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Notice for AGM

### Forward-looking statement

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

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

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

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



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

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

At Symphony, we need to send a clear message.

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

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

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

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

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

# Symphony Limited

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

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

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

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



## Mission

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

**Design, quality  
and service –**

Always the foremost

**Innovation and  
improvement –**

Always the endeavor

**Customer comfort –**

Always the inspiration



## Background

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



## Products

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



## Sustainability

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



## Brand

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



## Global presence

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



## Listing

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



## Subsidiaries



The Company comprises the following global subsidiaries:

### Mexico

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

### China

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

### Australia

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

### USA

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

### Brazil

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



## Awards

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

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

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

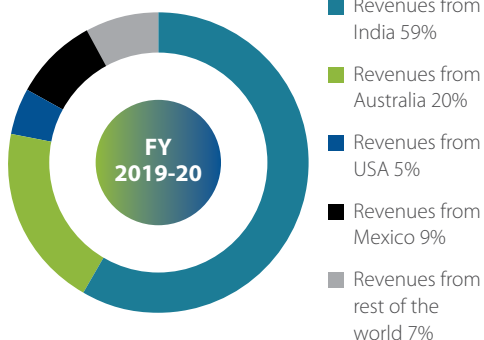
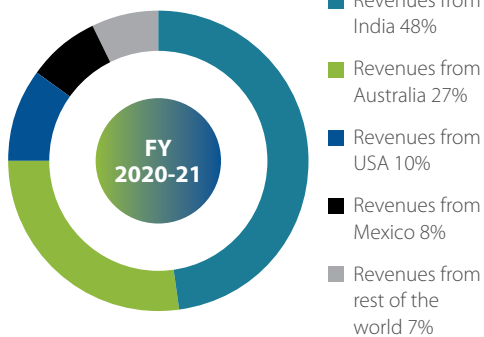
**Symphony won the coveted Quality Mark Award in 2014 in the Home Appliances category, edging past all the major players in the segment.**

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

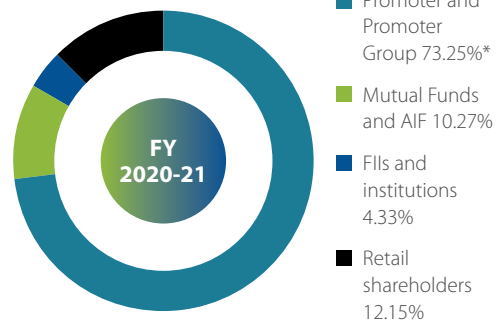
**Symphony won twice consecutively the Awards for "Excellence in Financial Reporting" by The Institute of Chartered Accountants of India for its annual report of FY2009-10 as well as for FY2010-11.**



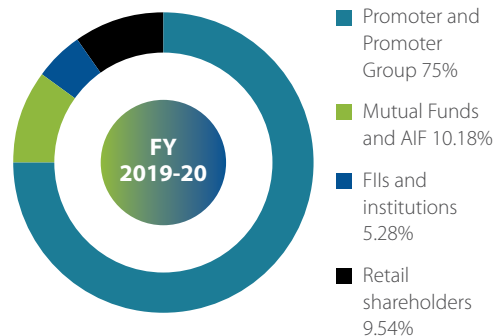
## Operations by geographic mix



## Shareholding by ownership



\* reduced only due to reclassification



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

## The financial health of our business (Consolidated)

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

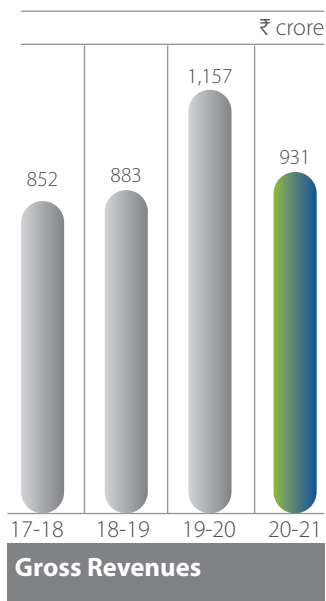
\* COVID impacted quarters

## The financial hygiene of our business

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



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



## Definition

Gross Revenue indicates revenue net of taxes.

## Why is this measured?

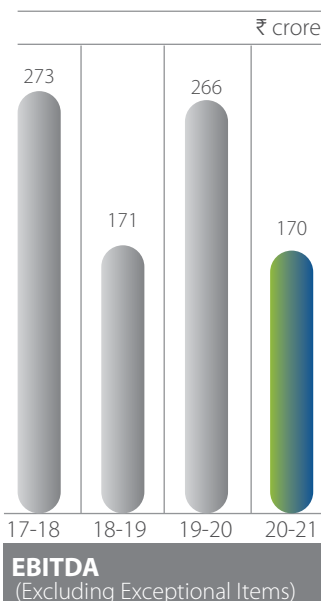
Indicates ability of the business to generate revenue, a measure to compare with sectoral peers.

## What does it mean?

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

## Value impact

The company performed better than the sectoral average.



## Definition

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

## Why is this measured?

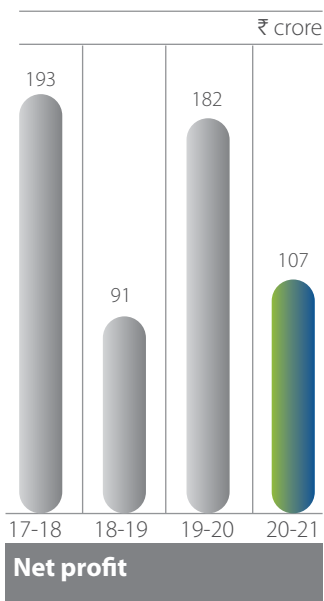
It is a measure of profitability that shows the Company's ability to generate a surplus after expensing of operating costs.

## What does it mean?

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

## Value impact

The Company generated an attractive surplus despite sectoral challenges.



## Definition

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

## Why is this measured?

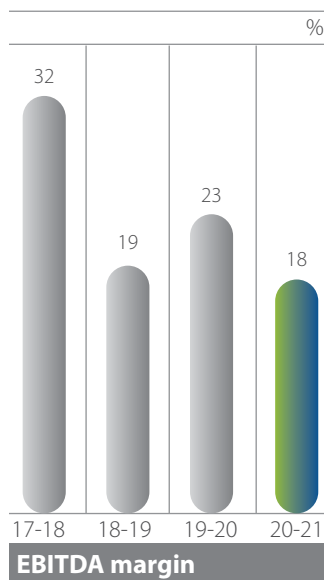
This measure highlights the strength of the business model in enhancing shareholder value.

## What does it mean?

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

## Value impact

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



#### Definition

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

#### Why is this measured?

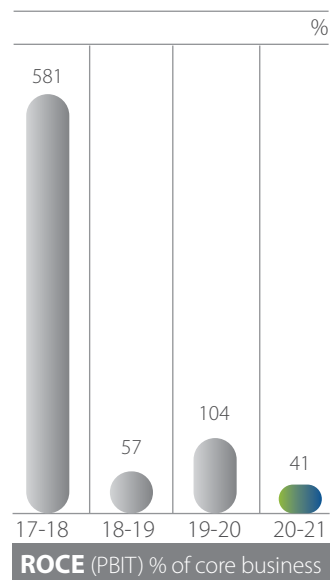
The EBITDA margin provides a perspective of how much a company earns (before accounting for depreciation, interest and taxes) on each rupee of revenue.

#### What does it mean?

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

#### Value impact

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



#### Definition

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

#### Why is this measured?

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

#### What does it mean?

Enhanced ROCE can potentially drive valuations and perception.

#### Value impact

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