity Share Capital

	No. of Shares	Amount (₹ in Crore)
Balance as at April 01, 2019	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2020	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2021	6,99,57,000	13.99

## B Other Equity

Particulars	(₹ in Crore)								
	General Reserve	Securities Premium	Capital Reserve	Reserve for Debt Instruments through Other Comprehensive Income	Translation Reserve	Retained Earnings	Attributable to owners of the parent	Non-controlling interests	Total
Balance as on April 01, 2019	35.00	-	9.04	(1.47)	(5.08)	614.58	652.07	3.36	655.43
Profit during the year	-	-	0.01	-	(1.92)	181.45	179.54	0.32	179.86
Other Comprehensive Income for the year, net of income tax	-	-	-	0.36	-	(0.75)	(0.39)	-	(0.39)
<b>Total Comprehensive Income for the year</b>	-	-	0.01	0.36	(1.92)	180.70	179.15	0.32	179.47
Non-controlling interests arising on the acquisition of Climate Technologies Pty. Ltd.	-	-	-	-	-	-	-	0.57	0.57
Reclassification to Profit & Loss on disposal of Instruments designated as FVTOCI	-	-	-	0.70	-	-	0.70	-	0.70
Reclassification to Profit & Loss on impairment of Instruments designated as FVTOCI	-	-	-	(0.08)	-	-	(0.08)	-	(0.08)
Dividend on Equity Shares	-	-	-	-	-	(171.39)	(171.39)	-	(171.39)
Tax on Dividend	-	-	-	-	-	(35.23)	(35.23)	-	(35.23)
<b>Balance as on March 31, 2020</b>	<b>35.00</b>	<b>-</b>	<b>9.05</b>	<b>(0.49)</b>	<b>(7.00)</b>	<b>588.66</b>	<b>625.22</b>	<b>4.25</b>	<b>629.47</b>
Profit during the year	-	-	-	-	13.37	107.34	120.71	0.04	120.74
Other Comprehensive Income for the year, net of income tax	-	-	-	4.18	-	0.31	4.49	-	4.49
<b>Total Comprehensive Income for the year</b>	-	-	-	4.18	13.37	107.65	125.20	0.04	125.23
Translation Reserve	-	-	-	-	-	-	-	0.41	0.41
Reclassification to Profit & Loss on disposal of Instruments designated as FVTOCI	-	-	-	2.07	-	-	2.07	-	2.07
Reclassification to Profit & Loss on impairment of Instruments designated as FVTOCI	-	-	-	(0.26)	-	-	(0.26)	-	(0.26)
Dividend on Equity Shares	-	-	-	-	-	(7.00)	(7.00)	-	(7.00)
Tax on Dividend	-	-	-	-	-	-	-	-	-
<b>Balance as on March 31, 2021</b>	<b>35.00</b>	<b>-</b>	<b>9.05</b>	<b>5.50</b>	<b>6.37</b>	<b>689.31</b>	<b>745.23</b>	<b>4.70</b>	<b>749.93</b>

In terms of our report attached  
For Deloitte Haskins & Sells

Chartered Accountants

Kartikeya Raval  
Partner

Place : Ahmedabad  
Date : April 27, 2021

For and on behalf of the board

Achal Bakeri  
Chairman & Managing Director  
DIN-00397573

Mayur Barvadiya  
Company Secretary

Nrupesh Shah  
Executive Director  
DIN-00397701

Bhadresh Mehta  
Chief Financial Officer

## Consolidated Statement of Cash Flows for the year ended March 31, 2021

(₹ in Crore)

	Year Ended 31/03/2021	Year Ended 31/03/2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year	107.38	181.77
<b>Adjustment For:</b>		
Income tax expenses recognised in profit or loss	23.76	48.70
Depreciation and amortization expenses	21.42	21.15
Finance costs recognised in profit or loss	10.71	10.68
Mark to Market Loss	0.39	4.10
Interest Income recognised in profit or loss	(9.03)	(13.64)
Dividend Income recognised in profit or loss	-	(8.18)
Net (gain)/loss on disposal of instruments designated at FVTOCI	(0.00)	2.22
Net gain on disposal of instruments designated at FVTPL	(9.29)	(15.88)
Net gain on financial assets mandatorily measured at FVTPL	(8.70)	(5.53)
Loss on disposal of instruments measured at amortised cost	0.00	-
Impairment of Goodwill	-	4.00
Adjustment on Foreign Currency Translation	(18.40)	4.52
Unrealised foreign exchange (gain)/loss	(0.49)	(3.30)
Allowances for credit losses on trade receivables	9.36	0.51
Provisions / Liabilities no longer required written back	(3.65)	(1.49)
Receivables / Advances written off	0.29	0.07
(Gain)/Loss on disposal of property, plant and equipment	(0.09)	(0.57)
<b>Operating Profit Before Working Capital Changes</b>	<b>123.66</b>	<b>229.13</b>
<b>Movements in working capital:</b>		
(Increase) in trade and other receivables	(54.06)	(14.87)
(Increase) / Decrease in inventories	(0.56)	1.67
Decrease in other assets	19.83	3.43
Increase / (Decrease) in trade payables	19.12	(11.76)
Increase in other liabilities	14.81	5.47
Increase in provisions	0.33	0.53
<b>Cash Generated from Operations</b>	<b>123.13</b>	<b>213.60</b>
Income taxes paid	(34.47)	(56.68)
<b>Net Cash generated by Operating Activities (A)</b>	<b>88.66</b>	<b>156.92</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment, intangible assets, capital advances and creditors	(19.67)	(19.60)
Proceeds from disposal of property, plant and equipment	3.98	2.62
Interest received	9.02	9.78
Dividend received	0.36	9.23
Net (payments to)/proceeds from mutual funds	(74.82)	13.51
Payments to acquire financial assets	(69.56)	(108.77)
Proceeds on sale of financial assets	97.32	187.85
Net payment for the acquisition of Subsidiaries	-	(16.49)

## Consolidated Statement of Cash Flows for the year ended March 31, 2021

(₹ in Crore)

	Year Ended 31/03/2021		Year Ended 31/03/2020	
Net Cash (Used) / generated from Investing Activities (B)		(53.37)		78.13
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividend paid on equity shares	(7.58)		(170.93)	
Dividend distribution tax paid	-		(35.23)	
Payments on lease liabilities	(10.37)		(9.12)	
Proceeds from/ (Repayment of) borrowings	7.33		(14.65)	
Finance cost paid	(10.71)		(10.68)	
Net Cash Used in Financing Activities (C)		(21.33)		(240.61)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		13.96		(5.56)
Cash & Cash Equivalents at the beginning of the year		20.59		26.15
Cash & Cash Equivalents at the end of the year		34.55		20.59
Cash on Hand		0.41		0.48
Balances with Schedule Bank in Current Account		34.14		20.11
Cash & Cash Equivalents included in Note no.10		34.55		20.59

Summary of significant accounting policies refer note 2

### Notes to Statement of Cash Flows:

- The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented under note (22).

In terms of our report attached

### For Deloitte Haskins & Sells

Chartered Accountants

**Kartikeya Raval**

Partner

Place : Ahmedabad

Date : April 27, 2021

For and on behalf of the board

**Achal Bakeri**

Chairman & Managing Director

DIN-00397573

**Mayur Barvadiya**

Company Secretary

**Nrupesh Shah**

Executive Director

DIN-00397701

**Bhadresh Mehta**

Chief Financial Officer

# Notes forming part of the Consolidated Financial Statements

## (1) Corporate Information

Symphony Limited ("the Parent Company"), a premier air cooling company was established in the year 1988. The Parent Company and its subsidiaries (together the parent company and its subsidiaries constitute "the Group") are in the field of residential, commercial and industrial air cooling and other appliances both in the domestic and international markets. The addresses of the registered offices and principal place of business are disclosed under corporate information in the annual report.

## (2-A) Significant Accounting Policies

### i) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### ii) Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

### iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

## Notes forming part of the Consolidated Financial Statements

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. The Goodwill is determined separately for each subsidiary company and such amounts are not set off between different entities.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Sr. No.	Name of Subsidiary Company	Country of Incorporation	Extent of Holding/ Voting Power (%) as on March 31, 2021
1	IMPCO S DE RL DE C V.	Mexico	100
2	Guangdong Symphony Keruilai Air Coolers Co., Limited	China	100
3	Symphony AU Pty. Limited	Australia	95
4	Climate Technologies Pty. Limited	Australia	95
5	Bonaire USA LLC	USA	95
6	Symphony Climatizadores Ltda (w.e.f. June 10, 2019)	Brazil	100

## Notes forming part of the Consolidated Financial Statements

### iv) Use of Estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### v) Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### vi) Revenue Recognition

#### a) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any.

#### b) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## Notes forming part of the Consolidated Financial Statements

### vii) Leases

Effective from April 01, 2019, the Group adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

### viii) Foreign currencies

In preparing the consolidated financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit or loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period,

## Notes forming part of the Consolidated Financial Statements

unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

### ix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### x) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

### xi) Employee Benefits

#### Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contribution.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.



## Notes forming part of the Consolidated Financial Statements

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

## xii) Taxation

Income tax expense represents the sum of the current tax payable and deferred tax.

### Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## Notes forming part of the Consolidated Financial Statements

### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### xiii) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

### Useful lives of tangible assets

Estimated useful lives of the Plant Property Equipment are as follows:

Buildings	10-60 years
Plant & Machinery	5-20 years
Vehicles / Transportation equipments	4-8 years
Furniture and fixtures, Computers & Office Equipment	3-10 years

Capital work in progress is stated at cost less accumulated impairment loss, if any.

### xiv) Intangible Fixed Assets

#### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

#### Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

## Notes forming part of the Consolidated Financial Statements

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

### Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Software	6 years
Trademarks	5 years
Designs	5 years
Copy Rights	5 years

## xv) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that

## Notes forming part of the Consolidated Financial Statements

reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

### xvi) Inventories

Raw materials and traded goods are valued at lower of cost or net realizable value. The costs of these items of inventory comprises of cost of purchase and other incidental costs incurred to bring the inventories to their present location and condition. However, raw materials are written down below cost only when the finished product to which they belong are written down below cost and the replacement cost of that raw material is lower than cost. Cost of raw materials and traded goods are determined on "Moving Average" basis.

Work-in-process and Finished goods are valued at lower of cost or net realizable value. The cost includes direct materials, labour, other direct costs and related production overheads based on normal operating capacity. Cost is determined on "Moving Average" basis.

### xvii) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

### xviii) Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Group's obligation.

### xix) Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## Notes forming part of the Consolidated Financial Statements

### xx) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer paragraph on Impairment of financial assets.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to statement of profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph on Impairment of financial assets.

All other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

## Notes forming part of the Consolidated Financial Statements

### Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

### Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

## Notes forming part of the Consolidated Financial Statements

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

### **Derecognition of financial assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **xxi) Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

## Notes forming part of the Consolidated Financial Statements

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

### xxii) Cash and cash equivalents

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

### xxiii) Earnings per Share

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### xxiv) Statement of Cash Flows

Statement of Cash flows is reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.



# Notes forming part of the Consolidated Financial Statements

## xxv) Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## (2-B) Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### Impairment of non-financial assets (including goodwill)

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the CGU, are disclosed and further explained in note 41.

### Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 19.

## Notes forming part of the Consolidated Financial Statements

### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 42.

### Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 49 for further disclosures.

### Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

## Notes forming part of the Consolidated Financial Statements

### (3) Property, Plant and Equipment, Capital Work-In-Progress & Other Intangible Assets

	Plant Property Equipment										Other Intangible Assets					Total (B)	Capital WIP (C)	Intangible assets under development (D)	Grand Total (A+B+C+D)
	Free Hold Land	Right- of-Use asset	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total (A)	Software	Trademarks	Patents	Designs	Copy Rights	(₹ in Crore)				
Gross Block	19.63	-	18.56	75.70	5.25	4.77	4.14	2.34	130.39	8.79	2.18	16.43	0.01	0.00	27.41	5.84	-	163.64	
As at 01/04/2019	-	46.16	-	16.74	0.00	3.54	0.07	0.42	66.93	1.90	0.03	0.00	-	-	1.93	6.11	-	74.97	
Additions	-	-	-	-	-	-	-	-	-	-	44.10	-	-	-	44.10	-	-	44.10	
Disposals/ Adjustments	-	-	-	1.49	-	1.34	0.03	0.17	3.03	-	-	-	-	-	-	9.88	-	12.91	
Foreign Currency Translation	-	-	0.03	(0.27)	(0.05)	(0.01)	0.08	0.04	(0.18)	0.08	(2.20)	0.59	-	-	(1.53)	(0.24)	-	(1.95)	
As at 31/03/2020	19.63	46.16	18.59	90.68	5.20	6.96	4.26	2.63	194.11	10.77	44.11	17.02	0.01	0.00	71.91	1.83	-	267.85	
Additions	-	3.24	0.10	11.96	-	0.16	0.22	0.17	15.85	1.21	0.00	-	-	-	1.21	3.81	0.06	20.93	
Disposals/ Adjustments	-	3.54	0.11	6.24	-	0.22	0.01	0.01	10.13	-	-	-	-	-	-	5.37	0.04	15.54	
Foreign Currency Translation	-	7.22	(0.01)	6.47	0.22	0.12	0.20	0.09	14.31	0.42	8.50	0.87	-	-	9.79	0.19	-	24.29	
As at 31/03/2021	19.63	53.08	18.57	102.87	5.42	7.02	4.67	2.88	214.14	12.40	52.61	17.89	0.01	0.00	82.91	0.46	0.02	297.53	
Accumulated Depreciation and Amortization																			
As at 01/04/2019	-	-	3.60	26.80	1.58	3.19	3.50	2.09	40.76	4.51	2.12	16.10	0.01	0.00	22.74	-	-	63.50	
Depreciation and Amortization For The Year	-	10.81	0.41	7.03	0.45	0.42	0.31	0.16	19.59	1.34	0.02	0.20	-	-	1.56	-	-	21.15	

## Notes forming part of the Consolidated Financial Statements

### (3) Property, Plant and Equipment, Capital Work-In-Progress & Other Intangible Assets (contd)

	Total													Grand Total (A+B+C+D)		
	Plant Property Equipment						Other Intangible Assets				Total (B)	Capital WIP (C)	Intangible assets under development (D)			
	Free Hold Land	Right- of-use asset	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total (A)	Software					Trademarks	Patents
Eliminated on disposals of assets	-	-	0.00	0.71	0.05	1.21	(0.05)	0.16	2.08	-	-	-	-	-	-	2.08
Foreign Currency Translation	-	(0.17)	0.00	0.39	(0.01)	0.02	0.10	0.03	0.36	0.06	0.07	0.58	-	-	-	1.07
<b>As at 31/03/2020</b>	-	<b>10.64</b>	<b>4.01</b>	<b>33.51</b>	<b>1.97</b>	<b>2.42</b>	<b>3.96</b>	<b>2.12</b>	<b>58.63</b>	<b>5.91</b>	<b>2.21</b>	<b>16.88</b>	<b>0.01</b>	<b>0.00</b>	<b>25.01</b>	<b>83.64</b>
Depreciation and Amortization For The Year	-	10.95	0.38	6.77	0.45	0.65	0.18	0.18	19.56	1.76	0.02	0.08	-	-	1.86	21.42
Eliminated on disposals of assets	-	2.26	0.09	2.42	-	0.20	0.01	0.01	4.99	-	-	-	-	-	-	4.99
Foreign Currency Translation	-	1.74	(0.00)	1.71	0.02	(0.01)	0.18	0.05	3.69	0.16	0.11	0.87	-	-	1.14	4.83
<b>As at 31/03/2021</b>	-	<b>21.07</b>	<b>4.30</b>	<b>39.57</b>	<b>2.44</b>	<b>2.86</b>	<b>4.31</b>	<b>2.34</b>	<b>76.89</b>	<b>7.83</b>	<b>2.34</b>	<b>17.83</b>	<b>0.01</b>	<b>0.00</b>	<b>28.01</b>	<b>104.90</b>
<b>Net Block</b>																
<b>As at 31/03/2020</b>	19.63	35.52	14.58	57.17	3.23	4.54	0.30	0.51	135.48	4.86	41.90	0.14	-	-	46.90	184.21
<b>As at 31/03/2021</b>	19.63	32.01	14.27	63.30	2.98	4.16	0.36	0.54	137.25	4.57	50.27	0.06	-	-	54.90	192.63

## Notes forming part of the Consolidated Financial Statements

### (4) Non-Current Investments

(₹ in Crore)

Particulars	As at 31/03/2021		As at 31/03/2020	
	Nos.		Nos.	
<b>Non-current Investments</b>				
<b>Unquoted Investments</b>				
<b>Other Investments</b>				
In fully paid cumulative redeemable preference shares at FVTOCI				
Tata Capital Ltd	-	-	1,00,000	9.84
<b>Quoted Investments</b>				
In fully paid up bonds at FVTOCI				
<b>Tax Free Bond of HUDCO Ltd.</b>	86,477	10.59	86,477	9.68
Tax Free Bond of HUDCO Ltd.	1,00,000	11.08	1,00,000	11.21
Tax Free Bond of IRFC Ltd.	30,000	3.31	30,000	3.38
<b>Tax Free Bond of IRFC Ltd.</b>	24,157	3.03	24,157	2.65
Tax Free Bond of NABARD	1,20,000	14.50	1,20,000	13.55
Tax Free Bond of NHAI	100	10.91	100	11.19
Tax Free Bond of NHAI	50,000	5.96	50,000	5.99
Tax Free Bond of NHAI	75,000	9.36	75,000	9.07
Tax Free Bond of NHAI	1,10,000	13.38	1,10,000	12.33
Tax Free Bond of NHB	100	11.99	100	11.71
Tax Free Bond of NTPC Ltd.	60,000	7.76	60,000	6.85
Tax Free Bond of REC Ltd.	50,000	6.45	50,000	5.90
In fully paid non convertible debentures at FVTPL				
REC Ltd-5.36%-23-MLD 30-06-2023	150	15.75	-	-
Shriram City Union Finance Limited MLD 8.65% dt-27.01.2023	100	10.15	-	-
In fully paid non convertible debentures at FVTOCI				
HDFC Ltd 5.40%2023-NCD 11-08-2023	250	25.11	-	-
In fully paid cumulative redeemable preference shares at FVTOCI				
IL&FS Ltd.	6,700	10.04	6,700	10.04
IL&FS Ltd.	-	-	800	1.07
IL&FS Ltd.	2,699	4.18	2,699	4.18
IL&FS Ltd.	680	1.05	680	1.05
IL&FS Ltd.	-	-	-	-
IL&FS Ltd.	660	1.02	660	1.02
Less: Provision for impairment on Investments (Refer note no. 44.3)		(16.29)		(17.36)

## Notes forming part of the Consolidated Financial Statements

### (4) Non-Current Investments (contd)

(₹ in Crore)

Particulars	As at	
	31/03/2021	31/03/2020
	159.33	113.35
Aggregate carrying value of quoted investments	175.62	120.87
Aggregate market value of quoted investments	175.62	120.87
Aggregate carrying value of unquoted investments	-	9.84
Aggregate amount of impairment in value of investments	(16.29)	(17.36)

For category-wise classification of Non-Current Investments Refer note 48.

- i) The Group has pledged tax free bonds worth ₹96.33 Crore (Previous year ₹103.51 Crore) out of the above mentioned investments in favour of Standard Chartered Bank, India towards issuance of standby letter of credit upto ₹83.82 Crore (Previous year ₹84.24 Crore) as security in respect of availing working capital facility (Refer Note no. 20) availed by Climate Technologies Pty. Limited, Australia (Wholly owned subsidiary of Symphony AU Pty. Limited, Australia).
- ii) The Group has pledged 17,480,000 (Previous year 15,200,000) ordinary shares of Symphony AU Pty. Limited, Australia worth ₹97.47 Crore (Previous year ₹86.26 Crore) mentioned above in favour of Standard Chartered Bank, UK as collateral in respect to acquisition loan (Refer Note no. 16) availed by Symphony AU Pty Limited, Australia.

### (5) Other Non-Current Financial Assets

(₹ in Crore)

Particulars	As at	
	31/03/2021	31/03/2020
Balance held as Margin Money	0.09	0.08
Deposit Others	0.53	0.62
	0.62	0.70

### (6) Other Non-Current Assets

(₹ in Crore)

Particulars	As at	
	31/03/2021	31/03/2020
Unsecured, considered good		
Capital advances	3.33	2.40
Prepaid expenses	0.81	1.55
Other loans and advances		
Balance with statutory / government authorities	0.02	0.02
	4.16	3.97

## Notes forming part of the Consolidated Financial Statements

### (7) Inventories

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Raw materials (Including Packing Material) (Including Goods in Transit ₹0.08 Crore, Previous year ₹0.12 Crore)	31.21	31.37
Work-in-Progress	1.02	1.28
Finished Goods (Including Goods in Transit ₹8.61 Crore, Previous year ₹18.56 Crore)	35.12	47.29
Stock-In-Trade (Including Goods in Transit ₹6.86 Crore, Previous year ₹10.15 Crore)	51.03	37.88
	<b>118.38</b>	<b>117.82</b>

### (8) Other Investments

(₹ in Crore)

Particulars	As at 31/03/2021		As at 31/03/2020	
	Nos.		Nos.	
<b>Current Investments</b>				
<b>Quoted Investments</b>				
In fully paid non convertible debentures at FVTPL				
Aditya Birla Finance Ltd MLD 8.55% 23-07-2020	-	-	50	5.49
HDB Financial Services Ltd MLD 8.45% 30-07-2020	-	-	100	11.02
HDB Financial Services Ltd MLD 8.35% 04-02-2021	-	-	100	10.92
Tata Capital Financial Services MLD 8.45% 14-08-2020	-	-	100	11.01
In fully paid non convertible debentures at FVTOCI				
Aditya Birla Finance Ltd Zero Coupon NCD 15-05-2020	-	-	100	12.45
HDFC Ltd 8.49% 27-04-2020-NCD	-	-	500	25.03
In fully paid cumulative redeemable preference shares at FVTOCI				
IL&FS Ltd.	3,123	4.14	3,123	4.14
IL&FS Ltd.	800	1.07	-	-
Less: Provision for impairment on Investments (Refer note no. 44.3)		(5.21)		(4.14)
<b>Unquoted Investments</b>				
Investment in Mutual Funds at FVTPL				
Sundaram Ultra St Fund				
BBVA BANCOMER S.A.-BMRGOBP Series E	6,30,394	3.16	12,99,612	6.38
ICICI Prudential Equity – Arbitrage Fund	1,28,50,975	36.05	-	-
Kotak Equity Arbitrage-Direct	1,02,70,329	31.10	-	-
L&TArbit.Oppo.-Dir-G	2,12,99,147	33.19	-	-
Tata Arbitrage-Dir-G	2,81,06,893	32.24	-	-

## Notes forming part of the Consolidated Financial Statements

### (8) Other Investments(contd)

(₹ in Crore)

Particulars	As at		As at	
	31/03/2021		31/03/2020	
Axis Overnight Fund	-	-	1,92,176	20.28
HDFC Overnight Fund	-	-	1,01,331	30.09
SBI Overnight Fund	-	-	53,072	17.27
ICICI Prudential Corporate Bond Fund *	78,92,245	18.55	78,92,245	16.98
DSP BlackRock Ultra Short Term Fund-Growth	85,136	24.30	1,01,712	27.68
DSP Low Durati-Dir-G	49,73,441	5.00	-	-
IDFC Corporate Bond Fund-Growth	1,71,71,863	26.22	-	-
IDFC Ultra Short Term Fund-Growth	84,37,613	10.10	60,38,165	6.89
ICICI Pru Overnight Fund Direct Growth	-	-	27,92,776	30.09
Kotak Float.Ra-Dir-G	1,33,118	15.40	-	-
Kotak Savings Fund - Direct - Growth	34,59,755	12.00	7,61,807	2.50
Kotak Overnight Fund Direct Growth	-	-	2,82,461	30.11
L&T TripleAceBo-Dir-G	17,14,151	10.22	-	-
Nippon Ban.&PSU Dir-G	1,59,23,161	26.15	-	-
Axis Treas. AdvFu-D-G	42,689	10.60	-	-
SBI Mag.Low Dura. F-G	40,294	11.27	-	-
SBI Ultra Short Term Fund (G) (Dir)	-	-	58,825	26.35
In fully paid non convertible debentures at amortised cost				
Wondrous Buildmart Pvt Ltd-NCD	-	-	700	8.18
Investment in ICD at amortised cost				
LICHousFinLtdCD5.65%		19.54		-
		325.09		298.72
Aggregate carrying value of quoted investments		5.21		80.06
Aggregate market value of quoted investments		5.21		80.06
Aggregate carrying value of unquoted investments		325.09		222.80
Aggregate amount of impairment in value of investments		(5.21)		(4.14)

For category-wise classification of Current Investments Refer note 48.

The Group has pledged mutual fund units worth ₹58.26 Crore (Previous year ₹9.73 Crore) out of the above mentioned investments in favour of Standard Chartered Bank, India as collateral in respect to acquisition loan (Refer Note No. 16) availed by Symphony AU Pty Limited, Australia as per terms of the amendment and restatement agreement with the Bank.



## Notes forming part of the Consolidated Financial Statements

### (9) Trade Receivables

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Considered good - Unsecured	175.18	121.22
Credit impaired	1.09	0.54
Less : Allowances for credit losses	(10.13)	(0.77)
	<b>166.14</b>	<b>120.99</b>

### Movement in the expected credit loss allowance

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Balance at beginning of the year	0.77	0.26
Allowance for credit impairment during the year	10.10	0.79
Trade receivables written off during the year	(0.74)	(0.28)
Balance at end of the year	<b>10.13</b>	<b>0.77</b>

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

### (10) Cash & Cash Equivalents

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Cash and Cash Equivalents		
Cash on Hand	0.09	0.05
Balance with employees Imprest account	0.32	0.43
Balance with banks in current accounts	34.14	20.11
	<b>34.55</b>	<b>20.59</b>
Other Bank Balances		
In Earmarked Accounts		
Unpaid Dividend Accounts	3.72	4.31
Margin Accounts	0.22	0.21
In Deposit Accounts	-	0.33
	<b>38.49</b>	<b>25.44</b>

## Notes forming part of the Consolidated Financial Statements

### (11) Other financial assets

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Export Incentive Receivable	1.16	1.63
Others	0.05	-
	<b>1.21</b>	<b>1.63</b>

### (12) Other Current Assets

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Advance for supply of goods and rendering of services		
Unsecured, considered good	28.18	51.27
Unsecured, considered doubtful	0.47	-
Less: Provision for doubtful Advances	(0.47)	-
Prepaid expenses	<b>6.68</b>	<b>4.65</b>
Balance with statutory / government authorities	8.01	5.56
	<b>42.87</b>	<b>61.48</b>

### (13) Equity Share Capital

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Authorised :		
750,00,000 Equity Shares of ₹2/- each	15.00	15.00
Issued, Subscribed & Paid up :		
699,57,000 (As at March 31, 2020: 699,57,000) Equity Shares of ₹2/- each fully paid up	13.99	13.99
	<b>13.99</b>	<b>13.99</b>

The Parent Company has only one class of shares referred to as equity shares having a par value of ₹2/-, rank pari passu in all respects including voting rights and entitlement to dividend.

The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of the Parent Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive assets of the Company of the Parent Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes forming part of the Consolidated Financial Statements

### (13) Equity Share Capital (contd)

The Parent Company has allotted 349,78,500 bonus equity shares of ₹2/- each fully paid up on September 17, 2016 in the proportion of one (1) bonus equity share for every fully Paid up equity share (1:1). As a result of the bonus issue the Paid up capital of the Parent Company stands increased to ₹13.99 Crore from ₹7.00 Crore.

The details of shareholder holding more than 5% shares as at March 31, 2021 is set out below :

Name of the shareholder	No. of shares	% held as at March 31, 2021	No. of shares	% held as at March 31, 2020
Mr. Achal A. Bakeri	2,92,61,600	41.83%	2,92,62,600	41.83%
Ms. Rupa A. Bakeri	70,92,940	10.14%	70,92,940	10.14%
Sanskrit Tradecom Private Limited	1,24,83,200	17.84%	1,24,83,200	17.84%
Axis Mutual Fund Trustee Limited	35,83,027	5.12%	35,89,163	5.13%

The reconciliation of the number of shares outstanding as at March 31, 2021 is set out below:

Particulars	As at 31/03/2021		As at 31/03/2020	
	No. of Shares	Amount (₹ in Crore)	No. of Shares	Amount (₹ in Crore)
Opening Balance	6,99,57,000	13.99	6,99,57,000	13.99
Add: Issued during the year	-	-	-	-
Closing Balance	6,99,57,000	13.99	6,99,57,000	13.99

### (14) Other Equity

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
General Reserve	35.00	35.00
Capital Reserve	9.05	9.05
Reserve for Debt Instruments through Other Comprehensive Income	5.50	(0.49)
Translation Reserve	6.37	(7.00)
Retained Earnings	689.31	588.66
	745.23	625.22

#### 14.1 General Reserve

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Closing balance	35.00	35.00

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

## Notes forming part of the Consolidated Financial Statements

### (14) Other Equity (contd)

#### 14.2 Capital Reserve

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	9.05	9.04
Movement during the year	-	0.00
Closing balance	9.05	9.05

#### 14.3 Reserve for Debt Instruments through Other Comprehensive Income

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	(0.49)	(1.47)
Net fair value gain on investments in debt instruments at FVTOCI	4.74	0.49
Income tax on net fair value gain on investments in debt instruments at FVTOCI	(0.56)	(0.13)
Cumulative gain reclassified to profit or loss on sale of debt instruments at FVTOCI	2.07	0.70
Income tax on gain reclassified to profit or loss on sale of debt instruments at FVTOCI	(0.26)	(0.08)
Closing balance	5.50	(0.49)

This reserve represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or impairment losses on such instruments.

#### 14.4 Translation Reserve

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	(7.00)	(5.08)
Movement during the year	13.78	(1.92)
Closing balance	6.78	(7.00)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly and accumulated in the foreign currency translation reserve.

## Notes forming part of the Consolidated Financial Statements

### (14) Other Equity (contd)

#### 14.5 Retained Earnings

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	588.66	614.58
Profit for the year	107.34	181.45
Other Comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.31	(0.75)
Dividend on Equity Shares	(7.00)	(171.39)
Tax on Dividend	-	(35.23)
Closing balance	<b>689.31</b>	<b>588.66</b>

The Board of Directors have recommended a final dividend of ₹4/- (200%) per equity share of ₹2/- each amounting to ₹27.98 Crore for FY 20-21. The total dividend for FY 20-21 aggregates to ₹5/- (250%) per equity share of ₹2/- each amounting to ₹34.98 Crore which includes one interim dividend of ₹1/- (50%) per equity share paid during the year. The final dividend is subject to approval by shareholders at the ensuing Annual General Meeting of the Group.

The portion of profits not distributed among the shareholders are termed as retained earnings. The Group may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Group.

### (15) Non-Controlling Interests

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	4.25	3.36
Profit for the year	0.04	0.32
Translation Reserve	0.41	-
Non-controlling interests arising on the acquisition of Climate Technologies Pty. Ltd.	-	0.57
Closing balance	<b>4.70</b>	<b>4.25</b>

## Notes forming part of the Consolidated Financial Statements

### (16) Non-Current Borrowings

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Unsecured		
Loan from Bank	139.70	71.51
	<b>139.70</b>	<b>71.51</b>

This represents loan taken in FY 2018-19 from Standard Chartered Bank in Australian dollars for acquisition of subsidiary company in Australia and the same is refinanced by the said bank during the year. Accordingly, the repayment is extended to start from July 2022. The loan is secured by pledge of 17,480,000 (previous year 15,200,000) ordinary shares having FV of AU\$ 1 each of Symphony AU Pty. Limited, Australia held by Symphony Limited, India and Corporate Guarantee of ₹153.67 Crore issued by Symphony Limited, India in favour of Standard Chartered Bank, UK and mutual fund units worth ₹58.26 Crore held by Symphony Limited pledged in favour of Standard Chartered Bank, India (Refer Note.No. 4 & 8).

### (17) Other Non-Current Financial Liabilities

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Lease liabilities	26.03	28.19
	<b>26.03</b>	<b>28.19</b>

### (18) Long-Term Provisions

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Provision for		
Employee benefits (Refer note (i) below)	6.50	5.94
Warranty (Refer note (ii) below)	4.22	3.21
	<b>10.72</b>	<b>9.15</b>

- (i) The provision for employee benefits includes gratuity, seniority premium, leave encashment and pension plan. For detailed disclosures, refer note no. 42.
- (ii) The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. For movement refer note 24(ii).

## Notes forming part of the Consolidated Financial Statements

### (19.1) Deferred Tax Liabilities/(Assets) (Net) - Parent Company

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Deferred Tax Liabilities/(Assets) on		
(i) Property, plant and equipment and intangible assets	5.97	5.56
(ii) Financial Assets at FVTOCI	0.73	(0.09)
(iii) Financial Assets at FVTPL	2.30	1.52
(iv) Impairment allowance on financial assets	(2.89)	(2.89)
(v) Provision for doubtful advances	(0.39)	(0.15)
Deferred Tax Liabilities/(Assets) Net	5.72	3.95

### (19.2) Deferred Tax Liabilities/(Assets) (Net) - Australian/Mexican Subsidiaries

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Deferred Tax Liabilities/(Assets) on		
(i) Property, plant and equipment and intangible assets	23.70	20.51
(ii) Tax effect on non deductible expenses	(14.30)	(6.17)
(iii) Carry forward tax losses	(16.49)	(11.33)
(iv) Others	(1.96)	(0.17)
Deferred Tax Liabilities/(Assets) Net	(9.05)	2.84

At the reporting date, the Group is having unused tax losses in Guangdong Symphony Keruilai Air Coolers Co. Limited, China. No deferred tax asset has been recognised in respect of unused tax losses of Guangdong Symphony Keruilai Air Coolers Co. Limited, China of ₹46.28 Crore, as it is not probable that there will be future taxable profits available.

### Movement of Deferred Tax Liabilities / Assets

For the year ended March 31, 2021 - Parent Company

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	5.56	0.41	-	-	5.97
(ii) Financial Assets at FVTOCI	(0.09)	-	0.56	0.26	0.73
(iii) Financial Assets at FVTPL	1.52	0.78	-	-	2.30

## Notes forming part of the Consolidated Financial Statements

### (19) Deferred Tax Liabilities/(Assets) (Net) (contd)

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
(iv) Impairment allowance on financial assets	(2.89)	-	-	-	(2.89)
(v) Remeasurements of the defined benefit plans	-	(0.12)	0.12	-	-
(vi) Provision for doubtful advances	(0.15)	(0.24)	-	-	(0.39)
<b>Deferred Tax Liabilities (Net)</b>	<b>3.95</b>	<b>0.83</b>	<b>0.68</b>	<b>0.26</b>	<b>5.72</b>

### For the year ended March 31, 2021 - Australian/Mexican subsidiaries

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Acquisitions	Closing Balance
(i) Property, plant and equipment and intangible assets	20.51	3.19	-	-	-	23.70
(ii) Tax effect on non deductible expenses	(6.17)	(8.10)	(0.03)	-	-	(14.30)
(iii) Carry forward tax losses	(11.33)	(5.16)	-	-	-	(16.49)
(iv) Others	(0.17)	(1.79)	-	-	-	(1.96)
(v) Exchange difference on foreign operations	-	0.02	-	(0.02)	-	-
<b>Deferred Tax Liabilities (Net)</b>	<b>2.84</b>	<b>(11.84)</b>	<b>(0.03)</b>	<b>(0.02)</b>	<b>-</b>	<b>(9.05)</b>

### For the year ended March 31, 2020 - Parent Company

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	7.32	(1.76)	-	-	5.56



## Notes forming part of the Consolidated Financial Statements

### (19) Deferred Tax Liabilities/(Assets) (Net) (contd)

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
(ii) Financial Assets at FVTOCI	(0.30)	-	0.13	0.08	(0.09)
(iii) Financial Assets at FVTPL	1.17	0.35	-	-	1.52
(iv) Impairment allowance on financial assets	(2.50)	(0.39)	-	-	(2.89)
(v) Remeasurements of the defined benefit plans	-	0.08	(0.08)	-	-
(vi) Provision for doubtful advances	-	(0.15)	-	-	(0.15)
<b>Deferred Tax Liabilities (Net)</b>	<b>5.69</b>	<b>(1.87)</b>	<b>0.05</b>	<b>0.08</b>	<b>3.95</b>

### For the year ended March 31, 2020 - Australian subsidiaries

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Acquisitions	Closing Balance
(i) Property, plant and equipment and intangible assets	0.25	(6.75)	-	-	27.01	20.51
(ii) Tax effect on non deductible expenses	(7.33)	1.16	-	-	-	(6.17)
(iii) Carry forward tax losses	(10.25)	(0.49)	-	(0.59)	-	(11.33)
(iv) Others	(1.79)	1.62	-	-	-	(0.17)
(v) Exchange difference on foreign operations	-	(1.20)	-	1.20	-	-
<b>Deferred Tax Liabilities (Net)</b>	<b>(19.12)</b>	<b>(5.66)</b>	<b>-</b>	<b>0.61</b>	<b>27.01</b>	<b>2.84</b>

## Notes forming part of the Consolidated Financial Statements

### (20) Current Borrowings

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Unsecured		
Loan from Bank	44.30	101.69
	<b>44.30</b>	<b>101.69</b>

- (i) ₹44.30 Crore (previous year ₹38.30 Crore) represents working capital loan availed from Westpac Bank by Climate Technologies Pty. Limited, Australia. The same loan is against issuance of Stand by Letter of Credit by Standard Chartered Bank, India for which Symphony India has pledged tax free bonds/mutual fund units as security (Refer Note No. 4 & 8).
- (ii) In the previous year, ₹32.93 Crore represents working capital loan availed from Standard Chartered Bank, China by Guangdong Symphony Keruilai Air Coolers Co., Limited, China. The same loan was against issuance of Stand by Letter of Credit by Standard Chartered Bank, India for which Symphony India has pledged tax free bonds and units of mutual fund as security and Corporate Guarantee by Symphony, India in favour of Standard Chartered Bank, China. (Refer Note No. 4 & 8).
- (iii) In the previous year, ₹30.46 Crore represents current portion of loan availed from Standard Chartered Bank in Australian dollars for acquisition of subsidiary company in Australia (Refer Note No. 4 & 8).

### (21) Trade Payables

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	1.86	0.52
- Total outstanding dues of creditors other than micro enterprises and small enterprises	128.35	114.02
	<b>130.21</b>	<b>114.54</b>

### (22) Other Financial Liabilities

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Trade deposits	1.73	1.18
Unpaid dividends	3.72	4.31
Creditors for capital goods	0.04	0.01
Lease liabilities	8.74	8.85
Derivative liabilities	0.94	3.96
	<b>15.17</b>	<b>18.31</b>

## Notes forming part of the Consolidated Financial Statements

### (22) Other Financial Liabilities (contd)

Disclosure with regards to changes in liabilities arising from financing activities as per Ind AS 7 Statement of Cash Flows:

Change in liabilities arising from financing activities

(₹ in Crore)

Particulars	Borrowings	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend)	Total
<b>April 01, 2019</b>	<b>187.85</b>	-	<b>3.85</b>	<b>191.70</b>
Adjustment due to adoption of Ind AS 116 - Leases	-	46.16	-	46.16
Cash Flows	(25.33)	(9.12)	(206.16)	(240.61)
Charged to P&L during the year	10.68	-	-	10.68
Dividend recognised during the year <sup>1</sup>	-	-	206.62	206.62
<b>March 31, 2020</b>	<b>173.20</b>	<b>37.04</b>	<b>4.31</b>	<b>214.55</b>
Cash Flows	(3.38)	(10.37)	(7.58)	(21.33)
Cancellation of Right-of-use asset	-	(1.28)	-	(1.28)
Foreign Exchange Movement	3.47	9.38	-	12.85
Charged to P&L during the year	10.71	-	-	10.71
Dividend recognised during the period	-	-	6.99	6.99
<b>March 31, 2021</b>	<b>184.00</b>	<b>34.77</b>	<b>3.72</b>	<b>222.49</b>

### (23) Other Current Liabilities

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Advance from customers	44.36	32.36
Statutory dues	14.72	10.39
Deferred revenue (Refer note (i) below)	4.67	3.29
Other payables	5.75	9.17
	<b>69.50</b>	<b>55.21</b>

- (i) The deferred revenue arises in respect of the Group's Point Credits Scheme recognised in accordance with Ind AS 115 Customer Loyalty Programmes.

### (24) Provisions

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Provision for		
Employee benefits (Refer note (i) below)	4.02	3.49
Warranty (Refer note (ii) below)	6.87	9.04
	<b>10.89</b>	<b>12.53</b>

## Notes forming part of the Consolidated Financial Statements

### (24) Provisions (contd)

- (i) The provision for employee benefits includes gratuity, seniority premium, leave encashment and pension plan. For detailed disclosures, refer note no. 42.
- (ii) The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The movement in the warranty provision is as below:

(₹ in Crore)

	Warranty As at 31/03/2021	Warranty As at 31/03/2020
Opening balance	12.25	12.06
Additional provisions recognised	11.73	17.12
Reductions arising from payments	(10.43)	(15.94)
Reductions arising from remeasurement or settlement without cost	-	(0.34)
Foreign currency translation	(2.46)	(0.65)
Closing balance	11.09	12.25

### (25) Current Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
<b>Tax liabilities</b>		
Provision for income tax	35.81	56.33
<b>Total</b>	<b>35.81</b>	<b>56.33</b>
<b>Tax assets</b>		
Advance income tax	32.61	53.43
<b>Total</b>	<b>32.61</b>	<b>53.43</b>
<b>Net</b>	<b>3.20</b>	<b>2.90</b>

### (26) Revenue From Operations

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Revenue from Sale of Products	897.28	1,100.20
Other Operating Revenue	2.56	2.44
	<b>899.84</b>	<b>1,102.64</b>
Sale of products comprises of:		
Air Coolers	703.76	898.90
Others	193.52	201.30
	<b>897.28</b>	<b>1,100.20</b>

## Notes forming part of the Consolidated Financial Statements

### (26) Revenue From Operations (contd)

#### Reconciliation of Revenue from sale of products & services with the contracted price

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Contracted Price	1,000.54	1,170.95
Less: Trade discounts, volume rebates, etc.	(103.26)	(70.75)
<b>Sale of products and Services</b>	<b>897.28</b>	<b>1,100.20</b>

### (27) Other Income

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Interest Income:		
Bank deposits (at amortised cost)	0.33	1.68
Investments in debt instruments measured at FVTOCI	6.72	8.43
Other financial assets carried at amortised cost	1.98	3.52
Dividend Income		
Dividend income from investments measured at FVTPL	-	8.18
Other gains and losses		
Gain on disposal of property, plant and equipment	0.09	0.57
Gain on disposal of instruments designated at FVTOCI	0.00	-
Net foreign exchange gains	-	8.77
Net gain on disposal of instruments designated at FVTPL	9.29	15.88
Net gain on financial assets mandatorily measured at FVTPL	8.70	5.53
Other Non Operating Income	4.29	2.16
	<b>31.40</b>	<b>54.72</b>

### (28) Cost of Materials Consumed

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Opening Stock of Raw Materials	31.37	39.80
Add: Purchases	237.94	253.78
Less: Closing Stock of Raw Materials	31.21	31.37
	<b>238.10</b>	<b>262.21</b>

Cost of material comprises of Moulded Parts & components of Air Cooler

## Notes forming part of the Consolidated Financial Statements

### (29) Purchase of Stock-In-Trade

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Air Coolers	206.79	267.79
Others	53.23	60.07
	<b>260.02</b>	<b>327.86</b>

### (30) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Opening Stock		
Work-in-Progress	1.28	1.23
Finished Goods	47.29	49.26
Stock-In-Trade	37.88	29.20
Less:		
Closing Stock		
Work-in-Progress	1.02	1.28
Finished Goods	35.12	47.29
Stock-In-Trade	51.03	37.88
	<b>(0.72)</b>	<b>(6.76)</b>

### (31) Employee Benefits Expense

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Salaries, Wages and Bonus	92.22	98.94
Contribution to Provident Fund and Other Funds (Refer Note no. 42)	9.82	12.31
Staff Welfare Expenses	1.01	1.31
	<b>103.05</b>	<b>112.56</b>

### (32) Finance Costs

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Interest on bank loans	8.88	8.84
Interest expense on lease liability	1.64	1.62
Other interest expense	0.19	0.23
	<b>10.71</b>	<b>10.68</b>

## Notes forming part of the Consolidated Financial Statements

### (33) Other Expenses

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Stores and Spare parts consumed	0.15	0.39
Assembly and Labour Charges	12.74	15.05
Power and Fuel	0.69	1.62
Repairs & Maintenance		
Building	0.20	0.28
Machinery	1.92	2.00
Rent (Refer Note no. 40)	5.87	5.12
Rates & Taxes	0.44	0.57
Travelling	3.58	9.30
Conveyance	1.28	1.62
Communication Expenses	2.30	1.94
Insurance	5.66	5.18
Printing and stationery charges	0.50	0.93
Legal & Professional Charges	9.09	11.58
Payment to Auditors (Refer Note no. 39)	1.35	2.26
Vehicle Expenses	0.70	0.76
CSR Expenditure	4.07	4.02
General Expenses	15.25	11.80
Guarantee Charges	0.36	-
Mark to Market Loss	0.39	4.10
Repairs Others	0.25	0.33
Bank Charges	1.34	1.89
Foreign Exchange Fluctuation(Net)	3.38	-
Loss on disposal of instruments designated at FVTOCI	-	2.22
Loss on disposal of instruments measured at amortised cost	0.00	-
Freight & Forwarding Charges	37.98	40.57
Warranty Expense	12.60	18.33
Sales Commission	11.97	7.33
CFA Handling Charges	1.22	1.28
VAT and Sales Tax	0.03	0.02
	<b>135.31</b>	<b>150.49</b>

## Notes forming part of the Consolidated Financial Statements

### (34) Earnings Per Share

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Face value of Equity Shares (₹)	2	2
Net Profit available for Equity Shareholders (₹ in Crore)	107.38	181.77
No. of Equity Shares	6,99,57,000	6,99,57,000
Basic and Diluted EPS (₹)	15.35	25.98

### (35) Tax Expense

#### (35.1) Income tax recognised in statement of profit and loss

(₹ in Crore)

Sr. No.	Particulars	Year ended 31/03/2021	Year ended 31/03/2020
(a)	<b>Current tax</b>		
	In respect of the current year	35.67	56.23
	In respect of prior years	(0.90)	0.00
		34.77	56.23
(b)	<b>Deferred tax</b>		
	In respect of the current year	(11.01)	(7.53)
		(11.01)	(7.53)
	<b>Total income tax recognised in statement of profit and loss</b>	<b>23.76</b>	<b>48.70</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crore)

Sr. No.	Particulars	Year ended 31/03/2021	Year ended 31/03/2020
	<b>Profit before tax</b>	<b>131.14</b>	<b>230.47</b>
	Income tax expense calculated at 25.168%	33.01	58.01
(a)	Effect of income that is exempt from taxation		
	Dividend income	-	(2.38)
	Interest on tax free bonds	(1.75)	(1.76)
(b)	Effect of expense that are not deductible in taxable profit		
	Expenses in relation to exempt income	0.02	(0.04)
(c)	Effect of lower tax on capital gain from investment in Bonds & Market Linked Debentures	(0.15)	(0.51)
(d)	Effect of impairment of investments	-	0.62
(e)	Effect of CSR Expenditure not allowed under income tax	1.02	0.99



## Notes forming part of the Consolidated Financial Statements

### (35) Tax Expense (contd)

(₹ in Crore)

Sr. No.	Particulars	Year ended 31/03/2021	Year ended 31/03/2020
(f)	Effect of carry forward tax losses utilised, not recognised as deferred tax assets during prior years	-	(0.74)
(g)	Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(6.99)	(3.08)
(h)	Effect of Reversal of Opening DTL due to Lower rate of Tax	-	(2.36)
(i)	Others	(0.50)	(0.05)
	<b>Current Year Income tax expense</b>	<b>24.66</b>	<b>48.70</b>
	<b>Prior Year Income tax expense</b>	<b>(0.90)</b>	<b>-</b>
	<b>Total income tax recognised in statement of profit and loss</b>	<b>23.76</b>	<b>48.70</b>

### (35.2) Income tax recognised in Other Comprehensive Income

(₹ in Crore)

Sr. No.	Particulars	Year ended 31/03/2021	Year ended 31/03/2020
	Deferred tax		
(a)	Arising on income and expenses recognised in other comprehensive income:		
	Re-measurement of defined benefit obligation	0.09	(0.08)
	Net fair value gain on investments in debt instruments at FVTOCI	0.56	0.13
	<b>Total income tax recognised in other comprehensive income</b>	<b>0.65</b>	<b>0.05</b>
	<b>Bifurcation of the income tax recognised in other comprehensive income into:-</b>		
	Items that will not be reclassified to profit or loss	0.09	(0.08)
	Items that may be reclassified to profit or loss	0.56	0.13
		0.65	0.05

### (36) Contingent Liabilities and Commitments (to the extent not provided for) :

#### (i) Contingent Liabilities:

(₹ in Crore)

	2020-21	2019-20
a) Claims against the Group not acknowledged as debt.	0.07	0.07
b) Demand on account of VAT / sales tax matters.	0.07	0.27
c) Demand on account of Income Tax matters.	0.85	0.85
d) Demand on account of central excise matters.	1.41	1.41
	<b>2.40</b>	<b>2.60</b>

## Notes forming part of the Consolidated Financial Statements

### (36) Contingent Liabilities and Commitments (to the extent not provided for) : (contd)

Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities. No amount is expected to be reimbursed from the above.

#### (ii) Commitments :

(₹ in Crore)

	2020-21	2019-20
a) Estimated amount of contracts remaining to be executed and not provided for	2.72	2.96

### (37) Segment Reporting

#### (a) Primary Segment : Business

As per recognition criteria mentioned in Ind AS - 108, Operating Segments, the Group has identified Air Cooling and Other Appliances Business as operating segment. However substantial portion of Corporate Funds remained invested in various financial instruments. The Group has considered Corporate Funds as a separate segment so as to provide better understanding of performance of Air Cooling and Other Appliances Business.

(₹ in Crore)

	2020-21	2019-20
(1) Segment Revenue		
Air Cooling and Other Appliances	904.52	1,114.57
Corporate Funds	26.72	42.79
<b>Total</b>	<b>931.24</b>	<b>1,157.36</b>
(2) Segment Profit/(Loss) Before Interest and Taxes (PBIT)		
Air Cooling and Other Appliances	115.45	204.93
Corporate Funds	26.40	40.22
Un-allocable	-	(4.00)
<b>Total</b>	<b>141.85</b>	<b>241.15</b>
Less: Finance Costs	10.71	10.68
Less: Taxes	23.76	48.70
<b>Total Profit After Tax</b>	<b>107.38</b>	<b>181.77</b>
(3) Segment Assets		
Air Cooling and Other Appliances	738.34	658.59
Corporate Funds	481.26	405.69
<b>Total</b>	<b>1,219.60</b>	<b>1,064.28</b>
(4) Segment Liabilities		
Air Cooling and Other Appliances	455.68	420.82
Corporate Funds	-	-
<b>Total</b>	<b>455.68</b>	<b>420.82</b>

## Notes forming part of the Consolidated Financial Statements

### (37) Segment Reporting (contd)

	(₹ in Crore)	
	2020-21	2019-20
(5) Capital Employed		
Air Cooling and Other Appliances	422.36	309.28
Corporate Funds	481.26	405.69
<b>Total</b>	<b>903.62</b>	<b>714.97</b>

### (b) Secondary Segment : Geographical segment

	(₹ in Crore)	
	2020-21	2019-20
(1) Segment Revenue		
India	431.35	650.95
Rest of the world	468.49	451.69
Revenue from operations	899.84	1,102.64
(2) Segment Profit before Interest and Taxes (PBIT)		
India	131.34	217.02
Rest of the world	10.51	24.13
Total	141.85	241.15
Less: Finance Costs	10.71	10.68
Less: Taxes	<b>23.76</b>	<b>48.70</b>
<b>Total Profit After Tax</b>	<b>107.38</b>	<b>181.77</b>

#### Secondary Segment Capital Employed :

Fixed assets used in the Group's business and liabilities contracted have not been identified with any of the reportable segments, as the fixed assets and services are used interchangeably between segments. The Group believes that it is not practical to provide secondary segment disclosures relating to Capital employed.

### (38) Related Party Disclosures

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2020-21		2019-20	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
1	Elephant Design Private Limited	Enterprise in which Director has significant influence	Consultancy Expense & reimbursement of Travelling Expense	0.35	-	0.44	0.01

## Notes forming part of the Consolidated Financial Statements

### (38) Related Party Disclosures (contd)

#### 38.1 Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows:  
(₹ in Crore)

	2020-21		2019-20	
	Mr. Achal Bakeri, Chairman and Managing Director	Mr. Nrupesh Shah, Executive Director	Mr. Achal Bakeri, Chairman and Managing Director	Mr. Nrupesh Shah, Executive Director
Short-term benefits	0.00	1.05	2.36	1.61
Post-employment benefits	0.02	0.03	0.02	0.02
	0.02	1.08	2.38	1.63
Balance outstanding at the end of the year	-	0.89	2.00	1.44

#### Policy on dealing with Related party transactions:

The Group has made a list of related parties after considering the requirements and based on the annual declaration received from individuals like Directors and Key Managerial Personnel (KMP). All related party transactions are reported and referred for approval to the Audit Committee as per section 177 of the Companies Act, 2013. The Audit committee may grant general approval for repetitive related party transactions. Such general approval will be valid for a period of one year and a fresh approval shall be taken for every financial year. As per section 188 of the Companies Act, 2013, the consent of the Board/Shareholders' approval is required, by a special resolution in a general meeting, for entering into the specified transactions with a related party, if they are not in ordinary course of business of the Group or at arm's length and exceeds the threshold limits as specified in the Act.

### (39) Payment to Auditors (Refer Note no. 33)

(₹ in Crore)

	2020-21	2019-20
a) As Auditor	1.13	2.05
b) In other capacity, in respect of		
i) Certification	0.03	0.02
ii) Limited Review	0.19	0.19
	1.35	2.26

# Notes forming part of the Consolidated Financial Statements

## (40) Leases

### 40.1 : Leasing Arrangement

Effective from April 01, 2019, the Group adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

#### Right-of-use asset is related to

- i) Lease of land at Kandla SEZ for 48 months from Sept,16. The same is accounted for in accordance with Ind AS 116. Group has not renewed the said lease and has cancelled on July 31, 2020. Group has recognized loss on of ₹0.01 crore on cancellation of the said lease in statement of profit & loss account.
- ii) Factory rental located at China and Mexico pertaining to subsidiaries.
- iii) Lease of premises at 26 Nylex Avenue, Salisbury, Australia for a period of 7 years from July 2018.
- iv) Lease of premises at 444-446 South Gippsland Highway, Dandenong South, Australia for a period of 10 years from July 2009 which is renewed for further 3 years.
- v) Lease of Office equipments for Australian subsidiary
- vi) Lease of premises at New Las Vegas, USA with a lease period of 3 year from 4th Nov 2020.

### 40.2 : Maturity Analysis of Lease Liabilities

(₹ in Crore)

Particulars	2020-21	2019-20
Not later than 1 year	8.74	8.85
Later than 1 year and not later than 5 years	26.03	28.19
	34.77	37.04

### 40.3 : Amount Recognised in Statement of Profit & Loss

(₹ in Crore)

Particulars	2020-21	2019-20
Interest on Lease Liabilities	1.64	1.62
Amortisation of ROU Assets	10.95	10.81
Expense related to Short-term Leases	5.87	5.12

### 40.4 : Amount Recognised in Statement of Cash Flows

(₹ in Crore)

Particulars	2020-21	2019-20
Under Financing activities (Repayment of lease liability)	(12.02)	(10.73)
Under Operating activities (Short term leases)	(5.87)	(5.12)
<b>Total cash outflow for leases</b>	<b>(17.89)</b>	<b>(15.85)</b>

### 40.5 : Lease Commitments for short-term leases

The Group has entered into Short term leases for CFA premises at various location of India, tenure of which is less than a year. There are no obligations or commitments with reference to such short term leases as at reporting date as such leases are cancellable at the discretion of lessee i.e. the Group.

## Notes forming part of the Consolidated Financial Statements

### (41) Goodwill

(₹ in Crore)

Particulars	2020-21	2019-20
Carrying value at the beginning of the year	135.97	143.08
Amount recognised through acquisitions and business combinations	-	3.48
Amount impaired during the year (Refer Note no. 44.2)	-	(4.00)
Forex movement	25.42	(6.59)
Carrying value at the end of the year	<b>161.39</b>	<b>135.97</b>

The Group tests goodwill on an annual basis or based on an indicator. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amount is determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.

The key assumptions for CGUs with significant amount of goodwill as follows:

- Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value and terminal value is taken based on the long term growth rate depending on macro economic growth factors.
- Discount rate applied to projected cash flow is 5.6%.

The Management, on the basis of above assumptions, optimistically, believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

### (42) Employee Benefits

#### (A) Defined contribution plans

The Group makes provident fund contribution which is defined contribution plan, for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of payroll costs to fund the benefits. The Group recognised ₹1.43 Crore (Year ended March 31, 2020 ₹1.41 Crore) for provident fund contributions in the Statement of Profit and Loss. The contribution payable to this plan by the Group is at rate specified in the rule of the scheme.

#### (B) Defined benefit plans

The defined benefit plan of the Group includes entitlement of gratuity for each year of service until the retirement age, seniority premium and pension plan.

The plan typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

## Notes forming part of the Consolidated Financial Statements

### (42) Employee Benefits (contd)

<b>Investment risk:</b>	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.
<b>Interest risk:</b>	A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
<b>Longevity risk:</b>	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
<b>Salary risk:</b>	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The Present value of gratuity obligations is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

#### I The principal assumptions used for the purposes of actuarial valuation were as follows:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Expected return on plan assets	6.86%	-	-	6.82%	-	-
Discount rate	6.86%	7.25%	6.75%	6.82%	7.00%	7.25%
Rate of salary increase	7.00%	4.50%	4.50%	7.00%	4.50%	4.50%
Rate of employee turnover	For services 4 years and below 11.00% and For services 5 years and above 4.00%			For services 4 years and below 13.00% and For services 5 years and above 5.00%		
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ult			Indian Assured Lives Mortality (2006-08) Ult		
Mortality rate after employment	N.A.			N.A.		

## Notes forming part of the Consolidated Financial Statements

### (42) Employee Benefits (contd)

II Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Current service cost	1.12	0.03	0.13	1.05	0.04	0.12
Net interest expense	0.03	0.02	0.15	0.02	0.04	0.19
Actuarial (gains)/losses arising from experience adjustments	-	-	-	-	-	-
Adjustment in OCI due to extinction of obligations.	-	-	-	-	-	-
<b>Components of defined benefit cost recognised in profit or loss</b>	<b>1.15</b>	<b>0.05</b>	<b>0.28</b>	<b>1.07</b>	<b>0.08</b>	<b>0.31</b>
Actuarial (gains)/losses on obligation for the year	(0.51)	0.02	0.07	0.32	(0.19)	0.69
Adjustment in OCI due to extinction of obligations.	-	-	-	-	-	-
Return on plan assets (excluding interest income)	0.01	-	-	0.01	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(0.50)</b>	<b>0.02</b>	<b>0.07</b>	<b>0.33</b>	<b>(0.19)</b>	<b>0.69</b>
<b>Total</b>	<b>0.65</b>	<b>0.07</b>	<b>0.35</b>	<b>1.40</b>	<b>(0.11)</b>	<b>1.00</b>

III The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Present value of funded defined benefit obligation	(10.93)	(0.27)	(2.66)	(10.38)	(0.26)	(2.37)
Fair value of plan assets	10.90	-	-	10.01	-	-
Deficit or Surplus	(0.03)	(0.27)	(2.66)	(0.37)	(0.26)	(2.37)
Net liability arising from defined benefit obligation	(0.03)	(0.27)	(2.66)	(0.37)	(0.26)	(2.37)



## Notes forming part of the Consolidated Financial Statements

### (42) Employee Benefits (contd)

IV Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2021			As at March 31, 2020		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Opening defined benefit obligation	10.38	0.26	2.37	8.86	0.43	1.86
Current service cost	1.12	0.03	0.13	1.05	0.04	0.12
Interest cost	0.70	0.02	0.15	0.67	0.04	0.19
Benefits paid from the fund	(0.67)	-	-	(0.46)	-	-
Benefits paid directly by the employer	(0.10)	(0.06)	(0.06)	(0.07)	(0.07)	(0.52)
Actuarial (gains)/losses arising from changes in financial assumptions	0.04	-	-	(0.14)	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.03)	-	0.05	0.54	0.05	0.52
Actuarial (gains)/losses arising from experience adjustments	(0.51)	0.02	0.02	(0.07)	(0.24)	0.16
Translation exchange difference	-	-	-	-	0.01	0.04
Closing defined benefit obligation	10.93	0.27	2.66	10.38	0.26	2.37

V Movements in the fair value of the plan assets are as follows:

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
	Gratuity	Gratuity
Opening fair value of plan assets	10.01	8.57
Interest income	0.68	0.65
Return on plan assets (excluding amounts included in net interest expense)	(0.01)	(0.01)
Contributions from the employer	0.89	1.26
Benefits paid	(0.67)	(0.46)
Closing fair value of plan assets	10.90	10.01

## Notes forming part of the Consolidated Financial Statements

### (42) Employee Benefits (contd)

VI The fair value of the plan assets at the end of reporting period for each category are as follows:

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
	Gratuity	Gratuity
HDFC Group Traditional Plan	10.90	10.01
Closing fair value of plan assets	10.90	10.01

VII The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at March 31, 2021	As at March 31, 2020
	Gratuity	Gratuity
1st following year	1.25	1.21
2nd following year	0.92	0.71
3rd following year	1.06	1.27
4th following year	0.54	0.89
5th following year	1.07	0.58
Sum of years 6 to 10	4.58	4.64
Sum of years 11 and above	11.34	9.68

### (43) Leave encashment

As per the policy followed by the Group except Symphony AU Pty Ltd., Australia all the leaves are enjoyable in the year itself. Therefore there is no liability of leave encashment existing at the end of the year. Accordingly no provision is made for leave encashment.

Symphony AU Pty Ltd., Australia has a policy on leave encashment. The expected cost of leave encashment is determined at present value on the additional amount expected to be paid as a result of unused entitlement that has accumulated at the balance sheet date.

### (44) Exceptional Items

(44.1) IMPCO S. de. R L. de. C. V., Mexico has provided for doubtful debts during the quarter ended September 30, 2020 of ₹7.2 Crore, estimated at 80% of the outstanding receivable from one of its top customers which has applied for bankruptcy in Mexican Court and the same has been shown as an exceptional item.

(44.2) The Group has assessed the recoverable amount of Goodwill of ₹4 Crore of wholly owned subsidiary namely Guangdong Symphony Keruilai Air Coolers Co. Limited, China which represent a single cash-generating unit (CGU), as at March 31, 2020, due to change in market conditions especially in China, and considering the financial position of the subsidiary. This has resulted in impairment charges of ₹4 Crore being recognised as exceptional charge for the year ended March 31, 2020 (Refer Note No. 41).

(44.3) Exceptional items for the year ended March 31, 2019 includes provision made for impairment of investment in redeemable cumulative preference shares of Infrastructure Leasing & Financial Services Limited (IL&FS) ₹21.50 Crore.

## Notes forming part of the Consolidated Financial Statements

(45) The Group has considered the possible effects that may result from Covid19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of Covid19, the Group has, at the date of approval of the financial statements, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of Covid19 on Group's financial statements may differ from that estimated as at the date of approval of the same.

### (46) Additional information pursuant to Schedule III of Companies Act, 2013

(Previous year figures are in brackets)

(₹ in Crore)

Name of the entity	Net assets, i.e., total assets minus total liabilities		Shares of profit / (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount
Parent : Symphony Limited	99.46%	759.80	105.74%	113.54
	(100.74%)	(648.19)	(99.01%)	(179.98)
Subsidiaries:				
Foreign				
(1) IMPCO S DE RL DE CV, Mexico	5.71%	43.59	1.55%	1.66
	(6.00%)	(38.61)	(1.62%)	(2.94)
(2) Guangdong Symphony Keruilai Air Coolers Co., Limited, China	(-5.69%)	(43.47)	(-7.81%)	(8.38)
	((-5.11%)	((-32.89)	((-3.93%)	((-7.14)
(3) Symphony AU Pty. Limited, Australia	1.72%	13.10	(-4.46%)	(4.79)
	((-2.34%)	((-14.98)	((-4.70%)	((-8.55)
(4) Climate Technologies Pty. Limited, Australia	(-0.18%	(1.42)	3.52%	3.78
	(1.07%)	(6.88)	(8.17%)	(14.86)
(5) Bonaire USA LLC, USA	(-0.87%	(6.69)	1.66%	1.78
	((-0.30%)	((-1.94)	(0.01%)	(0.01)
(6) Symphony Climatizadores Ltda, Brazil (w.e.f. June 10, 2019)	(-0.15%	(0.99)	(-0.20%	(0.21)
	((-0.06%)	((-0.41)	((-0.18%)	((-0.33)
<b>Total</b>	100.00%	763.92	100.00%	107.38
	(100.00%)	(643.46)	(100.00%)	(181.77)

(47) The figures pertaining to subsidiary companies have been reclassified, where necessary, to bring them in line with the parent Company's financial statements.

## Notes forming part of the Consolidated Financial Statements

### (48) Financial Instruments

#### Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Group is not subject to any externally imposed capital requirements.

The management of the Group reviews the capital structure of the Group on regular basis.

The following table summarises the capital of the Group.

(₹ in Crore)

	As at 31/03/2021	As at 31/03/2020
Debts	184.00	173.20
Total Equity	759.22	639.21
Net debt to equity ratio	24.24%	27.10%

Other disclosure pursuant to Ind AS 107 "Financial instruments: Disclosures":

#### (a) Category-wise classification for applicable financial assets:

(₹ in Crore)

Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
I	Measured at fair value through Profit or Loss (FVTPL):		
	(i) Investment in mutual funds	305.55	214.62
	(ii) Investment in NCD	25.90	38.44
		331.45	253.06
II	Measured at amortised cost:		
	(i) Investment in NCD/ICD	19.54	8.18
	(ii) Trade receivables	166.14	120.99
	(iii) Cash and cash equivalents and bank balances	38.49	25.44
	(iv) Other financial assets	1.83	2.33
		226.00	156.94
III	Measured at fair value through Other Comprehensive Income (FVTOCI):		
	(i) Investment in bonds	108.32	103.51
	(ii) Investment in NCD	25.11	37.48
	(iii) Investment in preference shares	-	9.84
		133.43	150.83
	<b>Total</b>	<b>690.88</b>	<b>560.83</b>

## Notes forming part of the Consolidated Financial Statements

### (48) Financial Instruments (contd)

#### (b) Category-wise classification for applicable financial liabilities:

(₹ in Crore)

Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
	Measured at amortised cost:		
	(i) Borrowings	184.00	173.20
	(ii) Trade payables	130.21	114.54
	(iii) Lease liabilities	34.78	37.04
	(iv) Other financial liabilities	6.43	9.46
	<b>Total</b>	<b>355.42</b>	<b>334.24</b>

### (49) Fair value measurements

#### (a) Fair value Hierarchy of the Group's financial assets that are measured at fair value on a recurring basis:

(₹ in Crore)

Particulars	As at 31/03/2021				As at 31/03/2020			
	Level1	Level2	Level3	Total	Level1	Level2	Level3	Total
I Financial assets at FVTPL								
(i) Investment in mutual funds	305.55	-	-	305.55	214.62	-	-	214.62
(ii) Investment in bonds & NCD	25.90	-	-	25.90	38.44	-	-	38.44
II Financial assets at FVTOCI								
(i) Investment in bonds & NCD	96.15	37.28	-	133.43	89.21	51.78	-	140.99
(ii) Investment in preference shares	-	-	-	-	-	9.84	-	9.84
<b>Total</b>	<b>427.60</b>	<b>37.28</b>	<b>-</b>	<b>464.88</b>	<b>342.27</b>	<b>61.62</b>	<b>-</b>	<b>403.89</b>

#### Valuation technique and key inputs used to determine fair value:

- A. Level 1 : Mutual funds, Bonds, NCD - Quoted prices in active market.
- B. Level 2 : Bonds, NCD, Preference shares - The fair value is calculated using the discounted cash flow method. Risk free rate adjusted by applicable spread is used for discounting future cash flows.

#### (b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

##### I Financial assets measured at amortised cost

The carrying amount of Trade receivables, Loans, Cash and cash equivalents and bank balances & Other current financial assets are considered to be the same as their fair value due to their short term nature. The carrying amount of Other non-current financial assets are considered to be close to the fair value.

##### II Financial liabilities measured at amortised cost

The carrying amount of Trade payables and Other financial liabilities are considered to be the same as their fair values due to their short term nature.

## Notes forming part of the Consolidated Financial Statements

### (50) Financial Risk Management Objectives And Policies

#### Financial risk management objectives

The Group's management monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Group's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The most significant risks to which the Group is exposed are described below:

#### Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates risk, liquidity risk, credit risk and price risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

#### Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group minimises foreign currency risk by taking 100% advance in majority cases.

The Group has taken an acquisition funding loan from Standard Chartered Bank at a fixed interest rate condition in Australian Dollars. To insulate the Group from interest rate fluctuation, an Interest Swap agreement has for the outstanding loan amount of AUD 25.000 millions (Previous year AUD 21.906 millions) has been entered. During the year the effect of mark to market valuation AUD 73,860 (₹0.39 Crore) [previous year AUD 849,395 (₹4.10 Crore)] provided in the statement of profit and loss.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(All figures in Crore)

Foreign currency exposure	As at March 31, 2021		As at March 31, 2020	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	0.49	0.00	0.21	0.05
AUD	0.00	0.02	-	0.08
NZD	0.01	-	-	-
CNY	-	-	-	0.00
THB	-	0.34	-	-

#### Foreign currency sensitivity

The following table details the Group's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their

## Notes forming part of the Consolidated Financial Statements

### (50) Financial Risk Management Objectives And Policies (contd)

transaction at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(All figures in Crore)

Currency	As at March 31, 2021		As at March 31, 2020	
	5%increase	5%decrease	5%increase	5%decrease
<b>Foreign currency monetary assets</b>				
USD	(1.76)	1.76	(0.79)	0.79
AUD	(0.01)	0.01	-	-
<b>NZD</b>	(0.01)	0.01		
<b>Foreign currency monetary liabilities</b>				
USD	0.30	(0.30)	0.21	(0.21)
AUD	0.05	(0.05)	0.20	(0.20)
CNY	-	-	0.00	(0.00)
THB	0.04	(0.04)	-	-
Impact on profit or loss at the end of the reporting year	(1.41)	1.41	(0.38)	0.38
Impact on total equity as at the end of the reporting year (net of tax)	(1.41)	1.41	(0.38)	0.38

#### Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments (Bond, NCD, preference share and mutual fund), trade receivables, loans and advances.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

#### Price risk

The Group's exposure to price risk arises from investments in Bond, NCD, preference share and mutual fund held by the Group and classified in the balance sheet at fair value through OCI and at fair value through profit or loss. To manage its price risk arising from investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

## Notes forming part of the Consolidated Financial Statements

### (50) Financial Risk Management Objectives And Policies (contd)

#### Price risk sensitivity

The table below summarises the impact of increases / decreases of the index on the Group's equity and profit for the year.

(₹ in Crore)

	Movement in Rate	As at March 31, 2021		As at March 31, 2020	
		Impact on Profit	Impact on Other Comprehensive Income	Impact on Profit	Impact on Other Comprehensive Income
Bonds					
Increase	+2%	-	2.17	-	2.07
Decrease	-2%	-	(2.17)	-	(2.07)
Preference Shares					
Increase	+2%	-	-	-	0.20
Decrease	-2%	-	-	-	(0.20)
NCD/ICD					
Increase	+2%	0.52	0.50	0.77	0.75
Decrease	-2%	(0.52)	(0.50)	(0.77)	(0.75)
Mutual Funds					
Increase	+2%	6.11	-	4.29	-
Decrease	-2%	(6.11)	-	(4.29)	-
Total					
Increase	+2%	6.63	2.67	5.06	3.02
Decrease	-2%	(6.63)	(2.67)	(5.06)	(3.02)
Impact on total equity as at the end of the reporting year (net of tax)					
Increase	+2%		7.51		6.52
Decrease	-2%		(7.51)		(6.52)

#### Interest rate risk

- (i) The Group's majority investments are primarily in fixed rate interest bearing investments. Except in case of Market Linked Debentures the Group is not significantly exposed to interest rate risk.
- (ii) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group's policy is to minimise interest rate cash flow risk exposures on working capital financing. As at March 31, 2021, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rate.

(₹ in Crore)

	Movement in Rate	As at March 31, 2021	As at March 31, 2020
Interest rates	+0.50%	(0.92)	(0.87)
Interest rates	-0.50%	0.92	0.87



## Notes forming part of the Consolidated Financial Statements

### (50) Financial Risk Management Objectives And Policies (contd)

#### Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturities of financial liabilities:

The tables below analyse the Group's financial liabilities into relevant maturity groupings base on their contractual maturities for all non-derivative financial liabilities.

(₹ in Crore)

Particulars	As at March 31, 2021			
	Less than 1 year	1 to 5 years	>5 years	Total
Non-Current				
(i) Borrowings	-	139.70	-	139.70
(ii) Lease liabilities	-	26.03	-	26.03
Current				
(i) Borrowings	44.30	-	-	44.30
(ii) Trade payables	130.21	-	-	130.21
(iii) Lease liabilities	8.74	-	-	8.74
(iii) Other financial liabilities	6.43	-	-	6.43

(₹ in Crore)

Particulars	As at March 31, 2020			
	Less than 1 year	1 to 5 years	>5 years	Total
Non-Current				
(i) Borrowings	-	71.51	-	71.51
(ii) Lease liabilities	-	28.19	-	28.19
Current				
(i) Borrowings	101.69	-	-	101.69
(ii) Trade payables	114.54	-	-	114.54
(iii) Lease liabilities	8.85	-	-	8.85
(iii) Other financial liabilities	9.46	-	-	9.46

The surplus funds with the Group and operational cash flows will be sufficient to dispose the financial liabilities within the maturity period.

## Notes forming part of the Consolidated Financial Statements

- (51) The Code on Wages, 2019 and Code on Social Security, 2020 (the “Codes”) relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Group will assess the impact of the Codes when the rules are notified and will record any related impact in the periods the Codes becomes effective.
- (52) The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of April 27, 2021, there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

### (53) Approval of consolidated financial statements

The consolidated financial statements were approved for issue by the board of directors on April 27, 2021.

For and on behalf of the board

**Achal Bakeri**  
Chairman & Managing Director  
DIN-00397573

**Nrupesh Shah**  
Executive Director  
DIN-00397701

Place : Ahmedabad  
Date : April 27, 2021

**Mayur Barvadiya**  
Company Secretary

**Bhadresh Mehta**  
Chief Financial Officer

---

# Standalone Financial Statements

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Symphony Limited

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Symphony Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the

Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled out other ethical responsibilities in accordance with these requirements and the ICAI's code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our audit report.

### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report of even date and annexure thereof, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider

whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless

management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the

circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope

and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

---

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Kartikeya Raval**  
(Partner)  
(Membership No. 106189)  
(UDIN: 21106189AAAADQ8481)

Place: Ahmedabad  
Date: April 27, 2021

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Symphony Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to

obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance



with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

---

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 117365W)

**Kartikeya Raval**  
(Partner)  
(Membership No. 106189)  
(UDIN: 21106189AAAADQ8481)

Place: Ahmedabad  
Date: April 27, 2021

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant & Equipment.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of provisions of sections 73 to 76 of the Act and the rules framed there under and hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Customs Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

- (c) There were no disputed amounts payable in respect of Goods & Service Tax and Customs Duty as at March 31, 2021. Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty, Value Added Tax and Entry Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (₹ in Crore)	Amount Unpaid (₹ in Crore)
Income Tax Act, 1961	Income Tax Demand	Income Tax Appellate Tribunal	2010-2011	0.10	0.10
		Commissioner of Income Tax(Appeal), Ahmedabad	2012-2013	0.07	0.04
			2014-2015 2017-2018	0.03 0.68	0.03 0.68
Central Excise Act, 1944	Demand of Penalty	Central Excise and Service Tax Appellate Tribunal, Ahmedabad	2009-2010	0.025	0.025
		Commissioner of Central Excise and Customs, Baroda	2009-2011	0.89	0.89
			Jaipur High Court	2012-2017	0.50
Punjab Value Added Tax Act, 2005	Commercial Tax Demand	VAT Tribunal, Punjab	2014-2015	0.03	0.02
Orissa Entry Tax, 1999	Commercial Tax Demand	Assistant Commissioner, Circle Office Cuttack	2001-2002	0.01	0.01
Bihar Value Added Tax Act, 2005	Commercial Tax Demand	Commissioner Appeal, Bihar	2012-13 and 2013-14	0.01	0.01

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

---

For **Deloitte Haskins & Sells**

Chartered Accountants  
(Firm's Registration No. 117365W)

**Kartikeya Raval**

(Partner)

(Membership No. 106189)  
(UDIN: 21106189AAAADQ8481)

Place: Ahmedabad  
Date: April 27, 2021

## Balance Sheet as at March 31, 2021

(₹ in Crore)

Particulars	Note	As at 31/03/2021	As at 31/03/2020
<b>I ASSETS</b>			
(1) Non-current assets			
(a) Property, plant and equipment	3(A)	69.69	67.51
(b) Right-of-use asset	3(A)	-	0.66
(c) Capital work - in - Progress	3(C)	0.31	-
(d) Other intangible assets	3(B)	1.74	2.63
(e) Intangible assets under development	3(D)	0.02	-
(f) Financial Assets			
(i) Investments			
a) Investments in subsidiaries	4	97.56	97.56
b) Other investments	4	159.34	113.35
(ii) Loans	5	44.29	1.24
(iii) Other financial assets	6	0.27	0.38
		373.22	283.33
(g) Other non-current assets	7	3.34	1.70
<b>Total Non-current assets</b>		<b>376.56</b>	<b>285.03</b>
(2) Current assets			
(a) Inventories	8	48.93	41.31
(b) Financial assets			
(i) Other investments	9	321.93	292.34
(ii) Trade receivables	10	80.75	59.72
(iii) Cash and cash equivalents	11	21.53	2.24
(iv) Bank balances other than (iii) above	11	3.74	4.33
(v) Loans	12	1.19	18.78
(vi) Other financial assets	13	1.70	3.55
(c) Other current assets	14	25.37	38.85
<b>Total Current assets</b>		<b>505.14</b>	<b>461.12</b>
<b>Total Assets</b>		<b>881.70</b>	<b>746.15</b>
<b>II EQUITY AND LIABILITIES</b>			
(1) Equity			
(a) Equity share capital	15	13.99	13.99
(b) Other equity	16	746.58	634.86
<b>Total Equity</b>		<b>760.57</b>	<b>648.85</b>
(2) Non-current liabilities			
(a) Deferred tax liabilities (Net)	17	5.72	3.95
<b>Total Non-current liabilities</b>		<b>5.72</b>	<b>3.95</b>
(3) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	18	1.86	0.52
- total outstanding dues of creditors other than micro enterprises and small enterprises	18	45.95	38.57
(ii) Lease liabilities	19	-	0.68
(iii) Other financial liabilities	19	5.49	5.50
		53.30	45.27
(b) Other current liabilities	20	54.29	38.10
(c) Provisions	21	5.24	6.99
(d) Current tax liabilities (Net)	22	2.58	2.99
<b>Total Current liabilities</b>		<b>115.41</b>	<b>93.35</b>
<b>Total Liabilities</b>		<b>121.13</b>	<b>97.30</b>
<b>Total Equity and Liabilities</b>		<b>881.70</b>	<b>746.15</b>
See accompanying notes forming part of the Financial Statements	1-49		

In terms of our report attached

**For Deloitte Haskins & Sells**

Chartered Accountants

**Kartikeya Raval**

Partner

Place : Ahmedabad

Date : April 27, 2021

For and on behalf of the board

**Achal Bakeri**

Chairman & Managing Director  
DIN-00397573

**Mayur Barvadiya**

Company Secretary

**Nrupesh Shah**

Executive Director  
DIN-00397701

**Bhadresh Mehta**

Chief Financial Officer

## Statement of Profit and Loss for the year ended March 31, 2021

(₹ in Crore)

Particulars	Note	Year Ended 31/03/2021	Year Ended 31/03/2020
I Revenue from Operations	23	487.88	716.18
II Other income	24	35.71	46.87
<b>III Total Revenue ( I + II )</b>		<b>523.59</b>	<b>763.05</b>
<b>IV Expenses:</b>			
Cost of materials consumed	25	3.60	31.35
Purchase of stock-in-trade	26	258.53	330.15
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(10.07)	(5.69)
Employee benefits expense	28	50.57	55.34
Finance costs	29	0.08	0.25
Depreciation and amortisation expense	3	5.16	5.94
Advertisement and Sales Promotion Expenses		21.62	38.82
Other Expenses	30	46.97	65.07
<b>Total Expenses (IV)</b>		<b>376.46</b>	<b>521.23</b>
<b>V Profit Before Exceptional Items and Tax (III – IV)</b>		<b>147.13</b>	<b>241.82</b>
VI Exceptional Items	40	-	1.55
<b>VII Profit Before Tax (V – VI)</b>		<b>147.13</b>	<b>240.27</b>
VIII Tax expense / (Benefits):			
(1) Current tax	32.1	34.85	56.23
(2) Excess provision of tax relating to previous years	32.1	(0.90)	-
(3) Net current tax		33.95	56.23
(4) Deferred tax	32.1	0.83	(1.87)
Net tax expense (VIII)		34.78	54.36
<b>IX Profit for the year (VII - VIII)</b>		<b>112.35</b>	<b>185.91</b>
X Other comprehensive income			
Items that will not to be reclassified to profit or loss :			
(i) Remeasurements of the defined benefit plans	38	0.50	(0.33)
(ii) Income tax effect on above	32.2	(0.12)	0.08
Items that will be reclassified to profit or loss :			
(i) Gain / (Loss) on Items designated as Fair Value Through Other Comprehensive Income	16.3	4.74	0.49
(ii) Income tax effect on above	32.2	(0.56)	(0.13)
<b>Total other comprehensive income, net of tax (X)</b>		<b>4.56</b>	<b>0.11</b>
<b>XI Total comprehensive income for the year (IX+X)</b>		<b>116.91</b>	<b>186.02</b>
XII Earnings per equity share of face value of ₹2/- each :			
(1) Basic	31	16.06	26.57
(2) Diluted	31	16.06	26.57
See accompanying notes forming part of the Financial Statements	1-49		

In terms of our report attached

For Deloitte Haskins &amp; Sells

Chartered Accountants

Kartikya Raval  
Partner

For and on behalf of the board

Achal Bakeri  
Chairman & Managing Director  
DIN-00397573Nrupesh Shah  
Executive Director  
DIN-00397701Place : Ahmedabad  
Date : April 27, 2021Mayur Barvadiya  
Company SecretaryBhadresh Mehta  
Chief Financial Officer

## Statement of Changes in Equity for the year ended March 31, 2021

### A Equity Share Capital

	No. of Shares	Amount (₹ in Crore)
Balance as at April 01, 2019	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2020	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2021	6,99,57,000	13.99

### B Other Equity

(₹ in Crore)

Particulars	General Reserve	Capital Reserve	Reserve for Debt Instruments through Other Comprehensive Income	Retained Earnings	Total
Balance as on April 01, 2019	35.00	9.04	(1.47)	612.27	654.84
Profit during the year	-	-	-	185.91	185.91
Other Comprehensive Income for the year, net of income tax	-	-	0.36	(0.25)	0.11
<b>Total Comprehensive Income for the year</b>	-	-	<b>0.36</b>	<b>185.66</b>	<b>186.02</b>
Reclassification to Profit & Loss on disposal of Instruments designated as FVTOCI	-	-	0.70	-	0.70
Reclassification to Profit & Loss on impairment of Instruments designated as FVTOCI	-	-	(0.08)	-	(0.08)
Dividend on Equity Shares	-	-	-	(171.39)	(171.39)
Tax on Dividend	-	-	-	(35.23)	(35.23)
<b>Balance as on March 31, 2020</b>	<b>35.00</b>	<b>9.04</b>	<b>(0.49)</b>	<b>591.31</b>	<b>634.86</b>
Profit during the year	-	-	-	112.35	112.35
Other Comprehensive Income for the year, net of income tax	-	-	4.18	0.38	4.56
<b>Total Comprehensive Income for the year</b>	-	-	<b>4.18</b>	<b>112.73</b>	<b>116.91</b>
Reclassification to Profit & Loss on disposal of Instruments designated as FVTOCI	-	-	2.07	-	2.07
Reclassification to Profit & Loss on impairment of Instruments designated as FVTOCI	-	-	(0.26)	-	(0.26)
Dividend on Equity Shares	-	-	-	(7.00)	(7.00)
Tax on Dividend	-	-	-	-	-
<b>Balance as on March 31, 2021</b>	<b>35.00</b>	<b>9.04</b>	<b>5.50</b>	<b>697.04</b>	<b>746.58</b>

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

**Kartikeya Raval**

Partner

Place : Ahmedabad

Date : April 27, 2021

For and on behalf of the board

**Achal Bakeri**

Chairman & Managing Director  
DIN-00397573

**Mayur Barvadiya**

Company Secretary

**Nrupesh Shah**

Executive Director  
DIN-00397701

**Bhadresh Mehta**

Chief Financial Officer

## Statement of Cash Flows for the year ended March 31, 2021

(₹ in Crore)

	Year Ended 31/03/2021	Year Ended 31/03/2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year	112.35	185.91
<b>Adjustments For:</b>		
Income tax expenses recognised in profit or loss	34.78	54.36
Depreciation and amortization expenses	5.16	5.94
Finance costs recognised in profit or loss	0.08	0.25
Interest Income recognised in profit or loss	(10.41)	(13.39)
Dividend Income recognised in profit or loss	-	(8.18)
Net (gain)/loss on disposal of instruments designated at FVTOCI	(0.00)	2.22
Net gain on disposal of instruments designated at FVTPL	(9.29)	(15.88)
Net gain on financial assets mandatorily measured at FVTPL	(8.70)	(5.53)
Loss on disposal of instruments measured at amortised cost	0.00	-
Impairment of investments	-	1.55
Unrealised foreign exchange (gain)/loss	(0.31)	(1.14)
Allowances for credit losses on trade receivables	0.57	0.54
Provisions / Liabilities no longer required written back	(3.65)	(1.17)
Receivables / Advances written off	0.24	0.06
(Gain)/Loss on disposal of property, plant and equipment	0.08	(0.41)
<b>Operating Profit Before Working Capital Changes</b>	<b>120.90</b>	<b>205.13</b>
<b>Movements in working capital:</b>		
(Increase) in trade and other receivables	(21.39)	(17.19)
(Increase) in inventories	(7.62)	(3.56)
(Increase)/Decrease in other assets	15.43	(9.58)
Increase/(Decrease) in trade payables	12.38	(3.75)
Increase in other liabilities	16.74	1.45
Increase/(Decrease) in provisions	(1.26)	1.49
<b>Cash Generated from Operations</b>	<b>135.18</b>	<b>173.99</b>
Income taxes paid	(34.36)	(56.60)
Net Cash generated by Operating Activities (A)	<b>100.82</b>	<b>117.39</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment, intangible assets, capital advances and creditors	(8.24)	(8.29)
Proceeds from disposal of property, plant and equipment	0.06	2.47
Interest received	8.74	9.41
Dividend received	0.36	9.24
Net (payments to)/proceeds from mutual funds	(78.00)	18.95
Payments to acquire financial assets	(69.56)	(108.44)
Proceeds on sale of financial assets	96.99	187.85
Investment in Subsidiary	-	(11.30)
Loan given to Subsidiaries	(43.19)	(20.21)
Loan received back from Subsidiaries	19.26	-



## Statement of Cash Flows for the year ended March 31, 2021

(₹ in Crore)

	Year Ended 31/03/2021	Year Ended 31/03/2020
Net Cash (Used) / generated from Investing Activities (B)	(73.58)	79.68
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance cost paid	(0.08)	(0.25)
Payments on lease liabilities	(0.29)	(1.31)
Dividend paid on equity shares	(7.58)	(170.93)
Dividend distribution tax paid	-	(35.23)
Net Cash Used in Financing Activities (C)	(7.95)	(207.72)
Net Decrease in Cash & Cash Equivalents (A+B+C)	19.29	(10.65)
Cash & Cash Equivalents at the beginning of the year	2.24	12.89
Cash & Cash Equivalents at the end of the year	21.53	2.24
Cash on Hand	0.28	0.36
Balances with Schedule Bank in Current Account	21.25	1.88
Cash & Cash Equivalents included in Note no.11	21.53	2.24
Summary of significant accounting policies refer note 2		

### Notes to Statement of Cash Flows:

- The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented under note (19).

In terms of our report attached

### For Deloitte Haskins & Sells

Chartered Accountants

**Kartikeya Raval**  
Partner

Place : Ahmedabad  
Date : April 27, 2021

For and on behalf of the board

**Achal Bakeri**  
Chairman & Managing Director  
DIN-00397573

**Mayur Barvadiya**  
Company Secretary

**Nrupesh Shah**  
Executive Director  
DIN-00397701

**Bhadresh Mehta**  
Chief Financial Officer

# Notes forming part of the Financial Statements

## (1) Corporate Information

Symphony Limited ("the Company"), a premier air cooling company was established in the year 1988. The Company is in the field of residential, commercial and industrial air cooling and other appliances both in the domestic and international markets. The addresses of its registered office and principal place of business are disclosed under corporate information in the annual report.

## (2-A) Significant Accounting Policies

### i) Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

### ii) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

### iii) Revenue Recognition

#### a) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction

## Notes forming part of the Financial Statements

price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any.

### b) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### iv) Leases

Effective from April 01, 2019, the Company adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

## Notes forming part of the Financial Statements

### v) Foreign currencies

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit or loss in the period in which they arise.

### vi) Employee Benefits

#### Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

#### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

## Notes forming part of the Financial Statements

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### vii) Taxation

Income tax expense represents the sum of the current tax payable and deferred tax.

#### Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### viii) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

## Notes forming part of the Financial Statements

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

### Useful lives of tangible assets

Estimated useful lives of the Plant Property Equipment are as follows:

Buildings	30-60 years
Plant & Machinery	10-15 years
Furniture & Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Computers	3-6 years

Capital work in progress is stated at cost less accumulated impairment loss, if any.

### ix) Intangible Fixed Assets

#### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

#### Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

## Notes forming part of the Financial Statements

### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

### Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Software	6 years
Trademarks	5 years
Designs	5 years

### x) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

### xi) Inventories

Raw materials and traded goods are valued at lower of cost or net realizable value. The costs of these items of inventory comprises of cost of purchase and other incidental costs incurred to bring the inventories to their present location and condition. However, raw materials are written down below cost only when the finished product to which they belong are written down below cost and the replacement cost of that raw material is lower than cost. Cost of raw materials and traded goods are determined on "Moving Average" basis.

## Notes forming part of the Financial Statements

Work-in-process and Finished goods are valued at lower of cost or net realizable value. The cost includes direct materials and labour. Cost is determined on "Moving Average" basis.

### xii) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

### xiii) Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

### xiv) Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### xv) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer paragraph on Impairment of financial assets.



## Notes forming part of the Financial Statements

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to statement of profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph on Impairment of financial assets. All other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

### Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

## Notes forming part of the Financial Statements

### Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

## Notes forming part of the Financial Statements

### **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **xvi) Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

## Notes forming part of the Financial Statements

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

### **Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

### **xvii) Cash and cash equivalents**

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

### **xviii) Earnings per Share**

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **xix) Statement of Cash Flows**

Statement of Cash flows is reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **xx) Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## Notes forming part of the Financial Statements

### (2-B) Significant accounting judgements, estimates and assumptions

The preparation of the Company's Ind AS Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Refer Note No. (40.1) & (40.2)

#### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. The mortality rate is based on publicly available mortality tables for the specific country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the industry practice considering promotion and demand & supply of the employees. Further details about gratuity obligations are given in note 38.

## Notes forming part of the Financial Statements

### Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 45 for further disclosures.

### Depreciation/ amortisation and useful lives of property plant and equipment/ intangible assets

Property, plant and equipment/ intangible assets are depreciated/ amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

## Notes forming part of the Financial Statements

### (3) Property, Plant and Equipment, Capital Work-In-Progress & Other Intangible Assets

	Plant Property Equipment											Total (A)	Other Intangible Assets				Total (B)	Capital WIP (C)	Intangible assets under development (D)	Grand Total (A+B+C+D)			
	Free Hold Land	Right- of-use asset	Buildings		Plant & Machinery		Furniture & Fixtures		Vehicles		Office Equipments		Computers		Software	Trademarks					Designs	Copy Rights	
Gross Block	19.63	-	17.35	32.50	3.75	3.09	1.05	1.12	78.49	6.45	0.07	0.01	0.00	1.23	-	-	-	86.25					
As at 01/04/2019	-	1.98	-	6.03	-	3.22	0.02	0.06	11.31	0.00	0.00	-	-	0.72	-	-	-	12.03					
Additions	-	-	-	1.25	-	1.27	0.00	0.01	2.53	-	-	-	-	1.95	-	-	-	4.48					
Disposals / Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
As at 31/03/2020	19.63	1.98	17.35	37.28	3.75	5.04	1.07	1.17	87.27	6.45	0.07	0.01	0.00	6.53	-	-	-	93.80					
Additions	-	-	-	6.01	-	-	0.03	0.10	6.14	0.18	0.00	-	-	3.42	-	-	-	9.80					
Disposals / Adjustments	-	1.98	0.11	0.20	-	0.01	0.01	0.01	2.32	-	-	-	-	3.11	-	-	-	5.47					
As at 31/03/2021	19.63	-	17.24	43.09	3.75	5.03	1.09	1.26	91.09	6.63	0.07	0.01	0.00	6.71	0.31	0.02	0.02	98.13					
Accumulated Depreciation and Amortization	-	-	3.52	7.01	1.44	2.06	0.78	1.00	15.81	2.78	0.03	0.01	0.00	2.82	-	-	-	18.63					
As at 01/04/2019	-	1.32	0.34	2.30	0.35	0.33	0.17	0.05	4.86	1.07	0.01	-	-	1.08	-	-	-	5.94					
Depreciation and Amortization For The Year	-	-	0.00	0.43	0.00	1.13	0.00	0.01	1.57	-	-	-	-	-	-	-	-	1.57					
Eliminated on disposals of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
As at 31/03/2020	-	1.32	3.86	8.88	1.79	1.26	0.95	1.04	19.10	3.85	0.04	0.01	0.00	3.90	-	-	-	23.00					
Depreciation and Amortization For The Year	-	0.27	0.32	2.52	0.35	0.56	0.03	0.04	4.09	1.06	0.01	-	-	1.07	-	-	-	5.16					
Eliminated on disposals of assets	-	1.59	0.09	0.10	-	-	0.01	0.00	1.79	-	-	-	-	-	-	-	-	1.79					
As at 31/03/2021	-	-	4.09	11.30	2.14	1.82	0.97	1.08	21.40	4.91	0.05	0.01	0.00	4.97	-	-	-	26.37					
Net Block	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
As at 31/03/2020	19.63	0.66	13.49	28.40	1.96	3.78	0.12	0.13	68.17	2.60	0.03	-	-	2.63	-	-	-	70.80					
As at 31/03/2021	19.63	-	13.15	31.79	1.61	3.21	0.12	0.18	69.69	1.72	0.02	-	-	1.74	0.31	0.02	0.02	71.76					

## Notes forming part of the Financial Statements

### (4) Non-Current Investments

(₹ in Crore)

Particulars	As at 31/03/2021		As at 31/03/2020	
	Nos.		Nos.	
<b>Non-current Investments</b>				
<b>Unquoted Investments</b>				
<b>Investments in subsidiaries</b>	Nos.		Nos.	
In fully paid equity shares of subsidiaries at amortised cost				
Symphony AU Pty. Limited, Australia	1,74,80,000	97.47	1,74,80,000	97.47
Symphony Climatizadores Ltda, Brazil	49,999	0.09	49,999	0.09
IMPCO S DE RL DE CV, Mexico	-	0.00	-	0.00
Guangdong Symphony Keruilai Air Coolers Co. Limited, China	-	1.55	-	1.55
Less: Provision for impairment on Investments (Refer note no. 40.1)		(1.55)		(1.55)
<b>Other Investments</b>				
In fully paid cumulative redeemable preference shares at FVTOCI				
Tata Capital Ltd	-	-	1,00,000	9.84
<b>Quoted Investments</b>				
In fully paid up bonds at FVTOCI				
Tax Free Bond of HUDCO Ltd.	86,477	10.59	86,477	9.68
Tax Free Bond of HUDCO Ltd.	1,00,000	11.08	1,00,000	11.21
Tax Free Bond of IRFC Ltd.	30,000	3.31	30,000	3.38
Tax Free Bond of IRFC Ltd.	24,157	3.03	24,157	2.65
Tax Free Bond of NABARD	1,20,000	14.50	1,20,000	13.55
Tax Free Bond of NHAI	100	10.91	100	11.19
Tax Free Bond of NHAI	50,000	5.96	50,000	5.99
Tax Free Bond of NHAI	75,000	9.36	75,000	9.07
Tax Free Bond of NHAI	1,10,000	13.38	1,10,000	12.33
Tax Free Bond of NHB	100	11.99	100	11.71
Tax Free Bond of NTPC Ltd.	60,000	7.76	60,000	6.85
Tax Free Bond of REC Ltd.	50,000	6.45	50,000	5.90
In fully paid non convertible debentures at FVTPL				
REC Ltd-5.36%-23-MLD 30-06-2023	150	15.75	-	-
Shriram City Union Finance Limited MLD 8.65% dt-27.01.2023	100	10.15	-	-
In fully paid non convertible debentures at FVTOCI				
HDFC Ltd 5.40%2023-NCD 11-08-2023	250	25.11	-	-
In fully paid cumulative redeemable preference shares at FVTOCI				



## Notes forming part of the Financial Statements

### (4) Non-Current Investments (contd)

(₹ in Crore)

Particulars	As at		As at	
	31/03/2021		31/03/2020	
IL&FS Ltd.	6,700	10.04	6,700	10.04
IL&FS Ltd.	-	-	800	1.07
IL&FS Ltd.	2,699	4.18	2,699	4.18
IL&FS Ltd.	680	1.05	680	1.05
IL&FS Ltd.	660	1.02	660	1.02
Less: Provision for impairment on Investments (Refer note no. 40.2)		(16.29)		(17.36)
		<b>256.89</b>		<b>210.91</b>
Aggregate carrying value of quoted investments		<b>175.63</b>		<b>120.87</b>
Aggregate market value of quoted investments		<b>175.63</b>		<b>120.87</b>
Aggregate carrying value of unquoted investments		<b>99.11</b>		<b>108.95</b>
Aggregate amount of impairment in value of investments		<b>(17.84)</b>		<b>(18.91)</b>

For category-wise classification of Non-Current Investments Refer note 44.

- i) The Company has pledged tax free bonds worth ₹96.33 Crore (Previous year ₹103.51 Crore) out of the above mentioned investments in favour of Standard Chartered Bank, India towards issuance of standby letter of credit upto ₹83.82 Crore (Previous year ₹84.24 Crore) as security in respect of availing working capital facility availed by Climate Technologies Pty. Limited, Australia (Wholly owned subsidiary of Symphony AU Pty. Limited, Australia) (Refer note no. 35).
- ii) The Company has pledged 17,480,000 (Previous year 15,200,000) ordinary shares of Symphony AU Pty. Limited, Australia worth ₹97.47 Crore (Previous year ₹86.26 Crore) mentioned above in favour of Standard Chartered Bank, UK as collateral in respect to acquisition loan availed by Symphony AU Pty Limited, Australia (Refer note no. 35).

### (5) Loans

(₹ in Crore)

Particulars	As at		As at	
	31/03/2021		31/03/2020	
Loans to Subsidiaries (Refer note no. 35)				
Unsecured, considered good		44.29		1.24
		<b>44.29</b>		<b>1.24</b>

## Notes forming part of the Financial Statements

### (6) Other Non-Current Financial Assets

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Balance held as Margin Money	0.09	0.08
Deposit Others	0.18	0.30
	<b>0.27</b>	<b>0.38</b>

### (7) Other Non-Current Assets

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Unsecured, considered good		
Capital advances	3.29	1.67
Prepaid expenses	0.03	0.01
Other loans and advances		
Balance with statutory / government authorities	0.02	0.02
	<b>3.34</b>	<b>1.70</b>

### (8) Inventories

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Raw materials (Including Packing Material) (Including Goods in Transit ₹ Nil, Previous year ₹0.10 Crore)	-	2.45
Finished Goods (Including Goods in Transit ₹ Nil, Previous year ₹ Nil)	0.11	1.05
Stock-In-Trade (Including Goods in Transit ₹4.47 Crore, Previous year ₹6.91 Crore)	48.82	37.81
	<b>48.93</b>	<b>41.31</b>

### (9) Other Investments

(₹ in Crore)

Particulars	As at 31/03/2021		As at 31/03/2020	
	Nos.		Nos.	
<b>Current Investments</b>				
<b>Quoted Investments</b>				
In fully paid non convertible debentures at FVTPL				
Aditya Birla Finance Ltd MLD 8.55% 23-07-2020	-	-	50	5.49
HDB Financial Services Ltd MLD 8.45% 30-07-2020	-	-	100	11.02
HDB Financial Services Ltd MLD 8.35% 04-02-2021	-	-	100	10.92

## Notes forming part of the Financial Statements

### (9) Other Investments (contd)

(₹ in Crore)

Particulars	As at		As at	
	31/03/2021		31/03/2020	
Tata Capital Financial Services MLD8.45% 14-08-2020	-	-	100	11.01
In fully paid non convertible debentures at FVTOCI				
Aditya Birla Finance Ltd Zero Coupon NCD 15-05-2020	-	-	100	12.45
HDFC Ltd 8.49% 27-04-2020-NCD	-	-	500	25.03
In fully paid cumulative redeemable preference shares at FVTOCI				
IL&FS Ltd.	3,123	4.14	3,123	4.14
IL&FS Ltd.	800	1.07	-	-
Less: Provision for impairment on Investments (Refer note no. 40.2)		(5.21)		(4.14)
<b>Unquoted Investments</b>				
Investment in Mutual Funds at FVTPL				
ICICI Prudential Equity – Arbitrage Fund	1,28,50,975	36.05	-	-
Kotak Equity Arbitrage-Direct	1,02,70,329	31.10	-	-
L&TArbit.Oppo.-Dir-G	2,12,99,147	33.19	-	-
Tata Arbitrage-Dir-G	2,81,06,893	32.24	-	-
Axis Overnight Fund	-	-	1,92,176	20.28
HDFC Overnight Fund	-	-	1,01,331	30.09
SBI Overnight Fund	-	-	53,072	17.27
ICICI Prudential Corporate Bond Fund *	78,92,245	18.55	78,92,245	16.98
DSP BlackRock Ultra Short Term Fund-Growth	85,136	24.30	1,01,712	27.68
DSP Floater Fund-Direct Growth	49,73,441	5.00	-	-
IDFC Corporate Bond Fund-Growth	1,71,71,863	26.22	-	-
IDFC Ultra Short Term Fund-Growth	84,37,613	10.10	60,38,165	6.89
ICICI Pru Overnight Fund Direct Growth	-	-	27,92,776	30.09
Kotak Float.Ra-Dir-G	1,33,118	15.40	-	-
Kotak Savings Fund - Direct - Growth	34,59,755	12.00	7,61,807	2.50
Kotak Overnight Fund Direct Growth	-	-	2,82,461	30.11
L&T TripleAceBo-Dir-G	17,14,151	10.22	-	-
Nippon Ban.&PSU Dir-G	1,59,23,161	26.15	-	-
Axis Treasry, AdvFu-D-G	42,689	10.60	-	-
SBI Mag.Low Dura. F-G	40,294	11.27	-	-

## Notes forming part of the Financial Statements

### (9) Other Investments (contd)

(₹ in Crore)

Particulars	As at		As at	
	31/03/2021		31/03/2020	
SBI Ultra Short Term Fund (G) (Dir)	-	-	58,825	26.35
In fully paid non convertible debentures at amortised cost				
Wondrous Buildmart Pvt Ltd-NCD	-	-	700	8.18
Investment in ICD at amortised cost				
LICHousFinLtdCD5.65%		19.54		-
		<b>321.93</b>		<b>292.34</b>
Aggregate carrying value of quoted investments		5.21		80.06
Aggregate market value of quoted investments		5.21		80.06
Aggregate carrying value of unquoted investments		321.93		216.42
Aggregate amount of impairment in value of investments		(5.21)		(4.14)

For category-wise classification of Current Investments Refer note 44.

The Company has pledged mutual fund units worth ₹58.26 Crore (Previous year ₹9.73 Crore) out of the above mentioned investments in favour of Standard Chartered Bank, India as collateral in respect to acquisition loan availed by Symphony AU Pty Limited, Australia as per terms of the amendment and restatement agreement with the Bank (Refer note no. 35).

### (10) Trade Receivables

(₹ in Crore)

Particulars	As at		As at	
	31/03/2021		31/03/2020	
Considered good - Unsecured (Refer note no. 35)		80.75		59.72
Credit impaired		1.09		0.54
Less : Allowances for credit losses		(1.09)		(0.54)
		<b>80.75</b>		<b>59.72</b>

### Movement in the expected credit loss allowance

(₹ in Crore)

Particulars	As at		As at	
	31/03/2021		31/03/2020	
Balance at beginning of the year		0.54		0.00
Allowance for credit impairment during the year		1.06		0.56
Trade receivables written off during the year		(0.51)		(0.02)
Balance at end of the year		<b>1.09</b>		<b>0.54</b>

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

## Notes forming part of the Financial Statements

### (11) Cash & Cash Equivalents

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Cash and Cash Equivalents		
Cash on Hand	0.01	0.01
Balance with employees Imprest account	0.27	0.35
Balance with banks in current accounts	21.25	1.88
	<b>21.53</b>	<b>2.24</b>
Other Bank Balances		
In Earmarked Accounts		
Unpaid Dividend Accounts	3.72	4.31
Margin Accounts	0.02	0.02
	<b>25.27</b>	<b>6.57</b>

### (12) Loans

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Loans to Subsidiaries (Refer note no. 35)		
Unsecured, considered good	1.19	18.78
	<b>1.19</b>	<b>18.78</b>

### (13) Other Financial Assets

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Export Incentive Receivable	1.16	1.53
Others (Refer note no. 35)	0.54	2.02
	<b>1.70</b>	<b>3.55</b>

### (14) Other Current Assets

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Advance for supply of goods and rendering of services		
Unsecured, considered good	17.62	33.70
Unsecured, considered doubtful	0.47	-
Less: Provision for doubtful Advances	(0.47)	-
Advances to related parties (Refer note no. 35)	<b>1.83</b>	<b>2.67</b>
Prepaid expenses	0.96	0.79
Balance with statutory / government authorities	4.96	1.69
	<b>25.37</b>	<b>38.85</b>

## Notes forming part of the Financial Statements

### (15) Equity Share Capital

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Authorised :		
750,00,000 Equity Shares of ₹2/- each	15.00	15.00
Issued, Subscribed & Paid up :		
699,57,000 (As at March 31, 2020: 699,57,000) Equity Shares of ₹2/- each fully paid up	13.99	13.99
	13.99	13.99

The Company has only one class of shares referred to as equity shares having a par value of ₹2/-, rank pari passu in all respects including voting rights and entitlement to dividend.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholder.

The Company allotted 349,78,500 bonus equity shares of ₹2/- each fully paid up on September 17, 2016 in the proportion of one (1) bonus equity share for every fully Paid up equity share (1:1). As a result of the bonus issue the Paid up capital of the Company stands increased to ₹13.99 Crore from ₹7.00 Crore.

**The details of shareholder holding more than 5% shares as at March 31, 2021 is set out below :**

Name of the shareholder	No. of shares	% held as at March 31, 2021	No. of shares	% held as at March 31, 2020
Mr. Achal A. Bakeri	2,92,61,600	41.83%	2,92,62,600	41.83%
Ms. Rupa A. Bakeri	70,92,940	10.14%	70,92,940	10.14%
Sanskrit Tradecom Private Limited	1,24,83,200	17.84%	1,24,83,200	17.84%
Axis Mutual Fund Trustee Limited	35,83,027	5.12%	35,89,163	5.13%

**The reconciliation of the number of shares outstanding as at March 31, 2021 is set out below:**

Particulars	As at 31/03/2021		As at 31/03/2020	
	No. of Shares	"Amount (₹ in Crore)"	No. of Shares	"Amount (₹ in Crore)"
Opening Balance	6,99,57,000	13.99	6,99,57,000	13.99
Add: Issued during the year	-	-	-	-
Closing Balance	6,99,57,000	13.99	6,99,57,000	13.99

## Notes forming part of the Financial Statements

### (16) Other Equity

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
General Reserve	35.00	35.00
Capital Reserve	9.04	9.04
Reserve for Debt Instruments through Other Comprehensive Income	5.50	(0.49)
Retained Earnings	697.04	591.31
	<b>746.58</b>	<b>634.86</b>

#### 16.1 General Reserve

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Closing balance	35.00	35.00

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

#### 16.2 Capital Reserve

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Closing balance	9.04	9.04

#### 16.3 Reserve for Debt Instruments through Other Comprehensive Income

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	(0.49)	(1.47)
Net fair value gain on investments in debt instruments at FVTOCI	4.74	0.49
Income tax on net fair value gain on investments in debt instruments at FVTOCI	(0.56)	(0.13)
Cumulative gain reclassified to profit or loss on sale of debt instruments at FVTOCI	2.07	0.70
Income tax on gain reclassified to profit or loss on sale of debt instruments at FVTOCI	(0.26)	(0.08)
Closing balance	<b>5.50</b>	<b>(0.49)</b>

This reserve represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or impairment losses on such instruments.

## Notes forming part of the Financial Statements

### (16) Other Equity (contd)

#### 16.4 Retained Earnings

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Opening balance	591.31	612.27
Profit for the year	112.35	185.91
Other Comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.38	(0.25)
Dividend on Equity Shares	(7.00)	(171.39)
Tax on Dividend	-	(35.23)
Closing balance	<b>697.04</b>	<b>591.31</b>

The Board of Directors have recommended a final dividend of ₹4/- (200%) per equity share of ₹2/- each amounting to ₹27.98 crores for FY 20-21. The total dividend for FY 20-21 aggregates to ₹5/- (250%) per equity share of ₹2/- each amounting to ₹34.98 Crore which includes one interim dividend of ₹1/- (50%) per equity share paid during the year. The final dividend is subject to approval by shareholders at the ensuing Annual General Meeting of the Company.

The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

### (17) Deferred Tax Liabilities (Net)

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Deferred Tax Liabilities/(Assets) on		
(i) Property, plant and equipment and intangible assets	5.97	5.56
(ii) Financial Assets at FVTOCI	0.73	(0.09)
(iii) Financial Assets at FVTPL	2.30	1.52
(iv) Impairment allowance on financial assets	(2.89)	(2.89)
(v) Provision for doubtful advances	<b>(0.39)</b>	<b>(0.15)</b>
Deferred Tax Liabilities (Net)	<b>5.72</b>	<b>3.95</b>



## Notes forming part of the Financial Statements

### (17) Deferred Tax Liabilities (Net) (contd)

#### Movement of Deferred Tax Liabilities / Assets

For the year ended March 31, 2021

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	5.56	0.41	-	-	5.97
(ii) Financial Assets at FVTOCI	(0.09)	-	0.56	0.26	0.73
(iii) Financial Assets at FVTPL	1.52	0.78	-	-	2.30
(iv) Impairment allowance on financial assets	(2.89)	-	-	-	(2.89)
(v) Remeasurements of the defined benefit plans	-	(0.12)	0.12	-	-
(vi) Provision for doubtful advances	(0.15)	(0.24)	-	-	(0.39)
Deferred Tax Liabilities (Net)	3.95	0.83	0.68	0.26	5.72

For the year ended March 31, 2020

(₹ in Crore)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	7.32	(1.76)	-	-	5.56
(ii) Financial Assets at FVTOCI	(0.30)	-	0.13	0.08	(0.09)
(iii) Financial Assets at FVTPL	1.17	0.35	-	-	1.52
(iv) Impairment allowance on financial assets	(2.50)	(0.39)	-	-	(2.89)
(v) Remeasurements of the defined benefit plans	-	0.08	(0.08)	-	-
(vi) Provision for doubtful advances	-	(0.15)	-	-	(0.15)
Deferred Tax Liabilities (Net)	5.69	(1.87)	0.05	0.08	3.95

## Notes forming part of the Financial Statements

### (18) Trade Payables

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	1.86	0.52
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note no. 35)	45.95	38.57
	<b>47.81</b>	<b>39.09</b>

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
(i) (a) Principal amount remaining unpaid to any supplier	1.63	0.31
(b) Interest on (i)(a) above	0.00	0.01
(ii) The amount of interest paid along with the principal payment made to the supplier	-	-
(iii) Amount of interest due and payable on delayed payments	0.03	0.02
(iv) Amount of further interest remaining due and payable for the earlier years	0.21	0.18
(v) Total outstanding dues of Micro and Small Enterprises		
Principal	1.63	0.31
Interest	0.24	0.21

### (19) Other Financial Liabilities

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Trade deposits	1.73	1.18
Unclaimed dividends	3.72	4.31
Creditors for capital goods	0.04	0.01
Lease liabilities	-	0.68
	<b>5.49</b>	<b>6.18</b>

## Notes forming part of the Financial Statements

### (19) Other Financial Liabilities<sup>(contd)</sup>

Disclosure with regards to changes in liabilities arising from financing activities as per Ind AS 7 Statement of Cash Flows:

Change in liabilities arising from financing activities

(₹ in Crore)

Particulars	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend)	Total
<b>April 01, 2019</b>	-	3.85	3.85
Adjustment due to adoption of Ind AS 116 - Leases	1.99	-	1.99
Cash Flows	(1.31)	(206.16)	(207.47)
Dividend recognised during the year'	-	206.62	206.62
<b>March 31, 2020</b>	<b>0.68</b>	<b>4.31</b>	<b>4.99</b>
Cash Flows	(0.29)	(7.58)	(7.87)
Cancellation of Right-of-use asset	(0.39)	-	(0.39)
Dividend recognised during the year	-	6.99	6.99
<b>March 31, 2021</b>	<b>-</b>	<b>3.72</b>	<b>3.72</b>

### (20) Other Current Liabilities

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Advance from customers	41.26	30.14
Statutory dues	8.36	4.67
Deferred revenue (Refer note (i) below)	4.67	3.29
	<b>54.29</b>	<b>38.10</b>

(i) The deferred revenue arises in respect of the Company's Point Credits Scheme recognised in accordance with Ind AS 115 Customer Loyalty Programmes.

### (21) Provisions

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
Provision for		
Employee benefits (Refer note (i) below)	0.03	0.37
Warranty (Refer note (ii) below)	5.21	6.62
	<b>5.24</b>	<b>6.99</b>

(i) The provision for employee benefits includes gratuity provision. For detailed disclosures, refer note no. 38.

(ii) The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under local

## Notes forming part of the Financial Statements

### (21) Provisions (contd)

sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The movement in the warranty provision is as below:

(₹ in Crore)

	Warrenty As at 31/03/2021	Warrenty As at 31/03/2020
Opening balance	6.62	4.88
Additional provisions recognised	1.54	7.36
Reductions arising from payments	(2.95)	(5.62)
Closing balance	5.21	6.62

### (22) Current Tax Liabilities/(Assets) (Net)

(₹ in Crore)

Particulars	As at 31/03/2021	As at 31/03/2020
<b>Tax liabilities</b>		
Provision for income tax	34.95	56.33
<b>Total</b>	<b>34.95</b>	<b>56.33</b>
<b>Tax assets</b>		
Advance income tax	32.37	53.34
<b>Total</b>	<b>32.37</b>	<b>53.34</b>
<b>Net</b>	<b>2.58</b>	<b>2.99</b>

### (23) Revenue From Operations

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Revenue from Sale of Products	485.94	714.24
Other Operating Revenue	1.94	1.94
	<b>487.88</b>	<b>716.18</b>
Sale of products comprises of :		
Air Coolers	442.23	659.26
Others	43.71	54.98
	<b>485.94</b>	<b>714.24</b>

### Reconciliation of Revenue from sale of products & services with the contracted price

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Contracted Price	493.89	729.17
Less: Trade discounts, volume rebates, etc.	(7.95)	(14.93)
<b>Sale of products and Services</b>	<b>485.94</b>	<b>714.24</b>

## Notes forming part of the Financial Statements

### (24) Other Income

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Interest Income:		
Bank deposits (at amortised cost)	0.05	1.25
Investments in debt instruments measured at FVTOCI	6.72	8.43
Other financial assets carried at amortised cost	3.65	3.71
Dividend Income		
Dividend income from investments measured at FVTPL	-	8.18
Other gains and losses		
Gain on disposal of property, plant and equipment	-	0.41
Gain on disposal of instruments designated at FVTOCI	0.00	-
Net Foreign Exchange gains	2.61	0.95
Net gain on disposal of instruments designated at FVTPL	9.29	15.88
Net gain on financial assets mandatorily measured at FVTPL	8.70	5.53
Other Non Operating Income	4.69	2.53
	<b>35.71</b>	<b>46.87</b>

### (25) Cost of Materials Consumed

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Opening Stock of Raw Materials	2.45	4.59
Add: Purchases	1.15	29.21
Less: Closing Stock of Raw Materials	-	2.45
	<b>3.60</b>	<b>31.35</b>

Cost of material comprises of Moulded Parts & components of Air Cooler

### (26) Purchase of Stock-In-Trade

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Air Coolers	203.70	272.61
Others	54.83	57.54
	<b>258.53</b>	<b>330.15</b>

## Notes forming part of the Financial Statements

### (27) Changes in Inventories of Finished Goods, Work-In-Progress And Stock-In-Trade

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Opening Stock		
Finished Goods	1.05	2.76
Stock-In-Trade	37.81	30.41
Less:		
Closing Stock		
Finished Goods	0.11	1.05
Stock-In-Trade	48.82	37.81
	(10.07)	(5.69)

### (28) Employee Benefits Expense

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Salaries, Wages and Bonus	47.16	51.72
Contribution to Provident Fund and Other Funds (Refer Note no. 38)	3.02	2.94
Staff Welfare Expenses	0.39	0.68
	50.57	55.34

### (29) Finance Costs

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Interest expense on lease liability	0.01	0.10
Other interest expense	0.07	0.15
	0.08	0.25

### (30) Other Expenses

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Assembly and Labour Charges	0.07	0.63
Power and Fuel	0.04	0.07

## Notes forming part of the Financial Statements

### (30) Other Expenses (contd)

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Repairs & Maintenance		
Building	0.08	0.02
Machinery	0.14	0.20
Rent (Refer Note no. 37)	3.53	3.02
Rates & Taxes	0.09	0.10
Travelling	3.10	7.52
Conveyance	1.28	1.62
Communication Expenses	0.76	0.63
Insurance	0.33	0.39
Printing and stationery charges	0.19	0.15
Legal & Professional Charges	5.71	7.73
Payment to Auditors (Refer Note no. 36)	0.34	0.37
Vehicle Expenses	0.06	0.12
CSR Expenditure (Refer Note no. 43)	4.07	4.02
General Expenses	6.12	4.31
Repairs Others	0.11	0.15
Loss on Sale of Fixed Assets(Net)	0.08	-
Loss on disposal of instruments designated at FVTOCI	-	2.22
Loss on disposal of instruments measured at amortised cost	0.00	-
Bank Charges	0.21	0.16
Freight & Forwarding Charges	16.49	21.49
Warranty Expense	2.42	8.57
Sales Commission	0.53	0.30
CFA Handling Charges	1.22	1.28
	<b>46.97</b>	<b>65.07</b>

### (31) Earnings Per Share

(₹ in Crore)

Particulars	Year ended 31/03/2021	Year ended 31/03/2020
Face value of Equity Shares (₹)	2	2
Net Profit available for Equity Shareholders(₹ in Crore)	112.35	185.91
No. of Equity Shares	6,99,57,000	6,99,57,000
Basic and Diluted EPS (₹)	16.06	26.57

## Notes forming part of the Financial Statements

### (32) Tax Expense

#### (32.1) Income tax recognised in statement of profit and loss

(₹ in Crore)

Sr. No.	Particulars	Year ended 31/03/2021	Year ended 31/03/2020
(a)	Current tax		
	In respect of the current year	34.85	56.23
	In respect of prior years	(0.90)	-
		33.95	56.23
(b)	Deferred tax		
	In respect of the current year	0.83	(1.87)
		0.83	(1.87)
	<b>Total income tax recognised in statement of profit and loss</b>	<b>34.78</b>	<b>54.36</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crore)

Sr. No.	Particulars	Year ended 31/03/2021	Year ended 31/03/2020
	Profit before tax	147.13	240.27
	Income tax expense calculated at 25.168%	37.03	60.47
(a)	Effect of income that is exempt from taxation		
	Dividend income	-	(2.38)
	Interest on tax free bonds	(1.75)	(1.76)
(b)	Effect of expense that are not deductible in taxable profit		
	Expenses in relation to exempt income	0.02	(0.04)
(c)	Effect of lower tax on capital gain from investment in Bonds & Market Linked Debentures	(0.15)	(0.51)
(d)	Effect of CSR Expenditure not allowed under income tax	1.02	0.99
(e)	Effect of Reversal of Opening DTL due to Lower rate of Tax	-	(2.36)
(f)	Others	(0.49)	(0.05)
	<b>Current Year Income tax expense</b>	<b>35.68</b>	<b>54.36</b>
	<b>Prior Year Income tax expense</b>	<b>(0.90)</b>	<b>-</b>
	<b>Total income tax recognised in statement of profit and loss</b>	<b>34.78</b>	<b>54.36</b>



## Notes forming part of the Financial Statements

### (32) Tax Expense (contd)

#### (32.2) Income tax recognised in Other Comprehensive Income

(₹ in Crore)

Sr. No.	Particulars	Year ended 31/03/2021	Year ended 31/03/2020
	Deferred tax		
(a)	Arising on income and expenses recognised in other comprehensive income:		
	Re-measurement of defined benefit obligation	0.12	(0.08)
	Net fair value gain on investments in debt instruments at FVTOCI	0.56	0.13
	Total income tax recognised in other comprehensive income	<b>0.68</b>	<b>0.05</b>
	Bifurcation of the income tax recognised in other comprehensive income into:-		
	Items that will not be reclassified to profit or loss	0.12	(0.08)
	Items that may be reclassified to profit or loss	0.56	0.13
		<b>0.68</b>	<b>0.05</b>

### (33) Contingent Liabilities and Commitments (to the extent not provided for) :

#### (i) Contingent Liabilities:

(₹ in Crore)

	2020-21	2019-20
a) Claims against the Company not acknowledged as debt.	0.07	0.07
b) Demand on account of VAT / sales tax matters.	0.07	0.27
c) Demand on account of Income Tax matters.	0.85	0.85
d) Demand on account of central excise matters.	1.41	1.41
	<b>2.40</b>	<b>2.60</b>

Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities. No amount is expected to be reimbursed from the above.

#### (ii) Commitments :

(₹ in Crore)

	2020-21	2019-20
a) Estimated amount of Property, plant and equipment contracts remaining to be executed and not provided for.	2.72	2.96
b) Corporate Guarantee given for subsidiary company (Refer note no. 35).	153.67	242.51
	<b>156.39</b>	<b>245.47</b>

c) Letter of Support issued to Guangdong Symphony Keruilai Air Coolers Co. Limited, China, wholly owned subsidiary, to provide financial support in order to allow it to meet its liabilities as they fall due and to carry on its business without significant curtailment of operations.

## Notes forming part of the Financial Statements

### (34) Segment Reporting

#### (a) Primary Segment :

As per recognition criteria mentioned in Ind AS - 108, Operating Segments, the Company has identified Air Cooling and Other Appliances Business as operating segment. However substantial portion of Corporate Funds remained invested in various financial instruments. The Company has considered Corporate Funds as a separate segment so as to provide better understanding of performance of Air Cooling and Other Appliances Business.

(₹ in Crore)

	2020-21	2019-20
(1) Segment Revenue		
Air Cooling and Other Appliances	494.38	719.27
Corporate Funds	26.72	42.79
Un-allocable	2.49	0.99
<b>Total</b>	<b>523.59</b>	<b>763.05</b>
(2) Segment Profit before Interest and Taxes (PBIT)		
Air Cooling and Other Appliances	118.32	200.86
Corporate Funds	26.40	40.22
Un-allocable	2.49	(0.56)
<b>Total</b>	<b>147.21</b>	<b>240.52</b>
Less: Finance Costs	0.08	0.25
Less: Taxes	34.78	54.36
<b>Total Profit After Tax</b>	<b>112.35</b>	<b>185.91</b>
(3) Segment Assets		
Air Cooling and Other Appliances	257.13	221.00
Corporate Funds	481.26	405.69
Un-allocable	143.31	119.46
<b>Total</b>	<b>881.70</b>	<b>746.15</b>
(4) Segment Liabilities		
Air Cooling and Other Appliances	121.13	97.30
Corporate Funds	-	-
Un-allocable	-	-
<b>Total</b>	<b>121.13</b>	<b>97.30</b>
(5) Capital Employed		
Air Cooling and Other Appliances	136.01	123.70
Corporate Funds	481.26	405.69
Un-allocable	143.31	119.46
<b>Total</b>	<b>760.58</b>	<b>648.85</b>

#### (b) Secondary Segment : Geographical segment

(₹ in Crore)

	2020-21	2019-20
(1) Segment Revenue		
India	431.34	650.95

## Notes forming part of the Financial Statements

### (34) Segment Reporting (contd)

(₹ in Crore)		
	2020-21	2019-20
Rest of the world	56.54	65.23
Revenue from operations	487.88	716.18
<b>(2) Segment Profit before Interest and Taxes (PBIT)</b>		
India	131.34	217.02
Rest of the world	15.87	23.50
Total	147.21	240.52
Less: Finance Costs	0.08	0.25
Less: Taxes	<b>34.78</b>	<b>54.36</b>
<b>Total Profit After Tax</b>	<b>112.35</b>	<b>185.91</b>

#### Secondary Segment Capital Employed :

Fixed assets used in the Company's business and liabilities contracted have not been identified with any of the reportable segments, as the fixed assets and services are used interchangeably between segments. The Company believes that it is not practical to provide secondary segment disclosures relating to Capital employed.

### (35) Related Party Disclosures

(₹ in Crore)							
Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2020-21		2019-20	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
1	IMPCO S DE RL DE C.V., Mexico	Wholly owned Subsidiary	Sale of Goods / Receivables	9.95	9.57	25.91	24.21
			Sale of Assets	0.01	-	-	-
2	IMPCO S DE RL DE C.V., Mexico	Wholly owned Subsidiary	Software charges recovered/ Receivable	0.04	-	0.04	0.04
3	IMPCO S DE RL DE C.V., Mexico	Wholly owned Subsidiary	Investment in Capital	-	0.00	-	0.00
4	Guangdong Symphony Kerulai Air Coolers Co. Limited	Wholly owned Subsidiary	Investment in Capital	-	-	-	-
			Provision for impairment on Investments	-	-	1.55	-

## Notes forming part of the Financial Statements

### (35) Related Party Disclosures (contd)

(₹ in Crore)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2020-21		2019-20	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
5	Guangdong Symphony Keruilai Air Coolers Co. Limited	Wholly owned Subsidiary	Guarantee Charges recovered	0.20		0.29	
			Software charges recovered	0.04		0.01	
			R&D Material Expenses	-		0.02	
			Purchase of Goods / Advances	1.94	1.87	3.04	2.90
6	Guangdong Symphony Keruilai Air Coolers Co. Limited	Wholly owned Subsidiary	Sale of Goods / Receivables	-	0.00	(0.00)	0.00
7	Guangdong Symphony Keruilai Air Coolers Co. Limited	Wholly owned Subsidiary	Corporate Guarantee given in favour of Standard Chartered Bank	-	-	-	37.69
8	Guangdong Symphony Keruilai Air Coolers Co. Limited	Wholly owned Subsidiary	Loan Given/ Receivable	42.45	43.54	-	-
			Interest Income	1.26		-	
9	Symphony AU Pty. Limited	Subsidiary	Investment in Capital	-	97.47	11.21	97.47
10	Symphony AU Pty. Limited	Subsidiary	Guarantee Charges recovered / Receivable	0.77	0.21	0.71	1.26

## Notes forming part of the Financial Statements

### (35) Related Party Disclosures (contd)

(₹ in Crore)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2020-21		2019-20	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
11	Symphony AU Pty. Limited	Subsidiary	Loan Given/ Receivable	-	-	18.89	18.77
			Loan Received back	20.91		-	
			Interest Income	0.33		0.15	
12	Climate Technologies Pty. Limited	Step down Subsidiary	Sale of Goods	17.08		0.98	
			Accounting Charges recovered	0.42		0.04	
			Guarantee Charges recovered / Receivable	0.40	15.86	0.27	1.39
			Purchase of Goods	0.01		0.01	
13	Climate Technologies Pty. Limited	Step down Subsidiary	Purchase of Assets	1.50		-	
			Software charges recovered/ Receivable	0.10	0.03	0.04	0.03
			Sale of Goods/ Receivable	5.61	5.36	0.28	0.28
14	Bonaire USA, LLC	Step down Subsidiary	Consultancy- Others recovered	0.01		-	
			Investment in Capital	-	0.09	0.09	0.09
15	Symphony Climatizadores Ltda	Wholly owned Subsidiary	Investment in Capital	-	0.09	0.09	0.09

## Notes forming part of the Financial Statements

### (35) Related Party Disclosures (contd)

(₹ in Crore)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2020-21		2019-20	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
16	Symphony Climatizadores Ltda	Wholly owned Subsidiary	Sale of Goods/ Receivable	1.19	1.01	0.09	0.09
17	Symphony Climatizadores Ltda	Wholly owned Subsidiary	Loan Given/ Receivable	0.74	1.94	1.14	1.24
18	Elephant Design Private Limited	Enterprise in which Director has significant influence	Interest Income Consultancy Expense & reimbursement of Travelling Expense	0.07 0.35	-	0.03 0.44	0.01
19	Symphony AU Pty. Limited	Subsidiary	Corporate Guarantee given in favour of Standard Chartered Bank	-	153.67	-	204.82

### 35.1 Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows: (₹ in Crore)

	2020-21		2019-20	
	Mr. Achal Bakeri, Chairman and Managing Director	Mr. Nrupesh Shah, Executive Director	Mr. Achal Bakeri, Chairman and Managing Director	Mr. Nrupesh Shah, Executive Director
Short-term benefits	0.00	1.05	2.36	1.61
Post-employment benefits	0.02	0.03	0.02	0.02
	<b>0.02</b>	<b>1.08</b>	<b>2.38</b>	<b>1.63</b>
Balance outstanding at the end of the year	-	0.89	2.00	1.44

#### Policy on dealing with Related party transactions:

The Company has made a list of related parties after considering the requirements and based on the annual declaration received from individuals like Directors and Key Managerial Personnel (KMP). All related party transactions

## Notes forming part of the Financial Statements

### (35) Related Party Disclosures (contd)

are reported and referred for approval to the Audit Committee as per section 177 of the Companies Act, 2013. The Audit committee may grant general approval for repetitive related party transactions. Such general approval will be valid for a period of one year and a fresh approval shall be taken for every financial year. As per section 188 of the Companies Act, 2013, the consent of the Board/Shareholders' approval is required, by a special resolution in a general meeting, for entering into the specified transactions with a related party, if they are not in ordinary course of business of the Company or at arm's length and exceeds the threshold limits as specified in the Act.

### (36) Payment to Statutory Auditors (excluding GST) (Refer Note no. 30)

	(₹ in Crore)	
	2020-21	2019-20
a) As Auditor	0.12	0.16
b) In other capacity, in respect of		
i) Certification	0.03	0.02
ii) Limited Review	0.19	0.19
	<b>0.34</b>	<b>0.37</b>

### (37) Leases

#### 37.1 : Leasing Arrangement

Effective from April 01, 2019, the Company adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

The Company does not have any Non-cancellable lease.

Right-of-use asset is related to lease of land at Kandla SEZ for 48 months from Sept,16. The same is accounted for in accordance with Ind AS 116. Company has not renewed the said lease and has cancelled on July 31, 2020. Company has recognized loss on of ₹ 0.01 crore on cancellation of the said lease in statement of profit & loss account.

#### 37.2 : Maturity Analysis of Lease Liabilities

	(₹ in Crore)	
Particulars	2020-21	2019-20
Not later than 1 year	-	0.68

#### 37.3 : Amount Recognised in Statement of Profit & Loss

	(₹ in Crore)	
Particulars	2020-21	2019-20
Interest on Lease Liabilities	0.01	0.10
Amortisation of ROU Assets	0.27	1.32
Expense related to Short-term Leases	3.53	3.02

## Notes forming part of the Financial Statements

### (37) Leases (contd)

#### 37.4 : Amount Recognised in Statement of Cash Flows

(₹ in Crore)

Particulars	2020-21	2019-20
Under Financing activities (Repayment of lease liability)	(0.30)	(1.40)
Under Operating activities (Short term leases)	(3.53)	(3.02)
<b>Total cash outflow for leases</b>	<b>(3.83)</b>	<b>(4.42)</b>

#### 37.5 : Lease Commitments for short-term leases

The Company has entered into Short term leases for CFA premises at various location of India, tenure of which is less than a year. There are no obligations or commitments with reference to such short term leases as at reporting date as such leases are cancellable at the discretion of leasee i.e. the Company.

### (38) Employee Benefits

#### (A) Defined contribution plans

The Company makes provident fund contribution which is defined contribution plan, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The Company recognised ₹1.43 Crore (Year ended March 31, 2020 ₹1.41 Crore) for provident fund contributions in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rate specified in the rule of the scheme.

#### (B) Defined benefit plans

The defined benefit plan of the Company includes entitlement of gratuity for each year of service until the retirement age.

The plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

<b>Investment risk:</b>	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.
<b>Interest risk:</b>	A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
<b>Longevity risk:</b>	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
<b>Salary risk:</b>	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.



## Notes forming part of the Financial Statements

### (38) Employee Benefits (contd)

The Present value of gratuity obligations is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

#### I The principal assumptions used for the purposes of actuarial valuation were as follows:

(₹ in Crore)

Particulars	As at March 31, 2021	As at March 31, 2020
Expected return on plan assets	6.86%	6.82%
Discount rate	6.86%	6.82%
Rate of salary increase	7.00%	7.00%
Rate of employee turnover	For services 4 years and below 11.00% and For services 5 years and above 4.00%	For services 4 years and below 13.00% and For services 5 years and above 5.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Mortality rate after employment	N.A.	N.A.

#### II Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in Crore)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	1.12	1.05
Net interest expense	0.03	0.02
<b>Components of defined benefit cost recognised in profit or loss</b>	<b>1.15</b>	<b>1.07</b>
Actuarial (gains)/losses on obligation for the year	(0.51)	0.32
Return on plan assets (excluding interest income)	0.01	0.01
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(0.50)</b>	<b>0.33</b>
<b>Total</b>	<b>0.65</b>	<b>1.40</b>

## Notes forming part of the Financial Statements

### (38) Employee Benefits (contd)

III The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Present value of funded defined benefit obligation	(10.93)	(10.38)
Fair value of plan assets	10.90	10.01
Funded status	(0.03)	(0.37)
Net liability arising from defined benefit obligation	(0.03)	(0.37)

IV Movements in the present value of the defined benefit obligation are as follows:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	10.38	8.86
Current service cost	1.12	1.05
Interest cost	0.70	0.67
Benefits paid from the fund	(0.67)	(0.46)
Benefits paid directly by the employer	(0.10)	(0.07)
Actuarial (gains)/losses arising from changes in demographic assumptions	0.04	(0.14)
Actuarial (gains)/losses arising from changes in financial assumptions	(0.03)	0.54
Actuarial (gains)/losses arising from experience adjustments	(0.51)	(0.07)
Closing defined benefit obligation	10.93	10.38

V Movements in the fair value of the plan assets are as follows:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Opening fair value of plan assets	10.01	8.57
Interest income	0.68	0.65
Return on plan assets (excluding amounts included in net interest expense)	(0.01)	(0.01)
Contributions from the employer	0.89	1.26
Benefits paid	(0.67)	(0.46)
Closing fair value of plan assets	10.90	10.01

## Notes forming part of the Financial Statements

### (38) Employee Benefits (contd)

VI The fair value of the plan assets at the end of reporting period for each category are as follows:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
HDFC Group Traditional Plan	10.90	10.01
Closing fair value of plan assets	10.90	10.01

VII The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
1st following year	1.25	1.21
2nd following year	0.92	0.71
3rd following year	1.06	1.27
4th following year	0.54	0.89
5th following year	1.07	0.58
Sum of years 6 to 10	4.58	4.64
Sum of years 11 and above	11.34	9.68

VIII Sensitivity analysis:

(₹ in Crore)

	As at March 31, 2021	As at March 31, 2020
Discount rate increase by 1%	(0.76)	(0.69)
Discount rate decrease by 1%	0.88	0.79
Rate of salary increase by 1%	0.87	0.78
Rate of salary decrease by 1%	(0.77)	(0.69)
Rate of employee turnover increase by 1%	(0.02)	(0.02)
Rate of employee turnover decrease by 1%	0.02	0.03

### (39) Leave encashment

As per the policy followed by the Company, all the leaves are enjoyable in the year itself. Therefore there is no liability of leave encashment existing at the end of the year. Accordingly no provision is made for leave encashment.

## Notes forming part of the Financial Statements

### (40) Exceptional Items

- (40.1) The Company has invested ₹1.55 Crore as equity investment (for 100% equity stake) in wholly owned subsidiary namely, Guangdong Symphony Keruilai Air Coolers Co. Limited, China in FY 2015-16. Considering Covid19 Pandemic, its implications in China and consequent likely impact on the financial position of the subsidiary, the Company has provided an amount of ₹1.55 Crore towards diminution (impairment) in carrying cost of the investment and the same is shown as an exceptional item for the year ended March 31, 2020.
- (40.2) Exceptional items for the year ended March 31, 2019 includes provision made for impairment of investment in redeemable cumulative preference shares of Infrastructure Leasing & Financial Services Limited (IL&FS) ₹21.50 Crore.
- (41) The Company has considered the possible effects that may result from Covid19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of Covid19, the Company has, at the date of approval of the financial statements, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of Covid19 on Company's financial statements may differ from that estimated as at the date of approval of the same.

### (42) Expenditure on Research & Development activities are as under

The amount of expenditure as shown in respective heads of account is as under:

Particulars	(₹ in Crore)			
	2020-21		2019-20	
Capital Expenditure		0.05		0.35
Revenue Expenditure				
Material Consumed	0.58		0.13	
Employee Benefit Expenses	3.07		3.23	
Other Expenses	0.05	3.70	0.43	3.79
Total		3.75		4.14

### (43) Expenditure on Corporate Social Responsibility are as under

- (a) Gross amount required to be spent by the Company during the year ₹3.99 Crore (Previous year ₹4.01 Crore)
- (b) Amount spent during the year on

	(₹ in Crore)					
	In Cash		Yet to be paid in Cash		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(i) Development and Maintenance of Public Park	0.30	3.92	-	-	0.30	3.92
(ii) Preventive Healthcare	3.71	-	-	-	3.71	-

## Notes forming part of the Financial Statements

### (43) Expenditure on Corporate Social Responsibility are as under (contd)

(₹ in Crore)

	In Cash		Yet to be paid in Cash		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
(iii) Scientific Research	0.01	-	-	-	0.01	-
(iv) Others	0.05	0.10	-	-	0.05	0.10
<b>Total</b>	<b>4.07</b>	<b>4.02</b>	<b>-</b>	<b>-</b>	<b>4.07</b>	<b>4.02</b>

### (44) Financial Instruments

#### Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options. The Company does not have any debt to meet its capital requirement and uses the operational cash flows and equity to meet its capital requirements.

The Company is not subject to any externally imposed capital requirements.

The management of the Company reviews the capital structure of the Company on regular basis.

The following table summarises the capital of the Company.

(₹ in Crore)

	As at 31/03/2021	As at 31/03/2020
Equity share capital	13.99	13.99
Other equity	746.58	634.86
<b>Total Equity</b>	<b>760.57</b>	<b>648.85</b>

Other disclosure pursuant to Ind AS 107 "Financial instruments: Disclosures":

#### (a) Category-wise classification for applicable financial assets:

(₹ in Crore)

Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
I	Measured at fair value through Profit or Loss (FVTPL):		
	(i) Investment in mutual funds	302.39	208.24
	(ii) Investment in NCD	25.90	38.44
		328.29	246.68
II	Measured at amortised cost:		
	(i) Investment in equity shares of subsidiaries	97.56	97.56
	(ii) Investment in NCD/ICD	19.54	8.18
	(iii) Trade receivables	80.75	59.72
	(iv) Cash and cash equivalents and bank balances	25.27	6.57
	(v) Loans	45.48	20.02
	(vi) Other financial assets	1.97	3.93
		270.57	195.98

## Notes forming part of the Financial Statements

### (44) Financial Instruments (contd)

(₹ in Crore)

Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
III	Measured at fair value through Other Comprehensive Income (FVTOCI):		
	(i) Investment in bonds	108.32	103.51
	(ii) Investment in NCD	25.11	37.48
	(iii) Investment in preference shares	-	9.84
		133.43	150.83
	<b>Total</b>	<b>732.29</b>	<b>593.49</b>

### (b) Category-wise classification for applicable financial liabilities:

(₹ in Crore)

Sr. No.	Particulars	As at 31/03/2021	As at 31/03/2020
	Measured at amortised cost:		
	(i) Trade payables	47.81	39.09
	(ii) Lease liabilities	-	0.68
	(iii) Other financial liabilities	5.49	5.50
	<b>Total</b>	<b>53.30</b>	<b>45.27</b>

### (45) Fair value measurements

#### (a) Fair value Hierarchy of the Company's financial assets that are measured at fair value on a recurring basis:

(₹ in Crore)

Particulars	As at 31/03/2021				As at 31/03/2020			
	Level1	Level2	Level3	Total	Level1	Level2	Level3	Total
I Financial assets at FVTPL								
(i) Investment in mutual funds	302.39	-	-	302.39	208.24	-	-	208.24
(ii) Investment in bonds & NCD	25.90	-	-	25.90	38.44	-	-	38.44
II Financial assets at FVTOCI								
(i) Investment in bonds & NCD	96.15	37.28	-	133.43	89.21	51.78	-	140.99
(ii) Investment in preference shares	-	-	-	-	-	9.84	-	9.84
<b>Total</b>	<b>424.44</b>	<b>37.28</b>	<b>-</b>	<b>461.72</b>	<b>335.89</b>	<b>61.62</b>	<b>-</b>	<b>397.51</b>

## Notes forming part of the Financial Statements

### (45) Fair value measurements (contd)

Valuation technique and key inputs used to determine fair value:

- A. Level 1 : Mutual funds, Bonds, NCD - Quoted prices in active market.
- B. Level 2 : Bonds, NCD, Preference shares - The fair value is calculated using the discounted cash flow method. Risk free rate adjusted by applicable spread is used for discounting future cash flows.

### (b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

#### I Financial assets measured at amortised cost

The carrying amount of Trade receivables, Loans, Cash and cash equivalents and bank balances & Other current financial assets are considered to be the same as their fair value due to their short term nature. The carrying amount of Other non-current financial assets are considered to be close to the fair value.

#### II Financial liabilities measured at amortised cost

The carrying amount of Trade payables and Other financial liabilities are considered to be the same as their fair values due to their short term nature.

## (46) Financial Risk Management Objectives and Policies

### Financial risk management objectives

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The most significant risks to which the Company is exposed are described below:

#### Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates risk, liquidity risk, credit risk and price risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

#### Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company minimises foreign currency risk by taking 100% advance in majority cases. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

## Notes forming part of the Financial Statements

### (46) Financial Risk Management Objectives and Policies (contd)

(All figures in Crore)

Foreign currency exposure	As at March 31, 2021		As at March 31, 2020	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	1.06	-	0.39	-
AUD	0.01	-	0.44	-
CNY	-	-	-	0.00

#### Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their transaction at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(All figures in Crore)

Currency	As at March 31, 2021		As at March 31, 2020	
	5%increase	5%decrease	5%increase	5%decrease
<b>Foreign currency monetary assets</b>				
USD	(3.88)	3.88	(1.39)	1.39
AUD	(0.03)	0.03	(1.02)	1.02
<b>Foreign currency monetary liabilities</b>				
CNY	-	-	0.00	(0.00)
Impact on profit or loss at the end of the reporting year	(3.91)	3.91	(2.41)	2.41
Impact on total equity as at the end of the reporting year (net of tax)	(3.90)	3.90	(2.15)	2.15

#### Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments (Bond, NCD, preference share and mutual fund), trade receivables, loans and advances.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing



## Notes forming part of the Financial Statements

### (46) Financial Risk Management Objectives and Policies (contd)

credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

#### Price risk

The Company's exposure to price risk arises from investments in Bond, NCD, preference share and mutual fund held by the Company and classified in the balance sheet at fair value through OCI and at fair value through profit or loss. To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

#### Price risk sensitivity

The table below summarises the impact of increases / decreases of the index on the Company's equity and profit for the year.

(₹ in Crore)

	Movement in Rate	As at March 31, 2021		As at March 31, 2020	
		Impact on Profit	Impact on Other Comprehensive Income	Impact on Profit	Impact on Other Comprehensive Income
Bonds					
Increase	+2%	-	2.17	-	2.07
Decrease	-2%	-	(2.17)	-	(2.07)
Preference Shares					
Increase	+2%	-	-	-	0.20
Decrease	-2%	-	-	-	(0.20)
NCD/ICD					
Increase	+2%	0.52	0.50	0.77	0.75
Decrease	-2%	(0.52)	(0.50)	(0.77)	(0.75)
Mutual Funds					
Increase	+2%	6.05	-	4.16	-
Decrease	-2%	(6.05)	-	(4.16)	-
Total					
Increase	+2%	6.57	2.67	4.93	3.02
Decrease	-2%	(6.57)	(2.67)	(4.93)	(3.02)
Impact on total equity as at the end of the reporting year (net of tax)					
Increase	+2%		7.45		6.39
Decrease	-2%		(7.45)		(6.39)

## Notes forming part of the Financial Statements

### (46) Financial Risk Management Objectives and Policies (contd)

#### Interest rate risk

The Company's majority investments are primarily in fixed rate interest bearing investments. Except in case of Market Linked Debentures the Company is not significantly exposed to interest rate risk.

#### Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturities of financial liabilities:

The tables below analyse the Company's financial liabilities into relevant maturity groupings base on their contractual maturities for all non-derivative financial liabilities.

(₹ in Crore)

Particulars	As at March 31, 2021			
	Less than 1 year	1 to 5 years	>5 years	Total
Current				
(i) Trade payables	47.81	-	-	47.81
(ii) Lease liabilities	-	-	-	-
(iii) Other financial liabilities	5.49	-	-	5.49

(₹ in Crore)

Particulars	As at March 31, 2020			
	Less than 1 year	1 to 5 years	>5 years	Total
Current				
(i) Trade payables	39.09	-	-	39.09
(ii) Lease liabilities	0.68	-	-	0.68
(iii) Other financial liabilities	5.50	-	-	5.50

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities within the maturity period.

## Notes forming part of the Financial Statements

- (47) The Code on Wages, 2019 and Code on Social Security, 2020 (the “Codes”) relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the periods the Codes becomes effective.
- (48) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of April 27, 2021, there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

### (49) Approval of financial statements

The financial statements were approved for issue by the board of directors on April 27, 2021.

For and on behalf of the board

**Achal Bakeri**  
Chairman & Managing Director  
DIN-00397573

**Nrupesh Shah**  
Executive Director  
DIN-00397701

Place : Ahmedabad  
Date : April 27, 2021

**Mayur Barvadiya**  
Company Secretary

**Bhadresh Mehta**  
Chief Financial Officer

## Form AOC-1

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

### Statement containing salient features of the financial statement of subsidiaries:

(₹ in Crore)

Sr. No.	Particulars	IMPCO S DE RL DE CV, Mexico	Guangdong Symphony Keruilai Air Coolers Co., Limited, China	Bonaire USA LLC, USA	Climate Technologies Pty. Limited, Australia	Symphony AU Pty. Limited, Australia	Symphony Climatizadores Ltda, Brazil
1	Reporting period	31-12-2020	31-12-2020	31-03-2021	31-03-2021	31-03-2021	31-12-2020
2	(i) Reporting currency	Mexican Peso	CNY	US Dollar	Australian Dollar	Australian Dollar	Brazilian Real
	(ii) Exchange rate as on the last date of the relevant Financial year	3.57	11.19	73.50	55.88	55.88	12.85
3	Share Capital	0.00	95.08	0.00	0.00	102.82	0.06
4	Reserves & Surplus	46.01	(137.41)	(4.35)	83.04	(20.83)	(0.24)
5	Total Assets	48.47	17.04	26.44	247.19	242.06	2.90
6	Total Liabilities	11.27	59.38	30.79	164.15	160.08	3.08
7	Investments (Excl. Investment in Subsidiaries)	8.82	-	-	-	-	-
8	Turnover	82.71	35.53	23.67	330.31	-	0.80
9	Profit before taxation	(3.92)	(10.22)	1.77	0.04	(10.12)	(0.21)
10	Provision for taxation	(5.59)	-	-	(1.65)	(5.08)	(0.00)
11	Profit after taxation	1.67	(10.22)	1.77	1.69	(5.04)	(0.21)
12	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
13	% of shareholding	100%	100%	95%	95%	95%	100%
14	The date since when subsidiary was acquired	01-04-2011	01-01-2016	01-07-2018	01-07-2018	15-06-2018	10-06-2019

For and on behalf of the board

**Achal Bakeri**  
Chairman & Managing Director  
DIN-00397573

**Nrupesh Shah**  
Executive Director  
DIN-00397701

Place : Ahmedabad  
Date : April 27, 2021

**Mayur Barvadiya**  
Company Secretary

**Bhadresh Mehta**  
Chief Financial Officer

# SYMPHONY LIMITED

CIN – L32201GJ1988PLC010331

Regd. Office: Symphony House, Third Floor, FP12, TP50, Off S.G. Highway, Bodakdev, Ahmedabad – 380 059, Gujarat, India.

Phone: +91-79-66211111 • Fax: +91-79-66211140

E-mail ID: investors@symphonylimited.com • Website: www.symphonylimited.com

## NOTICE

**NOTICE** is hereby given that the 34<sup>th</sup> Annual General Meeting (“AGM”) of the Members of Symphony Limited (“The Company”) will be held on Tuesday, August 10, 2021 at 10.00 a.m. (IST) through Video Conferencing (‘VC’) facility or Other Audio-Visual Means (‘OAVM’) to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended on March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended on March 31, 2021, together with the Report of the Auditors thereon.
3. To confirm payment of interim dividend of Re.1/- per share and to declare a final dividend on equity shares for the FY2020-21.
4. To appoint a director in place of Ms. Jonaki Bakeri (DIN-06950998) who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass the following resolution with or without modification(s) as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the

relevant provisions of the Articles of Association of the Company and subject to such approval as may be necessary, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Nrupesh Shah (DIN – 00397701) as Whole Time Director designated as an Executive Director of the Company for a period of 5 (five) years w.e.f. November 1, 2021 upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the notice convening this annual general meeting, with authority / liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed between the Board of Directors and Mr. Nrupesh Shah.”

“**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof of the Company, be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

6. To consider and, if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) and the Articles of Association of the Company, Mr. Amit Kumar (DIN: 01946117), who was appointed as an Additional Director of the Company with effect from August 2, 2021 and who holds office till the

date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and subject to such approval as may be necessary, the consent of the members of the Company be and is hereby accorded to appoint Mr. Amit Kumar (DIN: 01946117) as Executive Director and Group CEO of the Company for a period of 5 (five) years effective

from August 2, 2021 upto August 1, 2026 upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the notice convening this annual general meeting, with authority / liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors and Mr. Amit Kumar.”

**“RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof of the Company, be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

By Order of the Board  
For Symphony Limited

Mayur Barvadiya  
Company Secretary

Date: July 5, 2021  
Place: Ahmedabad

## NOTES:

- (a) In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively and by General Circular No. 02/2021 dated January 13, 2021, allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 ("MCA Circulars"). The Securities and Exchange Board of India ("SEBI") also issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ("SEBI Circulars"). In compliance with these circulars, the AGM of the Company is being held through VC/OAVM on Tuesday, August 10, 2021 at 10:00 a.m. (IST). The deemed venue for the 34<sup>th</sup> AGM will be Symphony House, 3<sup>rd</sup> Floor, FP12, TP50, Off S. G. Highway, Bodakdev, Ahmedabad – 380059.
- (b) **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**
- (c) In accordance with the MCA Circulars and the said SEBI Circulars, the Notice alongwith the Annual Report of the Company for the financial year ended March 31, 2021, will be sent through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Bigshare Services Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2021 shall be available on the websites of the Company viz., [www.symphonylimited.com](http://www.symphonylimited.com) and of the Stock Exchanges. The Notice shall also be available on the e-Voting website of the agency engaged for providing e-Voting facility, i.e., National Securities Depository Limited (NSDL), viz., [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (d) The statement setting out material facts as required under Section 102(1) of the Companies Act, 2013, in respect of Special Business mentioned in the above notice is annexed hereto. The documents and/or letters, if any, referred to in the resolutions are open for inspection for the members at the registered office of the Company on all working days between 2.00 p.m. to 4.00 p.m., up to the date of ensuing annual general meeting.
- (e) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 31, 2021 to Friday, August 6, 2021 (both days inclusive) for the purpose of annual general meeting.
- (f) Members desirous of obtaining any information as regards to accounts and operations of the Company are requested to write to the Company at least 7 days before the meeting to enable the Company to keep the required information ready at the ensuing annual general meeting.
- (g) Pursuant to Section 72 of Companies Act, 2013, members holding shares in physical form may file Nomination Form in respect of their shareholdings to Registrar and Share Transfer Agent.
- (h) Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 34<sup>th</sup> AGM through VC/OAVM facility. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy

of the board resolution / power of attorney to the Scrutinizer.

- (i) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (j) The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the proceedings by logging into the National Securities Depository Limited's ('NSDL') e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars.
- (k) In line with the MCA General Circulars, the Notice of the AGM alongwith the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 34<sup>th</sup> AGM has been uploaded on the website of the Company at [www.symphonylimited.com](http://www.symphonylimited.com) under 'Investor Relations' section and may also be accessed on the websites of the Stock Exchanges i.e. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (l) Members, who hold shares in physical form, are requested to intimate the change in their registered address, if any, to the Registrar and Share Transfer Agent.
- (m) **DIVIDEND TAX**

Pursuant to the amendments in the Income Tax Act, dividend income is taxable in the hands of the shareholders from April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with

their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's email address at [investor@symphonylimited.com](mailto:investor@symphonylimited.com). For details, Members may refer to the "Communication on TDS on Dividend Distribution" appended to this Notice of AGM.

- (n) Details of directors seeking appointment/re-appointment at ensuing annual general meeting of the Company are given in this Notice in compliance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting.
- (o) Members holding shares in demat form who have not registered their email addresses, are requested to register their email id with their respective depository participants and members who are holding shares in physical form are requested to register their email id with the Registrar and Share Transfer Agent for receipt of Annual Report, notice, quarterly results, circulars, etc. by electronic mode.
- (p) Transfer of unclaimed / unpaid amounts and shares to the Investor Education and Protection Fund:

Members who have not yet encashed their dividend (s) for the financial year 2013-14 onwards are requested to lodge their claims with the Company or Registrar and Share Transfer Agent. It may be noted that the unclaimed final dividend for the financial year 2013-14 declared by the Company on September 24, 2014 and interim dividend for the financial year 2014-15 declared by the Company on January 17, 2015 can be claimed by the members by September 15, 2021 and December 31, 2021 respectively.

The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded as per the requirements, on the Company's website: <https://www.symphonylimited.com/investor-shareholders-information-iepf.aspx>



The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from September 7, 2016 ("IEPF Rules 2016) as amended/modified from time to time. The Company has, during FY2020-21, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more within 30 days from the due dates i.e. January 16, 2021 and February 29, 2021.

Details of shares transferred to the IEPF Authority are available on the website of the Company as well as IEPF Authority and the same can be accessed through the following links:

- (i) <http://www.symphonylimited.com/investor-shareholders-information-iepf.aspx>
- (ii) [www.iepf.gov.in](http://www.iepf.gov.in).

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF authority. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact our Registrar and Transfer Agent Bigshare Services Private Limited (BSPL) for lodging a claim for refund of shares and / or dividend from the IEPF Authority.

(q) **INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

The remote e-voting period begins on Friday, August 6, 2021 at 9:00 A.M. and ends on Monday, August 9, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 3, 2021 may cast their vote electronically.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility, Open web browser and type URL: <a href="https://eservices.nSDL.com/">https://eservices.nSDL.com/</a> . Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. Please enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL and type the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a>. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</p>
	<p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p>
	<p>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p>
	<p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login". which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csdoshiac@gmail.com](mailto:csdoshiac@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front

and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investors@symphonylimited.com](mailto:investors@symphonylimited.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested), AADHAR (self-attested) to [investors@symphonylimited.com](mailto:investors@symphonylimited.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.
  2. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at investors@symphonelimited.com. The same will be replied by the company suitably.
- (r) M/s. SPANJ & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - (s) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company, and make, within two working days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
  - (t) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.symphonylimited.com immediately after result is declared and the same shall be communicated to the National Stock Exchange of India Limited and BSE Limited.
  - (u) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM.

# STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

The following Statement sets out all material facts relating to the Business mentioned in the Notice:

## Item No. 5

The members, at their Annual General Meeting of the Company held on August 31, 2016, had approved the re-appointment of Mr. Nrupesh Shah as an Executive Director for a period of five years effective November 1, 2016 and pursuant to which his present term will be expiring on October 31, 2021. Accordingly, on recommendation of the Nomination and Remuneration committee of the Company, Board of Directors at its meeting held on April 27, 2021 has re-appointed Mr. Nrupesh Shah as an Executive Director for a further period of five years w.e.f. November 1, 2021, subject to approval of members. The brief resume and other information of Mr. Nrupesh Shah is given in this Notice in compliance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting.

The key terms and conditions of his re-appointment are as under:

### (A) Nature of duties:

Mr. Nrupesh Shah, shall, subject to the supervision and control of the Board, be entrusted with substantial powers of Management and shall also perform such duties as may, from time to time, be entrusted to him and the business of any one or more of its subsidiaries and/or associate companies.

### (B) Remuneration:

- a. Monthly Basic Salary: not exceeding ₹4,00,000/-
- b. Other allowances as per the policies of the Company from time to time
- c. Reimbursement of Expenses: Up to 50% of Basic Salary
- d. Ex-Gratia: 5% of Basic Salary

- e. On completion of the year, in eventuality of profits, consolidated profits linked performance incentive to the extent that the total remuneration is within applicable statutory ceiling of remuneration.
- f. Perquisites: In addition to the above, Mr. Nrupesh Shah will also be provided with a car with driver, for use on Company's business, and telephone at residence.

The following perquisites will not be included in the computation of the ceiling on the remuneration specified above:

1. Contribution to provident fund, NPS, superannuation fund or annuity fund, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
2. Gratuity not exceeding half month's salary for each completed year of service.

The above remuneration is subject to the limit of 5% or 10% of the net profit of the Company during the year, as the case may be, as laid in Section 197 of the Companies Act, 2013.

### (C) Minimum Remuneration:

Where, in any financial year, the Company has no profit or its profits are inadequate, the Company shall pay to Mr. Nrupesh Shah in respect of such financial year, remuneration by way of salary, allowance, perquisites and other benefits subject to further approvals as required by Schedule V of the Companies Act, 2013 as existing or modified or re-enacted from time to time.

### (D) Other terms and conditions:

- a. The terms and conditions of the said re-appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject to such approvals as may be required.

- b. The employment may be terminated by either party by giving 3 (Three) months' notice or the Company paying three months' remuneration in lieu thereof.
- c. All policies of the Company and the related Rules shall be applicable to Executive Director unless specifically provided otherwise.

The Board recommends the Resolution at Item No. 5 for approval of the members.

Except Mr. Nrupesh Shah and his relatives, none of the directors, key managerial personnel or their relatives is in any way interested or concerned, financially or otherwise, in the said resolution.

## Item No. 6

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Nomination and Remuneration committee, the Board of Directors at its meeting held on June 19, 2021 has appointed Mr. Amit Kumar as an Additional Director designated as Executive Director and Group CEO of the Company for a period of five years w.e.f. August 2, 2021, subject to approval of members and other regulatory authority as may be required. The brief resume and other information of Mr. Amit Kumar is given in this Notice in compliance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting.

In accordance with the provisions of Section 161 of the Companies Act, 2013, Mr. Amit Kumar shall hold office up to the date of the 34<sup>th</sup> AGM and shall be eligible for appointment subject to the approval of the Members at this AGM. In accordance with the provisions of Section 152, 196, 197 and 203 and other applicable provisions of the Companies Act, 2013, approval of the Members is required for appointment of Mr. Amit Kumar as Executive Director and Group CEO of the Company for a period of 5 (five) years with effect from August 2, 2021.

The key terms and conditions of his appointment are as under:

### (A) Nature of duties:

Mr. Amit Kumar, shall, subject to the supervision and control of the Board, be entrusted with substantial powers of Management and shall also perform such duties as may, from time to time, be entrusted to him and the business of any one or more of its subsidiaries and/or associate companies.

### (B) Remuneration:

- a. Monthly Fixed Salary: Not exceeding ₹20,00,000/-
- b. Other allowances as per the policies of the Company from time to time
- c. Reimbursement of Expenses: Upto 50% of Basic Salary
- d. Ex-Gratia: 5 % of Basic Salary
- e. Variable Pay: Upto 40% of gross salary
- f. Long Term incentive plan: Long term incentive payment linked to short term and long term financial objectives of the Company, as approved by the Nomination and Remuneration Committee and subject to the limits set by Nomination and Remuneration Committee.

The following perquisites will not be included in the computation of the ceiling on the remuneration specified above:

- 1. Contribution to provident fund, NPS, superannuation fund or annuity fund, to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- 2. Gratuity not exceeding half month's salary for each completed year of service.

The above remuneration is subject to the limit of 5% or 10% of the net profit of the Company during the year, as the case may be, as laid in Section 197 of the Companies Act, 2013.



**(C) Minimum Remuneration:**

Where, in any financial year, the Company has no profit or its profits are inadequate, the Company shall pay to Mr. Amit Kumar in respect of such financial year, remuneration by way of salary, allowance, perquisites and other benefits subject to further approvals as required by Schedule V of the Companies Act, 2013 as existing or modified or re-enacted from time to time.”

**(D) Other terms and conditions:**

- a. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject to such approvals as may be required.
- b. The employment may be terminated by either party by giving 3 (Three) months’ notice or the Company paying three months’ remuneration in lieu thereof.

- c. All policies of the Company and the related Rules shall be applicable to Mr. Amit Kumar unless specifically provided otherwise.

The Board commends the resolution at Item No. 6 for approval of the Members as a Special Resolution.

Except Mr. Amit Kumar and his relatives, none of the directors, key managerial personnel or their relatives is in any way interested or concerned, financially or otherwise, in the said resolution.

By Order of the Board  
**For Symphony Limited**

Date: July 5, 2021  
Place: Ahmedabad

**Mayur Barvadiya**  
Company Secretary

## Details of the directors seeking Re-appointment / appointment in the forthcoming Annual General Meeting (in compliance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting)

The brief resume and other information of Ms. Jonaki Bakeri, Mr. Nrupesh Shah and Mr. Amit Kumar are as under:

Name	Ms. Jonaki Bakeri (DIN: 06950998)	Mr. Nrupesh Shah (DIN: 00397701)
Age	35 years	56 years
Qualification	B.A.	B.Com., FCA, CS
Date of Appointment	August 20, 2014	October 19, 2002
Relationship with Other Director	Daughter of Mr. Achal Bakeri	None
Brief Resume, Functional expertise and experience	She has an experience in various business functions including sales and marketing, accounts and finance, legal and product development.	Mr. Shah is responsible for corporate affairs, growth, performance, strategies, merger & acquisitions, finance, M.I.S., treasury etc. Mr. Shah is a key architect of the company's growth and turn around.  Mr. Shah joined Symphony in 1993 as Finance Controller and became Executive Director in 2002 and having more than 30 years of experience in corporate affairs, strategic management, finance and accounts.
No. of Shares held in the Company	1000	11,74,052 (1.68%) equity shares*
Directorship in other Company	None	Helix Consultants Private Limited
Chairman / Member of the committee of the Company	-	1. Stakeholders Relationship Committee- Member 2. Risk Management Committee - Member
No. of Board Meeting attended during the year	Four	Four
Remuneration drawn during year	Nil	₹108.05 lacs#

\* includes shares held by himself, his spouse, bodies corporate in which he is substantially interested as a partner, Father's HUF in which he is Karta and Family Trust in which he is interested as Trustee and Beneficiary of the Trust.

# including profit linked performance incentives, as approved by the Board, payable for the FY2020-21.

Name	<b>Mr. Amit Kumar</b> (DIN: 01946117)
Age	42 years
Qualification	B. Tech. in Mechanical Engineering from IIT Kanpur, MBA (PGDM) from IIM, Ahmedabad
Date of Appointment	August 2, 2021
Relationship with Other Director	None
Brief Resume, Functional expertise and experience	Mr. Amit has over 18 years of professional experience. Over his journey, Amit has worked with GE, PwC, Shapoorji Pallonji, EY and KPMG. In addition, he co-founded an analytics-focused start-up and ran it for 3 years before divesting out of it. Amit currently works with KPMG as a Partner with focus on the Consumer Products sector. He specializes in Business Transformation and Profitability Improvement.
No. of Shares held in the Company	Nil
Directorship in other Company	None
Chairman / Member of the committee of the Company	N. A.
No. of Board Meeting attended during the year	N.A.
Remuneration drawn during year	N. A.

## Communication On Tax Deduction At Source (TDS) On Dividend Distribution

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Act for various shareholder categories, including a Resident or Non-Resident shareholder. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the Final Dividend will be paid after deducting TDS as explained herein.

### Section 1: Mandatory details applicable for all shareholders

All shareholders are requested to ensure that the below details are completed and/or updated, as applicable, in their depository records through their depository participant (if shares are held in Demat form) or in the register of members through registrar and share transfer agent (if shares are held in physical form) on or before July 30, 2021.

- a. Residential status as per the Act i.e. Resident or Non-Resident for FY 2021-22
- b. Valid Permanent Account Number (PAN)
- c. Category of shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Foreign Portfolio Investor (FPI) /Foreign Institutional Investor (FII), Foreign Company, Others (being Individual, Firm, Trust, AJP, etc.): - Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP), Trust, Domestic company, Foreign company etc.
- d. Email Address
- e. Address

Please note that the above details as available on record date in the register of members will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions.

### Section 2: TDS Provisions and documents required as applicable for relevant category of shareholders.

In addition to ensuring completion and/or updating, as applicable, of above mandatory details, shareholders are also requested to take note of the TDS rates and additional information requested by the Company for their respective category in order to comply with the applicable TDS provisions.

#### 1. Resident Shareholder:

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
Mutual Funds - Applicable for Mutual Funds registered with SEBI	196	0%	No TDS is required to be deducted as per Section 196(iv) of the Act, subject to specified conditions. A declaration that they are governed by the provisions of section 10(23D) of the Act along with self-attested copy of relevant registration documents (*) (***)
Category I and II Alternative Investment Funds (AIF)	197A(1F)	0%	No TDS is required to be deducted as per Section 197A(1F) of the Act, subject to specified conditions. Copy of valid SEBI registration certificate need to be submitted and a declaration that its income is exempt under section 10(23FBA) of the Act (*) (***)

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
Other resident shareholder	194 / 197	10%	<p>a) TDS is required to be deducted at the rate of 10% under Section 194 of the Act.</p> <p>b) No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to individual shareholder does not exceed ₹5000/-.</p> <p>c) No TDS is required to be deducted on furnishing of valid Form 15G (#) (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (#) (for individual above the age of 60 years with no tax liability on total income). (*) (***)</p> <p>d) PAN available in the register of members must be valid (**). TDS is required to be deducted at the rate of 20% under Section 206AA of the Act, if valid PAN of the shareholder is not available.</p> <p>e) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the Act, if such valid certificate is provided. (*) (***)</p> <p>f) As per Section 206AB inserted by Finance Act, 2021, TDS is proposed to be deducted at twice the applicable rates, if Income Tax Return is not filed by the resident shareholders for preceding two financials years, for which the time limit for filing has expired. The Company will use the mechanism prescribed by Income tax department to verify if a shareholder is a 'specified person' under section 206AB of the Income Tax Act and basis the result provided, the Company will apply higher rates under section 206AB of the Income Tax Act on those shareholders who are covered as 'specified person' under section 206AB of the IT Act.</p>
Any other entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g., relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption need to be submitted. (*) (***)

## 2. Non-Resident Shareholder:

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
FPIs and FIIs	196D	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 196D of the Act.</p> <p>b) The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:</p> <ul style="list-style-type: none"> <li>- Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***)</li> <li>- Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***)</li> <li>- Self-declaration in Form 10F (*) (***)</li> <li>- Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication).</li> </ul> <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p>
Other non-resident shareholder	195	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 of the Act.</p> <p>b) The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non- Resident shareholder. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:</p>

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
			<ul style="list-style-type: none"> <li>• Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***)</li> <li>• Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***)</li> <li>• Self-declaration in Form 10F (*) (***);</li> <li>• Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication).</li> </ul> <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p> <p>c) TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate issued under Section 197 of the Act, if such certificate is provided. (*) (***)</p>
Any entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to exemption from TDS is to be submitted. (*) (***)

**Clearing member should ensure that as on record date no shares are lying in their account.**

(\*) The documents have to be emailed to investor@bigshareonline.com and investors@symphonylimited.com of the Registrar and Share Transfer Agent ('RTA')/Company on or before July 31, 2021. Alternatively, physical documents may be sent to RTA at the following address:

M/s. Bigshare Services Private Limited  
Unit: Symphony Limited  
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East), Mumbai - 400 059, Maharashtra

**Please note that the Company will not be able to consider the documents/communication sent physically, after July 31, 2021.**

In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration (refer format) with Company in the manner prescribed by the Rules on or before September 30, 2021. The Company will not accept any declarations referred to Rule 37BA of Income Tax Rules, 1962 on or after September 30, 2021.

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.

(\*\*) If the PAN is not as per the database of the Income-tax Portal, it would be considered as invalid PAN.

(\*\*\*) All documents to be submitted are required to be self-attested (the documents should be signed by shareholder/authorised signatory stating the document to be “certified true copy of the original”). Benefits depend upon availability of the documents within the time specified and verification of the same by the Company. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

(#) Given the current Covid scenario, the Company would accept scanned copy of the duly signed and verified Form 15G/15H. However, the shareholder is required to additionally self-attest the document stating, “certified true copy of the original”. If the original Form 15G/15H is required in future, the Company would call for the same from the shareholders.

All the forms 15G/15H/10F/self-declaration for tax exemption can be downloaded from the website of the company's RTA <https://www.bigshareonline.com/Resources.aspx>.

**NOTE:**

- All the above referred rates will be enhanced by surcharge and cess, wherever applicable
- Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of members on the record date and any other additional documents that may be submitted.
- If the dividend income is assessable to tax in the hands of a person other than the registered shareholder as on the record date, the registered shareholder is required to furnish a declaration to the Company containing the name, address, permanent account number of the person to whom TDS credit is to be given and reasons for giving credit to such person.
- If, for any reason, TDS is deducted at a higher rate, the shareholder can claim refund of excess TDS, by filing Income-tax return in India, subject to fulfilment of the applicable conditions.
- In the event of any income-tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the shareholders, such shareholders will be responsible to pay and indemnify such income-tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income-tax/appellate authority.
- The Company will arrange to email a soft copy of the TDS certificate to the registered email IDs of the shareholders in due course. The TDS amount will also be reflected in Form 26AS of the shareholder, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>

**ABOVE COMMUNICATION ON TDS SETS OUT THE PROVISIONS OF LAW IN A SUMMARISED MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES. SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.**



## Format For Declaration For Claiming Benefits Under DTAA

Date:

To,

**Symphony Limited**

Symphony House,

FP-12, TP50, Off S. G. Highway

Bodakdev,

Ahmedabad – 380 059.

**Subject: Declaration for eligibility to claim benefit under Agreement for Avoidance of Double Taxation between Government of India and Government of ..... (“DTAA”), as modified by Multilateral Instrument (“MLI”), if applicable**

With reference to above, I/We wish to declare as below:

1. I / We, \_\_\_\_\_, having permanent account number (PAN) under the Indian Income tax Act, \_\_\_\_\_, and holding \_\_\_\_\_ number of shares of the Company under demat account number/ folio number..... as on the record date, am / are a tax resident of .. \_\_\_\_\_ in terms of Article 4 of the DTAA as modified by MLI (if applicable) and do not qualify as a ‘resident’ of India under section 6 of the Indian Income-tax Act, 1961 (“the IT Act”). A copy of the valid tax residency certificate for \_\_\_\_\_, along with Form 10F which is valid as on the Book Closure Date/record date, is attached herewith.
2. I/We am/are eligible to be governed by the provisions of the DTAA as modified by MLI (if applicable), in respect of the dividend income and meet all the necessary conditions to claim treaty rate.
3. I / We hereby declare that, I am /we are the beneficial owner of the share/shares held in the Company as well as the dividend arising from such shareholding; and I/ we have the right to use and enjoy the dividend received/ receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person.
4. I/We confirm that I/We are entitled to claim the benefits under the Treaty as modified by the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting (MLI) including but not limited to the Principal Purpose Test (PPT), limitation of benefit clause (LOB), Simplified Limitation of Benefits (SLOB), period of holding of shares etc. as applicable. We specifically confirm that my affairs / affairs were not arranged such that the main purpose or the principal purpose thereof was to obtain tax benefits available under the applicable tax treaty.
5. I/We confirm that I/We have not entered into an impermissible avoidance arrangement i.e. an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and it (a) creates rights, or obligations, which are not ordinarily created bet-ween persons dealing at arm’s length (b) results, directly or indirectly, in the misuse, or abuse, of the provisions of this Act (c) lacks commercial substance or is deemed to lack commercial substance under section 97, in whole or in part; or (d) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.
6. I/We do not have a Permanent Establishment (“PE”) in India in terms of Article 5 of the DTAA as modified by MLI (if applicable) or a fixed base in India during the period April 2021-March 2022 and the amounts paid/ payable to us, in any case, are not attributable to the PE or fixed base, if any, which may have got constituted otherwise. Further I/We hereby declare and confirm that I/We do not fall under the definition of ‘specified person’ as provided in section 206AB of the IT Act.

7. I/We do not have a PE in a third country and the amounts paid/payable to us, in any case, are not attributable to a PE in third jurisdiction, if any, which may have got constituted otherwise.
8. I/We do not have a Business Connection in India according to the provision of section 9(1)(i) of the Act and the amounts paid/ payable to us, in any case, are not attributable to business operations, if any, carried out in India.
9. I/We confirm that my affairs/affairs of \_\_\_\_\_ were arranged such that the main purpose or the principal purpose thereof was not to obtain tax benefits available under the applicable tax treaty.
10. Further, our claim for relief under the tax treaty is not restricted by application of Limitation of Benefit clause, if any, thereunder.
11. I/ We further indemnify the Company for any penal consequences arising out of any acts of commission or omission initiated by the Company by relying on my/ our above averment.
12. I/We hereby confirm that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/ accounts declared in the form.

I/We hereby certify that the declarations made above are true and bonafide. In case in future, any of the declarations made above undergo a change, we undertake to promptly intimate you in writing of the said event. You may consider the above representations as subsisting unless intimated otherwise.

I/we in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me, I will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

For..... Authorised Signatory

Contact address: \_\_\_\_\_ [Please insert]

Email address: \_\_\_\_\_ [Please insert]

Contact Number: \_\_\_\_\_ [Please insert]

Tax Identification Number \_\_\_\_\_ [Please insert]

The shareholders are required to provide a Declaration strictly as per the specified format given above, failing which the Company reserves the right to deny the Treaty benefits.



# Corporate Information

## Board of Directors

**Achal Bakeri**

Chairman & Managing Director

DIN: 00397573

**Nrupesh Shah**

Executive Director

DIN: 00397701

**Jonaki Bakeri**

Non-Executive Director

DIN: 06950998

**Naishadh Parikh**

Independent Director

DIN: 00009314

**Ashish Deshpande**

Independent Director

DIN: 00498890

**Reena Bhagwati**

Independent Director

DIN: 00096280

**Santosh Nema**

Independent Director

DIN: 01907138

## Chief Financial Officer - Global

**Bhadresh Mehta**

## Company Secretary

**Mayur Barvadiya**

## Statutory Auditors

**Deloitte Haskins & Sells,**

Chartered Accountants, Ahmedabad

## Internal Auditors

**Mukesh M. Shah & Co.,**

Chartered Accountants, Ahmedabad

## Secretarial Auditors

**SPANJ & Associates,**

Practising Company Secretaries, Ahmedabad

## Registered and Corporate Office

Symphony House, Third Floor, FP12-TP-50,

Off. S. G. Highway, Bodakdev,

Ahmedabad - 380 059, Gujarat, India.

Phone: +91-79-6621 1111

Fax: +91-79-6621 1140

Email: [investors@symphonylimited.com](mailto:investors@symphonylimited.com)

## Factory

Survey No. 703/704, Sanand Kadi Highway,

Village Thol, Taluka Kadi, District Mehsana, Gujarat,

India, Pin Code - 382 728.

## SEZ Unit - Kandla

Unit No. 310, 2nd Floor, Ganga SDF Complex,

Phase II, Kandla Special Economic Zone,

Gandhidham – 370230

## Website

[www.symphonylimited.com](http://www.symphonylimited.com)

[www.symphonylimited.com.mx](http://www.symphonylimited.com.mx)

[www.keruilai.com](http://www.keruilai.com)

[www.climatetechnologies.com.au](http://www.climatetechnologies.com.au)

[www.bonaire-usa.com](http://www.bonaire-usa.com)

## Connect with us on

[www.facebook.com/symphonylimited](https://www.facebook.com/symphonylimited)

[https://www.linkedin.com/company/symphony-](https://www.linkedin.com/company/symphony-limited-ahmedabad-india/mycompany/)

[limited-ahmedabad-india/mycompany/](https://www.instagram.com/symphonylimited)

[www.instagram.com/symphonylimited](https://www.instagram.com/symphonylimited)

<https://twitter.com/symphonylimited>

## Registrar & Share Transfer Agent

**Bigshare Services Private Limited**

1<sup>st</sup> Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road,

Marol, Andheri (East), Mumbai-400 059 Maharashtra

Tel No.: +91-22-62638200

E-mail: [investors@bigshareonline.com](mailto:investors@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**Symphony Limited**

Symphony House  
FP12-TP50, Bodakdev  
Off SG Highway  
Ahmedabad 380059

**P** : +91 79 66211111

**F** : +91 79 66211140

**E** : [corporate@symphonylimited.com](mailto:corporate@symphonylimited.com)

**W** : [www.symphonylimited.com](http://www.symphonylimited.com)

natural cooling

**Symphony**<sup>®</sup>