

HERE'S TO THE

**CRAZY ONES, THE MISFITS, THE REBELS.
THE TROUBLE MAKERS, THE ROUND
PEGS IN THE SQUARE HOLES. THE ONES
WHO SEE THINGS DIFFERENTLY. THEY'RE
NOT FOND OF RULES AND THEY HAVE NO
RESPECT FOR THE STATUS QUO. YOU CAN
QUOTE THEM, DISAGREE WITH THEM,
GLORIFY OR VILIFY THEM. ABOUT THE ONLY
THING YOU CAN'T DO IS IGNORE THEM...**

BECAUSE THEY CHANGE THINGS, THEY
PUSH THE HUMAN RACE FORWARD.
WHILE SOME MAY SEE THEM AS 'THE
CRAZY ONES', WE SEE GENIUS.
BECAUSE THE PEOPLE WHO ARE CRAZY
ENOUGH TO THINK THEY CAN CHANGE
THE WORLD — ARE THE ONES WHO DO.

Quotation ascribed to Steve Jobs, the guru of craziness

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SYMPHONY. WE CELEBRATE FAILURE.

HOW MUCH MORE **CRAZY** CAN YOU GET?

BOARD OF DIRECTORS



Achal Bakeri

Chairman and Managing Director and founder

Architect, MBA (University of Southern California)

He has 29 years of experience in varied functions of the Company. He contributes to policy formation, strategy and provides overall direction to the Board and the management team in achieving aggressive corporate objectives.



Nrupesh Shah

Executive Director

B.Com., FCA and CS

He looks after overall corporate affairs, strategy, finance, M.I.S., treasury etc. He has around 27 years of experience in varied corporate functions. He has been with the Company since 1993.



Jonaki Bakeri

Non-Executive Director

B.A.

She has an experience spanning 10 years in various business functions namely marketing, service, accounts, finance, legal and product development.



Dipak Palkar

Independent Director

B.Com., DTP and DBM

He has about 35 years of experience in HR, marketing, business promotion and international sales.



Himanshu Shah

Independent Director

B.Com. and MBA (Marketing)

He has about 27 years of experience in sales, marketing and business promotion.



Satyen Kothari

Independent Director

Masters in Engineering

He has a working experience of 19 years in the field of strategy and user experience with several leading global companies like Apple, First Data Corp., Frog Design in the Silicon Valley.



Mr. Naishadh Parikh

B. Sc. and MBA

He has rich experience of more than 30 years in performing various roles at corporate level of diverse sectors and expertise in strategy formulation & implementation for new businesses and market entries.



Mr. Darshan Patel

B.Sc. and M. Chem

He has more than 25 years' rich experience of marketing, brand building and creating new categories in OTC, Wellness and Personal Care in both domestic and international markets.

MANAGEMENT TEAM

INDIA



Falgun Shah

Chief Innovation Officer

BE (Mech), M. Tech, and MBA (Finance)

He has a varied work experience of over 29 years across diverse functions. He is responsible for technical and product development initiatives for coolers.



Vijay R. Joshi

Chief Operating Officer

BE (Mech), Diploma in Business Management

He has over 28 years of experience and holds overall responsibility for operations including development of new products, materials management and production.



Bhadresh Mehta

Chief Financial Officer

B.Com., ACA, ACS, AICWA, IFRS and DISA

He is a finance and audit professional with 32 years of experience. He is responsible for finance, audit, accounts, costing, taxation and infotech functions.



Chandrakant Gandhi

Company Secretary and Head - Legal

M.Com., LLB, FCS

He has more than 33 years of experience and looks after secretarial and legal functions.



Ramendra Sahai

Vice President – Central Air Cooling Solutions

BE (Mechanical), MBA (Marketing)

He has over 24 years of experience in the field of sales and marketing. He is responsible for Industrial & Commercial Air Coolers Sales division of the organisation.



Jayesh Gupta

Associate Vice President – Sales

B.Com.

He has over 32 years of experience in the field of sales. He is responsible for all India domestic sales, logistics and commercial functions.



Rajesh Mishra

Associate Vice President – Marketing – Domestic & International Markets

BE (Mechanical)

He has over 20 years of experience in the field of sales and marketing. He is responsible for all marketing functions in the Company's domestic and international business.



Madhu Mohan

Associate Vice President – International Markets

BE (Mech.), MBA (International Business)

He has over 22 years of experience in international business.

MEXICO

(IMPCO S. de. R. L de C.V)



Juan Bendeck

General Director

BS Industrial Engineering, MBA

He has over 28 years of experience in Sales, Marketing, Quality, Manufacturing and General Management. He oversees Finance, Sales and Marketing, Operations, Engineering, Industrial Relations and Procurement.



Javier Reza

*Residential Sales
Director*

Associate Degree in
Business



Edgar Moneta

Industrial Sales Director

BS in Mechanical
Engineering, Master
in Manufacturing and
Management



Arturo Silva

*Head – Finance and
Accounts*

BS in Business
Administration



Nelda O. Jauregui

*Human Resource
Manager*

BA in Teaching, MBA



**Jose Carmen
Contreras**

*Supply Procurement
Director*

BS Industrial Engineering



Alvaro Trevino
Engineering Manager
BS in Mechanical
and Administrative
Engineering, Master
in Material Sciences



**Alejandro de la
Cerde**
Operations Manager
BS in Mechanical
and Administrative
Engineering, MBA



Lilia Chávez
Head – Marketing
BS in Marketing, MBA

USA (Symphony USA Inc.)



Bill Hobson
Vice President



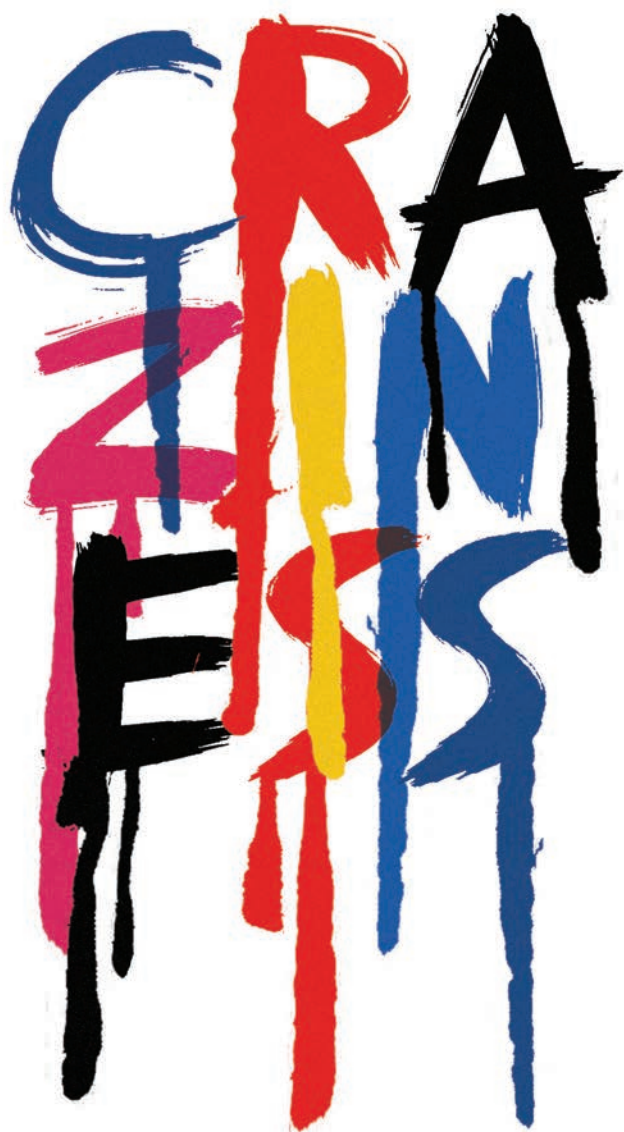
Jaime Enriquez
*Finance and
Administration Director*



Iram Galvan
Head – Operations



Dianna Olivas
Head – Sales



AT SYMPHONY...

WE BELIEVE THREE-YEAR PROJECTIONS ARE THE PUREST FORM OF FICTION.

WE PROVOKE EACH OTHER WITH
“WHAT DO YOU THINK WE CAN'T DO?”

WE THINK ‘CRAZY’ IS PRAISE.

WHEN WE GET A BARREL-BOTTOM QUOTE FOR ANYTHING, OUR FIRST REACTION IS “CAN WE GET THIS 13% CHEAPER?”

OUR FAVOURITE CORPORATE FANTASY IS ASKING QUESTIONS LIKE “WHAT IF...?” DURING THE LUNCH BREAK.

WE APPRAISE PEOPLE NOT BY THEIR I.Q. BUT THEIR C.Q. (CRAZINESS QUOTIENT).

OUR MOST MUSICAL WORDS ARE ‘*THAYI JASHEY*’.



5 POINTS I WISH TO MAKE AT THE VERY OUTSET

Achal Bakeri, Chairman & Managing Director

01 WE COULD HAVE DONE BETTER WITH OUR 2014-15 PERFORMANCE

Dear Shareholders

We could have done better with our 2014-15 performance. Given the vast cooler under-penetration within the economy, the rise in incomes, the increased advertising spending, the widening cooler model choice and our competitive pricing, we expected to report growth - higher than the mere 14% increase in sales and 18% growth in profit after tax that we actually reported during the year under review.

This performance was largely the result of a surprising sectoral de-growth in the last quarter of the financial year, which incidentally was also the warmest. How did people buy fewer coolers in 2014-15 than the corresponding period a year ago? The answer is that while the last quarter was warmer than the third or the second quarter of the financial year, it was relatively cooler than the corresponding quarter of the previous year. The result was that even as our sales were around 30% higher in the first three quarters, the surprising de-growth in the last quarter resulted in only a modest net revenue growth for the full year.

Given this reality, shareholders will be pleased that our sales growth of 14% for the full year was higher than the estimated 11 % growth of the country's organised cooler industry and 9 % growth of the country's air-conditioning sector.

I must assure shareholders that one bad quarter (for reasons quite beyond the Company's control) does not make for failure. The outlook for the Company's products continues to be positive and we expect to soon regain our momentum.

GROWING CASE FOR AIR-COOLERS

02

The macro environment for air-coolers continues to be conducive for some good reasons.

One, global warming is steadily raising temperatures; we do not believe that every individual will aspire to beat the heat with an air-conditioner.

Two, air-coolers are more affordable, they consume less electricity than the air conditioner, their paybacks are quicker and they cool interiors adequately (not excessively).

Three, our air-coolers sit at interesting intermediate points between fans and air-conditioners. Our objective is to engage in provocative pricing; low enough to trigger an upgrade from fans to coolers and attractive enough to provide air-conditioner-like features in a cooler to generate value-addition.

Four, there is a secular movement towards cooler interiors – extending from small rooms to larger spaces. Traditionally, non-cooled areas are seeking cooling solutions; there is a growing case for commercial and industrial workplaces to be cooled to generate higher productivity.

STRONGER COMPANY WITH THREE REVENUE STREAMS

03

Symphony earlier serviced only one customer type – the residential buyer; the Company now services commercial and industrial customers as well.

Symphony was earlier a cooler company; we have since evolved into a cooling technology company with a progressively product-agnostic approach.

Symphony was earlier a product company; we are progressively evolving into a product cum solutions organisation.

At this point, even as the residential air-cooler accounts for a major part of our revenues, we foresee a sharper increase in the proportion of revenues from Central Air Cooling Solutions going ahead.

BRAND POTENCY

04

My optimism is derived from the reality that our brand continues to be stronger than ever.

We outperformed the revenue growth reported by the air-cooler and air-conditioning sectors during the year under review.

Our Share of Voice was a staggering 81% in 2014-15 (as measured by an external agency), virtually crowding out the rest of our sector.

We remained the number one cooler brand in India; we marketed coolers under our brand across 60 countries.

Our EBITDA margins were protected at 30% for the year even as sales de-grew 18% in the last quarter of 2014-15.

This indicates that we go into 2015-16 with the optimism that as soon as a consumer wishes to buy a cooler, the over-riding preference will still be a Symphony.

PROSPECTS FOR 2015-16

05

We are optimistic of returning to erstwhile growth for some enduring reasons.

We possess a complement of mature and newly-launched models.

Our sustained advertising will continue to reinforce our Share of Voice that translates into higher revenue.

Our decision to move to an asset-light model at IMPCO will enhance liquidity.

Even as we intend to change our financial year from a June year-end to a March year-end from this financial year; which will exclude the performance of our usual peak quarter (for our Company and IMPCO), which might result in a part of our profits being transferred into 2016-17, we are optimistic of growing the market and continuing to account for disproportionately large share of it.

Sincerely,

Achal Bakeri
Chairman and Managing Director



THE SYMPHONY BRAND. AND HOW AN UNUSUAL IDEA HELPED CREATE WEALTH FOR OUR SHAREOWNERS



Loss making



Profitable



Blue chip

**WE WERE A LOSS MAKING
COMPANY WITH A MARKET
CAPITALISATION OF LESS
THAN ₹3 CRORE IN 2002.**

**WE ARE A PROFIT-MAKING,
CASH-RICH AND SECTOR-
LEADING COMPANY THAT
REPORTED A PEAK MARKET
CAPITALISATION OF
₹11,438 CRORE IN 2014-15.**

JUST CRAZY, NO?

**INNOVATION IS TAKING TWO
THINGS THAT ALREADY EXIST
AND PUTTING THEM
TOGETHER IN A NEW WAY.**

Tom Freston

**I GIVE THANKS
EVERY DAY THAT
I'VE BEEN ABLE
TO TAKE MY
CRAZINESS AND
MAKE IT WORK
FOR ME.**

Fritz Scholder

**CREATIVITY IS
PUTTING YOUR
IMAGINATION
TO WORK, AND
IT HAS
PRODUCED
THE MOST
EXTRAORDI-
NARY RESULTS
IN HUMAN
CULTURE.**

Ken Robinson

**YOU HAVE TO
GO ON AND BE
CRAZY.
CRAZINESS IS
LIKE HEAVEN.**

Jimi Hendrix

DREAMS ARE
OFTEN MOST
PROFOUND WHEN
THEY SEEM THE
MOST CRAZY.

Sigmund Freud

YOU CAN'T USE UP
CREATIVITY. THE
MORE YOU USE, THE
MORE YOU HAVE.

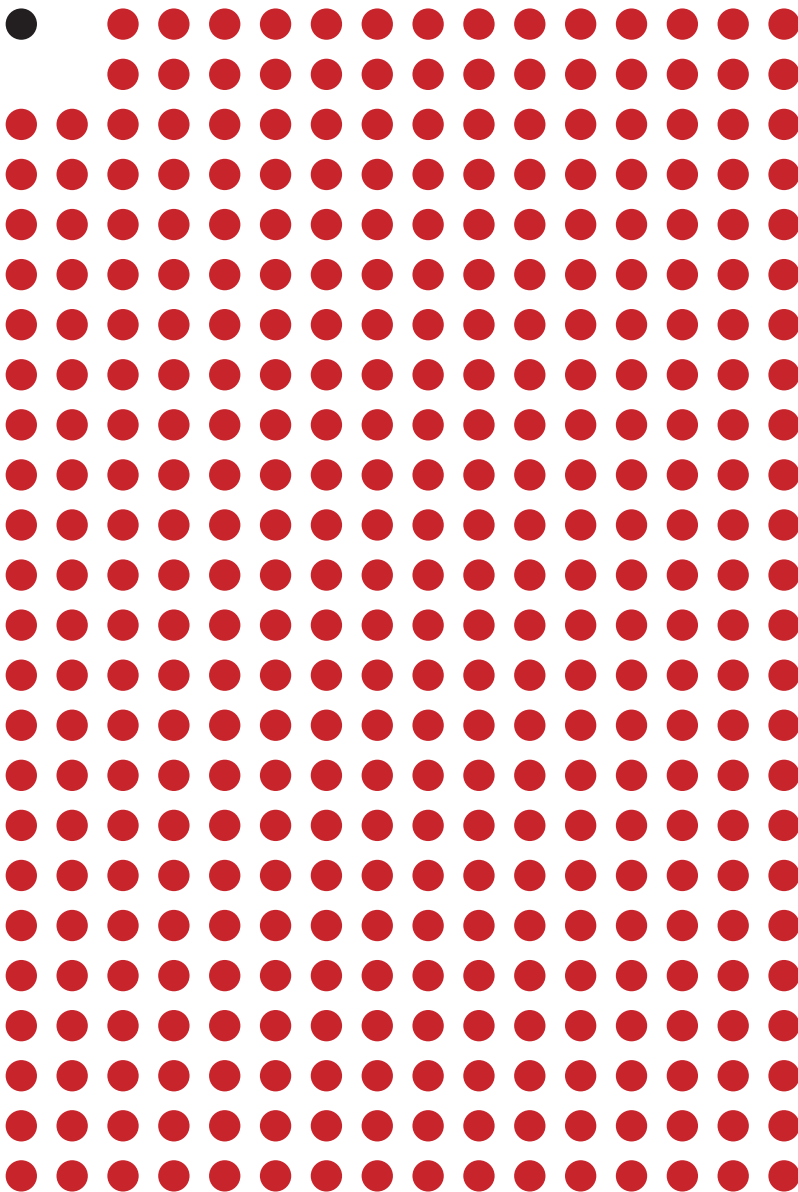
Maya Angelou

SOME PEOPLE
NEVER GO CRAZY.
WHAT TRULY
HORRIBLE LIVES
THEY MUST LIVE.

Charles Bukowski

LEARNING AND
INNOVATION
GO HAND IN
HAND. THE
ARROGANCE
OF SUCCESS IS
TO THINK THAT
WHAT YOU DID
YESTERDAY
WILL BE
SUFFICIENT
FOR
TOMORROW.

William Pollard



CRAZY THINGS HAPPEN TO CRAZY COMPANIES.

ANYONE WHO HAD BOUGHT 10,000 SHARES FOR LESS THAN ₹100,000 A DECADE AGO WOULD HAVE GROWN HER PORTFOLIO TO AROUND ₹10.58 CRORE (AS ON JUNE 30, 2015).

*That's the kind of money that can buy you a Mercedes S Class. A round-the-world-trip aboard the Queen Mary 2. Plus a custom-built Bose home theatre system. Plus stay for a month at the Grand Presidential Suite at the Taj Mahal Hotel, Delhi. Plus an African Safari getaway. Plus a seven-day party on the Palace on Wheels luxury train. Plus an extended honeymoon at Bora Bora island. And still have loose change left over. It's amazing how cooling can get you to some of the hottest places.



Crazy!



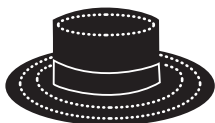
Crazy!



Crazy!



Crazy!



Crazy!



Crazy!



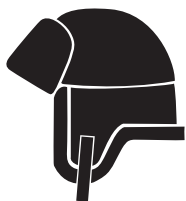
Crazy!



Crazy!



Crazy!



Crazy!



Crazy!



Crazy!



Crazy!



Crazy!



Crazy!

**WHEN THE ANALYSTS FIRST
HEARD OF HOW WE INTEND TO
GENERATE FAR MORE CASH
THAN WE WOULD BE REQUIRED
TO RE-INVEST, THEY SHOOK
THEIR DOUBTING HEADS AND
SAID 'MADHATTERS...'**

- In the five years leading to 2014-15, Symphony generated ₹382 crore in cash profit; it was required to re-invest only ₹54 crore in its business
- Symphony possessed treasury investments of ₹241 crore as on June 30, 2015, unlike most players within India's cooling industry
- This cash reserve makes it possible for Symphony to acquire companies or assets that can potentially grow the business – bigger, stronger and faster



**WHEN THE REST OF OUR
TRADE DISCOVERED
THAT WE INTENDED TO
SHUT OUR FACTORY, THEY
ASSUMED IT WAS
THE END OF OUR CRAZY
COMPANY.
'OUR BUSINESS IS JUST
STARTING,' WE SAID.**

- Most companies select to invest in manufacturing infrastructure for various reasons – they intend to capture a larger slice of the value chain, they need ongoing quality control; they may occasionally possess a conventional sense of ‘sizeness’ derived from assets, employees and revenues
- Symphony selected to outsource its production requirements instead
- Symphony selected to not manufacture directly but select Original Equipment Manufacturers with care, assure production volumes, manage vendor viability and monitor quality – a sustainable ecosystem
- This decision to outsource did not just liberate Symphony from capital investments that could have otherwise loaded the Balance Sheet; the strategy made it possible for Symphony to focus its management bandwidth on that one business aspect that is largely overlooked by most and which cannot be outsourced – the fine art of marketing, branding and selling



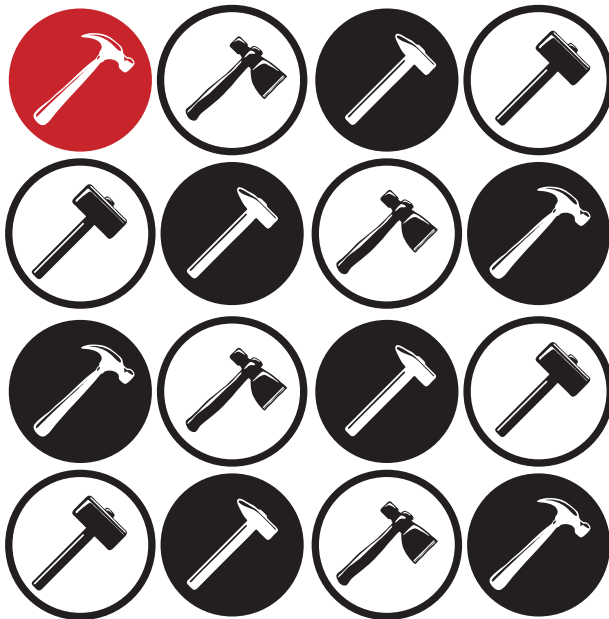
**AT SYMPHONY, WHEN BUSINESS IS UP, WE
SPEND WELL ON PRODUCT ADVERTISING.
WHEN BUSINESS IS DOWN, WE SPEND HIGHER.**

- In a rapidly evolving world, Symphony was fairly convinced that the biggest business asset would no longer be manufacturing equipment; it would be its brand
- In our business, people said, 'Why put a large amount of money in branding a low-cost product like air coolers?'
- We said, 'Because we are raising awareness for the cooler that will widen the market in the first place'
- Gradually we invested to create an overarching brand that would connect us to air-coolers in the mind of the prospect; we also created a distinctive recall for specific models
- We were crazy; we increased our advertising budget even when the Company was loss-making (BIFR days). We were consistent; we invested in good economic cycles and bad. We were different; we invested 6% of our sales (2014-15) in advertising, higher than the industry average
- We invested ₹22 crore in branding and advertising in the last quarter of 2014-15 (of the ₹32 crore spent in the full year) when it would have been so easy to play to the gallery, postpone investment and report a higher profit
- We reported a staggering 'share of voice' of 81% in 2014-15; this created tremendous brand pool as we found that eight out of ten prospective cooler buyers asked their dealers for a 'Symphony' before they enquired about another model
- We generated a 52% share of India's organised cooler market in 2014-15; we generated realisations higher than the market average; our products moved off retail shelves faster



**AT SYMPHONY, WE ARE DOING SOMETHING
MORE THAN SELLING TO AN EXISTING MARKET.
WE ARE REWRITING THE RULES BY CREATING
ONE IN THE FIRST PLACE.**

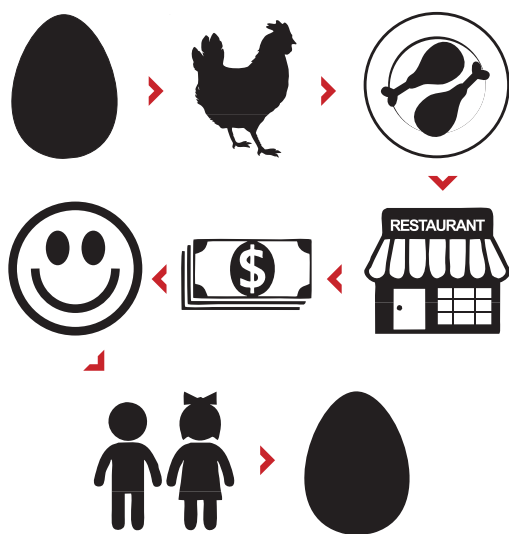
- The easiest thing in our business would have been to create one white box, periodically modify shapes and market these under different model names
- We are crazy. We make things difficult for ourselves
- Over the years, we have reversed from product manufacture and sales to understanding customer needs in the first place leading to relevant product manufacture
- There was the customer who needed cooling across a larger area; we introduced STORM
- There was the customer who needed a cooler in his garden area; we introduced WINTER
- There was the customer who needed a cooler for his security cabin attached to his residence; we introduced NINJA
- There was the customer who needed a cooler that occupies minimum floor space; we introduced DIET
- There was the customer who needed a small air cooler ideal for an open shop; we introduced ICE CUBE
- So what is otherwise simplistically referred to as the Symphony cooler has actually grown from a one-model portfolio to 40 models; today



AT SYMPHONY, WE DESTROYED OUR ENDURING SYMPHONY AIR-COOLER RECALL. WE CREATED AN AIR-COOLING TECHNOLOGY POSITIONING INSTEAD

- Years of designing and manufacturing air-coolers did one thing for us: it enhanced our understanding of air-cooling possibilities
- Based on this understanding, we did three things – we grew our Residential Air Cooler business, entered the Central Air Cooling business (through acquisitions) and introduced the Packaged Air Cooler segment
- The result is that we now have a business model that extends from the individual (Residential) to the commercial (Packaged) to the industrial (Central Air Cooling Solutions)
- At Symphony, we feel that there will soon come a time when the need to feel good at home or workplace will be a necessity
- As disposable incomes rise, air coolers will be increasingly used in homes for the benefit of all family members across the country
- As institutions become more customer-focused, there will be a growing need to cool commercial establishments
- As industrial shopfloors become more productivity-focused, there will be a growing recognition that the relationship between temperature and productivity is inversely proportionate; reduce the first and the second rises
- At Symphony, each of these businesses responds to a different cycle – the domestic sales of air-coolers will continue to grow, forming the core of our business; the global sales of air-coolers will be our medium-term to long-term story; the central air cooling business (Packaged and Central Air Cooling Solutions) will be our long-term play
- These three spaces represent the building blocks of our business, generating sustainable growth across the foreseeable future.





































**AT SYMPHONY,
CRAZINESS MEANS THE
ART OF SEEING A
COMPELLING REALITY IN
THE INVISIBLE.
LIKE WHEN WE SAW A
SHOPKEEPER SWEATING
IN A CONGESTED MARKET
AND SAID 'WOW!'**

- The Packaged Air Cooler segment was something that we created from scratch; it addresses the cooling needs of that segment that lies between residences and industrial areas
- This large intermediate segment typically comprises thousands of banks, clubs, schools, cafeterias, shops, warehouses, restaurants, religious places and data centres across India; these institutions need cooling but do not prefer high air-conditioning costs (one-time and recurring)
- Symphony did two way-out things: it introduced the concept of 'tonnage' within the air-cooler sector for the first ever time; it emphasised that the payback for the entire solution was a mere 5-8 months
- The market verdict for our product has surprised us: 'Rolls Royce of air-coolers'
- We are not as driven by the prospect of accelerating offtake of this pioneering introduction as much as we are excited by how this one Symphony product can transform rural and semi-urban interiors across the coming decade.

Crazy, right?

M	T	W	T	F	S	S	SY
31	01	02	03	04	05	06	07
							
08	09	10	11	12	13	14	15
							
16	17	18	19	20	21	22	23
							
24	25	26	27	28	29	30	01
							

**WHEN THE BRAND IS GENERATING AN
ATTRACTIVE CONSUMER PULL, IT WOULD BE
EASY TO TAKE THE SATURDAY AFTERNOON OFF.
TRUTH IS WE WORK EIGHT DAYS A WEEK.**

- Symphony is a crazy campus. We dream of things that never were and ask 'Why not?'
- Like when we had a smooth positioning running, someone suggested that instead of focusing on air-conditioner buyers and getting them to look at air coolers, perhaps we should do something more radical; we began to target fan buyers with the objective to graduate them to air coolers instead, opening us out to a considerably larger market.
- Like when we had a fair exposure in the traditional (dry and hot) air coolers markets, someone challenged us to market more in the hot and humid states for a change; sales in these non-traditional markets (Kerala, West Bengal, Karnataka and Maharashtra) have now grown from an approximate ₹6 crore in 2007-08 to around ₹76 crore in 2014-15.
- Like when someone suggested that marketing products across the counter was too conventional and how times were changing, we focused on generating sales through modern retail formats and e-commerce as well; even as their combined offtake as a proportion of our revenues only around 10% to 12%, modern retail volumes grew 30% and e-commerce volumes 55% over the previous year.
- The result is that for what is largely perceived even today as a seasonal business, Symphony is a progressively non-seasonal company. The proportion of our gross revenues from the first three quarters increased from 64% in 2012-13 to 67% in 2013-14 to 75% in 2014-15.



**FOR YEARS WE WERE KNOWN AS THE AIR-COOLER
COMPANY. UNTIL FUND MANAGERS STARTED
PUTTING 'LIFESTYLE PROXY' AND 'PORTFOLIO
CATALYST' LABELS AGAINST OUR NAME.**

For years, we were a company that designed, outsourced and marketed air-coolers.

As the uniqueness of our business model became increasingly evident, our market capitalisation strengthened.

What we are absolutely pleased about are some things generally never spoken about.

That there are nearly 70 institutional investors tracking our stock.

That the proportion of FIs, Foreign Portfolio, Mutual Fund and other institutional shareholders in our public shareholding has increased from just 2% a few years ago to 38% as on June 30, 2015.

That the value of institutional shareholding in our Company was worth around of ₹700 crore as on June 30, 2015.

Symphony has been included as a constituent in the MSCI (Morgan Stanley Capital International) Global Small Cap Index from November 26, 2014 by the US based MSCI.

That 3.08% of the institutional holding in our Company has remained steadily invested for more than 24 months.

That a London-based FII with a portfolio of stocks picked in the last decade wrote in to say how Symphony had been his consistently best-performing pick across all emerging markets for the past ten years.

That a fund manager from San Francisco indicated that his fund was judged the best performing in that region, largely catalysed by the outperformance of Symphony in his portfolio.

It's getting crazier.



**OUR SUSTAINED SUCCESS HAS
INCREASED COMPETITION. OUR ONE-
WORD RESPONSE: WELCOME!**

For years, the air cooler was so, well, downmarket.

Because, after all, the product was just a box (as people thought). Because the product was low-priced (so there was a limit to the profits one could generate). Because at the end of the day people aspired to buy an air-conditioner (not an air-cooler, silly).

But something dramatic has transpired since.

Our free-cash profits.

Suddenly, more and more brands are eyeing a play they had missed.

Rather than being alarmed by this development, we are actually delighted.

The presence of more players in the air-cooler business will enhance category visibility; the pioneering initiative of Symphony to virtually create a market from scratch will now be strengthened; the increase in brands will widen the market.

It is obvious that when a market expands, the brand that has endured the longest benefits the largest.

Besides, we have demonstrated an ability to protect our model designs from being plagiarised. For instance, when a new competitor introduced an exact replica of our models, we sought legal redressal; a court ruling helped freeze the competitor's inventory. When a large Indian conglomerate used the word 'Diet' in its air-conditioners, we moved court on the grounds that this compromised our longstanding Diet brand of air-cooler; the conglomerate was restrained by the court from doing so.

So the hotter it gets, the cooler for us.



**WHEN WE BOUGHT
MANUFACTURING
ASSETS IN MEXICO,
ANALYSTS FRETTED.
WE ARE TURNING
THIS INTO AN
ASSET-LIGHT
SHOWPIECE
AS WELL.**

In 2009, we acquired IMPCO, a facility to manufacture industrial air cooling systems in Mexico.

IMPCO's rich insight into industrial air cooling extended us from the manufacture of standalone units to a comprehensive understanding of cooling systems.

IMPCO's multi-decade knowledge extended Symphony to the implementation of more than 480 central air cooling solution projects of approximately 1.38 crore CFM till June 30, 2015 in India.

The time has come for IMPCO to graduate to the next league.

Symphony, in its classic asset-light tradition, intends to restructure IMPCO with the objective to unleash locked value.

Symphony will monetise IMPCO's prime land in Monterrey; it will sell IMPCO's manufacturing equipment. This will enable IMPCO to focus more on R&D, innovation, sales and marketing.

This restructuring is expected to improve operational efficiency of IMPCO and generate far more cash than was invested in IMPCO, strengthening Symphony's financials further.



**THERE WAS A
COMMON FEELING
THAT INDUSTRIAL
PROFITS WERE
GENERATED FROM
THE SWEAT ON
THE BROW OF ITS
WORKERS.
AT SYMPHONY, WE
DON'T THINK THIS
NEED BE THE CASE.**

We have a breakthrough idea to help India's manufacturing sector grow its GDP share from 15% to 25%.

Reduce temperatures.

That's right. If you reduce shopfloor temperature; some amazing things will begin to happen.

Shopfloor productivity will rise. The shopfloor will appear relatively more welcoming when compared to a comfortable office interior. More individuals will seek to work on shopfloors. More individuals will seek to join manufacturing-led organisations.

We are optimistic that this industrial revolution is round the corner for a good reason. There is evidence that temperatures and productivity are inter-linked. "90% of American firms named cool air as the single boost to their productivity...Cooling raised productivity by a quarter. On factory floors, it cut absenteeism and stoppages," indicated The Economist. NASA found and reported in a heat stress report CR-1205(1) that temperatures over 75° F negatively affect both the productivity and accuracy of work. Besides, countries like China, Australia and USA have a maximum shopfloor temperature guideline, a standard that could one day soon be introduced in India.

Which, when implemented, could help the ambitious Make in India plan achieve its desired goal.

Starting with the Central Air Cooling Solution.



**IN 2014-15, INDIA'S ECONOMY GREW 7.3%. THE AIR
CONDITIONER INDUSTRY GREW 9%. SYMPHONY GREW
SALES 14%. ABSOLUTELY DISAPPOINTING.**

- You would think that we are fairly pleased at having outperformed the economy and the country's air-conditioning sector. *We are not.*
- At Symphony, we are benchmarked against the vast potential that lies within our business.
- India's 164.1 million households possessing a fan.
- When you look at this reality, any percentage growth lower than the attractive double-digits represents relative failure.
- Crazy? Not quite.
- Symphony had grown its gross revenues by 32% and bottomline by 42% in the first three quarters of 2014-15 over the corresponding period of the previous year.
- Then something happened. It rained.
- It rained in a quarter that accounts for nearly 60% of the offtake of cooling products (including air-conditioners) across the country.
- Our experience is that three months of planning to buy a cooler can be shelved after the cooling effect of one evening's rain.
- So despite more disposable incomes in the hands of people, despite more product advertising and despite a wider product mix, we reported a 18% sales de-growth (amazing) in the last quarter.
- The sizzling lead that we had built in the first three quarters was partly neutralised by the weakness of one single quarter.
- Just one of those things that happens once in years. Quite crazy really.



**OUR SALES IN THE LAST QUARTER OF 2014-15 DE-GREW
18% ACROSS THE PREVIOUS CORRESPONDING QUARTER.
SURPRISE, SURPRISE. OUR OPERATING MARGIN
REMAINED RELATIVELY LESS IMPACTED.**

- At Symphony, we do not discount to push sales; we create a consumer pull that makes it possible for them to maximise sales without cutting prices.
- We believe that our product has superior features, styling, convenience and service assurances to beat the discount spiral.
- Besides, our standard price sends a distinctive message to consumers – ‘The product must be superior for prices to be maintained, good market or bad.’
- So the big question: how did we relatively protect our margins in the last quarter of 2014-15?
- We enriched our model mix; we provided models most needed by the market; we effectively plugged market gaps.
- Most important, priced our models consistently for all our primary customers (dealers), so they were relieved of the pain of calling each other with the standard question: ‘What price did Symphony give you?’

WE ALL KNOW YOUR
IDEA IS **CRAZY**. THE
QUESTION IS WHETHER
IT IS **CRAZY** ENOUGH.

Niels Bohr

CREATIVITY
INVOLVES
BREAKING OUT OF
ESTABLISHED
PATTERNS IN
ORDER TO LOOK AT
THINGS IN A
DIFFERENT WAY.

Edward de Bono

YOU'RE
ONLY GIVEN
A LITTLE
SPARK OF
MADNESS.
WITHOUT
THAT YOU
ARE
NOTHING.

Robin Williams

AN ESSENTIAL
ASPECT OF
CREATIVITY IS
NOT BEING
AFRAID TO FAIL.

Edwin Land

AN **IDEA** CAN TURN
TO DUST OR MAGIC,
DEPENDING ON THE
TALENT THAT RUBS
AGAINST IT.

Bill Bernbach

SOME MAY NEVER
LIVE, BUT THE
CRAZY NEVER DIE.

Hunter S. Thompson

THERE IS NO
GREAT GENIUS
WITHOUT SOME
TOUCH OF
MADNESS.

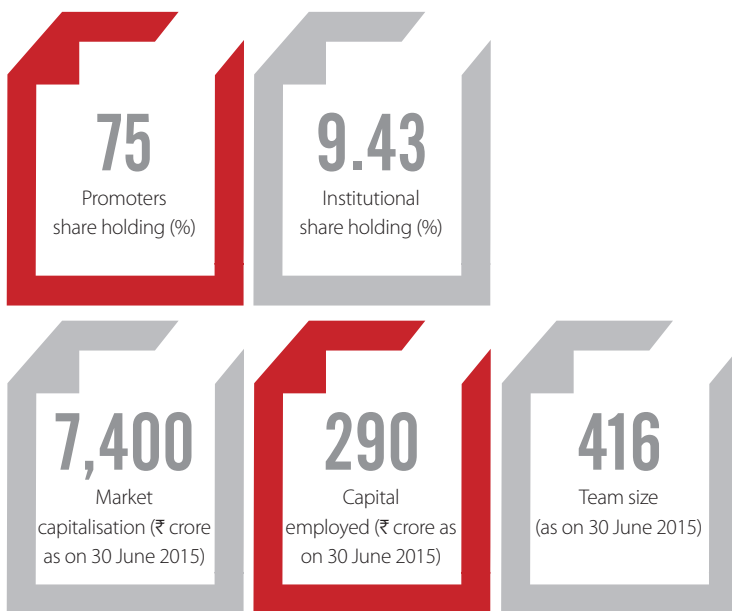
Aristotle

CREATIVITY IS JUST
CONNECTING
THINGS. WHEN
YOU ASK **CREATIVE**
PEOPLE HOW THEY
DID SOMETHING,
THEY FEEL A LITTLE
GUILTY BECAUSE
THEY DIDN'T
REALLY DO IT, THEY
JUST SAW
SOMETHING. IT
SEEMED OBVIOUS
TO THEM AFTER A
WHILE.

Steve Jobs

CORPORATE SNAPSHOT

- World's largest manufacturer of air coolers
- Promoted and founded by Achal Bakeri of the Bakeri Group
- Shares listed on the National Stock Exchange, the Bombay Stock Exchange and the Ahmedabad Stock Exchange
- Wide product range that includes Residential Air Coolers, Packaged Air Coolers and Central Air Cooling Solutions across various capacities and models
- Headquartered at Ahmedabad, Gujarat
- Manufacturing units located in India for Residential Air Coolers and in Mexico for Central Air Cooling Solutions
- Marketing presence for Residential Air Coolers across Americas, Europe, Asia and Africa that cumulatively covers over 60 countries.
- Product endorsement from large corporates such as General Electric (Illinois, US), Wal-Mart Stores Inc. (Nevada, US), Lear Corporation (US), etc.
- Presence in supermarkets in the US and Mexico such as Walmart, Sears, Carrefour, Lowe's and the Home Depot among others.



GLOBAL CERTIFICATIONS



European
Conformity



Saudi Arabian
Standards
Organization



Norma Oficial
Mexicana



International
Organization for
Standardization



Certificate of
Conformity for
Russia

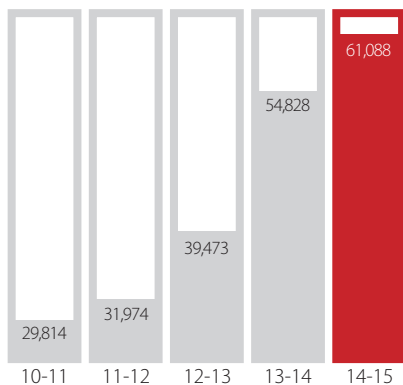


Certificate of
Conformity for
Nigeria

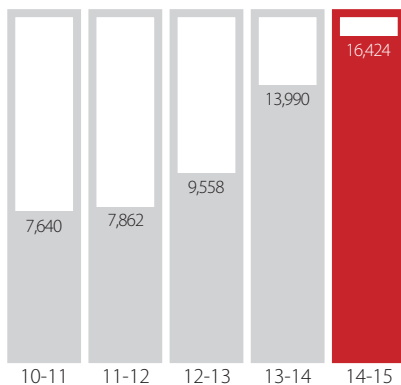
FINANCIAL SNAPSHOT

CONSOLIDATED FINANCIAL PERFORMANCE

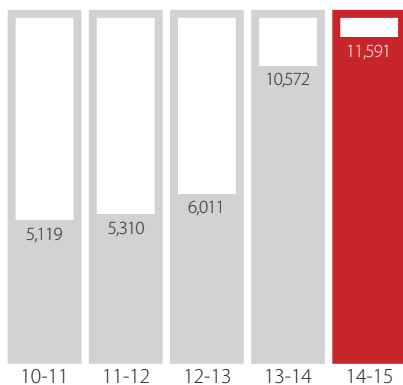
Gross Revenue (₹ lac)



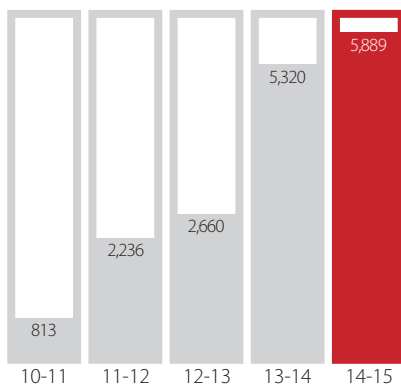
EBIDTA (₹ lac)



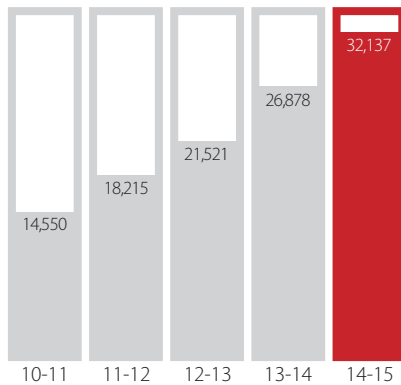
Net profit (₹ lac)



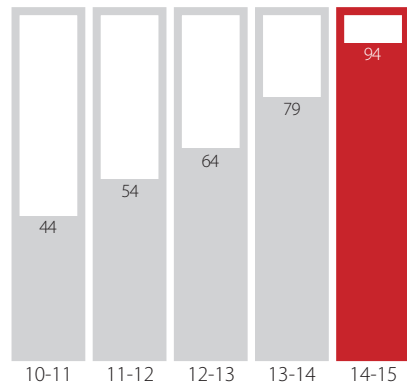
Dividend payout (₹ lac)



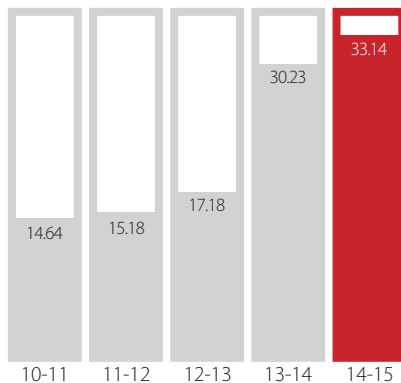
Reserves and surplus (₹ lac)



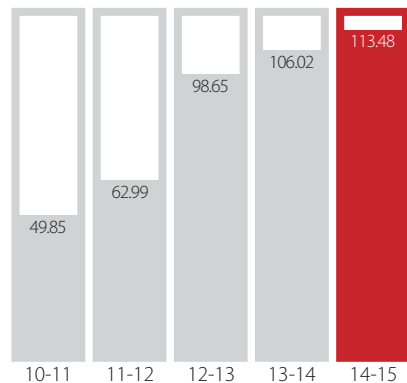
Book value per share (₹) (On face value of ₹ 2 each)



Earning per share (₹) (On face value of ₹ 2 each)



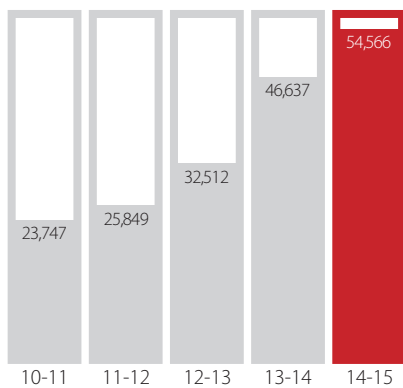
PBIT% on capital employed – home appliances*



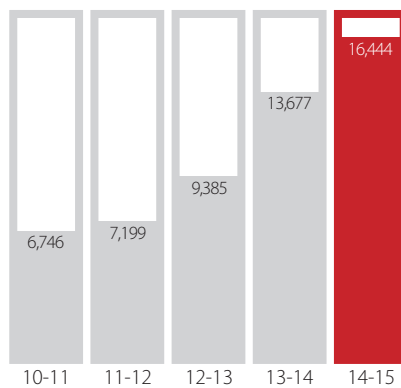
*PBIT% is calculated on average monthly capital employed from F.Y. 2013-14 onwards, for earliear years PBIT% is calculated on closing capital employed.

STANDALONE FINANCIAL PERFORMANCE

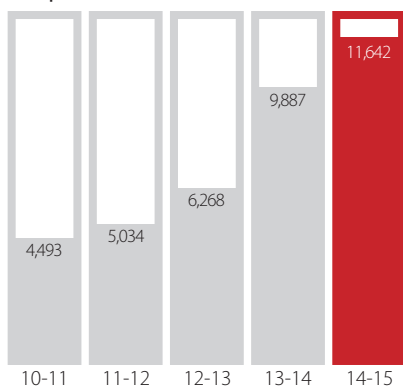
Gross Revenue (₹ lac)



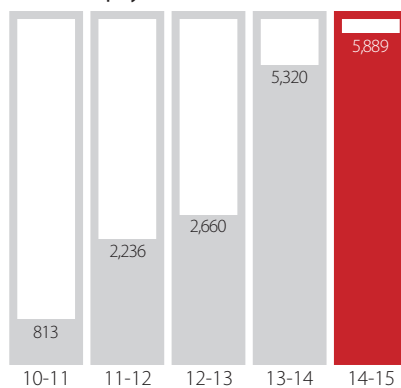
EBIDTA (₹ lac)



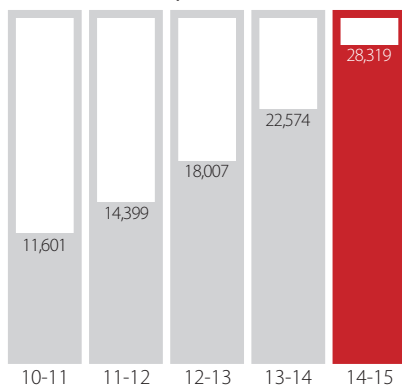
Net profit (₹ lac)



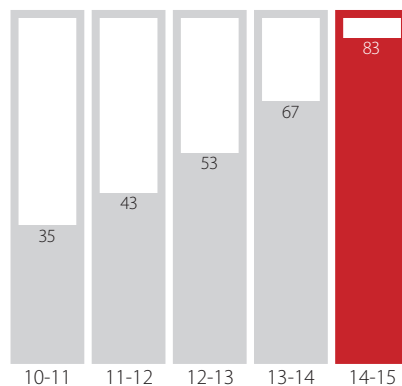
Dividend payout (₹ lac)



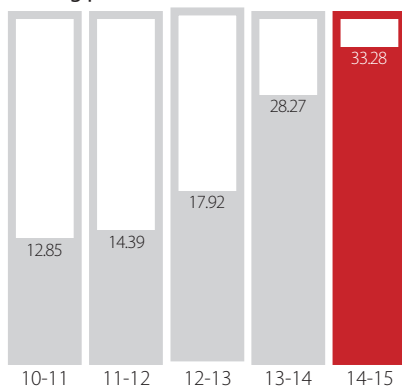
Reserves and surplus (₹ lac)



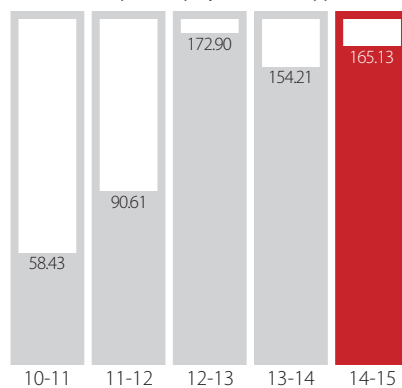
Book value per share (₹) (On face value of ₹ 2 each)



Earning per share (₹) (On face value of ₹ 2 each)



PBIT% on capital employed – home appliances*



*PBIT% is calculated on average monthly capital employed from F.Y. 2013-14 onwards, for earlier years PBIT% is calculated on closing capital employed.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic outlook

The year 2014-15 saw the emerging economies of China and India experiencing higher rate of growth compared to the advanced economies like the US and those of the Eurozone. The advanced economies also witnessed an improvement in terms of their economic outlook and continued to recover from the recession that had hit them in 2010. This was largely aided by accommodative monetary policies and a significant lowering of energy costs. However in the near term, the eurozone is expected to witness a slowdown following the fall in aggregate demand and concerns over Greek bankruptcy.

However, the year remained fraught with crude oil price volatility, a slowdown in the Chinese economy towards the later part of the year and trade protection issues, among others. Chinese GDP growth was pegged at 7.4% during 2014 and is expected to slow down to around 7% by end-2015. The Chinese Government aims to reduce the impact from this slowdown by reducing focus on exports and increasing domestic consumption.

As per World Bank data, global growth should expand at around 2.80% in 2015 and accelerate to touch around 3.20% by 2017.

Indian economic outlook

The macroeconomic scenario in India

witnessed an improvement during FY2014-15 as compared to the previous year. Wholesale and retail inflation declined, domestic demand rose, capital expenditure increased, exchange rates stabilised and currency outflows reduced considerably on account of falling oil imports. This was in sharp contrast with the scenario prevalent during the previous few years which were marked by rising inflation, widening fiscal deficit, stagnating demand, current account imbalances and fluctuations in the value of the rupee against the dollar.

The decline in inflation was further aided by a close to 40% fall in crude oil prices as well as a decline in the prices of major industrial commodities towards the end of the year. The tight monetary policy stance adopted by the Reserve Bank of India helped contain any recurrence of inflationary trends, and cushioned India from potential risks arising from external contingencies. Favourable macroeconomic developments stabilised the value of the rupee against major foreign currencies.

The latest estimates of national income indicate that the revival in growth, which had commenced in 2013-14, has continued into 2014-15. (Source: Central Statistics Office)

As per the Economic Survey 2015, India grew by an estimated 7.3% during FY2014-15 as against 6.9% during FY2013-14. World Bank and IMF expect the Indian GDP growth rate

to remain around 7.5% during 2015-16 and reach around 8% during 2017-18. Thus, Indian GDP growth is projected to accelerate over the next five years on the back of investment-led growth, economic reforms and favourable demographics.

Air coolers in India

Air coolers represent a low-cost, energy-efficient and an environmentally-friendly alternative to air conditioners. Air coolers are simple to use and cool air through the evaporation of water. Evaporative cooling differs from typical air conditioning systems which use vapor-compression or absorption refrigeration cycles. Evaporative cooling works by employing water's large enthalpy of vaporization. The temperature of dry air can be dropped significantly through the phase transition of liquid water to water vapor (evaporation), which can cool air using much less energy than refrigeration. In extremely dry climates, evaporative cooling of air has the added benefit of conditioning the air with more moisture for the comfort of building occupants. They also filter dust and dirt without drying the air.

Unlike conventional air conditioners, evaporative coolers require fresh air and work

best with open windows and doors. They are best suited for residences, showrooms, shops, offices, especially where doors are opened and closed frequently – a major advantage over conventional air conditioners. Besides, they consume significantly less electricity and produce no emissions.

Symphony offers a wider range of air coolers, which find applications also where it is difficult or impossible to install and use an air conditioner. Symphony's air coolers are easy-to-install, relatively inexpensive, and can be easily maintained by a layperson.

Opportunities

(a) The Indian air cooler segment

The domestic air cooler segment is largely fragmented with about 70-80% of sales accounted for by unorganised players. The branded air cooler industry is competitive in nature with the top four players accounting for more than 90% of the branded air cooler market. Symphony is the leading player in the space followed by Kenstar (Videocon Industries Limited). Other players include Bajaj Electricals, Khaitan, Maharaja and Usha. Symphony enjoys about a 52% share of the organised segment.

USPs of Symphony air coolers

- Lower power consumption – Symphony air coolers consume power equivalent to fans
- Versatile deployment – Symphony air coolers can be used indoors as well as outdoors
- Superior adaptability – Symphony air coolers can be run on inverters in case of a power cut
- Healthy cooling - Symphony air coolers deliver fresh, filtered cool air

(b) Demand drivers

Environmental concerns: The use of air conditioners has contributed significantly to global warming and the destruction of the ozone layer. The release of CFCs and excessive energy usage has propelled many to switch to air coolers which are far more environment-friendly.

Growing middle class: A young and upwardly mobile lower and middle income group in large and small Indian cities has grown in numbers in the recent past. According to the NCAER, the Indian middle class is expected to more than double from the 2015-16 levels to 113.8 million households or 547 million individuals. Strong aspirations of the Indian middle class will lead to an increase in the demand for premium lifestyle products.

Increasing urbanisation: Rising urbanisation in

India has accelerated the demand for housing units which require cooling solutions.

Rising affordability: A study carried out by McKinsey has concluded that middle class households will have an aggregate spending power of 14.1 trillion rupees (20% of total Indian consumption). The growing aspirations combined with rising affordability are expected to contribute towards a growing market for products such as air coolers.

Burgeoning rural markets: 67.97% of the Indian population is considered to be rural as per a study carried out by the World Bank in the year 2013. The aspirations and incomes of the Indian rural population have been rising at a rapid pace thereby enlarging the scope of the rural market. Air coolers are expected to gain from this change in marketplace dynamics.

The technologies that drive Symphony air coolers include:

- Power Saver Technology – for low power consumption
- Dura-pump technology – for extended pump life
- Empty water tank alarm – water level warning enhances convenience
- Intelligent remote – full-function remote with timer facility
- Feather-touch digital control panel – for ease of operation
- System restore function – remembers and restores earlier settings
- SMPS technology – for guarding against voltage fluctuations
- Powerful air throw with auto swing – aids faster and effective cooling
- Large tank capacity – for uninterrupted cooling
- Cool flow dispenser – channelised water distribution guarantees superior cooling
- Whisper-quiet performance – ensures noise-free operation
- High efficiency cooling pads – enhances cooling performance

PACKAGED AIR COOLERS

At Symphony, our Residential Air Coolers cater to a variety of room sizes while our Central Air Cooling Solutions address large spaces such as factories, warehouses and halls.

Despite having such a wide range, we found a huge requirement of air cooling for spaces that fall between residential and large commercial spaces. This inspired us to develop and introduce Packaged Air Coolers in India.

Packaged air coolers are ready-to-fit compact units ideal for a wide range of commercial, industrial and residential uses. These offer

numerous advantages over air conditioners – durability, easy installation and value-for-money – and are suited for spaces where conventional air conditioning solutions fall flat.

The Symphony range of Central Air Cooling units are being manufactured at IMPCO using American technology and have been selling in the North American markets over the last 50 years. Realising the potential for these coolers the Company launched them in India in the year 2014-15.

Symphony offers 1 tonne* of cooling @50 paise per hour only

■ An air cooler works by passing air over a wet media that results in the evaporation of water by absorbing energy from the air. The reduction in the temperature of the air is a measure of the cooling capacity of the air cooler.

** A 1 tonne air conditioner is one that can remove 12,000 BTUs of heat per hour from the house.*

The HVAC industry generally measures cooling capacity in terms of 'tons of cooling'. For the first in the air cooler industry Symphony measured the cooling capacity of its air coolers in BTU/hour as well as in tons of cooling.

Symphony Packaged Air Coolers are ideally suited for large areas, like:

- Places of worship ■ Hotels ■ Warehouses ■ Factories ■ Homes ■ Shops
- Hospitals ■ Schools

Symphony Packaged Air Coolers are low on power consumption and high on returns

Symphony Packaged Air Coolers are sensible alternatives to air conditioners as they consume 90% less electricity than central air conditioning systems and require lesser maintenance.

Parameters	Unit	Symphony Packaged Air Coolers	Air conditioners
Area to be cooled	Square feet	1,500	1,500
Details of machine	Model	Symphony PAC 10 TC	12.5 ton AC
Power consumption	kilowatts	0.715	15
Cost of machine	₹	149,991	250,000
Cost of installation	₹	35,000	150,000
Total capital cost	₹	184,999	400,000
Savings in capital cost	₹	215,001	
Electricity consumption	kilowatt-hour	0.715	15
Electricity cost per hour at ₹7 per unit	₹	5	105
Electricity cost per day (12-hour usage)	₹	60	1,260
Electricity cost per month (30-day usage)	₹	1,800	37,800
Savings in electricity cost (30-day usage)	₹	36,000	
Total payback period	months	5	

Symphony Packaged Air Coolers versus air conditioners

Parameters	Symphony Packaged Air Coolers	Air conditioners
Fresh air ventilation	Very effective	Not effective
Performance in high temperatures	High	Low
Performance in dry conditions	High	Low
Performance in humid conditions	Medium (through wind chill effect)	High
Air blast	High	Low
Capital cost	Low	High
Operating cost	Very low	Very high
Maintenance cost	Very low	High
Life cycle costs (total ownership costs)	Very low	High
Use of greenhouse gases	Nil	Yes
Carbon footprint	Very low	Very high

CENTRAL AIR COOLING SOLUTIONS

Symphony was the first Indian brand to launch Central Air Cooling Solutions. Central air cooling is an efficient alternative to air conditioning because it's a cost-effective and environmentally friendly cooling solution designed for various commercial/industrial environments. Symphony's central air coolers are made of highest grade automotive steel with coatings to prevent corrosion and enhance durability.

Symphony's central cooling solutions cater to factories, offices, schools, malls, assembly halls, warehouses and metro stations. Symphony being India's largest branded player in this segment stands to gain the most from the significantly large untapped opportunity in the Central Air Cooling Solutions business

Symphony's presence

IMPCO (Symphony's subsidiary) has significant expertise in the Central Air Cooling Solutions vertical with an emphasis on large metallic air coolers. Symphony has made a name for itself by offering Central Air Cooling Solutions for a number of esteemed industrial customers. Symphony's vertically integrated plant in North America manufactures an expansive range of heavy duty central air coolers

In order to carve out a larger slice of the Central Air Cooling Solutions market, Symphony has appointed dedicated dealers and distributors across all its key markets. The Company enjoys longstanding tie-ups with leading HVAC consultants and EPC contractors to execute large industrial and factory projects.

Clients for whom Symphony executed major projects in 2014-15 are:

Decathlon

Tata Motors

Bharat Forge

Haldiram's

Priyagold

Prachi Leather

Ram Krishna
Forging Ltd.

Phoenix
Healthcare

Symphony is also credited with executing the world's largest central air cooling project at the Hajj Complex, Saudi Arabia and India's largest cooling project at the Patanjali Yog Bhawan, Haridwar.

Advantages offered by Symphony's Central Air Cooling Solutions

Enhances productivity: Central Air Cooling Solutions help raise workplace productivity by providing a comfortable working environment and reducing stress.

■ **Reduces absenteeism:** A comfortable work environment reduces absenteeism and improves staff morale and compliance with quality and safety instructions.

■ **Increases productivity:** The human comfort zone refers to the range of temperature and humidity that people generally find comfortable. Central air cooling solutions from Symphony helps employees work and perform in the 'human comfort zone' thereby raising

productivity and creating a genial working atmosphere.

■ **Improves air quality:** Air cooling ensures a constant flow of fresh air preventing sick building syndrome, irritation of eyes/throat/nose, headache, dizziness, hypersensitivity, nausea, coughing and other allergies caused due to poor ventilation.

■ **Minimises breaks:** With an improvement in indoor air quality, employees tend to take fewer breaks and perform better.

Durability of Symphony's Central Air Cooling Solutions

Symphony Central Air Cooling Solutions are constructed using the highest quality of galvanised automotive steel with polyester epoxy power-based coating to boost durability and lower life-cycle maintenance costs. These are the construction materials and technological inputs that make Symphony Central Air Cooling Solutions durable:

- Cooler bodies made from high strength automotive grade steel with PLASTISOL™
- Electrostatic process reduces corrosion and weather damage
- Use of galvanised steel improves resistance to abrasion and water

- Power coating improves mechanical and chemical performance

Climate change is increasingly becoming a reality over the last ten years. Global warming has lead to rising global average temperatures over the last 30 years.

Product strengths of the Symphony Central Air Cooling Solutions

Efficiency

- Increased productivity
- Reduced absenteeism
- Fewer employee rest breaks

Savings

- Reduces power consumption by close to 90%
- Lower cost of installation
- Easy maintenance and service
- Fast payback periods

Cooling

- Increased ventilation and air circulation
- Creates a dust-free environment
- Fresh, filtered and cool air

Acquisition undertaken to strengthen Symphony's Central Air Cooling Solutions

Symphony acquired M/s. Munters Keruilai Air Treatment Equipment (Guangdong) Co. Ltd. (MKE), China to facilitate the Company's access into the Chinese market (the 2nd largest air-cooler markets in the world after India) and also provide Symphony with access to the international markets as China enjoys Free Trade Agreements with most ASEAN countries.

The major advantages expected to accrue from this acquisition are:

Premium products and R & D advantage: MKE

enjoys a strong R&D base. Its robust range of premium air coolers for commercial applications enjoys attractive international prospects.

Synergy: MKE is an asset-light and debt-free business built around good operational and governance practices that aligns with Symphony's business model.

Sourcing advantage: A number of components sourced from China are used in the manufacture of Symphony's products. MKE's knowledge of local sourcing will help Symphony enjoy the twin benefits of lower costs and enhanced quality.

STRENGTHS

The strength of the Symphony brand is demonstrated by its indomitable success over the last 27 years. Symphony is the first air cooler company in the organised sector India and is credited with creating the air cooler industry.

The Symphony brand today dominates the air cooler market.

The Symphony advantage

Air coolers are significantly more environmentally-friendly when compared to air conditioners which release CFC gases and consume large amounts of energy. Not only do air coolers not emit hazardous greenhouse gases that cause global warming but they are also highly energy-efficient.

Air coolers generally consume the energy equivalent of a normal ceiling fan and use around 5-10% of the energy consumed by air conditioners. The low energy consumption also allows air coolers to run on inverters in case of a power cut. Air coolers are also highly versatile and can be used indoors as well as outdoors.

Symphony's range of air coolers offers all these advantages and more. They present a superior alternative to conventional air coolers through their aerodynamic design, power saving technology, uniform air inlet discharge, usage of high-grade non-conducting materials and optimised body and component framework.

The user benefits by owning a Symphony air cooler because it lowers costs and offers a superior performance over existing alternatives.

The Symphony business model

The Company and its management realised years ago the importance of creating a brand that would be able to endure marketplace competition. As a means to this end, Symphony has consistently provided products of the highest quality and built an unparalleled reputation for itself. The Symphony business model has revolved around six overarching factors that have been listed below:

Saving costs: The Symphony business model aims to constantly cut unnecessary costs by outsourcing the manufacture of components and products.

Deleveraging the balance sheet: Symphony follows an asset-light approach when it comes to its Balance Sheet. This allows it to remain significantly underleveraged, generate higher returns on capital employed and channelise adequate funds for future expansions initiatives.

Generating ample cash: The asset-light model of Symphony allows for the generation of significant free cash flows which can be ploughed back into mission-critical activities like product development, brand promotion and market development.

Maintaining qualitative excellence: Symphony has standardized procedures and best practices across product design, manufacturing processes, marketing, sales and consumer service to ensure the highest levels of reliability and efficiency. These standard practices, procedures and functions strive to

enhance performance towards a zero error goal. Symphony's products are reputed to have the highest levels of reliability with the lowest defect rate in the industry.

Owning the marketplace: Symphony has time and again chosen to outsource product manufacturing while concentrating exclusively on building its brand equity and product goodwill. It is by owning the marketplace that the Company is able to leverage its qualitative excellence and inspire customer faith to earn higher margins.

Focusing on strategic aspects: Symphony has consistently aimed to be the best air cooler company in the world. The Company is focusing on the global potential of its products and believes that its strengths in innovation, product design, branding and distribution will enable it to further expand its international presence. Further, the Company has outsourced non-core manufacturing activities to remain focused on the strategic aspects of the business and expanding international presence.

The global warming menace

Human influence on the climate system is clear and growing, with impacts observed on all continents. If left unchecked, climate change will increase the likelihood of severe, pervasive and irreversible impacts for people and ecosystems. However, options are available to adapt to climate change and implementing stringent mitigations activities can ensure that the impacts of climate change remain within a manageable range, creating a brighter and more sustainable future.

These are among the key findings of the Synthesis Report released by the Intergovernmental Panel on Climate Change (IPCC) released on November 2, 2014. The Synthesis Report distils and integrates the findings of the IPCC Fifth Assessment Report produced by over 800 scientists and released over the past 13 months – the most comprehensive assessment of climate

change ever undertaken. The Synthesis Report confirms that climate change is being registered around the world and warming of the climate system is unequivocal. Since the 1950s many of the observed changes are unprecedented over decades to millennia.

The impacts of climate change have already been felt in recent decades on all continents and across the oceans. The more human activity disrupts the climate, the greater the risks. Continued emissions of greenhouse gases will cause further warming and long-lasting changes in all components of the climate system, increasing the likelihood of widespread and profound impacts affecting all levels of society and the natural world.

Source: <http://www.un.org/climatechange/blog/2014/11/climate-change-threatens-irreversible-dangerous-impacts-options-exist-limit-effects/>

Internal control systems and adequacy

The Company has robust internal control systems and procedures. The Company has deployed a strong system of internal control procedures that are commensurate with the size and nature of the business. These internal controls ensure the optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and management policies. The Company also devised an extensive monitoring and review mechanism, whereby the management regularly reviews actual performance with reference to business plans: both financial and operational.

The functional heads are responsible for performing regular internal assurance reviews to ensure adequacy of the internal control systems and adherence to management policies and statutory requirements. The functional heads deploy an annual internal assurance plan based on assessment of major risks in each of the businesses. Risk assessment helps in identifying and focusing on all high-risk areas. The reviews cover all the business critical functions, such as

revenue assurance, collection, credit and risk, MIS and Information Technology and network security, procurement and financial reporting. The Audit Committee periodically reviews the audit plans, observations of both internal and external audit teams, risk assessment and adequacy of internal controls.

Information systems

In order to enforce robust internal control, strengthen management processes and information availability, the Company has operationalized a tailor-made ERP system that helps effectively monitor operations and manage resources.

Human resources

The Company acknowledges the importance that human resources contribute to organizational effectiveness. Symphony Limited has aimed at investing in the training and knowledge upgradation of employees across various functions and levels. Symphony enjoyed cordial employee relations throughout the year.

As on June 30, 2015 the Company has on its payrolls 416 employees compared to 400 on June 30, 2014.

SNAPSHOT OF FINANCIAL PERFORMANCE

Overview

The year 2014-15 was another year of growth for the Company. The topline grew by 11.42% while the bottomline grew by 9.64% on the back of increasing penetration, unparalleled customer confidence in the 'Symphony' brand and the strong business model.

Analysis of the statement of profit and loss

Operating income: The operating income of the Company increased 8.65% from ₹532.42 crore in 2013-14 to ₹578.49 crore in 2014-15.

Cost analysis: Total expenditure increased 9.48% from ₹412.25 crore in 2013-14 to ₹451.32 crore in 2014-15, which was mainly in line with increase in sales.

Operating expenses: Total operating expenses increased 9.37% from ₹408.38 crore in 2013-14 to ₹446.64 crore in 2014-15. Primary items in the operating expenses comprised:

Material costs: Cost of goods sold increased by 4.68% from ₹228.03 crore in 2013-14 to ₹238.70 crore in 2014-15. This, as a percentage of gross sales, decreased from 42.83% in 2013-14 to 41.26% in 2014-15.

Employee costs: Employee benefits cost increased 7.72% from ₹41.68 crore in 2013-14 to ₹44.90 crore in 2014-15.

Other expenses: Other expenses increased 17.57% from ₹138.67 crore in 2013-14 to ₹163.04 crore in 2014-15.

Taxation: The Company's provision for taxation

increased 19.50% from ₹36.85 crore in 2013-14 to ₹44.03 crore in 2014-15. Average tax rate was 27.60%.

Analysis of the balance sheet

Capital employed: Capital employed of home appliances increased 1.55% from ₹81.04 crore as on June 30, 2014 to ₹82.30 crore as on June 30, 2015. Capital employed of corporate funds increased 26.35% from ₹194.74 crore as on June 30, 2014 to ₹246.06 crore as on June 30, 2015. PBIT % on capital employed in home appliances has increased from 106.02% as on June 30, 2014 to 113.48% as on June 30, 2015.

Equity Capital: The Company's equity share capital remained unchanged at ₹7 crore comprising 34,978,500 equity shares of ₹2 each.

Reserves and surplus: Reserves and surplus increased 19.56% from ₹268.78 crore as on June 30, 2014 to ₹321.37 crore as on June 30, 2015.

External funds: The Company enjoyed a zero-debt status as on June 30, 2015. The Company did not avail of working capital limits and managed its daily operations through its own resources.

Non-current liabilities: Non-current liabilities increased 14.85% from ₹7.81 crore as on June 30, 2014 to ₹8.97 crore as on June 30, 2015, due to increase in deferred tax liability.

Current liabilities: Current liabilities decreased 2.01% from ₹109.74 crore as on June 30, 2014 to ₹107.54 crore as on June 30, 2015.

Trade payables: The balance under this head

increased 15.41% from ₹34.71 crore as on June 30, 2014 to ₹40.06 crore as on June 30, 2015.

Other-current liabilities: The balance under this head decreased 15.82% from ₹22.00 crore as on June 30, 2014 to ₹18.52 crore as on June 30, 2015. This decrease is primarily on account of decrease in other payables.

Short-term provisions: The balance under this head decreased 7.67% from ₹53.03 crore as on June 30, 2014 to ₹48.96 crore as on June 30, 2015. This decrease is primarily on account of decrease in provision for dividend and provision for taxation.

Fixed assets: Fixed Assets increased 16.25% from ₹77.87 crore as on June 30, 2014 to ₹90.52 crore as on June 30, 2015. This increase is primarily on account of new corporate office.

Non-current investments: Non-current investments decreased 5.18% from ₹138.75 crore as on June 30, 2014 to ₹131.56 crore as on June 30, 2015.

Current assets: Current assets increased 26.48% from ₹173.73 crore as on June 30, 2014 to ₹219.75 crore as on June 30, 2015.

Current investments: Current investments increased 84.93% from ₹59.88 crore as on June 30, 2014 to ₹110.74 crore as on June 30, 2015. This increase is primarily on account of increase in treasury investments.

Inventory: Inventory increased 18.67% from ₹38.51 crore as on June 30, 2014 to ₹45.70 crore as on June 30, 2015. The inventory cycle increased from 26 days in 2013-14 to 29 days in 2014-15.


Trade receivables: Trade receivables decreased 21.43% from ₹41.58 crore as on June 30, 2014 to ₹32.67 crore as on June 30, 2015.

Short-term loans and advances: Short-term loans and advances decreased 41.56% from ₹25.95 crore as on June 30, 2014 to ₹15.17 crore as on June 30, 2015. This decrease is primarily on account of decrease in advances to suppliers.

Other-current assets: Other-current assets increased 272.64% from ₹2.12 crore as on June 30, 2014 to ₹7.90 crore as on June 30, 2015. This increase is primarily on account of increase in accrued interest of treasury investments.


RISK MANAGEMENT

SYMPHONY BELIEVES THAT NO BUSINESS VENTURE CAN ELIMINATE RISK IN TOTALITY. HENCE, IT CONCENTRATES ON UNDERSTANDING THE RISKS IT IS EXPOSED TO AND UNDERTAKING RELEVANT MEASURES TO MITIGATE THESE RISKS.

A red document icon with a folded top-left corner, containing the text 'DEPENDENCE ON A SINGLE PRODUCT CAN IMPACT PERFORMANCE'.

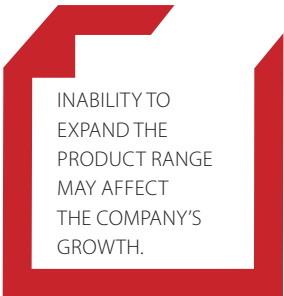
DEPENDENCE ON A
SINGLE PRODUCT
CAN IMPACT
PERFORMANCE

Mitigation: The Company has expanded its product base by periodically introducing newer models of air coolers and consolidating its presence across the Residential, Packaged and Central Air Cooling segments.

A grey document icon with a folded top-left corner, containing the text 'DECLINE IN QUALITY OR BRAND PERCEPTION MAY ADVERSELY IMPACT THE PROSPECTS OF THE COMPANY'.


DECLINE IN
QUALITY OR BRAND
PERCEPTION MAY
ADVERSELY IMPACT
THE PROSPECTS OF
THE COMPANY

Mitigation: Symphony has a comprehensive system in place to ensure that all its products are qualitatively consistent. This is further strengthened by multiple audits to assess uniformity with various parameters. The Company has continually invested in quality and testing facilities over the last five years to achieve a zero-defect status and thereby bolster consumer satisfaction.




INABILITY TO
EXPAND THE
PRODUCT RANGE
MAY AFFECT
THE COMPANY'S
GROWTH.

Mitigation: The Company has in place a carefully-planned product segmentation strategy. Symphony's wide range of residential air coolers caters to the needs of homeowners. The Company serves the needs of the industrial, hospitality and retail segments under the aegis of the Central Air Cooling Solutions strategic business unit. In order to cater to the segment that falls between the residential and the large commercial spaces, the Company proactively launched Packaged Air Coolers – ready-to-fit compact units that are ideal for shops, hotels, restaurants, religious places etc. Hence, the Company offers a wide variety of options within each segment to cater to the needs of customers across different price points.



IT MAY BE DIFFICULT
TO RETAIN MARKET
SHARE IN INDIA
AND GROW MARKET
SHARE ABROAD

Mitigation: The Company is the dominant air cooler brand in India enjoying brand recognition and goodwill that helps Symphony's retain its market share in India. The operations are supported by a logistics network comprising a significant number of distributors and dealer in the domestic market who are in turn backed by regional marketing offices. Internationally, the Company has a presence in over 60 countries. Symphony enjoys a global reputation and an Indian market share of 52%.



OVER DEPENDENCE
ON A PARTICULAR
GEOGRAPHY MAY
DISADVANTAGE THE
COMPANY

Mitigation: Symphony has established a strong international presence with its products being available in 60 countries across 5 continents. Symphony's air coolers are also available at large format stores in the US such as Wal-Mart, Home Depot, Lowe's, Costco and Sears, among others.

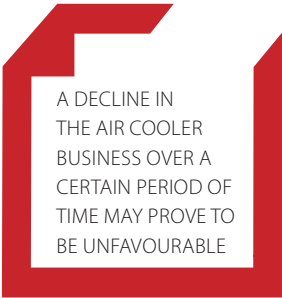


INCREASING
COMPETITION
MAY DISRUPT
THE COMPANY'S
BUSINESS PLANS

Mitigation: The Symphony brand differentiates itself from competition in both the branded as well as the unbranded air cooler segments on the back of its standout product performance, strong sales and marketing outreach, environment-friendliness and consistent innovation.

The Company has continuously invested resources towards remaining abreast of the latest technologies and designs in a bid to stay ahead of the curve. Symphony retains a frugal engineering mindset with a constant focus on quality to offer products that are consistently ahead of its competitors.

Strategic marketing campaigns and widespread distribution networks enable the Company to reach out to untapped markets and make the most of the demand emerging across India.



A DECLINE IN
THE AIR COOLER
BUSINESS OVER A
CERTAIN PERIOD OF
TIME MAY PROVE TO
BE UNFAVOURABLE

Mitigation: Air coolers are an attractive alternative to air conditioners in terms of lower lifecycle costs and usage flexibility. Rising prosperity in India and increasing emphasis on environmental consciousness will ensure that the air cooler market will continue seeing attractive growth over the foreseeable future.

BOARD'S REPORT

Dear Shareholders,

It is our pleasure to present 28th Annual Report of the Company for the financial year ended on June 30, 2015.

1) A) Highlights of Results and State of Company's Affairs

(₹ in lac)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Revenue from Operations & Other Income	54,566	46,637	61,088	54,828
Profit before Financial Charges, Depreciation & Taxation	16,444	13,678	16,424	13,990
Less: Financial Charges	57	5	58	5
Less: Depreciation & Amortisation Expenses	213	115	410	382
Profit before Tax	16,174	13,558	15,956	13,603
Less: Income Tax	4,438	3,662	4,441	3,676
Less: Deferred Tax Liability	133	9	(37)	8
Less: Provision for tax of earlier years	(39)	-	(39)	(726)
Less: Loss from discontinuing operations	-	-	-	73
Profit after Taxation	11,642	9,887	11,591	10,572
Add: Balance as per last year Balance Sheet	17,475	12,908	18,825	13,573
Amount available for Appropriation	29,117	22,795	30,416	24,145
Transfer to General Reserve	-	-	-	-
Adjustment relating to Fixed Assets	7	-	7	-
Dividend and Dividend Tax (interim and proposed)	5,889	5,320	5,889	5,320
Balance carried to Balance Sheet	23,221	17,475	24,520	18,825

B) Key Financials as on June 30, 2015

Consolidated Financial Results

Your Company, with its subsidiaries, has a global presence. In order to provide an overall view of the comprehensive performance of the group, the Company has prepared consolidated accounts of the holding company and all its subsidiaries, in accordance with the accounting standards that are applicable. The consolidated gross revenue stood at ₹61,088 lac which grew by 11 % as compared to the consolidated total revenue of previous year. The profit after tax touched to ₹11,591 lac as compared to ₹10,572 lac in the previous year recording an increase of 10%.

The highlights of the key financials are as under:-

(₹ in lac except per share data)

Particulars	Standalone	Consolidated
Equity Share Capital	700	700
Net worth	29,019	32,836
Book Value Per Equity Share	83	94
Earning Per Share (EPS)	33.28	33.14
Investments	26,435	24,230
Contribution to Exchequer	13,399	14,755

There was no material change and commitment affecting the financial position which occurred between end of financial year to the date of this report.

2] Dividend

The Board has recommended final dividend of ₹10 (500%) per equity share having face value of ₹2 each subject to approval of members at ensuing annual general meeting for the financial year ended on June 30, 2015. Your Board of Directors had declared interim dividend of ₹4 (200%) per equity share having face value of ₹2 each. Thus aggregate dividend for the financial year ended on June 30, 2015 on approval at ensuing annual general meeting would be ₹14 (700%) per share as against ₹13 (650%) for the previous year. The total payout including final dividend for the financial year 2014-15 (including dividend distribution tax) would be ₹5,889 lac (previous year ₹5,320 lac) translating into a dividend payout of 51% (previous year 50%) on consolidated net profit which is consistent with Dividend Policy of the Company.

Dividend Policy

Symphony believes in maintaining a fair balance between dividend distribution and cash retention. Symphony has been conscious of the

need to sustain stability in its dividend payout. Symphony has decided to have a dividend payout of atleast 50% of profits (including dividend distribution tax) subject to business contingency or unforeseen cash requirements. Cash retention is required for future growth, probable acquisitions and to meet any unforeseen contingency. The Company has also practice of paying interim dividend since previous year.

3] Operations Review

During the year under review, your Company on standalone basis registered a gross turnover of ₹51,531 lac in 2014-15, a growth of 14% over ₹45,124 lac in 2013-14. During the year 2014-15, your Company continued to expand its domestic presence by widening its marketing network of distributors and dealers throughout the country with adequate warehousing infrastructure in all strategic locations in various parts of the country. Your Company has taken steps to revitalise the organisational structure of the marketing function to enable better penetration into the local market. Your Company has also initiated steps to strengthen its after sales service by appointing service franchisees and introducing a single nationwide customer care number. This will enable prompt

and efficient provision of after sales service, particularly to strategic locations in the country.

Your Company strengthened its leadership position in the air cooler industry through a consistent focus on new product development and innovation, making it possible to offer a wide range of air coolers with a variety of new features. Nearly 11 new models of air coolers with variety of features were introduced during the year. As a result of these measures, your Company now offers 40 models of air coolers to meet the requirements of a variety of customers.

To stimulate demand, your Company introduced aggressive advertisement and promotional campaigns over print, electronic and digital media. The intensity of the campaign can be seen from the 56% increase in the advertising spend over the previous year. The campaign aimed at bringing in new set of consumers who are currently fan users. This year's television campaigns generated 81% share of voice to Symphony in air cooler category. Your Company accounted for 69% of share of expenditure in print media in the air cooler category. Apart from this, the Company carried out successful radio campaign in around 40 cities in India, in-shop branding activities on a pan India basis in around 5000 retail outlets and deputed in-shop demonstrators in key retail outlets across the country. In addition, your Company also conducted 23 dealer meets across the country. As a result of these initiatives, the visibility of Symphony in retail stores in the domestic market increased significantly.

Consequently, your Company was able to consolidate its leadership position by

registering impressive growth both in terms of volumes and value of sales. Your Company continues to evaluate options to enlarge its capacity at present locations and also by tying up with new original equipment manufacturers at strategic locations in order to keep pace with growing demand. R & D initiatives are continued as an on-going process by your Company for introducing improved and new models with added features. Your Company together with its subsidiaries offers a complete range of air cooling solutions for all segments of customers.

Modern Trade

During the year under review, your Company continued to be aggressive in top line products sales through large format stores, retail chains, e-commerce portals and TV shopping channels. Your Company could maintain its number one position in modern trade, registering a healthy growth.

Your Company presented distinct range of models for e-commerce to have greater focus on this emerging sales channel and also to avoid any kind of model conflict between traditional trade and e-commerce. Your Company continued to widen its modern trade market network to enter with better space. Your Company now enjoys a significant portion of the sales through structured retail chain in the country.

Your Company believes that the Modern trade is increasing at a faster clip and is eager to exploit its potential.

Central Air Cooling Solutions

The Central Air Cooling Solutions business has been successfully established through a focus

on adequate representation by inducting the required manpower into this division and efforts to build a nation-wide dealer network.

During 2014-15, your Company has expanded dealer network and conducted a series of training programs. Your Company successfully bagged and executed orders at numerous sites including prestigious orders from Decathlon, Bharat Forge, Tata Motors, Phoenix Healthcare, etc. and continued to develop its prominent clientele covering different customer segments like auto industry, packaging, places of worship, FMCG, paint industry, logistics, warehouses, hospitals, distilleries and railways. Several customers have placed repeat orders demonstrating the trust that your Company and its products have been able to establish with them. Your Company continues to make inroads into this segment with approvals from some key opinion makers like HVAC consultants and big HVAC contractors. During the year under review, your Company initiated many business development activities through newspapers, journals, TV channels and participation in exhibitions.

The year also saw the launch of Packaged Air Coolers, which was the first of its kind in India. These compact, easy-to-install air coolers, meant for mid-size spaces such as commercial, industrial and residential areas, have been received very well in the market.

To accelerate the central air cooling business, your Company invested in a media campaign and launched a TV commercial in April, 2015. The campaign has been very well received and has resulted an increased awareness of Central Air Cooling Solutions vertical. Your Company

hopes to encash the benefits in the years to come.

Air Coolers - Overseas Business

Revenues from overseas business during the year under review remained at ₹5372 lac as against ₹5663 lac in previous year. The overall marginal de-growth in overseas business of the Company during the year under review over previous year was largely due to political turmoil in some of the key countries like Iraq, Syria, Egypt, Sudan etc. Your Company innovated and launched a new model "Silver" exclusively for international market. During the year under review, the Company successfully penetrated into newer markets like Nigeria, Uganda, Kenya and Ghana. Your Company registered good growth in business in the markets of U.K., South Africa, Qatar, Mauritania, Kuwait and Sri Lanka and foresees further openings and opportunities that are waiting to be tapped.

Your Company continued its focus on strategic and select markets including its focus on exports largely to MENA region, Latin America etc. Your Company continues to have several international quality certifications like CE, SASO, NOM, KuCAS, etc. which contribute access to other countries as well.

SEZ Units

During the year under review, the Company set up a new SEZ unit at Kandla Special Economic Zone, Gandhidham, Kutch, Gujarat. The Company has set up this unit in view of the bright prospects for growth in export business. The unit commenced its operations from April 22, 2015. The operations at the SEZ unit at Sachin near Surat, Gujarat remain satisfactory. It may be noted that the SEZ units

enjoy a number of benefits both from direct and indirect tax perspective including benefits under new foreign trade policy.

Branch at UAE

The Company has been exporting to various countries including Middle East and North Africa (MENA Region). To enhance its presence in MENA Region, the Company had last year opened a branch in United Arab Emirates (UAE) which has enabled the Company to increase its penetration in the region. However, the Company has now reached a stage in which such business can be handled in an effective manner directly from India. In view of the above, the Company has decided not to apply for renewal of the license of the branch in UAE. The exports to the said region remain unaffected.

Overseas Operations - Impco S. de R. L. de C.V, Mexico

Impco S. de R. L. de C. V., Mexico, (Subsidiary Company of Symphony Limited) manufactures and markets a variety of coolers. For the period under review, Impco suffered de-growth in sales and operations. This is mainly on account of delayed summer. However, the sales in July 2015 were substantially higher than the sales in corresponding period of 2014. Impco is exploring the possibility of introducing lean manufacturing operations. This is being explored to achieve the following objectives:

1. To have a capital light and asset light business model in line with Symphony's Indian operations.
2. Impco can focus more on sales and marketing, business development, research

and development, product innovation, etc.

3. To improve operational performance and provide flexibility in operations.
4. As a result, by monetising surplus assets, to become even internal-debt-free Company, (by paying off the parent Company's loans) and also further improving the profitability by savings on interest, depreciation, foreign exchange fluctuation and of other overheads.

This will happen over a period of time in phases.

4] Overseas Acquisition in China

Your Company has signed an Equity Transfer Agreement (ETA) with a Swedish Company Munters AB ("Munters"), shareholders of Munters Keruilai Air Treatment Equipment (Guangdong) Co. Ltd. (MKE), China, to acquire 100% of the equity share capital of MKE at a consideration of RMB 1.5 M (equivalent to approximately ₹1.55 Cr).

MKE is a market leading brand in China, producing energy-saving and environment-friendly evaporative air coolers under brand Keruilai having following strength:

Outstanding R & D: MKE owns more than 80 intellectual property rights (including 51 patents) with a large three-year innovation pipeline.

Premium Products: MKE comprises a wide range of premium commercial air coolers in addition to household air coolers.

Test Center: MKE's Test Center was built in accordance with US and Australian quality

standards, the only facility of its kind in Asia.

Manufacturing Facility: MKE has 32,850 sq. m leased manufacturing facility in Dongguan City, Wanjia District, Guangdong Province in Southern China about 2 hours by road from Hong Kong.

Knowledge Pool: MKE employs more than 140 competent and experienced employees, with its sales and marketing functions spread across several countries.

Brand: Keruilai is the only Chinese air cooler brand enjoying international recognition.

Business Model: MKE enjoys an asset-light business model with no debt or significant contingent liability. The Swedish owners introduced sound corporate governance, systems, processes and practices.

The acquisition will facilitate Symphony's access into China, among the largest air-cooler markets in the world after India. China has created a robust customer pull. Since China enjoys Free Trade Agreements with most ASEAN countries, the MKE acquisition will provide Symphony with better international access. MKE enjoys a strong R&D advantage. Its robust range of premium air coolers with commercial applications enjoys attractive international prospects. MKE's is an asset-free and debt-free business built around good governance and processes, similar to Symphony's business model. A number of components sourced from China are used in Symphony products. With MKE's knowledge of local sources, Symphony would enjoy the twin benefits of lower cost and enhanced quality.

Your Board is optimistic of turning around

MKE operations in the medium to long-term following the infusion of working capital beginning with ₹15 crores and peaking at ₹35 crores (including loss funding). The proposed turnaround strategy will focus around market penetration (China and global) as well as cost optimization (product, operational and overheads).

5] Awards & Recognitions

Year after year, your Company continues to receive recognition for its products and performance. During the year under review, your Company has been bestowed with Best Innovative Company Award in NavGujarat Business Awards (NavGujarat Samay, Gujarati Daily) of the Times of India Group.

6] Management Discussion and Analysis Report

Pursuant to clause 49 of the Listing Agreement, Management Discussion and Analysis Report for the financial year ended on June 30, 2015 is annexed to this annual report.

7] Corporate Governance

Your Company has instilled a strong culture of values, morals and integrity and has continuously sustained a cohesive way of thinking and commitment to action. The Company endeavors to be a sustainable and reliable organisation as it trusts that unrelenting governance is the cornerstone in building and upholding relations with all its stakeholders. The Company's association with its investors is a key factor of Corporate Governance. An enduring communication with investors and shared information about the Company in a regular and trustworthy way supports to form a transparent

relationship. It precisely chases a policy of 100% compliance with all statutory requirements and has a strong system to evaluate them. Your Directors contemplate in upholding the highest standards of answerability and intensely participate in overseeing risk and strategic management. The Board completely supports and endorses Corporate Governance practices in accordance with the provisions of clause 49 of the Listing Agreement and the report on Corporate Governance, as required under clause 49 of the Listing Agreement is annexed.

8] Subsidiaries

Your Company continues to have four subsidiary companies, i) Sylvan Holdings Pte. Ltd., Singapore, ii) Symphony Air Coolers Inc. USA, iii) Impco S. de R. L. de C.V, Mexico. (Impco) iv) Symphony USA Inc., USA. There is no material change in the nature of business of subsidiaries.

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 is forming part of the Annual Report. Pursuant to 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 AOC-1 is attached 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 statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statements, 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).

9] Auditors

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Company can appoint or re-appoint an audit firm as Auditor for two terms of five consecutive years. M/s. Shah & Dalal has been an Auditor of the Company for more than 10 years and therefore the Company is required to appoint another Auditor in their place by March 31, 2017.

The Board of Directors at its meeting held on August 13, 2015 has recommended appointment of M/s. Deloitte Haskins & Sells as an Auditor of the Company from conclusion of ensuing annual general meeting until the conclusion of thirty third annual general meeting of the Company, subject to ratification by the Members at every Annual General Meeting.

The Company has received a consent letter along with certificates from Auditor under provisions of the Companies Act, 2013, to the effect that their appointment, if made, would be within the prescribed limits and are not disqualified for appointment and further they

are independent of management.

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.

10] Cost Auditors

During the year, the Company was not required to appoint cost auditor.

The cost compliance report for financial year 2013-14 was filed by the Company on December 25, 2014 within prescribed time limit.

11] Corporate Social Responsibility

The annual report on Corporate Social Responsibility is enclosed as Annexure 1 pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy is displayed on website of the Company.

12] Secretarial Audit Report

As required under Section 204 of the Companies Act, 2013, the Board of Directors of your Company had appointed Mr. Ashwin Shah, practicing Company secretary, to conduct Secretarial Audit. The Secretarial Audit Report for the financial year ended on June 30, 2015 is annexed to Boards' 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.

13] Directors

The Nomination & Remuneration Committee and the Board of Directors of the Company at their respective meetings held on August 13,

2015 have appointed Mr. Naishadh Parikh and Mr. Darshan Patel as additional directors and they shall hold office till the ensuing annual general meeting of the Company and in respect of whom, the Company has received notices in writing from member of the Company proposing their candidature as Directors of the Company, is recommended for appointment at the ensuing Annual General Meeting as Non-Executive Independent Directors for five consecutive years commencing from August 13, 2015 and they shall not be liable to retire by rotation.

Ms. Jonaki Bakeri, the Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. Brief profile of aforesaid Directors, as required under clause 49 of the Listing Agreement, is annexed to the notice convening the 28th Annual General Meeting, which forms part of this Annual Report. Your directors recommend appointment/re-appointment of all above Directors.

14] Extract of Annual Return

As provided under Section 92(3) of the Companies Act, 2013, the extract of Annual Return in prescribed Form MGT - 9 is annexed herewith as Annexure 3.

15] Change of Financial Year and Shifting of Registered Office

Change of Financial Year

Pursuant to Section 2(41) and any other applicable provisions of the Companies Act, 2013, your Directors have decided to change financial year of the Company to end on 31st

March of every year and accordingly, the current financial year of the Company will consist of nine months i.e. from July 1, 2015 to March 31, 2016.

Shifting of Registered Office

During the year under review, the Registered Office of the Company has been shifted to Symphony House, Third Floor, FP-12, TP-50, Off S.G. Highway, Bodakdev, Ahmedabad – 380 054. This new office has brought all functions of the Company at one location so as to enhance operational efficiencies, cost effectiveness and better synergies. This building is a highly functional building and has been designed as per the highest standards of energy efficiency in accordance with the Company's ethos of environmental sustainability.

16] 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 June 30, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (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.

17] Meetings of the Board

Eight Meetings of the Board of Directors of the Company were held during the year under review. The details of meeting of Board are reported under Corporate Governance Report which is annexed to Board's Report.

18] Declaration by Independent Directors

Mr. Dipak Palkar, Mr. Himanshu Shah, Mr. Satyen Kothari, Mr. Naishadh Parikh and Mr. Darshan Patel being 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.

19] Nomination & Remuneration Policy

The Company has framed Nomination & Remuneration Policy for appointment of

directors and senior management personnel, their remuneration and evaluation of directors and Board. The details of said policy is reported under Corporate Governance Report.

20] Particulars of loans, guarantees or investments

The liquidity position of your Company is fairly comfortable and therefore the surplus funds are invested to generate return. As required under Section 186(4) of the Companies Act, 2013, the following is the full details of investments made or loans provided during the year under review:

Sr. No.	Name of Entity	Relation	Aggregate amount of investments made / loan provided during the year (₹ In crore)	Purpose for which loans proposed to be utilized
1	Impco S. de R. L. de C.V	Subsidiary	3.40	Working Capital Requirement
2	11% Perpetual Bond of Bank of India	-	10.00	-
3	8.26% Tax Free Bond of India Infrastructure Finance Company Limited	-	10.68	-
4	10.75% Perpetual Bond of IDBI Bank	-	10.00	-
5	7.40% Tax Free Bond of India Infrastructure Finance Company Limited - 2033	-	9.99	-
6	10.40% Perpetual Bond of Vijaya Bank	-	4.98	-
7	8.46% Tax free bond of Power Finance Corporation Limited	-	16.54	-
8	8.46% Tax free bond of National Housing Bank	-	16.55	-
9	8.66% Tax free bond of India Infrastructure Finance Company Limited	-	9.58	-
10	8.01% Tax free bond of Rural Electrification Corporation Limited	-	9.49	-

Sr. No.	Name of Entity	Relation	Aggregate amount of investments made / loan provided during the year (₹ In crore)	Purpose for which loans proposed to be utilized
11	DCW Limited	-	13.00	General business purpose
12	Hikal Limited	-	5.00	General business purpose
13	Mukand Limited	-	5.00	General business purpose
14	Anil Limited	-	5.00	General business purpose
15	Bombay Dyeing and Mfg. Co. Limited	-	5.00	General business purpose
16	Dishman Pharmaceuticals & Chemicals Limited	-	5.00	General business purpose

Note: Inter corporate deposits provided serial number 11 to 16 fully received back on respective due dates

21] Particulars of contracts or arrangements with related parties:

The particulars of contracts or arrangements with related parties as per Section 188(1) of the Companies Act, 2013, in prescribed in Form AOC-2 is given as Annexure 4 to the Annual Report.

22] Risk Management

The Company is aware of the risks associated with its business. It regularly analyses and takes corrective actions for managing / mitigating the same. Periodically, the Company 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.

23] Annual Performance Evaluation

Pursuant to provisions of the Companies Act,

2013, the Board of Directors has carried out annual performance evaluation of its own performance, its committees and all directors of the Company. The Nomination and Remuneration Committee has also reviewed performance of Board and all directors of the Company as required under the Companies Act, 2013 and the Listing Agreement.

Criteria for evaluation of Board and Committee

Broadly covers composition & quality, meeting procedures, strategy, management relations, succession planning, functions, duties, etc.

Criteria for evaluation of Directors

Broadly covers participation at meetings, knowledge & skill, personal attributes, leadership & quality, strategy, formulation and execution, planning & execution, human resource management/relations, product/service knowledge and so on.

24] Audit Committee

The Company has already constituted Audit Committee comprising Mr. Dipak Palkar, Chairman, Mr. Himanshu Shah and Mr. Nrupesh Shah, Members. As per section 177(8) of the Companies Act, 2013, the Board has accepted all the recommendations of the Audit Committee during the financial year 2014-15.

25] Vigil Mechanism

The Company has already established vigil mechanism to provide adequate safeguard against victimization and to direct access to Chairman of Audit Committee in appropriate case. This mechanism is available on website of Company.

26] 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.

27] Particulars of Employees

In pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, information of directors/employees of the Company are set out as Annexure 5 to the Board' Report.

28] Internal Financial Controls and its adequacy

The Company has devised an internal control system across the various functions of the Company and the same is reviewed by the Statutory Auditor and Internal Auditor at regular intervals.

There is a centralized ERP system with user rights given on "need-to-know" basis and there are "maker-checker" concept in each transaction entered in the system. All payments are subject to pre-authorisation as well pre-audit.

29] 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. 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 during the year.

30] Deposit

The Company has not accepted any deposit during the year under review and no unclaimed deposits or interest was outstanding as on June 30, 2015.

31] Insurance

The insurable interests of the Company including building, plant & machinery, stocks, vehicles, and other insurable interests like loss of profits, directors & officers' liability etc. are adequately covered.

32] Conservation of Energy Technology Absorption and Foreign Exchange Earnings and Outgo

As required under 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 6.

33] Acknowledgments

Your Directors wish to express their appreciation of the committed services by employees at all levels. Your Directors also wish to place on record their deep sense of appreciation for the valued support & co-operation by OEMs, distributors, dealers, service franchisees, suppliers, C&FAs, bankers and all other stakeholders of the Company and look forward to their continued association with the Company. The Company will make every effort to meet the aspirations of its Shareholders.

For and on behalf of the Board

Place : Ahmedabad
Date : August 13, 2015

Achal Bakeri
*Chairman and
Managing Director*
DIN - 00397573

Annexure 1

Corporate Social Responsibility

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

We, at Symphony, are always committed to provide society with environment friendly products which consumes less energy and no harmful emissions. Symphony 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.

2. The composition of the CSR Committee: Mr. Himanshu Shah, Chairman (Independent Director) Mr. Achal Bakeri and Mr. Nrupesh Shah, Members
3. Average net profit of the Company for last three financial years: ₹100.97 crore
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹2.02 crore
5. Details of CSR spent during the financial year
 - (a) Total amount to be spent for the financial year: ₹2.02 crore
 - (b) Amount unspent, if any: ₹2.02 crore
 - (c) Manner in which the amount spent during the financial year: Since no amount towards CSR is spent during the year under review, no information is given.
6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

The Board of Directors has already constituted Corporate Social Responsibility Committee. This being the first year, the Company is exploring various options to contribute toward CSR activities which will give ultimate benefit to the society.
7. A responsibility statement of the CSR Committee that the implementations and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company:

We confirm that the Company will implement and monitor CSR Policy in compliance with CSR objectives and Policy of the Company

(Himanshu Shah)
Chairman CSR Committee
DIN - 02644454

(Achal Bakeri)
Chairman & Managing Director
DIN - 00397573

Place: Ahmedabad
Date: August 13, 2015

Annexure 2

SECRETARIAL AUDIT REPORT

FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED 30th June 2015

Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To

The Members,
Symphony Limited

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 30th June 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 30th June 2015 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 Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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, 1992;

vi. Following other laws as applicable to the Company

1. The Special Economic Zones Act, 2005
2. Special Economic Zones (Customs Procedures) Regulations, 2003

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. (Not applicable as not notified during the period under review).
- ii. The Listing Agreements entered into by the Company with Stock Exchanges;

During the period under review and as per the explanations and clarification given to us and the representation made by the Company, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. However, the Company has an unspent amount during the year towards corporate social responsibility.

The company was not required to comply with the provision of other regulation listed in the Form No. MR-3 prescribed under the companies Rules, 2014 as there were no instance / events falling within the purview of these regulations during the financial year.

I 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 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has

1. Passed a special resolution for alteration of Articles of Association in the Annual General Meeting held on 24th September 2014.

CS Ashwin Shah

Place : Ahmedabad

Company Secretary

Date : 05th August, 2015

C. P. No. 1640

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

‘ANNEXURE A’

To
The Members,
Symphony Limited

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 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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.

Place : Ahmedabad
Date : 05th August, 2015

CS Ashwin Shah
Company Secretary
C. P. No. 1640

Annexure 3

FORM MGT - 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on June 30, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L32201GJ1988PLC010331
ii)	Registration Date	February 5, 1988
iii)	Name of the Company	Symphony Limited
iv)	Category / Sub-Category of the Company	Public company having share capital
v)	Address of the Registered office and contact details	Symphony House, Third Floor, FP-12, TP-50, Off S.G. Highway, Bodakdev, Ahmedabad – 380 054 Tele: +917966211111
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services (India) Private Limited 416-420, 4th floor, Devendra Mall, Nr. Sanyash Ashram, Nr. M. J. Library, Ellisbridge, Ahmedabad – 380006 Tele: +917926582381-84

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Air Coolers	27900	98.33

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Symphony Air Coolers Inc. 11001 North 24th Avenue, Suites 601-602, phoenix, AZ 85029, USA	-	Subsidiary	100.00	2(87)
2	Sylvan Holdings Pte. Ltd 80 Raffles Place, #26-01 UOB Plaza 1, Singapore 048624	-	Subsidiary	100.00	2(87)
3	Impco S. de R. L. de C.V. Avenida Miguel Aleman 6061 Col. America Guadalupe N.L. Mexico C.P. 67130	-	Subsidiary	0.10	2(87)
4	Symphony USA Inc 6520 N. 7th ST. Suite 235 Phoenix, Arizona 85014	-	Subsidiary	-	2(87)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual/HUF [Note 1]	19,992,270	0	19,992,270	57.16	18,412,910	0	18,412,910	52.64	(4.52)
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	6,241,600	0	6,241,600	17.84	6,241,600	0	6,241,600	17.84	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	26,233,870	0	26,233,870	75.00	24,654,510	0	24,654,510	70.48	(4.52)
(2) Foreign									
a) NRIs - Individuals [Note 1]	0	0	0	0	1,579,360	0	1,579,360	4.52	4.52

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	1,579,360	0	1,579,360	4.52	4.52
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	26,233,870	0	26,233,870	75.00	26,233,870	0	26,233,870	75.00	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	734,906	21,500	756,406	2.16	710,986	21,500	732,486	2.09	(0.07)
b) Banks / FI	4,559	0	4,559	0.01	14,671	0	14,671	0.04	0.03
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	1,228,579	3,000	1,231,579	3.52	1,962,772	0	1,962,772	5.61	2.09
h) Foreign Venture Capital Funds		0	0	0	0	0	0	0	0
i) Foreign Portfolio - Corporate	0	0	0	0	587,445	0	587,445	1.68	1.68
Sub-total (B)(1):-	1,968,044	24,500	1,992,544	5.70	3,275,874	21,500	3,297,374	9.43	3.73
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2,786,587	3,000	2,816,587	8.05	1,795,928	26,000	1,821,928	5.21	(2.84)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	1,907,601	1,073,675	2,981,276	8.52	1,836,827	848,150	2,684,977	7.68	(0.85)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	648,262	0	648,262	1.85	327,313	0	327,313	0.94	(0.92)
c) Others (specify)									
i) Non Resident (Not-Rep)	26,680	0	26,680	0.08	25,008	0	25,008	0.07	(0.00)
ii) Non Resident (Rep)	131,025	140,000	271,025	0.77	97,691	120,500	218,191	0.62	(0.15)
iii) Clearing Members	7,656	0	7,656	0.02	82,688	0	82,688	0.24	0.21
iv) Trust	600	0	600	0.00	180	0	180	0.00	(0.00)
v) Executive Director, Spouse, Fathers' HUF and Independent Director [Note 2]	0	0	0	0	286,971	0	286,971	0.82	0.82
Sub-total (B)(2):-	5,508,411	1,216,675	6,752,086	19.30	4,452,606	994,650	5,447,256	15.57	(3.73)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	74,76,455	12,41,175	87,44,630	25.00	77,28,480	10,16,150	87,44,630	25.00	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	33,710,325	1,241,175	34,978,500	100.00	33,962,350	1,016,150	34,978,500	100.00	0
Note									
1	During year, status of Ms. Hirva Bakeri (younger daughter of Mr. Achal Bakeri, CMD), holding 15,79,360 equity shares (4.52%) changed to Non-Resident								
2	<p>(A) Executive Director: Total 6,99,902 equity shares (2.00%) held by himself, spouse, two bodies corporate in which Mr. Nrupesh Shah, Executive Director, is substantially interested as a partner and father's HUF. These have been reported in Annual Reports. Mr. Nrupesh Shah is not a promoter director and hence holding classified under 'Others' category. The break up is as under:</p> <p>(i) 4,13,431 equity shares held by two bodies corporate in which Mr. Nrupesh Shah is substantially interested have been classified under "Bodies Corporate" category.</p> <p>(ii) 2,86,471 equity shares in aggregate held by himself, spouse and father's HUF classified under 'Others'.</p> <p>(B) Independent Director: includes 500 equity shares held by Mr. Himanshu Shah, Independent Director which have been reported in Annual Reports.</p>								

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total hares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total hares	
1	Achal Anil Bakeri	14,631,800	41.83	0	1,463,1800	41.83	0	0
2	Oras Investments Pvt Ltd	3,221,800	9.21	0	3,221,800	9.21	0	0
3	Paratam Investments Pvt Ltd	3,019,800	8.63	0	3,019,800	8.63	0	0
4	Jonaki Achal Bakeri	1,579,360	4.52	0	1,579,360	4.52	0	0
5	Hirva Achal Bakeri	1,579,360	4.52	0	1,579,360	4.52	0	0
6	Achal Anil Bakeri HUF	1,200,000	3.43	0	1,200,000	3.43	0	0
7	Pavan Bakeri	602,000	1.72	0	602,000	1.72	0	0
8	Rupa Achal Bakeri	389,750	1.11	0	389,750	1.11	0	0
9	Hansa Bakeri	10,000	0.03	0	10,000	0.03	0	0
Total		26,233,870	75.00	0	26,233,870	75.00	0	0

iii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year (July 1, 2014)		Cumulative Shareholding during the year (June 30, 2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	During the year, there is no change in Promoters' shareholding.			
3	At the End of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of Members	Shareholding at the beginning of the year (July 1, 2014)		Cumulative Shareholding during the year (June 30, 2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Rowenta Networks Private Limited	15,41,475	4.41	9,98,800	2.85
2	Matthews India Fund	11,26,560	3.22	11,26,560	3.22
3	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Long Term Equity Fund	3,67,006	1.05	3,98,171	1.14
4	Neelam Professionals LLP* (earlier known as Neelam Fiscal Pvt Ltd.)	3,20,000	0.91	1,38,431	0.4
5	DSP Blackrock Micro Cap Fund	3,06,287	0.88	2,04,230	0.58
6	Nabab Consultants LLP* (earlier known as Nabab Investment Pvt Ltd.)	2,75,000	0.79	2,75,000	0.79
7	Chandravadan B Shah (HUF)*	2,59,265	0.74	2,51,231	0.72
8	Ashish Kacholia	1,21,650	0.35	71,458	0.20
9	Gita Dolar Mehta	1,08,558	0.31	50	0.00
10	N S Raghavan	1,02,492	0.29	61,356	0.17

* Shares held by two bodies corporate in which Mr. Nrupesh Shah, Executive Director, is substantially interested as a partner and father's HUF Due to daily trading in shares of the Company, the date wise increase / decrease in shareholding during the year is not disclosed.

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name of Directors	Shareholding at the beginning of the year (July 1, 2014)		Cumulative Shareholding during the year (June 30, 2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Achal Bakeri	1,46,31,800	41.83	1,46,31,800	41.83
2	Mr. Nrupesh Shah	32,740	0.09	32,740	0.09
3	Mr. Himanshu Shah	500	0.001	500	0.001

v) INDEBTEDNESS Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

	Secured Loans	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
Change in Indebtedness during the financial year	-	-	-	-
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Whole-time Director

(₹ in lac)

Sl. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount
1	Gross salary	Mr. Achal Bakeri, Chairman and Managing Director	Mr. Nrupesh Shah, Executive Director	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37.69	19.25	56.94
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29	0.22	0.51
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock option	-	-	-
3	Sweat equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify...	-	-	-
5	Profits linked performance incentive	150.00	90.00	240.00
	Total (A)	187.98	109.47	297.45
Ceiling as per the Act				1,487.06

B. Remuneration to other directors:

(₹ in lac)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Mr. Himanshu Shah	Mr. Dipak Palkar	Mr. Satyen Kothari	-
	Fee for attending board / committee meetings	1.90	1.50	0.80	4.20
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	1.90	1.50	0.80	4.20
	Other Non-Executive Directors	Ms. Jonaki Bakeri	-	-	-
	Fee for attending board / committee meetings	1.00	-	-	1.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	1.00	-	-	1.00
	Total (B)=(1+2)				5.20
	Total Managerial Remuneration				297.45
	Overall Ceiling as per the Act				1,487.06

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ in lac)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Chandrakant Gandhi, Company Secretary	Mr. B.V. Mehta, CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.82	27.11	37.93
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.22	-	0.22
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit			
	others, specify...	-	-	-
5	PF, gratuity and others	4.87	6.63	11.50
	Total	15.91	33.74	49.65

VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS					
Penalty					
Punishment			None		
Compounding					

Annexure 4

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

- Details of contracts or arrangements or transactions not at arm's length basis:
Symphony Limited has not entered into any contract or arrangement or transactions with related parties which is not at arm's length basis.
- Details of contracts or arrangement or transactions at arm's length basis:

Sl. No.	Name of Related Party	Nature of Relationship	Nature of Contract / Arrangement / Transaction	Duration of the contracts	Salient Terms	Date of Approval by the Board	Amount paid as Advance, if any
1	Impco S. de R. L. de C.V	Subsidiary	Purchase / Sale of Goods	On-going	As per Transfer Pricing guidelines	April 28, 2014 and April 21, 2015	-
2	Impco S. de R. L. de C.V	Subsidiary	Purchase of Moulds	One time	As per Transfer Pricing guidelines	Not Applicable	-
3	Oras Investments Pvt. Ltd.	Enterprise in which Directors are interested / concerned	Rent Expenses	Ended on June 30, 2015	As per Agreement	April 28, 2014 and April 21, 2015	-
4	Paratam Investments Pvt. Ltd.	Enterprise in which Directors are interested / concerned	Rent Expenses	Ended on June 30, 2015	As per Agreement	April 28, 2014 and April 21, 2015	-

Sl. No.	Name of Related Party	Nature of Relationship	Nature of Contract / Arrangement / Transaction	Duration of the contracts	Salient Terms	Date of Approval by the Board	Amount paid as Advance, if any
5	Scarlet Living Pvt. Ltd.	Enterprise in which Directors are interested / concerned	Purchase of Capital Goods	Concluded	As per Transfer Pricing guidelines	April 28, 2014	-
6	Scarlet Living Pvt. Ltd.	Enterprise in which Directors are interested / concerned	Godown Rent Expenses	Concluded	As per Transfer Pricing guidelines	April 28, 2014	-
7	Bakeri Projects Pvt. Ltd.	Enterprise in which Director is interested / concerned	Sale of Immovable Property	One time	Sold at more than Fair Market Value	April 21, 2015	-

For and on behalf of the Board

Achal Bakeri

Chairman & Managing Director

DIN - 00397573

Place: Ahmedabad

Date: August 13, 2015

Annexure 5

A. DETAILS PERTAINING TO REMUNERATION 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

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 and KMP	Remuneration		% increase in remuneration	Ratio to median remuneration
		2013-14 (₹in lac)	2014-15 (₹in lac)		
	Managing Director & Executive Director				
	Mr. Achal Bakeri, Chairman & Managing Director	187.15	187.98	0.44	42.35
	Mr. Nrupesh Shah, Executive Director	96.71	109.47	13.19	24.66
	Non-Executive Directors*				
	Mr. Dipak Palkar, Independent Director	0.83	1.50	80.72	0.34
	Mr. Himanshu Shah, Independent Director	1.30	1.90	46.15	0.43
	Mr. Satyen Kothari, Independent Director	-	0.80	#	0.18
	Ms. Jonaki Bakeri, Non-Executive Director	-	1.00	#	0.23
	Key Managerial Personnel				
	Mr. Bhadresh Mehta, Chief Financial Officer			22.06	Not Applicable
	Mr. Chandrakant Gandhi, Company Secretary			11.64	
	*Non-Executive Directors are paid only sitting fees for attending meetings of Board and Audit Committee.				
	# Not comparable as appointed on August 20, 2014.				
2	The percentage increase in the median remuneration of employees in the financial year: 20.16%				
3	The number of permanent employees on the rolls of Company as on June 30, 2015: 416				
4	The explanation on the relationship between average increase in remuneration and Company performance:				
	The profit before tax for the financial year ended on June 30, 2015 increased by 19.30% whereas the average increase in remuneration was 18.69%. The average increase in remuneration was in line with the performance of the Company.				

5 **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

The profit before tax increased by 19.30% in financial year 2014-15 where the total remuneration of Key Managerial Personnel increased by 5.61%.

6 **Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year:**

Market Capitalisation (₹ in crore)

Particulars	June 30, 2015	June 30, 2014	% change
Market Capitalisation	7,412.29	3,480.54	112.96
Price Earning Ratio	63.67	35.20	80.81

Particulars	June 30, 2015	January, 1994 (IPO)*	% Change
Market Price (BSE)	2,116.85	9	23520.55
Market Price (NSE)	2,119.10	9	23545.55

*Adjusted sub-division of share each having face value ₹10 into 5 shares having face value ₹2 in year 2012.

At the time of IPO in January 1994, face value of share was ₹10.

7 **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Increase in remuneration of employees other than Managerial Personnel is 21.01% and increase in remuneration of Managerial Personnel is 4.78%. 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 based on overall performance of the Company.

8	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company: The details are already given in Point No. 1 and 5 hereinabove.
9	The key parameters for any variable component of remuneration availed by the directors: The Chairman & Managing Director and Executive Director of the Company are entitled to profit linked incentive as per the approval of the members at their annual general meeting.
10	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None
11	We affirm that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Achal Bakeri

Chairman & Managing Director

DIN - 00397573

Place: Ahmedabad

Date: August 13, 2015

B. STATEMENT CONTAINING THE PARTICULARS OF EMPLOYEES IN ACCORDANCE WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULE, 2014:

Information showing names and other particulars of employees who were employed throughout the year and were in receipt of remuneration in aggregate of not less than ₹60,00,000/- for financial year:

Name of Employee	Designation	Remuneration (₹ in lac)	Nature of employment	Qualifications and Experience	Date of commencement of employment	Age	Last employment held by before joining the company	% of equity shares held by the employee in the Company in terms of Rule 5(2) (iii)	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
Mr. Achal Bakeri	Chairman and Managing Director	187.98	Contractual	Architect, MBA (University of Southern California) and having experience of 29 years	05.02.1988	55	-	Not Applicable	Ms. Jonaki Bakeri, Non-Executive Director, is daughter of Mr. Achal Bakeri
Mr. Nrupesh Shah	Executive Director	109.47	Contractual	B.Com., FCA, CS and having experience of 27 years	19.10.2002	50	Amtrex Appliances Ltd. [now known as Hitachi Home And Life Solutions (India) Limited]	Not Applicable	Not Applicable

Information showing names and other particulars of employees who were employed for part of the year and were in receipt of remuneration in aggregate of not less than ₹5,00,000/- per month: None

Annexure 6

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 June 30, 2015.

(A) Conservation of Energy

(i) Steps taken or impact on conservation of energy:

- Constant endeavor made to replace metallic components by global specialty plastics.
- Completely changed the electrical distribution system viz. L T Panels, cable routing etc.
- Replacement of ballasts (chokes) by more efficient ones.
- Reduction of inwards and online inspection by bringing manufacturing procedures under statistical quality control [SQC].
- Avoidance of night shifts due to increased productivity during day shifts.
- Design of new moulding tools for higher productivity and thereby reduced processing power requirement per piece.
- Redesigning the product and packaging dimensions to allow optimum quantity of transportation per truck or container. This leads to lower fuel consumption per piece.
- Designing of Motor (Most critical part of coolers) to consume minimum power. Power Saver Technology.
- Use of Dura pump technology which automatically senses its non usage and cuts off the power supply to save power as well as the component.
- Lead free PCB developed, for saving the environment and thus energy.
- Development of smaller and more efficient pumps

- Usage of lesser electric consuming pumps in various models.

- Incorporating new sensor to close pump running when not required and hence saving electricity.

(ii) Steps taken by the Company for utilising alternate sources of energy
Nil

(iii) Capital investment on energy conservation equipment
Nil

(B) Technology Absorption:

(i) The Efforts made in technology absorption

- Constant R & D efforts directed towards product improvement, new product development, enhancement of features of existing products, cost reduction, automation, OEMs, development, environmental friendly products, import substitute and energy efficient products.
- In house development of aesthetically designed full plastic body air coolers/ storage.
- In house testing of all types of plastic materials for their development, credibility and usability.
- Intelligent Electronic components with user friendly features.
- Revolutionary water distribution technology.
- Special Plastic alloy developed for the fan blades which has drastically reduced its breakage.
- LCD display technology in coolers.
- Introduction of Power PCB to work even in fluctuating voltage in various parts of the country

- Introduction of systematic Symphony Design Process for designing more efficient products
 - Training to Design & Development team in Advanced Computer Aided Design CAD application.
 - Procurement of latest CAD hardware and software.
 - Development, Installation and Implementation of comprehensive computerised Management Information System (MIS) on Web enabled software.
 - Computerisation of entire factory operation from Production Planning to despatch.
 - Computerisation and connectivity of all CFA through ERP software.
 - Establishment of intensive technical and prototype library.
 - Regular specialised training to key managerial personnel at reputed institutions.
 - Regular in house training by faculty drawn from reputed Research Institutions and specialised suppliers.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution
- Reduced part/component replacement in field.
 - Enhanced customer satisfaction.
 - Improvement in quality and reliability.
 - Cost Reduction.
 - Improvement in productivity.
 - Reduction in Wastage/Rework
 - New product Development as well as enhancement of features in existing products resulting in higher sales and market shares.
 - Improved serviceability and improved field service
 - 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 own proven technology which is duly tested and approved. However, certain critical tools & moulds have been imported.

(iv) Expenditure incurred on Research and Development

(₹ in lac)

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
1. Revenue	206	162	218	183
2. Capital	19	14	19	14
3. Total	225	176	237	197
4. Total R & D expenditure (as % of turnover)	0.44	0.39	0.41	0.37

3] Foreign Exchange Earnings and Outgo:

Details of actual outgo and earnings in foreign currencies are given under Note 43 to 44 standalone financial statements.

CORPORATE GOVERNANCE REPORT

We, at Symphony, are always accountable to stakeholders of the Company as part of corporate governance. We are committed to the highest standards of Corporate Governance and strive to improve with our standards with evolving of time. We always run our business operations efficiently with the highest degree of accountability and transparency in all its transactions.

The Company has complied with the requirements of the Corporate Governance as enumerated in clause 49 of the Listing Agreement.

(A) BOARD OF DIRECTORS

1. The Board of Directors consists of 6 directors with an executive chairman as of

June 30, 2015 and of which 50% directors are non-executive independent directors which is in line with requirement of clause 49 of the Listing Agreement. The Board is headed by Mr. Achal Bakeri, Chairman and Managing Director, who is also promoter. The Board does not have any nominee director as on June 30, 2015.

2. The names and category of the directors, number of board meeting held and attended by directors, number of directorship held in other public company, number of committee chairmanship / membership held in other public company, attendance at last annual general meeting and number of shares held as on June 30, 2015 are given below:

Name of Director	Category	No. of Board Meeting held during the year	No. of Board meeting attended during the year	No. of directorship held in other public companies	No. of committee chairmanship / membership held in other public companies	Attended last AGM	No. of shares held as on June 30, 2015
Mr. Achal Bakeri &	Chairman & Managing Director	8	8	-	-	Yes	2,62,33,870#
Mr. Nrupesh Shah	Executive Director	8	8	-	-	Yes	6,99,902*
Mr. Himanshu Shah	Non-Executive Independent Director	8	8	-	-	Yes	500
Mr. Dipak Palkar	Non-Executive independent Director	8	6	-	-	Yes	-

Name of Director	Category	No. of Board Meeting held during the year	No. of Board meeting attended during the year	No. of directorship held in other public companies	No. of committee chairmanship / membership held in other public companies	Attended last AGM	No. of shares held as on June 30, 2015
Mr. Satyen Kothari §	Non-Executive independent Director	5	4	-	-	Yes	-
Ms. Jonaki Bakeri ^	Non-Executive Director	5	5	-	-	Yes	2,62,33,870#

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

Mr. Achal Bakeri and Ms. Jonaki Bakeri are part of promoter group which holds 75% of total share capital of the Company

*includes shares held by himself, his spouse, bodies corporate in which he is substantially interested as a partner and father' HUF.

§ appointed as an additional and independent director w.e.f. August 20, 2014

^ appointed as an additional and non-executive director w.e.f. August 20, 2014 and she is daughter of Mr. Achal Bakeri

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

- During the year, the Board met eight times on following dates:

July 22, 2014, July 31, 2014, August 20, 2014, September 24, 2014, October 14, 2014, January 17, 2015, March 24, 2015 and April 21, 2015.

- The Company has a system to circulate and provide adequate information to the Board, including as required under Annexure X of clause 49 of the Listing Agreement to enable the Board to take informed decisions.
- The Board meets at least once a quarter with the gap between two meetings not exceeding 120 days.

- 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.
- Roles of various constituents of Corporate Governance in the Company

(i) Board of Directors

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 chairman and managing director is to provide leadership to the Board and the senior executive team for realising 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 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

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 the Board with valuable inputs.

(B) 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. 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 2014-15:

I hereby confirm that all directors and senior management persons have affirmed compliance with the code of ethics and business conduct for the financial year ended on June 30, 2015.

Achal Bakeri

Place : Ahmedabad

Chairman and

Date : August 13, 2015

Managing Director

(C) AUDIT COMMITTEE

1. The Board has already constituted Audit Committee under Listing Agreement which is in line with section 177 of Companies Act, 2013. The terms of reference of Audit Committee are as per Companies Act, 2013 and Listing Agreement which broadly covers following:

- (i) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (ii) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of

the statutory auditor and the fixation of audit fees.

- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (iv) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting

- a) Management discussion and analysis

- of financial condition and results of operations.
- b) Statement of significant related party transactions submitted by management.
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - d) Internal audit reports relating to internal control weaknesses.
 - e) The appointment, removal and terms of remuneration of the chief internal auditor.
- (xvi) To recommend appointment and remuneration of cost auditor.
 - (xvii) To review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - (xviii) Approval or any subsequent modification of transactions of the Company with related parties.
 - (ixx) Scrutiny of inter-corporate loans and investments.
 - (xx) Valuation of undertakings or assets of the Company, wherever it is necessary.
 - (xxi) Evaluation of internal financial controls and risk management systems.
 - (xxii) Any other matter as specified under Companies Act, 2013 and Rules made thereunder.
2. The composition of Committee consists of Mr. Dipak Palkar, Chairman, Mr. Himanshu Shah and Mr. Nrupesh Shah, as members.

All members of Committee are financially literate as specified in Clause 49 of Listing Agreement. The Company Secretary acts as secretary to the Committee.

3. The Committee has freedom to invite executives, as it considers appropriate, (and 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.
4. Mr. Dipak Palkar being Chairman of Committee has attended last annual general meeting held on September 24, 2014.
5. The meeting of Committee held and attended by members are shown below:

Date of meeting	Attendance
July 31, 2014	3
October 14, 2014	3
January 17, 2015	3
April 21, 2015	3

(D) Nomination and Remuneration Committee

1. The Board has constituted a Nomination and Remuneration Committee pursuant to Section 178 of Companies Act, 2013, and Listing Agreement. The terms of reference of the Committee are as per Companies Act, 2013 and Listing Agreement, which broadly covers 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 their appointment and removal.
 - (v) Any other terms of reference as per the Companies Act, 2013.
2. The composition of Committee consists of Mr. Dipak Palkar, Chairman, Mr. Himanshu Shah and Mr. Satyen Kothari, as members.
 3. During the year under review, one meeting of the Committee was held wherein all three members of the Committee were present.

4. Nomination and Remuneration Policy

4.1 Appointment

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

4.2 Evaluation

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

4.3 Removal

Subject to provision of the Companies Act, 2013 and policy of 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.

4.4 Policy on Remuneration

- 4.4.1 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.
- 4.4.2 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.

5. The details of remuneration paid to chairman and managing director and executive director are as under: (₹ in lacs)

Name of Director	Salary	Profit linked performance incentive	Perquisites	Total
Mr. Achal Bakeri	37.69	150.00	0.29	187.98
Mr. Nrupesh Shah	19.25	90.00	0.22	109.47

6. Details showing sitting fees paid to non-executive directors are as under: (in ₹)

Name of Directors	Sitting Fees	
	Board Meeting	Audit Committee
Mr. Himanshu Shah	1,60,000	30,000
Mr. Dipak Palkar	1,20,000	30,000
Mr. Satyen Kothari	80,000	-
Ms. Jonaki Bakeri	1,00,000	-

7. During the year, there is no pecuniary relationship or transaction of the non-executive directors vis-a-vis the Company. There are no stock options issued by the Company.

(E) Stakeholders Relationship Committee

The Board has constituted a Stakeholders Relationship Committee pursuant to Section 178 of Companies Act, 2013, and Listing Agreement.

- The terms of reference of Committee are to consider and resolve grievances of security holders of the Company.
- The composition of Committee consists of Mr. Himanshu Shah, Chairman, Mr. Dipak Palkar and Mr. Nrupesh Shah, as members.
- Mr. Chandrakant Gandhi, Company Secretary, is compliance officer of the Company.
- During the year, Committee met for ten times.
- All correspondence / queries are replied to satisfaction of members. The status of members complaints received and resolved during the year is as under:

Opening balance	Received	Resolved	Closing balance
Nil	26	26	Nil

(F) Other Committees

1. **Corporate Social Responsibility Committee**

- The Board has constituted a Corporate Social Responsibility Committee pursuant to Section 135 of the Companies Act, 2013, comprising Mr. Himanshu Shah, Chairman, Mr.

Achal Bakeri and Mr. Nrupesh Shah, as members.

(b) The terms of reference of Committee are as under:

- (i) 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.
- (ii) to recommend the amount of expenditure to be incurred on the activities.
- (iii) to monitor the corporate social responsibility policy of the Company from time to time.

2. Separate Meeting of Independent Directors

During the year, a separate meeting of independent directors was held on January 17, 2015 in which all independent directors were present. In this meeting, they have discussed and reviewed the following:

- (i) Performance of non-independent directors and the Board as a whole.
- (ii) Performance of the Chairman of the Company, taking into account the views of Executive Directors and non-executive directors.
- (iii) Evaluation of quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(G) General Body Meeting

1. Annual General Meeting

Financial year	Date of AGM	Venue	Time	Special resolution passed at AGM
2011-12	November 30, 2012	Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	10.00 a.m.	Nil
2012-13	December 17, 2013		10.00 a.m.	(i) Increase of limit under section 372A of Companies Act, 1956 (ii) Approval of Employee Stock Option Plan and Employee Stock Purchase Plan
2013-14	September 24, 2014		10.00 a.m.	Alteration of Articles of Association

2. No extra ordinary general meeting was held during last three financial years.
3. No resolution was passed through postal ballot in financial year 2014-15.
4. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

(H) Disclosures

1. There have been no materially significant related party transactions, which have potential conflict with the interest of the Company at large. Audit Committee always approves related party transactions. The details showing related party transactions are provided in Note no. 31 of Notes forming part of the financial statement for financial year ended on June 30, 2015 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.
3. In preparation of the financial statements, the Company has followed the applicable Accounting Standards. The significant accounting policies applied in preparation and presentation of financial statements have been set out in Note no. 2 of Notes forming part of the financial statement for financial year ended on June 30, 2015.

4. CEO/CFO Certification:

Pursuant to clause (IX) of the Listing Agreement, 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 the 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: The Board has adopted a vigil mechanism (whistle blower policy) and according to such policy, all employees are encouraged to report any instance/s of unethical behavior, fraud, violation of the Company's Code of Conduct or any behavior which may otherwise be inappropriate and harmful to the Company. No Person has been denied access to the Audit Committee. This policy has been posted on the Company's website www.

symphonylimited.com

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 the Central Depository Services (India) Limited. This report also reconciles the total issued and listed equity shares. This report is quarterly submitted to stock exchanges.
8. The policy on familiarization programme for independent directors is put on website of the Company at following link:

http://www.symphonylimited.com/images/pdf/Familiralisation_Programme.pdf
9. The policy for determining material subsidiaries is put on website of the Company at following link:

http://www.symphonylimited.com/images/pdf/Policy_for_determining_Material_Subsidiaries.pdf
10. The policy on materiality and dealing with related party transactions is put on website of the Company at following link:

http://www.symphonylimited.com/images/pdf/Materiality_&_Dealing_with_RPT_Policy.pdf
11. Details of Compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all mandatory requirements of clause 49 and has voluntary complied with following non

mandatory requirements requirement

- (i) Financial statement of the Company are unqualified

(I) 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 Agreement. At present, half-yearly financial results are not sent to each member.

2. Annual Report:

Annual report is circulated to members and others entitled thereto.

3. Publication of Results:

Quarterly results are regularly published in press as per requirements of the Listing Agreement.

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

5. Presentations to Analysts / Investors:

Detailed Analysts' Conference call is being made with financial analysts on 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 are also uploaded on the Company's website from time to time basis.

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 other 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 other in electronic mode.

8. SEBI Complaints Redress System (SCORES):

Investor complaints are processed on the centralized 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 complaints and its current status.

(J) Dividend

Payment History (Last 5 years)

Financial year		Date of declaration of dividend	Dividend per share
2009-10		December 21, 2010	*₹2.50
2010-11		November 30, 2011	*₹10
2011-12		November 30, 2012	**₹5.50
2012-13		December 17, 2013	**₹6.50
2013-14	Interim	January 27, 2014	**₹2
	Final	September 24, 2014	**₹11
2014-15	Interim	January 17, 2015	**₹4
	Final	Next AGM Date	**#₹10

* shares having face value of ₹10 per share

** shares having face value of ₹2 per share

Final dividend of ₹10 per share having face value of ₹2 recommended by Board at its meeting held on August 13, 2015 is subject to approval by members at ensuing annual general meeting

(K) General Shareholders Information

1. Annual General Meeting

Date	Time	Venue
October 27, 2015	10.00 a.m.	Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015

2. Financial Year: April 1 to March 31 (FY 2015-16 – July 1, 2015 to March 31, 2016)

3. Financial Calendar (FY 2015-16):

Quarterly Results	Tentative Schedule
Quarter ending on September, 30 2015	By October 31, 2015
Quarter ending on December, 31 2015	By January 31, 2016
Quarter ending on March, 31 2016	By May 30, 2016

4. Book Closure: Saturday, October 17, 2015 to Tuesday October 27, 2015 (both the days inclusive)

5. Dividend Payment Date: Final dividend, if declared at ensuing annual general meeting, will be paid on or after October 29, 2015.

6. Listing on stock exchange: BSE Limited - Stock Code: 517385
National Stock Exchange of India Limited - Stock Code: SYMPHONY EQ
Ahmedabad Stock Exchange Limited - Stock Code : 51760

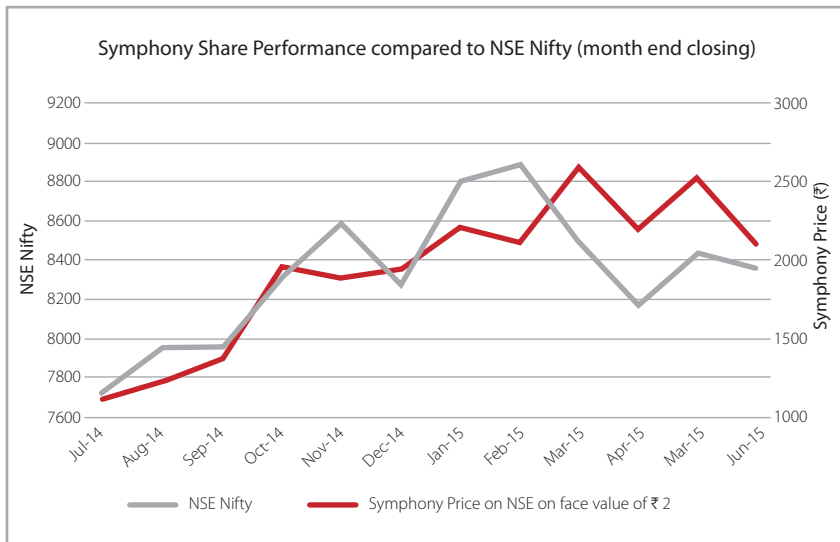
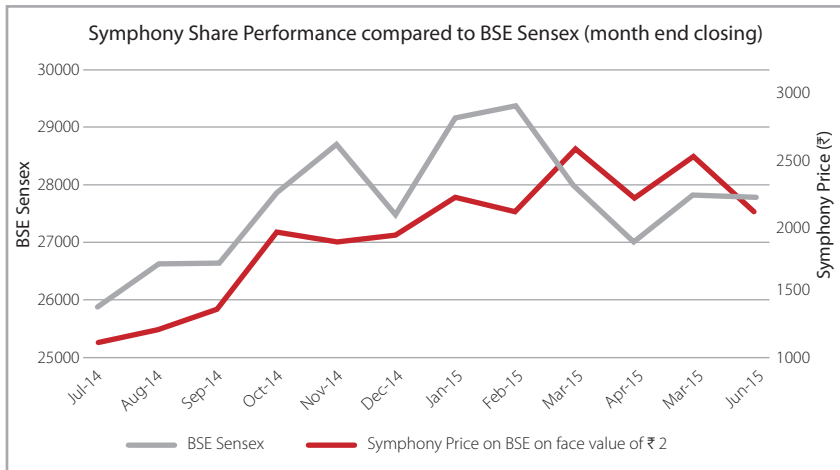
7. Payment of Listing Fees: Listing fee paid for 2015-16 to all stock exchanges.

8. Corporate Identity No.: L32201GJ1988PLC010331

9. Market Price Data

Monthly high and low during financial year ended on June 30, 2015 is as under:

Month	BSE		NSE	
	High	Low	High	Low
July, 2014	1200.00	983.40	1200.00	976.50
August, 2014	1275.00	1050.80	1277.40	1050.00
September, 2014	1512.60	1201.10	1514.90	1204.90
October, 2014	1982.90	1305.25	1984.40	1300.00
November, 2014	2149.95	1813.00	2148.80	1822.05
December, 2014	2014.30	1632.15	2018.95	1640.00
January, 2015	2286.95	1902.00	2279.95	1909.00
February, 2015	2385.00	2015.00	2384.00	2050.00
March, 2015	2669.95	1990.30	2677.00	2010.00
April, 2015	3270.00	1956.45	3275.00	1950.00
May, 2015	2575.00	1846.00	2581.00	1841.00
June, 2015	2548.30	2030.50	2544.30	2022.60



10. ISIN for NSDL and CDSL: INE225D01027

11. Registrar and Share Transfer Agent

M/s. Sharepro Services (I) Private Limited
416-420, 4th Floor, Devnandan Mall,
Nr. Sanyash Ashram, Nr. M.J. Library,
Ellisbridge, Ahmedabad – 380 006
Contact Person Ms. Bharti Parikh
Phone No. (079) 26582381 to 84
Fax No. (079) 26582385
E-mail sharepro.ahmedabad@shareproservices.com

12. Share Transfer System: Share transfer requests received by the Company or Registrar and Share Transfer Agent are registered within 15 days from the date of receipt subject to all documents including supporting are complete in all respects.

The Company has regularly obtained half-yearly certificates from practising company secretary regarding compliance with share transfer formalities including other matters pursuant to clause 47(c) of the Listing Agreement and the same is filed with stock exchanges.

The Company's representatives visit the office of the Registrar and Share Transfer Agent from time to time to monitor, supervise and ensure that there are no delays or lapse in the system.

13. Distribution of equity shareholding:

Distribution as on June 30, 2015 is as under:

No. of shares	No. of holders	% of holders	No. of shares	% of total shares
1-500	11831	93.04	1554972	4.45
501-1000	433	3.40	362318	1.04
1001-2000	173	1.36	258760	0.74
2001-3000	98	0.77	257967	0.74
3001-4000	36	0.28	128147	0.37
4001-5000	34	0.27	159232	0.45
5001-10000	44	0.35	337358	0.96
Above 10001	67	0.53	31919746	91.25
Total	12716	100.00	34978500	100.00

14. Category of members as on June 30, 2015 is as under:

Category	No. of shares	% of total shares
Promoters	26233870	75.00
Resident individual	3299261	9.43
Bodies corporate	1821928	5.21
FII's and NRIs	2793416	7.99
Mutual funds and Banks	747157	2.13
Clearing member	82688	0.24
Trust	180	0.00
Total	34978500	100.00

15. Dematerialisation of Shares and Liquidity:

As on June 30, 2015, 3,39,62,350 equity shares of the Company equivalent to 97.09% of total shares are held in electronic form. The shares of the Company are traded on BSE and NSE in electronic form.

16. Plant Location:

- (i) Factory situated at 703/704, Sanand Kadi Highway, Village Thol, Tal.Kadi, Dist.Mehsana, Gujarat PIN- 382728
- (ii) SEZ Unit - Surat
Plot No 177, 178, 201 and 202, Surat Special Economic Zone, Sachin, 394230 Dist. Surat, Gujarat
- (iii) SEZ Unit - Kandla
Plot No. 1/4 Sector-III of Kandla Special Economic Zone, Gandhigham Kutch - 370230

17. Communication Address

Symphony Limited
Symphony House, FP12-TP50, Bodakdev,
Off S.G. Highway,
Ahmedabad – 380 054
Phone No.: (079) 662 11111
Fax No.: (079) 662 11140
Email ID: investors@symphonylimited.com

(L) 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 hassles involved

in the physical shares such as possibility of loss, mutilation, etc. and also 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 account 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 dividends warrants promptly to avoid hassles 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 to receive annual report along with other communication from Company through e-mail.

COMPLIANCE CERTIFICATE

To
The Members,
Symphony Limited

We have examined the compliance with Conditions of Corporate Governance by Symphony Limited ("the Company"), for the year ended on June 30, 2015 as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges.

The compliance with conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of the Corporate Governance as stipulated in the said clause. 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, and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement.

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.

For **Shah & Dalal**
(Firm Registration No. 109432W)
Chartered Accountants

Malay J. Dalal
Partner
Membership No. 36776

Place : Ahmedabad
Date : August 13, 2015



CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To
The Members of
Symphony Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Symphony Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at June 30, 2015 and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were

operating effectively for ensuring 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 Holding Company, as aforesaid.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit

procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at June 30, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of subsidiaries of subsidiary company, whose financial statements reflect total assets of ₹8,716.67 lac as at June 30, 2015 and total revenues of ₹8,285.38 lac, and net cash outflows amounting to ₹163.15 lac 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 sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on June 30, 2015 taken on record by the Board of Directors, none of the directors of the Holding Company being the only company in the group to which requirements of section 164(2) of the Act are applicable, is disqualified as on June 30, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact of pending

litigations on the consolidated financial position of the Group. Refer Note 28 to the consolidated financial statements

- (ii) The Group does not have any long term contract 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 Holding Company being the only company in the group to which such requirements of the Act are applicable.

For, Shah & Dalal

Chartered Accountants

(Firm Registration no: 109432W)

Malay J. Dalal

(Partner)

Place: Ahmedabad

Date: August 13, 2015

Membership No. 36776

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SYMPHONY LIMITED FOR THE YEAR ENDED JUNE 30, 2015

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date

Our reporting on the Order includes only the Holding Company and does not include all subsidiary companies which are incorporated outside India to which the Order is not applicable.

i. In respect of the fixed assets of the Company incorporated in India:

- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

ii. In respect of inventories of the Company incorporated in India:

- (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed

on physical verification of inventory as compared to book records were not material.

- iii. The Company has granted unsecured loans to Companies covered in the register maintained under section 189 of The Companies Act, 2013, the recovery of principal and interest thereon, wherever stipulated, is regular.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- v. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore the provisions of Clause (v) of the paragraph 3 of the order are not applicable to the company.
- vi. In our opinion and according to the information and explanations given to us, cost records are not required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including

Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, duty of custom, duty of excise, Service Tax, value added tax, Cess and other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of dues as referred in above Clause were in arrears, as at 30th June, 2015 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, the disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount (₹ In lac)	Period to which the Amount Relates	Forum Where Pending
Sales Tax	VAT including interest	2.54	2007-2008	Appellate Authority-Tribunal level
Sales Tax	Penalty under Section 45(6) of CST	70.80	1993-2000	Joint Commissioner Appeals – Mehsana, Gujarat.
The Central Excise Act, 1944	Penalty under rule 26 of the Central Excise Rules, 2002	101	2007- 2012	Appellate Authority – up to Commissioners'/ Tribunal level

- (d) In our opinion, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under has been transferred to such fund within time.

viii. The Group has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

ix. As the Company does not have any borrowings from any financial institution or bank; nor has it issued any debentures as at the balance sheet date, the provisions of Clause (ix) of the paragraph 3 of the Order are not applicable to the Company.

x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause (x) of the paragraph 3 of the Order are not applicable to the Company.

xi. The Company has not raised any term loans. Accordingly, the provisions of Clause (xi) of the

paragraph 3 of the Order are not applicable to the Company.

xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For, Shah & Dalal

Chartered Accountants

(Firm Registration no: 109432W)

Malay J. Dalal

(Partner)

Place: Ahmedabad

Date: August 13, 2015

Membership No. 36776

CONSOLIDATED BALANCE SHEET as at 30th June, 2015

(₹ in lac)

Particulars	Note	As at 30/06/2015	As at 30/06/2014
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	699.57	699.57
(b) Reserves and Surplus	4	32,136.73	26,878.11
		32,836.30	27,577.68
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities	5	185.92	52.92
(b) Long-Term Provisions	6	710.78	728.34
		896.70	781.26
(3) Current Liabilities			
(a) Trade Payables	7	4,005.49	3,471.08
(b) Other Current Liabilities	8	1,851.90	2,199.66
(c) Short-Term Provisions	9	4,896.39	5,303.37
		10,753.78	10,974.11
TOTAL		44,486.78	39,333.05
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		9,016.71	6,940.70
(ii) Intangible Assets		34.79	24.99
(iii) Capital Work-in-Progress		-	821.63
		9,051.50	7,787.32
(b) Non-Current Investments	11	13,155.70	13,874.45
(c) Deferred Tax Assets	5	159.25	-
(d) Long-Term Loans and Advances	12	146.25	297.80
		22,512.70	21,959.57
(2) Current Assets			
(a) Current Investments	13	11,073.92	5,988.02
(b) Inventories	14	4,570.33	3,851.26
(c) Trade Receivables	15	3,267.20	4,158.10
(d) Cash and Bank Balances	16	755.95	568.53
(e) Short-Term Loans and Advances	17	1,516.74	2,595.19
(f) Other Current Assets	18	789.94	212.38
		21,974.08	17,373.48
TOTAL		44,486.78	39,333.05
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

For and on behalf of the Board**Achal Bakeri**

Chairman & Managing Director

Nrupesh Shah

Executive Director

Malay J. Dalal

Partner

Membership No. 36776

Chandrakant Gandhi

Company Secretary

Bhadresh Mehta

Chief Financial Officer

Place : Ahmedabad
Date : August 13, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 30th June, 2015 (₹ in lac)

Particulars	Note	Year ended 30/06/2015	Year ended 30/06/2014
I Gross Revenue from Sale of Products	19	57,848.79	53,243.78
Less: Excise Duty	19	-	1.52
Net Revenue from Sale of Products	19	57,848.79	53,242.26
Other Operating Revenue	19	40.69	27.95
Revenue from Operations		57,889.48	53,270.21
II Other Income	20	3,198.99	1,557.61
III Total Revenue (I + II)		61,088.47	54,827.83
IV Expenses:			
Cost of Material Consumed	21	5,287.91	5,614.10
Purchase of Stock-in-Trade	22	19,697.03	16,738.37
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	(1,115.13)	449.69
Employee Benefit Expense	24	4,490.05	4,168.31
Finance Costs	25	57.74	5.37
Depreciation and Amortization Expense	10	410.32	382.03
Other Expenses	26	16,304.18	13,867.15
Total Expenses		45,132.10	41,225.02
V Profit before Tax (III – IV)		15,956.37	13,602.80
VI Tax Expense:			
(1) Current Tax		4,441.42	3,675.57
(2) Deferred Tax		(37.33)	8.49
(3) Provision of earlier years		(38.89)	(726.57)
VII Profit for the year from continuing operations (V - VI)		11,591.17	10,645.31
VIII Loss from discontinuing operations		-	(72.92)
IX Profit for the year (VII + VIII)		11,591.17	10,572.39
X Earnings per equity share of face value of ₹2/- each :			
(1) Basic	27	33.14	30.23
(2) Diluted	27	33.14	30.23
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

Malay J. Dalal

Partner

Membership No. 36776

Place : Ahmedabad

Date : August 13, 2015

For and on behalf of the Board

Achal Bakeri

Chairman & Managing Director

Chandrakant Gandhi

Company Secretary

Nrupesh Shah

Executive Director

Bhadresh Mehta

Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	15,956.37	13,529.88
Adjustments For:		
Depreciation	410.32	382.03
Financial Charges	57.74	5.37
Wealth Tax Expenses (Net)	0.99	1.63
Interest Received	(977.13)	(596.00)
Dividend Received	(310.57)	(524.15)
(Profit) / Loss On Sale of Fixed Assets	(157.43)	(24.36)
Operating Profit Before Working Capital Changes	14,980.29	12,774.40
Adjustments For:		
Inventories	(719.07)	450.90
Trade and Other Receivables	890.90	(391.54)
Long Term Loans & Advances	81.23	(4.42)
Short Term Loans & Advances	1,078.45	(1,268.65)
Other Current Assets	3.17	11.45
Trade Payables	534.41	1,696.36
Other Current Liabilities	(484.84)	(767.23)
Short Term Provisions	411.66	262.56
Provision for Employee Benefit	(33.02)	16.44
Cash Generated from Operations	16,743.18	12,780.27
Taxes paid	(4,913.51)	(3,735.90)
Net Cash Flow from Operating Activities	11,829.67	9,044.37
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,080.94)	(1,024.85)
Sale of Fixed Assets	684.33	83.16
Interest Received	396.40	745.07
Dividend Received	310.57	524.15
Wealth Tax paid	(1.57)	(1.10)
Fixed Deposits with Bank matured	-	3,709.30
Earmarked deposits / balances with bank (Placed) / Realised	(78.83)	(67.75)
Investment in Equity Shares	0.26	-
Purchase of Investments	(86,584.91)	(75,412.36)
Sale/Redemption of Investments	82,196.72	65,431.49
Net Cash Used in Investing Activities	(5,157.97)	(6,012.89)

CONSOLIDATED CASH FLOW STATEMENT for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
C CASH FLOW FROM FINANCING ACTIVITIES		
Translation and Consolidation Reserve	(404.22)	121.71
Dividend Paid	(5,167.50)	(2,915.64)
Dividend Distribution Tax Paid	(933.65)	(505.29)
Financial Charges Paid	(57.74)	(5.37)
Net Cash Used in Financing Activities	(6,563.11)	(3,304.59)
Net Increase (Decrease) in Cash & Cash Equivalents (A+B+C)	108.59	(273.11)
Cash & Cash Equivalents at the beginning of the year	427.45	700.56
Cash & Cash Equivalents at the end of the year	536.04	427.45
Cash on Hand	9.65	16.42
Balances with Schedule Bank in Current Account	526.39	411.03
Cash & Bank Balance as per Balance Sheet	536.04	427.45

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

Malay J. Dalal

Partner

Membership No. 36776

Place : Ahmedabad

Date : August 13, 2015

For and on behalf of the Board**Achal Bakeri**

Chairman & Managing Director

Chandrakant Gandhi

Company Secretary

Nrupesh Shah

Executive Director

Bhadresh Mehta

Chief Financial Officer

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(1) Nature of Business

Symphony Limited, a premier air cooling company was established in the year 1988. The company is in the field of residential, commercial and industrial air cooling both in the domestic and international markets.

(2) Significant Accounting Policies

The significant accounting policies have been predominantly presented below in the order of the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i) Basis of Accounting and Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation.

Principles of Consolidation

- A) The consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS21) on "Consolidated Financial Statements" notified under the Companies (Accounting Standards) Rules, 2006 on the basis of the separate audited financial statements of Parent Company, Symphony Limited and following Subsidiary Companies

Sr. No.	Name of Subsidiary Company	Country of Incorporation	Extent of Holding/ Voting Power (%) as on June 30, 2015
1	Sylvan Holdings PTE. Ltd	Singapore	100.00
2	IMPCO S DE RL DE C.V., (through Sylvan Holdings PTE Ltd, Singapore 99.90% and through Symphony Limited, India 0.10%)	Mexico	100.00
3	Symphony USA Inc., (through IMPCO S DE RL DE C.V., Mexico)	USA	100.00
4	Symphony Air Coolers Inc,	USA	100.00

- B) The Operations of subsidiaries are not considered as an integral part of the operations of the parent. Hence all revenue items are consolidated at the average rate prevailing during the year.

All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Translation Reserve"

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

- C) The Consolidated Financial Statements are prepared in the same manner at that of Parent Company, i.e. year ended June 30, 2015, in the same manner as far as possible as the Company's separate Financial Statements.
- D) Financial statements of the Subsidiary Companies used in the consolidation are drawn for the same period as that of the Parent Company i.e. year ended June 30, 2015.

ii) Use of Estimates

The preparation of the 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 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.

iii) Revenue Recognition

Revenue is recognised when consideration can be measured reliably and there exists reasonable certainty of its recovery.

a) Sales

Sales is inclusive of VAT and Central Sales Tax, wherever applicable and after making adjustments towards price variations, discounts etc.

Revenue is recognised on transfer of significant risks and rewards to the customer which normally occurs.

In case of Domestic Sales - On dispatch of products to customers.

In case of Export Sales - On Shipment / Air lift of products.

b) Interest

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

c) Export Benefits

Export Incentives are estimated and accounted for in the year of export.

d) Dividend Income

Dividend income on investments is accounted for when the right to receive the payment is established.

iv) Tangible Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition / construction less accumulated depreciation, amortization and impairment loss (if any). Cost comprises of purchase price, import duties and other non-refundable taxes or levies and any directly attributable cost to bring the assets ready for their intended use. Direct expenses, as well as pro rata identifiable indirect expenses on projects during the

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

year of construction are capitalized. Only expenditures that increase the future economic benefits from the existing asset beyond its previously assessed standard of performance is included in the gross book value, e.g., an increase in capacity. The cost of an addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is added to its gross book value. Any addition or extension, which has a separate identity and is capable of being used after the existing asset is disposed off, is accounted for separately. The fixed assets retired from active use are stated at net book value or net realisable value, whichever is lower. The loss arising due to write-down is recognised in the statement of profit and loss. An item of fixed asset is eliminated from the financial statements on disposal. Gains or losses arising on disposal are recognised in the statement of profit and loss.

v) Intangible Fixed Assets

Intangible Fixed assets are stated at cost less accumulated amortization and accumulated impairment. Cost comprises of purchase price and any directly attributable cost to bring the assets ready for their intended use. An expenditure is regarded as an intangible asset if such expenditure give rise to an identifiable non-monetary resource without physical substance controlled by the company as a result of past events which is expected to result in future economic benefits in the form of either of higher cash inflows or lower cash outflows over the useful life of the resource and such resource is held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or losses arising from disposals are determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as income or expense in the Statement of Profit and Loss.

vi) Depreciation / Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on all tangible fixed assets is provided on Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Any addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is depreciated at the rate which is applied to the existing asset. Depreciation on sale of assets is provided till the date of sale.

Depreciation on tangible assets is ceased when a fixed asset is retired from active use and held for disposal or is disposed off.

Intangible fixed assets in the nature of software are amortized over a period of 6 years and Intellectual Property Rights (IPR) are amortized over a period of 5 years from the date of addition. Amortization of an intangible asset commences when the asset is available for use and ceases when the asset is retired from active use or is disposed off. Residual value for the purpose of amortization is taken as zero. At each balance sheet date, the company reviews the amortization period and amortization method.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

Depreciation of the tangible fixed assets of the Company's foreign subsidiaries, IMPCO S DE RL DE CV, Mexico and Symphony USA Inc., USA have been provided on straight line method as per the following rates:

Type of assets	Rates
Buildings	5%
Machinery and equipment	8%
Transportation equipments	25%
Furniture and fixtures	10%

vii) Investments

Investments which are intended for sale / maturing within twelve months are classified as Current Investments. Others are classified as Long Term Investments.

Cost of Investments comprises of the purchase price and any directly attributable expenses incurred.

Current Investments are carried at the lower of cost and fair value computed individually. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made, only if, in the opinion of the management, such a decline is regarded as being other than temporary.

viii) 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 "First in First out" basis.

Work-in-process and Finished goods are valued at lower of cost or net realizable value. The cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on "First in First out" basis.

Excise duty in respect of finished goods lying at the factory premises have been provided for and included in valuation of inventory where the excise duty is payable.

ix) Research and Development

Research costs incurred for new / existing products / process including manpower cost are recognised in Statement of Profit and Loss as incurred. Development costs relating to the design and testing of new or improved materials, products or processes are recognized as intangible assets to the extent that it is expected that such assets will generate future economic benefits. Research and development expenditure of capital nature is added to fixed assets.

The carrying value of development costs is reviewed for impairment annually when the asset is not

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

available for use, and other wise when events and change in circumstances indicate that the carrying value may not be recoverable.

x) Foreign currency transactions

Initial Recognition and Measurement:

Foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Measurement:

Foreign currency receivables and payables are subsequently measured as stated below:

- a) At each balance sheet date
 - i) Foreign currency monetary items are reported using the closing rate.
 - ii) Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rate that existed when the values were determined.
- b) Treatment of exchange differences arising on settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period:
 - i) Exchange differences arising on a monetary item that is receivable from, or payable to, a non-integral foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future are accumulated in Foreign Currency Translation Reserve (FCTR). The exchange differences so accumulated in FCTR are reclassified to the Statement of Profit and Loss as and when settlement occurs.
 - ii) Exchange differences arising on reporting of long-term foreign currency monetary items, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset.
 - iii) Exchange differences arising on reporting of long-term foreign currency monetary items other than those related to depreciable capital assets are parked in a separate account titled "Foreign currency monetary item translation difference account". This account is amortised on a systematic basis to reflect the amortisation of the corresponding long term foreign currency monetary item.
 - iv) All other exchange differences are recognised as income or as expenses in the period in which they arise in the Statement of Profit and Loss.
- c) The premium or discount arising at the inception of a forward contract entered into to hedge the foreign currency risk of existing assets and / or liabilities is amortised as expense or income over the life of the contract. Exchange differences on such a contract is recognised in the Statement of Profit

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

xi) Employee Benefits

a) Short term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

b) Post Employment Benefits

i) Defined Contribution Plan:- The Company's contribution paid / payable during the year to Provident Fund are considered as defined contribution plans. The Contribution paid / payable under these plans are recognized during the period in which the employee render services.

ii) Defined Benefit Plan:- Employee benefits in the nature of Gratuity are recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. Estimated liability on account of Gratuity is discounted to the current value, using the yield on government bonds, as on the date of balance sheet, at the discounting rate.

Actuarial gains and losses in respect of post employment and other benefits are charged to the Statement of Profit and loss.

xii) Leases

All leases are classified into Operating and Financial Lease at the inception of the lease. Leases that transfer substantially all risks and reward from lessor to lessee are classified as Finance Lease and others being classified as Operating Lease.

Rent Expense and Rent Income represent operating leases which are recognized as an expense or Income respectively in the Statement of Profit and Loss on a Straight Line basis over the lease terms.

xiii) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and loss.

xiv) Provision for tax

Tax expenses for a year comprise of current tax and deferred tax.

Provision for current tax is determined based on taxable profits of the company as determined under the Income Tax Act, 1961.

Provision for deferred tax is determined based on the effect of timing difference between the taxable profits under the Income Tax Act and the profits as per the Statement of Profit and Loss and it is

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Provision for Wealth Tax is calculated on taxable wealth at the rate specified under the Wealth Tax Act, 1957.

xv) Impairment of Fixed Assets

The carrying amount of tangible and intangible fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment.

If any such indication exist, the assets recoverable amount is estimated. An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of assets exceeds its recoverable amount. An impairment loss can be reversed if there are changes in estimates to determine the recoverable amount in future period. An impairment loss is reversed only to the extent that the carrying amount of the assets does not exceed the net book value that would have been determined, if no impairment loss has been recognized.

The value of assets that are not available for use are reviewed at each balance sheet date to assess the probability of continuing future benefits. If there is any indication that the value of such assets is impaired, the resulting impairment loss is recognized in the financial statement.

xvi) Warranty

Provision for the estimated liability in respect of warranty on Domestic sale of products is made in the year in which the revenues are recognised, based on historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

xvii) Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statement.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 3 SHARE CAPITAL		
Authorised :		
75,000,000 Equity Shares of ₹2/- each	1,500.00	1,500.00
Issued, Subscribed & Paid up :		
34,978,500 Equity Shares of ₹2/- each fully paid up	699.57	699.57
	699.57	699.57

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 shareholders.

The details of shareholder holding more than 5% shares as at June 30, 2015 is set out below :

Name of the shareholder	No. of shares	% held as at 30/06/2015	No. of shares	% held as at 30/06/2014
Mr. Achal A. Bakeri	14,631,800	41.83%	14,631,800	41.83%
Oras Investments Pvt. Ltd.	3,221,800	9.21%	3,221,800	9.21%
Paratam Investments Pvt. Ltd.	3,019,800	8.63%	3,019,800	8.63%

The reconciliation of the number of shares outstanding as at June 30, 2015 is set out below:

Particulars	As at 30/06/2015	As at 30/06/2014
Number of shares at the beginning	34,978,500	34,978,500
Add: Shares issued during the year	-	-
Number of shares at the end	34,978,500	34,978,500

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 4 RESERVES AND SURPLUS		
General Reserve		
Balance at the beginning of the year	3,500.00	3,500.00
Add: Transferred from Surplus	-	-
Balance at the end of the year	3,500.00	3,500.00
Surplus		
Balance at the beginning of the year	18,825.13	13,572.74
Add: Net profit after tax transferred from Statement of Profit and Loss	11,591.17	10,572.39
Amount available for appropriation	30,416.30	24,145.13
Less: Appropriations		
Adjustment relating to Fixed Assets [Note No. 10(6)]	7.65	-
Proposed Dividend on Equity Shares	3,497.85	3,847.64
[Dividend per share ₹10/- (Previous year ₹11/-) on face value of ₹2/-]		
Tax on Proposed Dividend	712.08	653.90
Interim Dividend on Equity Shares	1,399.14	699.57
[Dividend per share ₹4/- (Previous year ₹2/-) on face value of ₹2/-]		
Tax on Interim Dividend	279.75	118.89
Balance at the end of the year	24,519.83	18,825.13
Securities Premium Account		
Balance at the beginning of the year	694.47	694.47
Balance at the end of the year	694.47	694.47
Capital Reserve		
Balance as per last Balance Sheet	904.43	904.43
Balance at the end of the year	904.43	904.43
Revaluation Reserve		
Balance at the beginning of the year	2,215.15	2,215.15
Add: Transfer	-	-
Balance at the end of the year	2,215.15	2,215.15
Translation Reserve		
Balance at the beginning of the year	947.41	902.65
Add: Effect during the year	(384.13)	44.76
Balance at the end of the year	563.28	947.41
Consolidation Reserve		
Balance at the beginning of the year	(208.48)	(268.35)
Add: Transfer	(51.95)	59.87
Balance at the end of the year	(260.43)	(208.48)
Total	32,136.73	26,878.11

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 5 DEFERRED TAX LIABILITIES / (ASSETS)		
(A) Deferred Tax Liability arising on account of timing difference between depreciation as per Books and as per Income Tax Act, 1961	218.58	92.31
Total (A)	218.58	92.31
(B) Deferred Tax Asset		
Disallowances under section 43B/40A(7) of Income Tax Act, 1961	4.92	39.39
Provision for diminution in current investment	1.62	-
Provision for doubtful advance	26.12	-
Provision for employee benefits	159.25	-
Total (B)	191.91	39.39
(C) Deferred Tax Liability /(Asset) Net (A-B)	26.67	52.92
Amount recognised in Balance Sheet		
As Deferred Tax Liability	185.92	52.92
As Deferred Tax Asset	(159.25)	-

Note 6 LONG-TERM PROVISIONS

Others		
Employee Benefits (Refer to Note no. 34)	710.78	728.34
	710.78	728.34

Note 7 TRADE PAYABLES

Trade Payables (Refer to Note no. 38)	4,005.49	3,471.08
	4,005.49	3,471.08

Note 8 OTHER CURRENT LIABILITIES

For other liabilities		
Trade Deposits	58.82	52.17
Unpaid Dividends	206.45	127.17
Creditors for Capital Goods	58.03	0.24
Advance from Customers	362.65	388.58
Statutory Dues	382.79	378.81
Other Payables	783.16	1,252.69
	1,851.90	2,199.66

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 9 SHORT-TERM PROVISIONS		
Proposed Dividend	3,497.85	3,847.64
Income tax on Proposed Dividend	712.08	653.90
Provision for		
Employee Benefits (Refer to Note no. 34)	-	15.46
Sales Return	291.71	-
Warranty (Refer to Note no. 40)	382.51	262.56
Income Taxes (Net of Advance Tax)	10.92	521.91
Wealth Tax	1.32	1.90
	4,896.39	5,303.37

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 10 FIXED ASSETS

Note 10 FIXED ASSETS															
	Tangible										Intangible		Total (B)		Grand Total (A+B+C)
	Free Hold Land	Lease Hold Land (SEZ)	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total (A)	Software & Intellectual Property Rights	Goodwill	Total (B)	Capital WIP (C)	Grand Total (A+B+C)	
Gross Block															
As at 01/07/2013	5,115.64	260.49	1,569.88	9,269.68	5,507.3	4,860.4	37.59	50.47	17,340.52	16.04	7.05	23.09	359.75	17,723.36	
Additions	-	-	-	289.59	18.40	1,207.77	1.14	6.41	436.30	15.78	-	15.78	461.88	913.96	
Sold	-	-	-	246.93	20.13	95.77	1.05	10.79	374.66	-	-	-	-	374.66	
Adjustments	22.37	-	7.74	62.45	3.75	1.69	-	-	98.01	-	-	-	-	98.01	
As at 01/07/2014	5,138.01	260.49	1,577.62	9,374.79	5,527.5	5,127.2	37.68	46.09	17,500.16	31.82	7.05	38.86	821.63	18,360.65	
Additions	-	-	1,397.78	1,153.65	314.12	10.78	72.95	65.58	3,014.86	15.81	-	15.81	1,443.52	4,474.19	
Sold	-	-	8.25	626.54	0.36	16.13	12.54	9.77	673.58	4.49	-	4.49	2,265.15	2,943.22	
Adjustments	(382.22)	-	(132.21)	(1,063.78)	(63.71)	(28.85)	-	-	(1,670.76)	-	-	-	-	(1,670.76)	
As at 30/06/2015	4,755.79	260.49	2,834.94	8,838.13	802.80	478.53	98.09	101.91	18,706.8	43.14	7.05	50.19	-	18,220.87	
Accumulated Depreciation and Amortization															
As at 01/07/2013	-	38.05	1,035.96	8,504.48	466.00	303.53	20.18	30.30	10,398.51	10.66	-	10.66	-	10,409.17	
Depreciation and Amortization For The Year	-	17.37	60.94	236.31	12.10	42.62	1.85	7.62	378.81	3.22	-	3.22	-	382.03	
Deductions	-	-	-	188.20	19.51	63.41	1.05	10.79	282.97	-	-	-	-	282.97	
Adjustments	-	-	5.13	55.59	3.13	1.25	-	-	65.11	-	-	-	-	65.11	
As at 01/07/2014	-	55.42	1,102.03	8,608.18	461.72	283.99	20.99	27.13	10,559.46	13.88	-	13.88	-	10,573.33	
Depreciation and Amortization For The Year	-	17.37	66.68	224.47	23.24	51.52	8.10	14.93	406.29	4.02	-	4.02	-	410.32	
Deductions	-	-	3.15	603.48	0.19	7.69	5.69	8.27	628.47	2.50	-	2.50	-	630.97	
Adjustments	-	-	(108.69)	(993.08)	(55.99)	(25.55)	-	-	(1,183.31)	-	-	-	-	(1,183.31)	
As at 30/06/2015	-	72.79	1,056.87	7,236.09	428.77	302.27	23.39	33.78	9,153.97	15.40	-	15.40	-	9,169.37	
Net Block															
As at 30/06/2014	5,138.01	205.07	475.59	766.62	91.03	228.73	16.70	18.96	6,940.70	17.94	7.05	24.99	821.63	7,787.32	
As at 30/06/2015	4,755.79	187.70	1,778.07	1,602.04	374.02	176.26	74.70	68.12	9,016.71	27.74	7.05	34.79	-	9,051.50	

1) The leasehold land in Surat SEZ (SUR SEZ) is for the period upto July, 2083 and the lease is to be renewed on expiry of every 15 years starting from 2011. The cost of leasehold land will be amortised over a period of 15 years.

2) Gross Block of Freehold Land includes the Land of IMPCO S DE RL DE CV, Mexico which contains additions on account of Revaluation by ₹2,215.15 lac

3) Software cost is amortised over a period of 6 years.

4) Intellectual Property Rights cost are amortised over a period of 5 years.

5) Addition to Goodwill of ₹0.25 lac represents purchase of 0.10% share in IMPCO S DE RL DE CV, Mexico by the Company from its wholly owned subsidiary, Symphony Air Coolers Inc., USA at a price of US\$ 492 against the book value of US\$ 65, difference being US\$ 427, equivalent to ₹0.25 lac is considered as Goodwill.

6) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at July 01, 2014 amounting to ₹7.65 lac have been adjusted to retained earnings.

7) The depreciation expense in the Statement of Profit and Loss for the year is lower by ₹14.95 lac consequent to the change in the useful life of the assets.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars		As at 30/06/2015		As at 30/06/2014
Note 11 NON-CURRENT INVESTMENTS	Nos.	Amount	Nos.	Amount
Non-current Investments				
Long term investments - Non Trade (Unquoted)				
Investment in equity shares of Associates				
Symphony Designer & Properties Pvt. Ltd.		-	248	0.02
Investment in equity shares of Others				
Saline Area Vitalisation Enterprises Ltd		-	2,000	0.24
Investment in Mutual Funds				
Birla SL Savings Fund- Growth Option		-	198,903	500.00
Birla Sun Life Ultra Short Term Fund- Growth Option		-	672,247	1,000.00
ICICI Prudential Flexible Income Plan-Growth Option		-	609,673	1,500.00
IDFC Ultra Short Term Fund-Growth Option		-	5,799,522	1,000.00
IDFC Ultra Short Term Fund-Growth Option		-	2,734,841	500.00
Sundaram Ultra Short Term Fund- Growth Option		-	5,893,829	1,000.00
Tata Floater Fund-Plan-A-Growth Option		-	76,266	1,500.00
Templeton India Ultra Short Bond Fund-Growth Option		-	8,689,205	1,500.00
Templeton India Ultra Short Bond Fund-Growth Option		-	2,895,680	500.00
UTI Treasury Advantage Fund-Growth Option		-	84,506	1,500.00
Long term investments - Non Trade (Quoted)				
Investment in Bonds				
Tax Free Bond of IIFC Ltd.	136,000	1,458.38	50,000	500.00
Tax Free Bond of IIFC Ltd.	100	1,068.30		-
Tax Free Bond of IIFC Ltd.	100,000	998.90		-
Tax Free Bond of NHAI	37,086	370.86	37,086	370.86
Tax Free Bond of NHB	7,220	361.00	7,220	361.00
Tax Free Bond of NHB	150	1,655.25		-
Tax Free Bond of NTPC Ltd.	31,664	316.64	31,664	316.64
Tax Free Bond of PFC Ltd.	32,389	323.89	32,389	323.89
Tax Free Bond of PFC Ltd.	150	1,653.75		-
Tax Free Bond of REC Ltd.	1,000,000	1,001.80	1,000,000	1,001.80
Tax Free Bond of REC Ltd.	50,000	500.00	50,000	500.00
Tax Free Bond of REC Ltd.	92,500	948.68		-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars		As at 30/06/2015		As at 30/06/2014
Note 11 NON-CURRENT INVESTMENTS (contd.)	Nos.	Amount	Nos.	Amount
Bank of India Perpetual Bond	100	1,000.00		-
IDBI Perpetual Bond	100	1,000.00		-
Vijaya Bank Perpetual Bond	50	498.25		-
		13,155.70		13,874.45
Aggregate amount of quoted investments		13,155.70		3,374.19
Aggregate market value of quoted investments		13,430.58		3,558.46
Aggregate value of unquoted investments		-		10,500.26

(₹ in lac)

Particulars		As at 30/06/2015	As at 30/06/2014
Note 12 LONG-TERM LOANS AND ADVANCES			
Unsecured, considered good			
Capital advances		99.95	170.27
Other loans and advances			
Balance with Sales Tax and VAT Department		3.13	11.02
Deposit Others		43.17	116.51
		146.25	297.80

(₹ in lac)

Particulars		As at 30/06/2015		As at 30/06/2014
Note 13 CURRENT INVESTMENTS	Nos.	Amount	Nos.	Amount
Current Investments				
Investment in Mutual Funds (Unquoted)				
Axis Liquid Fund	225,661	2,257.34		-
Birla Sun Life Savings Fund	1,630,978	1,635.82	243,478	244.20
BBVA BANCOMER S.A.-BMERGOB Serie E	63,031	84.93	166,591	225.04
Investment on a trust title	1	22.17		-
DSP BR Liquidity Fund-Liquid	147,285	1,473.75		-
DSP BR Ultra Short Term Fund	2,322,786	233.22		-
Franklin India Treasury Management-Super IP	187,004	1,871.38		-
ICICI Prudential Equity Arbitrage Fund	3,609,743	500.00		-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars		As at 30/06/2015		As at 30/06/2014
Note 13 CURRENT INVESTMENTS (contd.)	Nos.	Amount	Nos.	Amount
IDFC Arbitrage Fund	8,011,601	1,000.00		-
Kotak Equity Arbitrage Fund	9,273,602	1,000.00		-
Reliance Arbitrage Fund	4,761,251	500.00		-
SBI Arbitrage Opportunities Fund	3,800,584	500.00		-
Templeton India Ultra Short Bond Fund		-	10,140,245	1,018.78
Investment in Mutual Funds (Quoted)				
Baroda Pioneer Fixed Maturity Plan- Series N		-	10,000,000	1,000.00
HDFC Fixed Maturity Plans-Series 27		-	20,000,000	2,000.00
LIC Nomura MF FMP-Series-68		-	10,000,000	1,000.00
Religare Invesco Fixed Maturity Plan-Series XX-Plan C		-	5,000,000	500.00
		11,078.61		5,988.02
Less : Provision for diminution		(4.69)		-
		11,073.92		5,988.02
Aggregate amount of quoted investments		-		4,500.00
Aggregate market value of quoted investments		-		4,838.00
Aggregate value of unquoted investments		11,073.92		1,488.02

(₹ in lac)

Particulars		As at 30/06/2015	As at 30/06/2014
Note 14 INVENTORIES			
(As taken, Valued & Certified by the Management)			
Raw materials (Including Packing Material)		670.57	1,066.63
Work-in-Progress		8.04	3.35
Finished Goods (Including Goods in Transit ₹287.56 lac, Previous year ₹90.59 lac)		1,843.19	1,359.06
Stock-In-Trade (Including Goods in Transit ₹7.84 lac, Previous year ₹ Nil)		2,048.53	1,422.22
		4,570.33	3,851.26

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 15 TRADE RECEIVABLES		
Outstanding for more than six months		
Unsecured Considered good	237.76	233.44
Others		
Unsecured Considered good	3,029.44	3,924.66
	3,267.20	4,158.10

Note 16 CASH & BANK BALANCES

Cash and Cash Equivalents		
Cash on Hand	4.17	5.06
Balance with employees Imprest account	5.48	11.36
Balance with banks in current accounts	526.39	411.03
	536.04	427.45
Other Bank Balances		
In Earmarked Accounts		
Unpaid Dividend Accounts	206.45	127.17
Margin Accounts	13.46	13.91
	755.95	568.53

* Includes deposits remaining maturity of more than 12 months from the balance sheet date ₹5.40 lac (Previous year ₹11.32 lac).

Note 17 SHORT-TERM LOANS AND ADVANCES

(Unsecured Considered Good Unless Otherwise Stated)		
Advance for supply of goods and rendering of services		
Unsecured, considered good	1,038.62	1,804.45
Unsecured, considered doubtful	75.49	-
Less: Provision for doubtful Advances	(75.49)	-
Balance with statutory / government authorities	308.28	461.89
Other Loans and advances	169.84	328.85
	1,516.74	2,595.19

Note 18 OTHER CURRENT ASSETS

Interest accrued but not due	762.77	182.04
Export Incentive Receivable	25.67	28.58
Others	1.50	1.76
	789.94	212.38

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
Note 19 REVENUE FROM OPERATIONS		
Gross Revenue from Sale of Products	57,848.79	53,243.78
Less: Excise Duty	-	1.52
Net Revenue from Sale of Products	57,848.79	53,242.26
Other Operating Revenue	40.69	27.95
	57,889.48	53,270.21
Sale of products comprises of :		
Air Coolers	56,312.77	51,827.93
Others	1,536.02	1,415.85
	57,848.79	53,243.78

Note 20 OTHER INCOME

Interest Income	977.13	596.00
Dividend Income	310.57	524.15
Gain on Sale of Current Investments(Net)	1,457.45	128.59
Profit on sale of Fixed Assets	157.43	24.36
Other Non Operating Income	296.41	284.51
	3,198.99	1,557.61
Interest income pertains to:		
Interest Income from Long term Investments	611.06	278.69
Interest Income from Current Investments	366.08	317.31
Dividend income pertains to:		
Dividend from Current Investments (mutual funds)	310.55	524.12
Dividend from Other Long Term Investments	0.02	0.02

Note 21 COST OF MATERIAL CONSUMED

Opening Stock of Raw Materials	1,066.62	1,067.84
Add: Purchases	4,891.87	5,612.89
Less: Closing Stock of Raw Materials	670.58	1,066.63
	5,287.91	5,614.10

Cost of material comprises of Moulded Parts & components of Air Cooler

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
Note 22 PURCHASE OF STOCK-IN-TRADE		
Air Coolers	19,209.20	16,263.50
Others	487.83	474.87
	19,697.03	16,738.37

Note 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
Work-in-Progress	3.35	0.92
Finished Goods	1,359.05	1,837.98
Stock-In-Trade	1,422.22	1,395.42
Less:		
Closing Stock		
Work-in-Progress	8.04	3.35
Finished Goods	1,843.18	1,359.06
Stock-In-Trade	2,048.53	1,422.22
	(1,115.13)	449.69

Note 24 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	3,646.13	3,367.92
Contribution to Provident Fund and Other Funds	802.99	762.97
Staff Welfare Expenses	40.93	37.42
	4,490.05	4,168.31

Note 25 FINANCE COSTS		
Interest Expenses	57.74	5.37
	57.74	5.37

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
Note 26 OTHER EXPENSES		
Stores, Spare parts and Packing Material consumed	101.21	90.92
Assembly and Labour Charges	610.01	670.47
Power and Fuel	153.62	169.91
Repairs & Maintenance		
Building	30.80	26.98
Machinery	102.67	86.94
Rent	168.76	185.09
Rates & Taxes	22.49	7.68
Travelling	841.68	766.65
Conveyance	172.97	147.55
Communication Expenses	141.85	142.33
Insurance	72.20	57.89
Research and Development Expenses	217.62	183.48
Printing and stationery charges	48.00	49.88
Legal & Professional Charges	474.56	501.05
Payment to Auditors (Refer Note no. 32)	29.68	26.77
Vehicle Expenses	22.06	25.61
General Expenses	820.13	636.19
Provision for Doubtful Advances	75.49	-
Repairs Others	28.05	28.34
Bank Charges	22.19	30.20
Foreign Exchange Fluctuation (Net)	351.28	57.74
Preliminary Expenses	0.36	0.36
Advertisement and Sales Promotion	3,352.32	2,571.90
Freight & Forwarding Charges	1,848.47	1,738.89
Warranty Expense	740.61	691.79
Sales Commission	58.18	50.13
CFA Handling Charges	191.66	171.74
Warehousing Charges	134.40	126.05
Conference and Other Expenses	70.22	84.18
VAT and Sales Tax	5,400.64	4,540.44
	16,304.18	13,867.15

Note 27 EARNINGS PER SHARE

Face value of Equity Shares (₹)	2	2
Net Profit available for Equity Shareholders (₹ In lac)	11,591.17	10,572.39
No. of Equity Shares	34,978,500	34,978,500
Basic EPS (₹)	33.14	30.23
Weighted Average No. of Equity Shares	34,978,500	34,978,500
Diluted EPS (₹)	33.14	30.23

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	2014-15	2013-14
Note 28 CONTINGENT LIABILITIES		
a) Claims against the company not acknowledged as debt.	13.34	13.34
b) Demand on account of sales tax matters raised against the company for the various years but the same is not acknowledged as debt hence, not provided for. Appeals are pending.	77.17	0.86
c) Income Tax matters not acknowledged as debts	10.76	37.95
d) Demand under disputed central excise matter, Appeals are being filed.	101.50	132.10
e) Estimated amount of contracts remaining to be executed on capital account and not provided for	134.57	295.85

Income Tax

The Income- Tax assessments of the Company have been completed up to Assessment Year 2011-12. The Company has filed appeal against the demand of ₹10.76 lac raised for Assessment Year 2011-12. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

Note 29 SEGMENT REPORTING**(a) Primary Segment : Business**

The company has identified two primary segment namely Home Appliances and Corporate Funds so as to know financial efficiency of core business i.e. Home Appliances and Corporate Funds Segment which consists of surplus investments.

(₹ in lac)

Particulars	2014-15	2013-14
(1) Segment Revenue		
Home Appliances	58,851.47	53,901.82
Corporate Funds	2,237.00	926.00
Total	61,088.47	54,827.82
(2) Segment Profit before Interest and Taxes (PBIT)		
Home Appliances	13,783.11	12,625.25
Corporate Funds	2,231.00	910.00
Total	16,014.11	13,535.25
Less: Finance Costs	57.74	5.37
Less: Taxes	4,365.20	2,957.49
Total Profit After Tax	11,591.17	10,572.39
(3) Segment Assets		
Home Appliances	19,591.78	19,516.05
Corporate Funds	24,895.00	19,817.00
Total	44,486.78	39,333.05

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 29 SEGMENT REPORTING (contd.)

		(₹ in lac)
Particulars	2014-15	2013-14
(4) Segment Liabilities		
Home Appliances	11,361.48	11,412.37
Corporate Funds	289.00	343.00
Total	11,650.48	11,755.37
(5) Capital Employed		
Home Appliances	8,230.30	8,103.68
Corporate Funds	24,606.00	19,474.00
Total	32,836.30	27,577.68
Segment Profit (PBIT) % on Capital Employed		
Home Appliances	113.48%	106.02%
Corporate Funds	11.40%	6.41%

(b) Secondary Segment : Geographical segment

		(₹ in lac)
Particulars	2014-15	2013-14
(1) Segment Revenue		
India	46,419.67	39,466.77
Rest of the world	11,429.12	13,775.49
Net Revenue from Sale of Products	57,848.79	53,242.26
(2) Segment Profit before Interest and Taxes		
India	14,373.79	11,464.20
Rest of the world	1,640.32	2,071.05
Total	16,014.11	13,535.25
Less: Finance Costs	57.74	5.37
Less: Taxes	4,365.20	2,957.49
Total Profit After Tax	11,591.17	10,572.39
(3) Segment Assets		
India	44,286.53	35,615.96
Rest of the world (Only Receivables *)	200.25	3,717.09
Total	44,486.78	39,333.05
(4) Segment Liabilities		
India	11,609.75	11,615.27
Rest of the world (Advance from customers only *)	40.73	140.10
Total	11,650.48	11,755.37
(5) Capital Employed (*)	32,836.30	27,577.68

*Capital Employed and other Segment assets and liabilities of Geographical segment are not separable.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015**Note 30 SUBSIDIARIES**

Following are the subsidiaries and step down subsidiaries of the Company

- (i) Symphony Aircoolers Inc, USA (Subsidiary)
- (ii) Sylvan Holdings Pte. Ltd., Singapore (Subsidiary)
- (iii) IMPCO S DE RL DE CV, Mexico (Subsidiary of Subsidiary)
- (iv) Symphony USA INC., USA (Subsidiary of Subsidiary)

Note 31 RELATED PARTY DISCLOSURES

(₹ in lac)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2014-15		2013-14	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
1	Mr. Achal Bakeri	Key Management Personnel	Remuneration and Perquisites	187.98	98.09	187.15	105.00
			Sale of shares of Symphony Designer Properties Pvt. Ltd.	0.06		-	
			Sale of shares of Saline Area Vitalisation Enterprises Ltd.	1.00		-	
2	Mr. Nrupesh Shah	Key Management Personnel	Remuneration and Perquisites	109.47	58.85	96.71	57.80
3	Ms. Jonaki Bakeri	Non-Executive Director	Sitting Fees	1.00	0.90	-	-
4	Oras Investments Pvt. Ltd.	Enterprise in which Director has significant influence	Rent Expense	7.56	-	7.23	-
5	Paratam Investments Pvt. Ltd.	Enterprise in which Director has significant influence	Rent Expense	7.56	-	7.23	-
6	Scarlet Living Pvt. Ltd.	Enterprise in which Director has significant influence	Godown Rent Income	0.21	-	0.36	-
7	Scarlet Living Pvt. Ltd.	Enterprise in which Director has significant influence	Purchase of Capital Goods	0.67	-	-	0.47
			Purchase of Goods	3.61		1.55	
8	Bakeri Projects Pvt. Ltd.	Enterprise in which relative of Director has significant influence	Sale of Immoveable Property	64.50	-	-	-

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	2014-15	2013-14
Note 32 AUDITORS' REMUNERATION (Refer Note no. 26)		
a) As Auditor	24.60	21.43
b) In other capacity, in respect of		
i) Tax Audit	1.14	1.12
ii) Certification	0.57	0.56
iii) Taxation Matters	3.37	3.66
	29.68	26.77

Note 33 **LEASES**

The company does not have any uncancellable lease.

Note 34 **EMPLOYEE BENEFITS**

(a) India Operations:

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.

(₹ in lac)

Particulars	2014-15	2013-14
I Expenses recognized during the year		
Current service cost	44.07	44.86
Interest on obligation	22.15	18.32
Expected return on plan assets	(18.62)	(15.00)
Net actuarial losses (gains) recognised in year	54.62	(31.81)
Total	102.23	16.37
Actual return on plan assets	7.50	15.97
II Reconciliation of opening and closing balances of defined benefit obligation		
Opening defined benefit obligation	250.88	236.41
Service cost	44.07	44.86
Interest cost	22.15	18.32
Actuarial losses (gains)	43.49	(30.84)
Benefits paid	(34.05)	(17.87)
Closing defined benefit obligation	326.56	250.88
III Reconciliation of Opening and Closing balances of fair value of plan assets		
Opening fair value of plan assets	214.08	172.45

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015Note 34 **EMPLOYEE BENEFITS** (contd.)

(₹ in lac)		
Particulars	2014-15	2013-14
Expected return	18.62	15.00
Actuarial gains and (losses)	(11.13)	0.97
Contributions by employer	124.82	40.56
Benefits paid	(34.05)	(14.91)
Closing balance of fair value of plan assets	312.35	214.08
IV Reconciliation of the present value of defined benefit obligation and fair value of planned assets		
Present value of funded obligations	326.56	250.88
Fair value of plan assets	(312.35)	(214.07)
Present value of unfunded obligations	-	-
Net liability	14.21	36.81
Amounts in the balance sheet:		
Liabilities	14.21	36.81
Net liability	14.21	36.81
V Investment Details		
Insurance Company	312.35	214.08
VI Actuarial Assumptions		
Discount rate	8.28%	8.83%
Expected return on plan assets	8.28%	8.70%
Annual increase in Salary costs	7.00%	7.00%
The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
VII Gratuity Benefit		
Defined benefit obligation	(326.56)	(250.88)
Plan assets	312.35	214.08
Surplus/(deficit)	(14.21)	(36.81)
Experience adjustments on plan Liabilities	(14.06)	(5.37)
Experience adjustments on plan assets	(11.13)	0.97
Movement in net liability recognised in Balance Sheet		
Net opening liability	36.81	63.96
P&L Charge	102.23	16.37
Contribution paid / Benefits paid	(124.82)	(43.52)
closing net liability	14.21	36.81

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 34 EMPLOYEE BENEFITS (contd.)

VIII Disclosure as required under para 120(n) of AS - 15					(₹ in lac)
Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
i) Present value of the defined benefit obligation	326.56	250.88	236.41	145.53	101.16
Fair value of the plan assets	312.35	214.07	172.45	50.14	-
(Surplus)/Deficit in the plan	14.21	36.81	63.96	95.39	101.16
ii) Experience Adjustments					
On Plan liabilities	(14.06)	(5.37)	(14.68)	(2.68)	-
On Plan assets	(11.13)	0.97	1.82	0.14	-

IX The expected contribution is based on the same assumptions used to measure the Company's gratuity obligations as of June 30, 2015.

(b) IMPCO S DE RL DE CV, Mexico Subsidiary:

The Company has non-contributory retirement plan covering all of its employees. Pension benefits are based on years of service and the employee's compensation. Such plan also includes seniority premiums and severance payments upon involuntary termination. Pension and statutory severance benefits are not funded.

The present values of the net projected liability of these obligations as of June 30, 2015 and 2014 are ₹696.58 lac and ₹706.99 lac, respectively.

Net discount rates used in actuarial calculations were as follows:

Particulars	2014-15	2013-14
Discount of the project benefit obligation at present value	6.50%	6.50%
Salary increase	4.00%	4.00%

Net period cost comprises determined for 2014-15 and 2013-14 was ₹88.08 lac and ₹123.48 lac, respectively.

Under Mexican legislation, the Company must make payments equivalent to 2% of its workers' daily integrated salary (ceiling) to a defined contribution plan that is part of the retirement savings system. The expense in 2014-15 and 2013-14 was ₹22.58 lac and ₹22.60 lac, respectively.

Note 35 LEAVE ENCASHMENT

As per the policy followed by the company, all the leaves are enjoyable in the financial 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 CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015**Note 36 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT THE BALANCE SHEET DATE**

Particulars	2014-15		2013-14	
	Currency	₹ in lac	Currency	₹ in lac
Trade Payables	US\$	14.47	US\$	11.48
Advance for Import purchases	US\$	31.61	US\$	59.44
Advance from Customer	US\$	40.69	US\$	94.90
	GBP	-	GBP	2.35
Trade Receivable	US\$	200.23	US\$	530.95
	EURO	-	EURO	11.78

Note 37

The operations of Symphony Air Coolers Inc., USA, subsidiary of the Company discontinued since 2nd July 2013.

Note 38

There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 30th June, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 39

In the opinion of the board, Current Assets, Loans and Advances are approximately, stated at the value, if realised in ordinary course of business. Provisions for all known liabilities are provided for in full and the same are adequate and not in excess of the amount considered as reasonably necessary.

Note 40 EXPENDITURE ON RESEARCH & DEVELOPMENT ACTIVITIES AS CERTIFIED BY THE MANAGEMENT ARE AS UNDER

Particulars	(₹ in lac)	
	2014-15	2013-14
Capital Expenditure	19.31	13.80
Revenue Expenditure	217.62	183.48
Total	236.93	197.28

Note 41

Company gives one year warranty on certain components of its products. The expenses on the warranty as and when incurred are charged to the Statement of Profit and Loss.

Particulars	(₹ in lac)				
	July 01, 2014	Provision during the year	Utilised during the year	Reversal during the year	June 30, 2015
Provision for 1 year Warranty	262.56	382.51	262.56	-	382.51

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 42

Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule II to the 2013 Act.

(previous year figures are in brackets)

(₹ in lac)

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	87.51%	28,736.63	99.69%	11,555.55
	(83.67%)	(23,074.37)	(90.66%)	(9,584.80)
Subsidiaries:				
Foreign				
(1) Sylvan Holdings Pte. Ltd., Singapore	1.82%	598.43	0.77%	89.04
	(1.26%)	(348.58)	(1.04%)	(109.63)
(2) Symphony Aircoolers Inc, USA	0.00%	(-)0.46	0.00%	-
	(0.00%)	((-)0.46)	((-)0.69%)	((-)72.92)
(3) IMPCO S DE RL DE CV, Mexico	10.84%	3,558.56	(-)0.43%	(-)49.42
	(15.29%)	(4,215.59)	(9.31%)	(984.57)
(4) Symphony USA INC., USA	(-)0.17%	(-)56.86	(-)0.03%	(-)4.00
	((-)0.22%)	((-)60.40)	((-)0.32%)	((-)33.69)
Total	100.00%	32,836.30	100.00%	11,591.17
	(100.00%)	(27,577.68)	(100.00%)	(10,572.39)

Note 43

- (a) The figures pertaining to subsidiary companies have been reclassified, where necessary, to bring them in line with the parent Company's financial statements.
- (b) Previous year figures have been re-arranged/ regrouped wherever necessary to make them comparable with the figures of the current year.

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

Malay J. Dalal

Partner

Membership No. 36776

Place : Ahmedabad

Date : August 13, 2015

For and on behalf of the Board

Achal Bakeri

Chairman & Managing Director

Chandrakant Gandhi

Company Secretary

Nrupesh Shah

Executive Director

Bhadresh Mehta

Chief Financial Officer

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To
The Members of
Symphony Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Symphony Limited ('the Company'), which comprise the Balance Sheet as at June 30, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made thereunder.

We conducted our audit in accordance with Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at June 30, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting

Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e. On the basis of the written representations received from the directors as on June 30, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. 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, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Company has disclosed the impact, of pending litigations as at June 30, 2015 on its financial position in its financial statements as on that date Refer Note 28 to the standalone financial statements;
 - (ii) The Company does not have any long term contract 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 during the year ended June 30, 2015.

For, Shah & Dalal

Chartered Accountants

(Firm Registration no: 109432W)

Malay J. Dalal

(Partner)

Place: Ahmedabad

Date: August 13, 2015

Membership No. 36776

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of the Independent Auditors' Report of even date

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has granted unsecured loans to Companies covered in the register maintained under section 189 of The Companies Act, 2013, the recovery of principal and interest thereon, wherever stipulated, is regular.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- v. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Therefore the provisions of Clause (v) of the paragraph 3 of the order are not applicable to the company.
- vi. In our opinion and according to the information and explanations given to us, cost records are not required to be maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, duty of custom, duty of excise, Service Tax, value added tax, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of dues as

referred in above Clause were in arrears, as at 30th June, 2015 for a period of more than six months from the date they became payable.

- (c) According to the records of the company, the disputed statutory dues that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount (₹ In lac)	Period to which the Amount Relates	Forum Where Pending
Sales Tax	VAT including interest	2.54	2007-2008	Appellate Authority-Tribunal level
Sales Tax	Penalty under Section 45(6) of CST	70.80	1993-2000	Joint Commissioner Appeals – Mehsana, Gujarat.
The Central Excise Act, 1944	Penalty under rule 26 of the Central Excise Rules, 2002	101	2007- 2012	Appellate Authority – up to Commissioners'/ Tribunal level

- (d) In our opinion, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under has been transferred to such fund within time.

viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

ix. As the Company does not have any borrowings from any financial institution or bank; nor has it issued any debentures as at the balance sheet date, the provisions of Clause (ix) of the paragraph 3 of the Order are not applicable to the Company.

x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause (x) of the paragraph 3 of the Order are not applicable to the Company.

xi. The Company has not raised any term loans. Accordingly, the provisions of Clause (xi) of the

paragraph 3 of the Order are not applicable to the Company.

xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For, Shah & Dalal

Chartered Accountants

(Firm Registration no: 109432W)

Malay J. Dalal

(Partner)

Place: Ahmedabad

Date: August 13, 2015

Membership No. 36776

BALANCE SHEET as at 30th June, 2015

(₹ in lac)

Particulars	Note	As at 30/06/2015	As at 30/06/2014
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	699.57	699.57
(b) Reserves and Surplus	4	28,319.58	22,574.14
		29,019.15	23,273.71
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	5	185.92	52.92
(b) Long-Term Provisions	6	14.21	21.35
		200.13	74.27
(3) Current Liabilities			
(a) Trade Payables	7	3,299.64	2,748.10
(b) Other Current Liabilities	8	1,012.58	926.92
(c) Short-Term Provisions	9	4,890.91	5,295.14
		9,203.13	8,970.16
TOTAL		38,422.41	32,318.14
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		5,914.64	3,111.68
(ii) Intangible Assets		27.74	17.94
(iii) Capital Work-In-Progress		-	821.63
		5,942.38	3,951.25
(b) Non-Current Investments	11	15,468.45	16,187.20
(c) Long-Term Loans and Advances	12	119.87	268.54
		21,530.70	20,406.99
(2) Current Assets			
(a) Current Investments	13	10,966.82	5,762.98
(b) Inventories	14	2,455.28	2,164.37
(c) Trade Receivables	15	660.14	983.34
(d) Cash and Bank Balances	16	692.71	352.23
(e) Short-Term Loans and Advances	17	1,328.32	2,382.46
(f) Other Current Assets	18	788.44	265.77
		16,891.71	11,911.15
TOTAL		38,422.41	32,318.14
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

For and on behalf of the Board**Malay J. Dalal**

Partner

Membership No. 36776

Place : Ahmedabad

Date : August 13, 2015

Achal Bakeri

Chairman & Managing Director

Chandrakant Gandhi

Company Secretary

Nrupesh Shah

Executive Director

Bhadresh Mehta

Chief Financial Officer

STATEMENT OF PROFIT AND LOSS for the year ended 30th June, 2015

(₹ in lac)

Particulars	Note	Year ended 30/06/2015	Year ended 30/06/2014
I Gross Revenue from Sale of Products	19	51,531.17	45,123.78
Less: Excise Duty	19	-	1.52
Net Revenue from Sale of Products	19	51,531.17	45,122.26
Other Operating Revenue	19	40.69	27.95
Revenue from Operations		51,571.86	45,150.21
II Other Income	20	2,993.84	1,486.97
III Total Revenue (I + II)		54,565.70	46,637.18
IV Expenses:			
Cost of Material Consumed	21	2,460.02	2,546.97
Purchase of Stock-in-Trade	22	19,810.66	17,000.11
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	(551.95)	(160.77)
Employee Benefit Expense	24	3,032.72	2,554.99
Finance Costs	25	57.41	5.37
Depreciation and Amortization Expense	10	212.49	114.67
Other Expenses	26	13,370.12	11,018.34
Total Expenses		38,391.47	33,079.68
V Profit before Tax (III – IV)		16,174.23	13,557.50
VI Tax Expense:			
(1) Current Tax		4,438.21	3,662.00
(2) Deferred Tax		133.00	8.49
(3) Provision of earlier years		(38.89)	-
VII Profit for the year (V - VI)		11,641.91	9,887.01
VIII Earnings per equity share of face value of ₹2/- each :			
(1) Basic	27	33.28	28.27
(2) Diluted	27	33.28	28.27
Significant Accounting Policies	2		
The accompanying notes are an integral part of the Financial Statements			

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

Malay J. Dalal

Partner

Membership No. 36776

Place : Ahmedabad

Date : August 13, 2015

For and on behalf of the Board**Achal Bakeri**

Chairman & Managing Director

Chandrakant Gandhi

Company Secretary

Nrupesh Shah

Executive Director

Bhadresh Mehta

Chief Financial Officer

CASH FLOW STATEMENT for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	16,174.23	13,557.50
Adjustments For:		
Depreciation	212.49	114.67
Financial Charges	57.41	5.37
Wealth Tax Expenses (Net)	0.99	1.63
Interest Received	(979.11)	(694.75)
Dividend Received	(310.57)	(524.14)
(Profit) / Loss On Sale of Fixed Assets	(58.82)	(14.34)
Operating Profit Before Working Capital Changes	15,096.62	12,445.94
Adjustments For:		
Trade and Other Receivables	323.21	(466.95)
Inventories	(290.91)	(345.09)
Long Term Loans & Advances	78.35	(4.19)
Short Term Loans & Advances	506.59	(911.60)
Other Current Assets	2.91	11.13
Trade Payables	551.54	1,267.64
Other Current Liabilities	(51.41)	(225.61)
Short Term Provisions	396.20	234.83
Provision for Employee Benefit	(7.14)	0.03
Cash Generated from Operations	16,605.96	12,006.13
Taxes paid [Income Tax]	(4,907.55)	(3,800.91)
Net Cash Flow from Operating Activities	11,698.41	8,205.22
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,105.11)	(965.52)
Interest Received	453.54	799.05
Dividend Received	310.57	524.14
Wealth Tax paid	(1.57)	(1.10)
Purchase of Investments	(73,256.53)	(72,038.38)
Sale/Redemption of Investments	68,771.15	62,282.55
Fixed Deposits with Bank matured	-	3,709.31
Earmarked deposits / balances with bank (Placed) / Realised	(78.83)	(67.76)
Investment in Equity Shares	0.26	-
Advances and Loans to Subsidiaries	(340.00)	(4,385.41)
Advances and Loans Received back from Subsidiaries	887.55	4,933.22
Sale of Fixed Assets	80.76	92.71
Net Cash Used in Investing Activities	(5,278.21)	(5,117.19)

CASH FLOW STATEMENT for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
C CASH FLOW FROM FINANCING ACTIVITIES		
Financial Charges Paid	(57.41)	(5.37)
Dividend Paid	(5,167.49)	(2,915.64)
Dividend Distribution Tax Paid	(933.65)	(505.29)
Net Cash Used in Financing Activities	(6,158.55)	(3,426.30)
Net Increase (Decrease) in Cash & Cash Equivalents (A+B+C)	261.65	(338.27)
Cash & Cash Equivalents at the beginning of the year	211.15	549.42
Cash & Cash Equivalents at the end of the year	472.80	211.15
Cash on Hand	8.21	14.61
Balances with Schedule Bank in Current Account	464.59	196.54
Cash & Bank Balance as per Balance Sheet	472.80	211.15

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

For and on behalf of the Board**Malay J. Dalal**

Partner

Membership No. 36776

Achal Bakeri

Chairman & Managing Director

Nrupesh Shah

Executive Director

Place : Ahmedabad

Date : August 13, 2015

Chandrakant Gandhi

Company Secretary

Bhadresh Mehta

Chief Financial Officer

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(1) Nature of Business

Symphony Limited, a premier air cooling company was established in the year 1988. The company is in the field of residential, commercial and industrial air cooling both in the domestic and international markets.

(2) Significant Accounting Policies

The significant accounting policies have been predominantly presented below in the order of the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

i) Basis of Accounting and Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation.

ii) Use of Estimates

The preparation of the 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 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.

iii) Revenue Recognition

Revenue is recognised when consideration can be measured reliably and there exists reasonable certainty of its recovery.

a) Sales

Sales is inclusive of VAT and Central Sales Tax, wherever applicable and after making adjustments towards price variations, discounts etc.

Revenue is recognised on transfer of significant risks and rewards to the customer which normally occurs.

In case of Domestic Sales - On dispatch of products to customers.

In case of Export Sales - On Shipment / Air lift of products.

b) Interest

Interest on investments is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

c) Export Benefits

Export Incentives are estimated and accounted for in the year of export.

d) Dividend Income

Dividend income on investments is accounted for when the right to receive the payment is established.

iv) Tangible Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition / construction less accumulated depreciation, amortization and impairment loss (if any). Cost comprises of purchase price, import duties and other non-refundable taxes or levies and any directly attributable cost to bring the assets ready for their intended use. Direct expenses, as well as pro rata identifiable indirect expenses on projects during the year of construction are capitalized. Only expenditures that increase the future economic benefits from the existing asset beyond its previously assessed standard of performance is included in the gross book value, e.g., an increase in capacity. The cost of an addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is added to its gross book value. Any addition or extension, which has a separate identity and is capable of being used after the existing asset is disposed off, is accounted for separately. The fixed assets retired from active use are stated at net book value or net realisable value, whichever is lower. The loss arising due to write-down is recognised in the statement of profit and loss. An item of fixed asset is eliminated from the financial statements on disposal. Gains or losses arising on disposal are recognised in the statement of profit and loss.

v) Intangible Fixed Assets

Intangible Fixed assets are stated at cost less accumulated amortization and accumulated impairment. Cost comprises of purchase price and any directly attributable cost to bring the assets ready for their intended use. An expenditure is regarded as an intangible asset if such expenditure give rise to an identifiable non-monetary resource without physical substance controlled by the company as a result of past events which is expected to result in future economic benefits in the form of either of higher cash inflows or lower cash outflows over the useful life of the resource and such resource is held for use in the production or supply of goods or services, for rental to others, or for administrative purposes. An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or losses arising from disposals are determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as income or expense in the Statement of Profit and Loss.

vi) Depreciation / Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on all tangible fixed assets is provided on Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Any addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is depreciated at the rate which is applied to the existing asset. Depreciation on sale of assets is provided till the date of

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

sale. Depreciation on tangible assets is ceased when a fixed asset is retired from active use and held for disposal or is disposed off.

Intangible fixed assets in the nature of software are amortized over a period of 6 years and Intellectual Property Rights (IPR) are amortized over a period of 5 years from the date of addition. Amortization of an intangible asset commences when the asset is available for use and ceases when the asset is retired from active use or is disposed off. Residual value for the purpose of amortization is taken as zero. At each balance sheet date, the company reviews the amortization period and amortization method.

vii) Investments

Investments which are intended for sale / maturing within twelve months are classified as Current Investments. Others are classified as Long Term Investments.

Cost of Investments comprises of the purchase price and any directly attributable expenses incurred.

Current Investments are carried at the lower of cost and fair value computed individually. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made, only if, in the opinion of the management, such a decline is regarded as being other than temporary.

viii) 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 "First in First out" basis.

Work-in-process and Finished goods are valued at lower of cost or net realizable value. The cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on "First in First out" basis.

Excise duty in respect of finished goods lying at the factory premises have been provided for and included in valuation of inventory where the excise duty is payable.

ix) Research and Development

Research costs incurred for new / existing products / process including manpower cost are recognised in Statement of Profit and Loss as incurred. Development costs relating to the design and testing of new or improved materials, products or processes are recognized as intangible assets to the extent that it is expected that such assets will generate future economic benefits. Research and development expenditure of capital nature is added to fixed assets.

The carrying value of development costs is reviewed for impairment annually when the asset is not available for use, and other wise when events and change in circumstances indicate that the carrying value may not be recoverable.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

x) Foreign currency transactions

Initial Recognition and Measurement:

Foreign currency transaction is recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Measurement:

Foreign currency receivables and payables are subsequently measured as stated below:

- a) At each balance sheet date
 - i) Foreign currency monetary items are reported using the closing rate.
 - ii) Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rate that existed when the values were determined.
- b) Treatment of exchange differences arising on settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period:
 - i) Exchange differences arising on a monetary item that is receivable from, or payable to, a non-integral foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future are accumulated in Foreign Currency Translation Reserve (FCTR). The exchange differences so accumulated in FCTR are reclassified to the Statement of Profit and Loss as and when settlement occurs.
 - ii) Exchange differences arising on reporting of long-term foreign currency monetary items, in so far as they relate to the acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset.
 - iii) Exchange differences arising on reporting of long-term foreign currency monetary items other than those related to depreciable capital assets are parked in a separate account titled "Foreign currency monetary item translation difference account". This account is amortised on a systematic basis to reflect the amortisation of the corresponding long term foreign currency monetary item.
 - iv) All other exchange differences are recognised as income or as expenses in the period in which they arise in the Statement of Profit and Loss.
- c) The premium or discount arising at the inception of a forward contract entered into to hedge the foreign currency risk of existing assets and / or liabilities is amortised as expense or income over the life of the contract. Exchange differences on such a contract is recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

xi) Employee Benefits

a) Short term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

b) Post Employment Benefits

- i) Defined Contribution Plan:- The Company's contribution paid / payable during the year to Provident Fund are considered as defined contribution plans. The Contribution paid / payable under these plans are recognized during the period in which the employee render services.
- ii) Defined Benefit Plan:- Employee benefits in the nature of Gratuity are recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. Estimated liability on account of Gratuity is discounted to the current value, using the yield on government bonds, as on the date of balance sheet, at the discounting rate.

Actuarial gains and losses in respect of post employment and other benefits are charged to the Statement of Profit and Loss.

xii) Leases

All leases are classified into Operating and Financial Lease at the inception of the lease. Leases that transfer substantially all risks and reward from lessor to lessee are classified as Finance Lease and others being classified as Operating Lease.

Rent Expense and Rent Income represent operating leases which are recognized as an expense or Income respectively in the Statement of Profit and Loss on a Straight Line basis over the lease terms.

xiii) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and loss.

xiv) Provision for tax

Tax expenses for a year comprise of current tax and deferred tax.

Provision for current tax is determined based on taxable profits of the company as determined under the Income Tax Act, 1961.

Provision for deferred tax is determined based on the effect of timing difference between the taxable profits under the Income Tax Act and the profits as per the Statement of Profit and Loss and it is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Provision for Wealth Tax is calculated on taxable wealth at the rate specified under the Wealth Tax Act, 1957.

xv) Impairment of Fixed Assets

The carrying amount of tangible and intangible fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment.

If any such indication exist, the assets recoverable amount is estimated. An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of assets exceeds its recoverable amount. An impairment loss can be reversed if there are changes in estimates to determine the recoverable amount in future period. An impairment loss is reversed only to the extent that the carrying amount of the assets does not exceed the net book value that would have been determined, if no impairment loss has been recognized.

The value of assets that are not available for use are reviewed at each balance sheet date to assess the probability of continuing future benefits. If there is any indication that the value of such assets is impaired, the resulting impairment loss is recognized in the financial statement.

xvi) Warranty

Provision for the estimated liability in respect of warranty on Domestic sale of products is made in the year in which the revenues are recognised, based on historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

xvii) Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements.

A contingent asset is neither recognised nor disclosed in the financial statement.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 3 SHARE CAPITAL		
Authorised :		
75,000,000 Equity Shares of ₹2/- each	1,500.00	1,500.00
Issued, Subscribed & Paid up :		
34,978,500 Equity Shares of ₹2/- each fully paid up	699.57	699.57
	699.57	699.57

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 shareholders.

The details of shareholder holding more than 5% shares as at June 30, 2015 is set out below :

Name of the shareholder	No. of shares	% held as at 30/06/2015	No. of shares	% held as at 30/06/2014
Mr. Achal A. Bakeri	14,631,800	41.83%	14,631,800	41.83%
Oras Investments Pvt. Ltd.	3,221,800	9.21%	3,221,800	9.21%
Paratam Investments Pvt. Ltd.	3,019,800	8.63%	3,019,800	8.63%

The reconciliation of the number of shares outstanding as at June 30, 2015 is set out below:

Particulars	As at 30/06/2015	As at 30/06/2014
Number of shares at the beginning	34,978,500	34,978,500
Add: Shares issued during the year	-	-
Number of shares at the end	34,978,500	34,978,500

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 4 RESERVES AND SURPLUS		
General Reserve		
Balance at the beginning of the year	3,500.00	3,500.00
Add: Transferred from Surplus	-	-
Balance at the end of the year	3,500.00	3,500.00
Surplus		
Balance at the beginning of the year	17,475.24	12,908.23
Add: Net profit after tax transferred from Statement of Profit and Loss	11,641.91	9,887.01
Amount available for appropriation	29,117.15	22,795.24
Less: Appropriations		
Adjustment relating to Fixed Assets [Note No. 10(4)]	7.65	-
Proposed Dividend on Equity Shares	3,497.85	3,847.64
[Dividend per share ₹10/- (Previous year ₹11/-) on face value of ₹2/-]		
Tax on Proposed Dividend	712.08	653.90
Interim Dividend on Equity Shares	1,399.14	699.57
[Dividend per share ₹4/- (Previous year ₹2/-) on face value of ₹2/-]		
Tax on Interim Dividend	279.75	118.89
Balance at the end of the year	23,220.68	17,475.24
Securities Premium Account		
Balance at the beginning of the year	694.47	694.47
Balance at the end of the year	694.47	694.47
Capital Reserve		
Balance at the beginning of the year	904.43	904.43
Balance at the end of the year	904.43	904.43
Total	28,319.58	22,574.14
Note 5 DEFERRED TAX LIABILITIES (NET)		
(A) Deferred Tax Liability arising on account of timing difference between depreciation as per Books and as per Income Tax Act, 1961	218.58	92.31
Total (A)	218.58	92.31
(B) Deferred Tax Asset		
Disallowances under section 43B/40A(7) of Income Tax Act, 1961	4.92	39.39
Provision for diminution in current investment	1.62	-
Provision for doubtful advance	26.12	-
Total (B)	32.66	39.39
(C) Deferred Tax Liability Net (A-B)	185.92	52.92

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 6 LONG-TERM PROVISIONS		
Others		
Gratuity (Refer to Note no. 34)	14.21	21.35
	14.21	21.35

Note 7 TRADE PAYABLES		
Trade Payables (Refer to Note no. 37)	3,299.64	2,748.10
	3,299.64	2,748.10

Note 8 OTHER CURRENT LIABILITIES		
Other liabilities		
Trade Deposits	58.82	52.17
Unclaimed Dividends	206.45	127.17
Creditors for Capital Goods	58.03	0.24
Advance from customers	289.01	345.72
Statutory Dues	382.79	378.81
Other Payables	17.48	22.81
	1,012.58	926.92

Note 9 SHORT-TERM PROVISIONS		
Proposed Dividend	3,497.85	3,847.64
Income tax on Proposed Dividend	712.08	653.90
Provision for		
Gratuity (Refer to Note no. 34)	-	15.46
Sales Return	291.71	-
Warranty (Refer to Note no. 40)	382.51	262.56
Income Taxes (Net of Advance Tax)	5.44	513.68
Wealth Tax	1.32	1.90
	4,890.91	5,295.14

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 10 FIXED ASSETS

	Free Hold Land	Lease Hold Land (SEZ)	Buildings	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total (A)	Intangible Intellectual Property Rights	Total (B)	Capital WIP (C)	Grand Total (A+B+C)
Gross Block													
As at 01/07/2013	1,962.85	260.49	479.36	469.33	24.44	248.47	37.59	50.47	3,533.00	16.04	16.04	359.75	3,908.79
Additions	-	-	-	282.02	0.86	86.53	1.14	6.41	376.97	15.78	15.78	461.88	854.62
Adjustments / Sold	-	-	-	213.44	1.90	61.90	1.05	10.79	289.08	-	-	-	289.08
As at 01/07/2014	1,962.85	260.49	479.36	537.91	23.40	273.10	37.68	46.09	3,620.88	31.82	31.82	821.63	4,474.33
Additions	-	-	1,397.78	1,187.91	307.48	7.34	72.95	65.58	3,039.04	15.81	15.81	1,443.52	4,498.36
Adjustments / Sold	-	-	8.25	8.96	0.36	10.34	12.54	9.77	50.22	4.49	4.49	2,265.15	2,319.85
As at 30/06/2015	1,962.85	260.49	1,868.89	1,716.87	330.52	270.10	98.09	101.91	6,609.70	43.14	43.14	-	6,652.85
Accumulated Depreciation and Amortization													
As at 01/07/2013	-	38.06	208.89	215.16	3.77	92.11	20.18	30.30	608.47	10.66	10.66	-	619.13
Depreciation and Amortization For The Year	-	17.37	15.73	41.29	1.47	26.13	1.85	7.62	111.45	3.22	3.22	-	114.67
Adjustments	-	-	-	155.84	1.90	41.14	1.05	10.79	210.72	-	-	-	210.72
As at 01/07/2014	-	55.43	224.62	100.61	3.34	77.10	20.98	27.13	509.20	13.88	13.88	-	523.08
Depreciation and Amortization For The Year	-	17.37	19.47	100.72	10.74	37.15	8.10	14.93	208.47	4.02	4.02	-	212.49
Adjustments	-	-	3.15	1.81	0.19	3.50	5.69	8.27	22.61	2.50	2.50	-	25.11
As at 30/06/2015	-	72.79	240.94	199.52	13.89	110.75	23.39	33.78	695.06	15.40	15.40	-	710.47
Net Block													
As at 30/06/2014	1,962.85	205.06	254.74	437.31	20.06	196.00	16.70	18.96	3,111.68	17.94	17.94	821.63	3,951.25
As at 30/06/2015	1,962.85	187.70	1,627.95	1,517.35	316.62	159.35	74.70	68.12	5,914.64	27.74	27.74	-	5,942.38

- The leasehold land in Surat SEZ (SUR SEZ) is for the period upto July, 2005 and the lease is to be renewed on expiry of every 15 years starting from 2011. The cost of leasehold land will be amortised over a period of 15 years.
- Software cost is amortised over a period of 6 years.
- Intellectual Property Rights cost are amortised over a period of 5 years.
- Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised / remaining useful lives. The written down value of Fixed Assets whose lives have expired as at July 01, 2014 amounting to ₹7.65 lac have been adjusted to retained earnings.
- The depreciation expense in the Statement of Profit and Loss for the year is lower by ₹14.95 lac consequent to the change in the useful life of the assets.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars		As at 30/06/2015		As at 30/06/2014
Note 11 NON-CURRENT INVESTMENTS	Nos.	Amount	Nos.	Amount
Non-current Investments				
Long term investments - Trade (Unquoted)				
Investment in equity shares of subsidiaries				
Symphony Air Coolers Inc, USA (Equity Shares \$ 1/- each, fully paid)	1,000	0.46	1,000	0.46
Sylvan Holdings PTE. Ltd, Singapore (Equity Shares \$ 1/- each, fully paid)	4,350,000	2,312.01	4,350,000	2,312.01
IMPCO S DE RL DE CV, Mexico		0.28		0.28
Long term investments - Non Trade (Unquoted)				
Investment in equity shares of Associates				
Symphony Designer & Properties Pvt. Ltd. (Equity Shares ₹10/- each, fully paid)		-	248	0.02
Investment in equity shares of Others				
Saline Area Vitalisation Enterprises Ltd (Face value of Equity Shares ₹10/- each, fully paid)		-	2,000	0.24
Investment in Mutual Funds				
Birla SI Savings Fund- Growth Option		-	198,903	500.00
Birla Sun Life Ultra Short Term Fund- Growth Option		-	672,247	1,000.00
ICICI Prudential Flexible Income Plan-Growth Option		-	609,673	1,500.00
IDFC Ultra Short Term Fund-Growth Option		-	5,799,522	1,000.00
IDFC Ultra Short Term Fund-Growth Option		-	2,734,841	500.00
Sundaram Ultra Short Term Fund- Growth Option		-	5,893,829	1,000.00
Tata Floater Fund-Plan-A-Growth Option		-	76,266	1,500.00
Templeton India Ultra Short Bond Fund-Growth Option		-	8,689,205	1,500.00
Templeton India Ultra Short Bond Fund-Growth Option		-	2,895,680	500.00
UTI Treasury Advantage Fund-Growth Option		-	84,506	1,500.00
Long term investments - Non Trade (Quoted)				
Investment in Bonds				
Tax Free Bond of IIFC Ltd.	136,000	1,458.38	50,000	500.00
Tax Free Bond of IIFC Ltd.	100	1,068.30		-
Tax Free Bond of IIFC Ltd.	100,000	998.90		-
Tax Free Bond of NHAI	37,086	370.86	37,086	370.86
Tax Free Bond of NHB	7,220	361.00	7,220	361.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars		As at 30/06/2015		As at 30/06/2014
Note 11 NON-CURRENT INVESTMENTS (contd.)	Nos.	Amount	Nos.	Amount
Tax Free Bond of NHB	150	1,655.25		-
Tax Free Bond of NTPC Ltd.	31,664	316.64	31,664	316.64
Tax Free Bond of PFC Ltd.	32,389	323.89	32,389	323.89
Tax Free Bond of PFC Ltd.	150	1,653.75		-
Tax Free Bond of REC Ltd.	1,000,000	1,001.80	1,000,000	1,001.80
Tax Free Bond of REC Ltd.	50,000	500.00	50,000	500.00
Tax Free Bond of REC Ltd.	92,500	948.68		-
Bank of India Perpetual Bond	100	1,000.00		-
IDBI Perpetual Bond	100	1,000.00		-
Vijaya Bank Perpetual Bond	50	498.25		-
		15,468.45		16,187.20
Aggregate amount of quoted investments		13,155.70		3,374.19
Aggregate market value of quoted investments		13,430.58		3,558.46
Aggregate value of unquoted investments		2,312.75		12,813.01

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 12 LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital advances	99.95	170.27
Other loans and advances		
Balance with Sales Tax and VAT Department	3.13	11.02
Deposit Others	16.79	87.25
	119.87	268.54

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars		As at 30/06/2015		As at 30/06/2014
Note 13 CURRENT INVESTMENTS	Nos.	Amount	Nos.	Amount
Current Investments				
Investment in Mutual Funds (Unquoted)				
Axis Liquid Fund	225,661	2,257.33		-
Birla Sun Life Savings Fund	1,630,978	1,635.82	243,478	244.20
DSP BR Liquidity Fund-Liquid	147,285	1,473.75		-
DSP BR Ultra Short Term Fund	2,322,786	233.23		-
Franklin India Treasury Management-Super IP	187,004	1,871.38		-
ICICI Prudential Equity Arbitrage Fund	3,609,743	500.00		-
IDFC Arbitrage Fund	8,011,601	1,000.00		-
Kotak Equity Arbitrage Fund	9,273,602	1,000.00		-
Reliance Arbitrage Fund	4,761,251	500.00		-
SBI Arbitrage Opportunities Fund	3,800,584	500.00		-
Templeton India Ultra Short Bond Fund		-	10,140,245	1,018.78
Investment in Mutual Funds (Quoted)				
Baroda Pioneer Fixed Maturity Plan- Series N		-	10,000,000	1,000.00
HDFC Fixed Maturity Plans-Series 27		-	20,000,000	2,000.00
LIC Nomura MF FMP-Series-68		-	10,000,000	1,000.00
Religare Invesco Fixed Maturity Plan-Series XX-Plan C		-	5,000,000	500.00
		10,971.51		5,762.98
Less : Provision for diminution		(4.69)		-
		10,966.82		5,762.98
Aggregate amount of quoted investments		-		4,500.00
Aggregate market value of quoted investments		-		4,838.00
Aggregate value of unquoted investments		10,966.82		1,262.98

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 14 INVENTORIES		
(As taken, Valued & Certified by the Management)		
Raw materials (Including Packing Material)	116.39	377.43
Work-in-Progress	8.04	3.35
Finished Goods (Including Goods in Transit ₹13.63 lac, Previous year ₹ Nil)	114.49	229.83
Stock-In-Trade (Including Goods in Transit ₹7.84 lac, Previous year ₹66.35 lac)	2,216.36	1,553.76
	2,455.28	2,164.37

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	As at 30/06/2015	As at 30/06/2014
Note 15 TRADE RECEIVABLES		
Outstanding for more than six months		
Unsecured Considered good	8.29	18.36
Others		
Unsecured Considered good	651.85	964.98
	660.14	983.34

Note 16 CASH & BANK BALANCES

Cash and Cash Equivalents		
Cash on Hand	2.73	3.25
Balance with employees Imprest account	5.48	11.36
Balance with banks in current accounts	464.59	196.54
	472.80	211.15
Other Bank Balances		
In Earmarked Accounts		
Unpaid Dividend Accounts	206.45	127.17
Margin Accounts*	13.46	13.91
	692.71	352.23

* Includes deposits remaining maturity of more than 12 months from the balance sheet date ₹5.40 lac (Previous year ₹11.32 lac).

Note 17 SHORT-TERM LOANS AND ADVANCES

(Unsecured Considered Good Unless Otherwise Stated)		
Loans and advances to subsidiaries (refer to note 31)	-	547.55
Advance for supply of goods and rendering of services		
Unsecured, considered good	993.90	1,622.19
Unsecured, considered doubtful	75.49	-
Less: Provision for doubtful Advances	(75.49)	-
Balance with statutory / government authorities	187.14	189.89
Other Loans and advances	147.28	22.83
	1,328.32	2,382.46

Note 18 OTHER CURRENT ASSETS

Interest accrued but not due	762.77	237.19
Export Incentive Receivable	25.67	28.58
	788.44	265.77

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
Note 19 REVENUE FROM OPERATIONS		
Gross Revenue from Sale of Products	51,531.17	45,123.78
Less: Excise Duty	-	1.52
Net Revenue from Sale of Products	51,531.17	45,122.26
Other Operating Revenue	40.69	27.95
	51,571.86	45,150.21
Sale of products comprises of :		
Air Coolers	50,671.58	44,529.65
Others	859.59	594.13
	51,531.17	45,123.78

Note 20 OTHER INCOME

Interest Income	979.11	694.75
Dividend Income	310.57	524.14
Foreign Exchange Fluctuation(Net)	50.63	30.83
Gain on Sale of Current Investments(Net)	1,457.45	128.59
Profit on Sale of Fixed Assets	58.82	14.35
Other Non Operating Income	137.26	94.31
	2,993.84	1,486.97
Interest income pertains to:		
Interest Income from Long term Investments	611.06	278.69
Interest Income from Current Investments	368.05	416.06
Dividend income pertains to:		
Dividend from Current Investments (mutual funds)	310.55	524.12
Dividend from Other Long Term Investments	0.02	0.02

Note 21 COST OF MATERIAL CONSUMED

Opening Stock of Raw Materials	377.43	193.11
Add: Purchases	2,198.98	2,731.29
Less: Closing Stock of Raw Materials	116.39	377.43
	2,460.02	2,546.97

Cost of material comprises of Moulded Parts & components of Air Cooler

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
Note 22 PURCHASE OF STOCK-IN-TRADE		
Air Coolers	19,317.27	16,518.59
Others	493.39	481.52
	19,810.66	17,000.11

Note 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
Work-in-Progress	3.35	0.92
Finished Goods	229.83	164.00
Stock-In-Trade	1,553.76	1,461.25
Less:		
Closing Stock		
Work-in-Progress	8.04	3.35
Finished Goods	114.49	229.83
Stock-In-Trade	2,216.36	1,553.76
	(551.95)	(160.77)

Note 24 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	2,804.48	2,460.26
Contribution to Provident Fund and Other Funds	187.31	57.31
Staff Welfare Expenses	40.93	37.42
	3,032.72	2,554.99

Note 25 FINANCE COSTS		
Interest Expenses	57.41	5.37
	57.41	5.37

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	Year ended 30/06/2015	Year ended 30/06/2014
Note 26 OTHER EXPENSES		
Stores, Spare parts and Packing Material consumed	2.11	3.27
Assembly and Labour Charges	60.72	67.11
Power and Fuel	8.34	9.33
Repairs & Maintenance		
Building	16.94	14.76
Machinery	12.89	9.29
Rent	21.22	20.70
Rates & Taxes	21.42	5.24
Travelling	728.23	636.79
Conveyance	172.97	147.55
Communication Expenses	90.19	86.06
Insurance	48.11	28.42
Research and Development Expenses	205.85	162.11
Printing and stationery charges	38.68	38.13
Legal & Professional Charges	414.74	410.87
Payment to Auditors (Refer Note no. 32)	11.92	12.08
Vehicle Expenses	18.65	18.60
General Expenses	179.57	95.78
Provision for Doubtful Advances	75.49	-
Repairs Others	14.95	15.62
Bank Charges	15.05	15.47
Advertisement and Sales Promotion	3,134.23	2,204.10
Freight & Forwarding Charges	1,540.91	1,402.20
Warranty Expense	737.54	684.73
Sales Commission	2.46	7.73
CFA Handling Charges	191.66	171.73
Warehousing Charges	134.40	126.05
Conference and Other Expenses	70.22	84.18
VAT and Sales Tax	5,400.66	4,540.44
	13,370.12	11,018.34

Note 27 EARNINGS PER SHARE

Face value of Equity Shares (₹)	2	2
Net Profit available for Equity Shareholders(₹ In lac)	11,641.91	9,887.01
No. of Equity Shares	34,978,500	34,978,500
Basic and Diluted EPS (₹)	33.28	28.27

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	2014-15	2013-14
Note 28 CONTINGENT LIABILITIES		
a) Claims against the company not acknowledged as debt.	13.34	13.34
b) Demand on account of sales tax matters raised against the company for the various years but the same is not acknowledged as debt hence, not provided for. Appeals are pending.	77.17	0.86
c) Income Tax matters not acknowledged as debts	10.76	37.95
d) Demand under disputed central excise matter, Appeals are being filed.	101.50	132.10
e) Estimated amount of contracts remaining to be executed on capital account and not provided for	134.57	295.85

Income Tax

The Income- Tax assessments of the Company have been completed up to Assessment Year 2011-12. The Company has filed appeal against the demand of ₹10.76 lac raised for Assessment Year 2011-12. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

Note 29 SEGMENT REPORTING**(a) Primary Segment :**

The company has identified two primary segment namely Home Appliances and Corporate Funds so as to know financial efficiency of core business i.e. Home Appliances and Corporate Funds Segment which consists of surplus investments.

(₹ in lac)

Particulars	2014-15	2013-14
(1) Segment Revenue		
Home Appliances	52,328.70	45,711.18
Corporate Funds	2,237.00	926.00
Total	54,565.70	46,637.18
(2) Segment Profit before Interest and Taxes (PBIT)		
Home Appliances	14,000.64	12,652.87
Corporate Funds	2,231.00	910.00
Total	16,231.64	13,562.87
Less: Finance Costs	57.41	5.37
Less: Taxes	4,532.32	3,670.49
Total Profit After Tax	11,641.91	9,887.01
(3) Segment Assets		
Home Appliances	13,527.41	12,501.14
Corporate Funds	24,895.00	19,817.00
Total	38,422.41	32,318.14

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 29 SEGMENT REPORTING (contd.)

		(₹ in lac)
Particulars	2014-15	2013-14
(4) Segment Liabilities		
Home Appliances	9,114.26	8,701.43
Corporate Funds	289.00	343.00
Total	9,403.26	9,044.43
(5) Capital Employed		
Home Appliances	4,413.15	3,799.71
Corporate Funds	24,606.00	19,474.00
Total	29,019.15	23,273.71
Segment Profit (PBIT) % on Capital Employed		
Home Appliances	165.13%	154.21%
Corporate Funds	11.40%	6.41%

(b) Secondary Segment : Geographical segment

		(₹ in lac)
Particulars	2014-15	2013-14
(1) Segment Revenue		
India	46,159.29	39,459.48
Rest of the world	5,371.88	5,662.78
Net Revenue from Sale of Products	51,531.17	45,122.26
(2) Segment Profit before Interest and Taxes (PBIT)		
India	14,279.21	11,409.77
Rest of the world	1,952.43	2,153.10
Total	16,231.64	13,562.87
Less: Finance Costs	57.41	5.37
Less: Taxes	4,532.32	3,670.49
Total Profit After Tax	11,641.91	9,887.01
(3) Segment Assets		
India	38,244.32	31,775.81
Rest of the world (Only Receivables *)	178.09	542.33
Total	38,422.41	32,318.14
(4) Segment Liabilities		
India	9,362.58	8,947.18
Rest of the world (Advance from customers only *)	40.68	97.25
Total	9,403.26	9,044.43
(5) Capital Employed (*)	29,019.15	23,273.71

* Capital Employed and other Segment assets and liabilities of Geographical segment are not separable.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015**Note 30 SUBSIDIARIES**

Following are the subsidiaries and step down subsidiaries of the Company

- (i) Symphony Aircoolers Inc, USA (Subsidiary)
- (ii) Sylvan Holdings Pte. Ltd., Singapore (Subsidiary)
- (iii) IMPCO S DE RL DE CV, Mexico (Subsidiary of Subsidiary)
- (iv) Symphony USA INC., USA (Subsidiary of Subsidiary)

Note 31 RELATED PARTY DISCLOSURES

(₹ in lac)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2014-15		2013-14	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
1	Mr. Achal Bakeri	Key Management Personnel	Remuneration and Perquisites	187.98	98.09	187.15	105.00
			Sale of shares of Symphony Designer Properties Pvt. Ltd.	0.06		-	
			Sale of shares of Saline Area Vitalisation Enterprises Ltd.	1.00		-	
2	Mr. Nrupesh Shah	Key Management Personnel	Remuneration and Perquisites	109.47	58.85	96.71	57.80
3	Ms. Jonaki Bakeri	Non-Executive Director	Sitting Fees	1.00	0.90	-	-
4	Sylvan Holdings Pte Ltd., Singapore	Wholly owned Subsidiary	Investment in Capital	-	2,312.01	-	2,312.01
5	Sylvan Holdings Pte Ltd., Singapore	Wholly owned Subsidiary	Loan Given	-	-	2,104.31	-
			Loan Received back			(3,297.87)	
			Interest Income			46.04	
6	IMPCO S DE RL DE C.V., Mexico	Subsidiary of Sylvan Holdings Pte Ltd., Singapore	Sale of Goods	1,544.34	-	1,684.13	(40.49)
7	IMPCO S DE RL DE C.V., Mexico	Subsidiary of Sylvan Holdings Pte Ltd., Singapore	Purchase of Goods	114.14	(6.36)	261.74	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 31 RELATED PARTY DISCLOSURES (contd.)

(₹ in lac)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2014-15		2013-14	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
8	IMPCO S DE RL DE C.V., Mexico	Subsidiary of Sylvan Holdings Pte Ltd.,Singapore	Purchase of Moulds	48.40	-	-	-
9	IMPCO S DE RL DE C.V., Mexico	Subsidiary of Sylvan Holdings Pte Ltd.,Singapore	Investment in Capital	-	0.28	-	0.28
10	IMPCO S DE RL DE C.V., Mexico	Subsidiary of Sylvan Holdings Pte Ltd.,Singapore	Loan Given	340.00	-	2,281.10	602.70
			Loan Received back	959.23		(1,673.69)	
			Interest Income	9.96		54.93	
11	Symphony Aircoolers Inc, USA	Wholly owned Subsidiary	Investment in Capital	-	0.46	-	0.46
12	Oras Investments Pvt. Ltd.	Enterprise in which Director has significant influence	Rent Expense	7.56	-	7.23	-
13	Paratam Investments Pvt. Ltd.	Enterprise in which Director has significant influence	Rent Expense	7.56	-	7.23	-
14	Scarlet Living Pvt. Ltd.	Enterprise in which Director has significant influence	Godown Rent Income	0.21	-	0.36	-
15	Scarlet Living Pvt. Ltd.	Enterprise in which Director has significant influence	Purchase of Capital Goods	0.67	-	-	0.47
			Purchase of Goods	3.61		1.55	
16	Bakeri Projects Pvt. Ltd.	Enterprise in which relative of Director has significant influence	Sale of Immoveable Property	64.50	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	2014-15	2013-14
Note 32 AUDITORS' REMUNERATION (Refer Note no. 26)		
a) As Auditor	6.84	6.74
b) In other capacity, in respect of		
i) Tax Audit	1.14	1.12
ii) Certification	0.57	0.56
iii) Taxation Matters	3.37	3.66
	11.92	12.08

Note 33 LEASES

The company does not have any uncancellable lease.

Note 34 EMPLOYEE BENEFITS

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.

(₹ in lac)

Particulars	2014-15	2013-14
I Expenses recognized during the year		
Current service cost	44.07	44.86
Interest on obligation	22.15	18.32
Expected return on plan assets	(18.62)	(15.00)
Net actuarial losses (gains) recognised in year	54.62	(31.81)
Total	102.23	16.37
Actual return on plan assets	7.50	15.97
II Reconciliation of opening and closing balances of defined benefit obligation		
Opening defined benefit obligation	250.88	236.41
Service cost	44.07	44.86
Interest cost	22.15	18.32
Actuarial losses (gains)	43.49	(30.84)
Benefits paid	(34.05)	(17.87)
Closing defined benefit obligation	326.56	250.88
III Reconciliation of Opening and Closing balances of fair value of plan assets		
Opening fair value of plan assets	214.08	172.45
Expected return	18.62	15.00
Actuarial gains and (losses)	(11.13)	0.97

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 34 EMPLOYEE BENEFITS (contd.)

		(₹ in lac)
Particulars	2014-15	2013-14
Contributions by employer	124.82	40.56
Benefits paid	(34.05)	(14.91)
Closing balance of fair value of plan assets	312.35	214.08
IV Reconciliation of the present value of defined benefit obligation and fair value of planned assets		
Present value of funded obligations	326.56	250.88
Fair value of plan assets	(312.35)	(214.07)
Present value of unfunded obligations	-	-
Net liability	14.21	36.81
Amounts in the balance sheet:		
Liabilities	14.21	36.81
Net liability	14.21	36.81
V Investment Details		
Insurance Company	312.35	214.08
VI Actuarial Assumptions		
Discount rate	8.28%	8.83%
Expected return on plan assets	8.28%	8.70%
Annual increase in Salary costs	7.00%	7.00%
The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
VII Gratuity Benefit		
Defined benefit obligation	(326.56)	(250.88)
Plan assets	312.35	214.08
Surplus/(deficit)	(14.21)	(36.81)
Experience adjustments on plan Liabilities	(14.06)	(5.37)
Experience adjustments on plan assets	(11.13)	0.97
Movement in net liability recognised in Balance Sheet		
Net opening liability	36.81	63.96
P&L Charge	102.23	16.37
Contribution paid / Benefits paid	(124.82)	(43.52)
closing net liability	14.21	36.81

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015**Note 34 EMPLOYEE BENEFITS** (contd.)**VIII Disclosure as required under para 120(n) of AS - 15**

(₹ in lac)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
i) Present value of the defined benefit obligation	326.56	250.88	236.41	145.53	101.16	69.94
Fair value of the plan assets	312.35	214.07	172.45	50.14	-	-
(Surplus)/Deficit in the plan	14.21	36.81	63.96	95.39	101.16	69.94
ii) Experience Adjustments						
On Plan liabilities	(14.06)	(5.37)	(14.68)	(2.68)	-	-
On Plan assets	(11.13)	0.97	1.82	0.14	-	-

IX The expected contribution is based on the same assumptions used to measure the Company's gratuity obligations as of June 30, 2015.

Note 35 LEAVE ENCASHMENT

As per the policy followed by the company, all the leaves are enjoyable in the financial 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.

Note 36 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURE AS AT THE BALANCE SHEET DATE

Particulars	2014-15		2013-14	
	Currency	₹ in lac	Currency	₹ in lac
Trade Payables	US\$	14.47	US\$	0.92
Advance for Import purchases	US\$	31.61	US\$	59.44
Advance from Customer	US\$	40.69	US\$	94.90
	GBP	-	GBP	2.35
Trade Receivable	US\$	178.09	US\$	530.55
	EURO	-	EURO	11.78
Loan Receivable	US\$	-	US\$	602.70

Note 37

There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 30th June, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 38

In the opinion of the board, Current Assets, Loans and Advances are approximately, stated at the value, if realised in ordinary course of business. Provisions for all known liabilities are provided for in full and the same are adequate and not in excess of the amount considered as reasonably necessary.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

Note 39 EXPENDITURE ON RESEARCH & DEVELOPMENT ACTIVITIES AS CERTIFIED BY THE MANAGEMENT ARE AS UNDER

	(₹ in lac)	
Particulars	2014-15	2013-14
Capital Expenditure	19.31	13.80
Revenue Expenditure	205.85	162.11
Total	225.16	175.91

Note 40

The Company's products viz. Air Coolers carry one year warranty from date of purchase by its end users. The product warranty expense has been calculated based on past historical data of warranty cost incurred by Company.

Particulars	July 01, 2014	Provision during the year	Utilised during the year	Reversal during the year	June 30, 2015
Provision for 1 year Warranty	262.56	382.51	262.56	-	382.51

Note 41

Previous year figures have been rearranged/ regrouped wherever necessary to make them comparable with the figures of the current year.

Note 42

(i) Value and % of Imported & Indigenous Raw Materials Consumed

Particulars	2014-15		2013-14	
	Value in (₹ in lac)	% of total Consumption	Value in (₹ in lac)	% of total Consumption
Imported	649.40	26.40	1,383.74	54.33
Indigenous	1,810.62	73.60	1,163.23	45.67
	2,460.02	100.00	2,546.97	100.00

(ii) C.I.F. Value of Imports

	(₹ in lac)	
Particulars	2014-15	2013-14
Raw Materials & Trading Goods	548.31	1,333.27
Capital Items	393.63	230.20
	941.94	1,563.47

NOTES FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June, 2015

(₹ in lac)

Particulars	2014-15	2013-14
Note 43 EXPENDITURE IN FOREIGN CURRENCY		
Professional fees	74.09	32.16
Advertisement, Sales Promotion , Freight, Travelling & Others	167.43	264.17

(₹ in lac)

Particulars	2014-15	2013-14
Note 44 EARNING IN FOREIGN CURRENCY		
F.O.B. of Exports	5,296.88	5,567.51
Interest Income	9.96	100.97
Other Income	75.74	106.35

Note 45 DISCLOSURE UNDER CLAUSE 32 OF THE LISTING AGREEMENT

Amount of loans and advances in nature of loans outstanding from subsidiaries as at June 30, 2015:

(₹ in lac)

Subsidiary Company	Outstanding as at June 30, 2015	Maximum amount outstanding during the year	Outstanding as at June 30, 2014	Maximum amount outstanding during the year
Sylvan Holdings Pte. Ltd., Singapore *	-	-	-	2,148.62
IMPCO S DE RL DE C.V., Mexico	-	543.10	602.70	2,280.34

* Sylvan Holdings Pte. Ltd., Singapore has made the following investments in its subsidiary :

(₹ in lac)

Particulars	Amount	Amount
Shares of IMPCO S DE RL DE CV, Mexico	414.40	391.07

As per our Audit Report of even date

For Shah & Dalal

Chartered Accountants

Firm Registration No. 109432W

Malay J. Dalal

Partner

Membership No. 36776

Place : Ahmedabad

Date : August 13, 2015

For and on behalf of the Board**Achal Bakeri**

Chairman & Managing Director

Chandrakant Gandhi

Company Secretary

Nrupesh Shah

Executive Director

Bhadresh Mehta

Chief Financial Officer

Form AOC-I

(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 lac)

Sr. No.		Name of the Subsidiary			
		SYMPHONY AIR COOLERS INC., USA	Sylvan Holdings Pte. Ltd., Singapore	IMPCO S DE RL DE CV, Mexico	Symphony USA Inc, USA
1	Reporting period	30-06-2015	31-12-2014	31-12-2014	31-12-2014
2	(i) Reporting currency	US Dollar	US Dollar	Mexican Peso	US Dollar
	(ii) Exchange rate as on the last date of the relevant Financial year	63.76	63.04	4.28	63.04
3	Share Capital	0.64	2,742.24	42.83	3.15
4	Reserves & Surplus	(0.64)	85.97	3,291.12	(96.45)
5	Total Assets	-	2,837.61	7,060.20	321.50
6	Total Liabilities	-	9.40	3,958.14	414.80
7	Investments (Excl. Investment in Subsidiaries)	-	-	231.89	-
8	Turnover	-	-	8,339.16	583.75
9	Profit before taxation	-	84.29	125.28	8.83
10	Provision for taxation	-	(8.62)	-	-
11	Profit after taxation	-	75.67	125.28	8.83
12	Proposed Dividend	Nil	Nil	Nil	Nil
13	% of shareholding	100%	100%	100%*	100%**

* 99.90% held by Sylvan Holdings Pte. Ltd., Singapore,

** 100% held by IMPCO S DE RL DE CV, Mexico

For and on behalf of the Board

Achal Bakeri
Chairman & Managing Director

Nrupesh Shah
Executive Director

Place : Ahmedabad
Date : August 13, 2015

Chandrakant Gandhi
Company Secretary

Bhadresh Mehta
Chief Financial Officer



Symphony Limited

CIN – L32201GJ1988PLC010331

Regd. Office: Symphony House, Third Floor, FP-12, TP-50, Off S.G. Highway, Bodakdev Ahmedabad – 380 0054

Phone : +91 79 66211111 • Fax : +917966211140

E-mail ID: corporate@symphonylimited.com • Website: www.symphonylimited.com

NOTICE

Notice is hereby given that the Twenty Eight Annual General Meeting of the Members of Symphony Limited will be held at Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015, on Tuesday, the October 27, 2015, at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - (i) Audited Financial Statements of the Company for the financial year ended on June 30, 2015 and the Reports of the Board of Directors and Auditors thereon; and
 - (ii) Audited Consolidated Financial Statements of the Company for the financial year ended on June 30, 2015.
2. To confirm payment of interim dividend and to declare a final dividend on equity shares for financial year ended on June 30, 2015.
3. To appoint a Director in place of Ms. Jonaki Bakeri (DIN - 06950998), who retires by rotation, and being eligible, offers herself for re-appointment.
4. To appoint Auditors and to fix their remuneration and for that purpose to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions of the Companies Act, 2013, read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the

time being in force), M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Reg. No. 117365W) Ahmedabad, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this annual general meeting until the conclusion of thirty third annual general meeting of the Company, subject to ratification by the members at every annual general meeting on such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, read with the rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Naishadh Parikh (DIN – 00009314) who was appointed as an additional director with effect from August 13, 2015 in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director and who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment,

be and is hereby appointed as a non-executive independent director of the Company to hold office for a period of 5 (five) consecutive years from August 13, 2015 upto August 12, 2020 and whose term of office shall not liable to be determined by rotation.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, read with the rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Darshan Patel (DIN 00068650) who was appointed as an additional director with effect from August 13, 2015 in respect of whom the Company has received a

notice in writing from a member proposing his candidature for the office of director and who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013 and who is eligible for appointment, be and is hereby appointed as a non-executive independent director of the Company to hold office for a period of 5 (five) consecutive years from August 13, 2015 upto August 12, 2020 and whose term of office shall not liable to be determined by rotation.”

By Order of the Board
For, **SYMPHONY LIMITED**

Place: Ahmedabad
Date: August 13, 2015

(**Chandrakant Gandhi**)
Company Secretary

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE FORTHCOMING MEETING. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE, ANY MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY, CAN APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE PROXY HOLDER SHALL

PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE ANNUAL GENERAL MEETING.

- (b) Corporate members intending to send their authorized representatives to attend the meeting are requested to send certified copy of board resolution or other governing body authorizing their representatives to attend and vote on their behalf at the meeting.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from October 17, 2015 to October 27, 2015 (both the days inclusive).
- (d) The final dividend for financial year ended on June 30, 2015, if approved by members at the ensuing annual general meeting, will be paid on or after October 29, 2015 to those members whose name appear in the Register of Members of the Company as on closing hours of October 16, 2015.

- (e) 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.
- (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) Members are requested to bring their folio no. and DP ID - Client ID for easy identification of attendance at the meeting and also for participation at the meeting.
- (i) 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. In case of mailing address mentioned on this Annual Report is without PIN Code, members are requested to kindly inform their PIN Code immediately.
- (j) Members are requested to bring their copies of Annual Report to the meeting, as the same will not be circulated at the meeting.
- (k) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (l) Details of directors seeking appointment/re-appointment at ensuing annual general meeting of the Company are given in this Notice.
- (m) Members holding shares in demat form who have not registered their e-mail 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 e-mail id with the Registrar and Share Transfer Agent for receipt of Notices, Annual Report, Circulars, etc. by electronic mode.
- (n) Pursuant to Section 108 of the Companies Act, 2013 and rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the Company has arranged remote e-voting facility through Central Depository Services (India) Limited for members to exercise their voting rights for all business to be transacted at 28th Annual General Meeting of the Company.
 - (i) The voting period begins from 9.00 a.m., Saturday, October 24, 2015 and ends at 5.00 p.m., Monday, October 26, 2015, during this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of October 21, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders Tab
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 character DP ID followed by 8 digits client ID,
 - c. Members holding shares in physical form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and click on Login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "Symphony Limited".
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (o) Members of the Company, holding shares either in physical form or demat form, as on the cut-off date of October 21, 2015 and who have not cast their vote by remote e-voting, shall be able to exercise their right at annual general meeting through polling paper.
- (p) Any members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast vote again.
- (q) Mr. Ashwin Shah, Practicing Company Secretary (Membership No. 1640), Ahmedabad, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at annual general meeting in a fair and transparent manner.
- (r) The Scrutiniser 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 employment of the Company, and make, not later than three days of the conclusion of the meeting, a consolidated scrutiniser'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.
- (s) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.symphonylimited.com and on the website of CDSL immediately after result is declared and the same shall be communicated to the National Stock Exchange of India Limited, BSE Limited and Ahmedabad Stock Exchange Limited.

By Order of the Board
For, **SYMPHONY LIMITED**

Place: Ahmedabad
Date: August 13, 2015

(**Chandrakant Gandhi**)
Company Secretary

Brief Resume and Other Information of director/s seeking appointment / re-appointment in the forthcoming Annual General Meeting

(pursuant to clause 49 of the listing agreement)

Name of Director	Ms. Jonaki Bakeri* (DIN 06950998)	Mr. Naishadh Parikh (DIN 00009314)	Mr. Darshan Patel (DIN 00068650)
Age	29 years	60 years	53 years
Qualification	B.A.	B. Sc. and MBA	B.Sc. and M. Chem
Date of Appointment	August 20, 2014	August 13, 2015	August 13, 2015
Brief Resume and Functional Expertise	Experience in sales, marketing new product development and finance	Experience in performing various roles at corporate level in diverse sectors	Experience of marketing, brand building and creating new categories in OTC, wellness and personal care in both domestic and international markets
No. of Shares held in the company	1579360#	Nil	Nil
Directorship in other company	Oras Investments Pvt. Ltd.	Amtrex Ambience Limited, Equinox Solutions Limited, Avikal Tradelink Private Limited, Suvik Electronics Private Limited, Perfect Connections Limited, Amol Dicalite Limited, Confederation of Indian Textile Industry, Arvind Accel Limited, CEPT Research & Development Foundation, Ahmedabad University Support Foundation, Apparel Made-ups and Home Furnishing Sector Skill Council, The Cotton Textiles Export Promotion Council.	Vini Foods Private Limited, Vini Investments Private Limited, Vini Wellness Private Limited, Vini Cosmetics Private Limited, Vini Healthscience Private Limited, Vini Hygrade Food Products Private Limited.
Chairman / Member of the mandatory committee in other public company	-	-	-

* Ms. Jonaki Bakeri is a relative of Mr. Achal Bakeri, Chairman and Managing Director.

Ms. Jonaki Bakeri is part of promoter group which is holding 75% of total share capital of the Company, out of which she in her individual capacity holds 15,79,360 shares (4.52% of the total share capital)

Statement setting out material facts pursuant to section 102(1) of the Companies Act, 2013

Item No. 5 & 6

The Board of Directors of your Company, on the recommendation of the Nomination and Remuneration Committee and after reviewing the provisions of the Companies Act, 2013 (Act), has appointed Mr. Naishadh Parikh (DIN – 00009314) and Mr. Darshan Patel (DIN 00068650) as additional directors of the Company with effect from August 13, 2015 and they shall hold office up to the date of this annual general meeting.

The Board, after reviewing the provisions of the Act and the Listing Agreement, is of the opinion that Mr. Naishadh Parikh and Mr. Darshan Patel fulfill the conditions to act as non-executive independent directors.

In terms of provisions of section 149(13) of the Act, Mr. Naishadh Parikh and Mr. Darshan Patel shall not be liable to retire by rotation. Mr. Naishadh Parikh and Mr. Darshan Patel have given their consent to act as directors of the Company with declaration to Board stating that they comply with criteria of independence enumerated in Section 149(6) of the Act and Listing Agreement. The Company has received notices in writing from Member along with

the deposit of requisite amount under Section 160 of the Act proposing their candidatures for the office of directors of the Company.

Profiles of Mr. Naishadh Parikh and Mr. Darshan Patel pursuant to clause 49 of the Listing Agreement are forming part of this notice.

Accordingly, the Board recommends the resolutions at item 5 and 6 in relation to appointment of Mr. Naishadh Parikh and Mr. Darshan Patel as non-executive independent directors for the approval by the members of the Company.

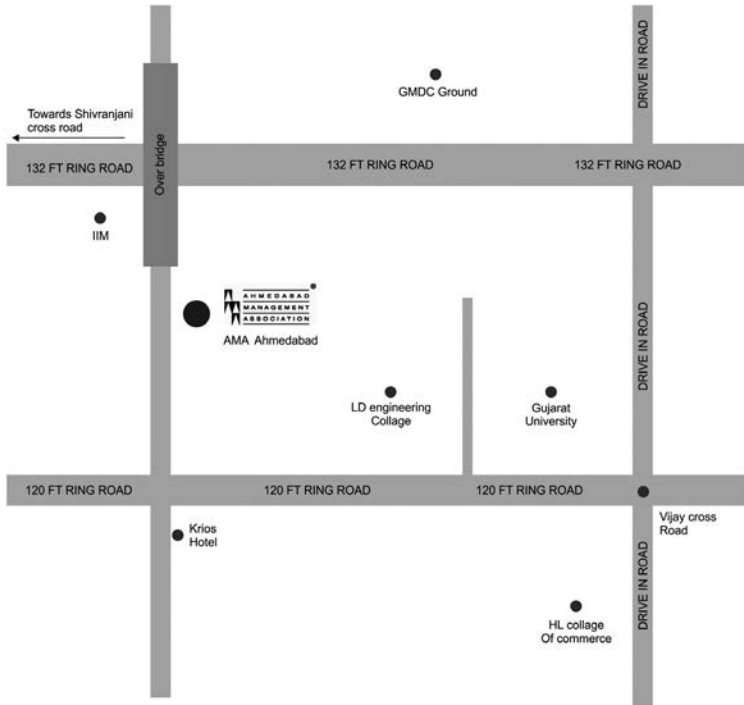
Except appointing directors and their relatives, none of the directors, key managerial personnel or their relatives is in any way interested or concerned, financially or otherwise, in the said resolution/s.

By Order of the Board
For, **SYMPHONY LIMITED**

Place: Ahmedabad
Date: August 13, 2015

(**Chandrakant Gandhi**)
Company Secretary

AGM Location Map





Symphony Limited

CIN – L32201GJ1988PLC010331

Regd. Office: Symphony House, Third Floor, FP-12, TP-50, Off S.G. Highway, Bodakdev Ahmedabad – 380 0054

Phone : +91 79 66211111 • Fax : +917966211140

E-mail ID: corporate@symphonylimited.com • Website: www.symphonylimited.com

Form No. MGT-11

Proxy form

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

Name of the member (s)	
Registered address	
E-mail Id:	
Folio No. / Client Id	
DP ID:	

I/We, being the member(s) of.....Shares of the above named company, hereby appoint

1. Name: Address:
E-mail Id: Signature: or failing him
2. Name: Address:
E-mail Id: Signature: or failing him
3. Name: Address:
E-mail Id: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Tuesday, the October 27, 2015 at 10.00 a.m. at Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380 015 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
1	Adoption of (a) Audited Financial Statements of the Company for the financial year ended on June 30, 2015 and the Reports of the Board of Directors and Auditors thereon and (b) Audited Consolidated Financial Statements of the Company for the financial year ended on June 30, 2015
2	Confirmation of payment of interim dividend and Declaration of a final dividend on equity shares for financial year ended on June 30, 2015.
3	Appointment of a Director in place of Ms. Jonaki Bakeri, who retires by rotation, and being eligible, offers herself for re-appointment.
4	Appointment of Auditors and fixation of their remuneration
5	Appointment of Mr. Naishadh Parikh as an Independent director
6	Appointment of Mr. Darshan Patel as an Independent director

Signed this day of 2015

Signature of Proxy holder(s)

Signature of shareholder

Affix
Revenue
Stamp

Note:

This form of proxy in order to be effective should be duly filled in, stamped & signed across the Stamp as per specimen signature registered with the Company and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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E-mail ID: corporate@symphonylimited.com • Website: www.symphonylimited.com

Attendance slip

To be handed over at the entrance of the meeting venue:

Full name of the attending members (in block letters)	Folio No.	
	DP ID	
	Client ID	
Name of proxy (in block letters) (to be filled in if the proxy form has been duly deposited with the company)	No. of shares held	

I/We hereby record my/our presence at the Twenty Eight Annual General Meeting of the Company on Tuesday, October 27, 2015 at 10.00 a.m. at Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380015.

Member's / Proxy's Signature

(to be signed at the time of handing over this slip)

CORPORATE INFORMATION

Board of Directors

Achal Bakeri

Chairman & Managing Director

Nrupesh Shah

Executive Director

Satyen Kothari

Independent Director

Naishadh Parikh

Independent Director

Darshan Patel

Independent Director

Dipak Palkar

Independent Director

Himanshu Shah

Independent Director

Jonaki Bakeri

Non-Executive Director

Chief Financial Officer

Bhadresh Mehta

Company Secretary

Chandrakant Gandhi

Auditors

Shah & Dalal

Chartered Accountants

Registered and corporate office

Symphony House,
Third Floor, FP12-TP50,
Bodakdev, Off SG Highway,
Ahmedabad – 380 054
Phone : +91-79-66211111
Fax : +91-79-66211140

Factory

703/704, Sanand Kadi Highway,
Village Thol, Taluka Kadi,
District Mehsana, Gujarat.
PIN – 382728

SEZ Units

(1) Plot no. 177, 178, 201 & 202
Surat Special Economic Zone
Sachin, District Surat, Gujarat.
PIN – 394230

(2) Plot No. 1/4 Sector-III of
Kandla Special Economic Zone,
Gandhigram Kutch - 370230

Connect us

Email:

corporate@symphonylimited.com

Website:

www.symphonylimited.com
www.symphony-usa.com
www.symphonylimited.com.mx

Connect with us on:

www.facebook.com/symphonylimited
www.linkedin.com/company/symphonylimited-ahmedabad-india
www.twitter.com/symphonylimited

Registrar & Share Transfer Agent

Sharepro Services (India) Pvt. Ltd.

416-420, 4th floor,
Devendra Mall,
Nr. Sanyash Ashram,
Nr. M. J. Library, Ellisbridge,
Ahmedabad - 380006

Cautionary statement

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.

Since these statements reflect our beliefs and assumptions that are based on ground realities, we expect the outcomes to be close to the projections.

However, it is impossible for any person or organization to guarantee that forward-looking statements such as these will be realised. 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, projected or even estimated. 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.

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natural cooling

