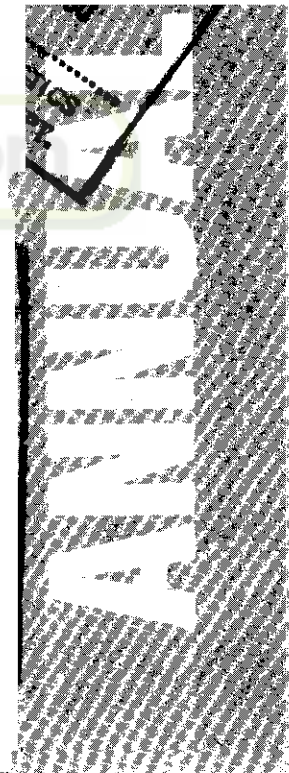
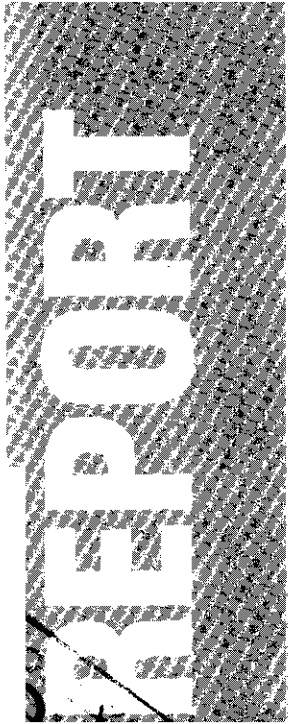


1999 - 2000



Symphony
INDUSTRIES
symphony comfort systems ltd.

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BOARD OF DIRECTORS

Mr. ACHAL A. BAKERI

Chairman & Managing Director

Mr. LALIT P. BAKERI

Director

Prof. ASHOKE K. CHATTERJEE

Director

Mr. MUKESH M. PATEL

Director

Mr. KALPESH DESAI

Company Secretary

Regd. Office :

'Sanskrit', Old High Court Road, Navrangpura, Ahmedabad 380 009.

Tel # 6586214-15: Fax # 079-6586212.

Factory

703/704, Village Thol, Ta. Kadi, Dist. Mehsana, Pin 382728.

Tel # (921) 74342-45. Fax # 02764-74347.

Email : symphony@ad1.vsnl.net.in

* Website : www.symphonycomfort.com

AUDITORS

SHAH & DALAL

Chartered Accountants

401, Maurya Complex, B/H C.U. Shah College, Nr. Sakar III, Ahmedabad - 380 014.

NOTE : All Shareholders are requested to send all transfer of shares / correspondence to the Company's corporate office only as Company has not appointed any registrar and share transfer agent.

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of Symphony Comfort Systems Ltd. will be held at Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad-380015, on Monday, the 18th December, 2000 at 10.00 A.M. to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt Accounts for the year ended 30th June, 2000 and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Lalit P. Bakeri who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration and for that purpose to pass with or without modification the following resolution as an **ORDINARY RESOLUTION**.

RESOLVED THAT M/s. Shah & Dalal, Chartered Accountants, 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 the next Annual General Meeting of the Company and the Board of Directors of the Company be are hereby authorised to fix their remuneration for the said period.

Registered Office :

"Sanskrit"

Old High Court Road

Ahmedabad-380009.

Date : 21st October, 2000

By Order of the Board

For **SYMPHONY COMFORT SYSTEMS LTD.**

(KALPESH DESAI)

COMPANY SECRETARY

NOTES :

1. A MEMBER ENTITLED TO ATTEND THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLLS INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members desirous of obtaining any information as regards accounts and operations of the Company are requested to write to the Company atleast 7 days before the meeting to enable the Company to keep the required information ready at the forthcoming meeting.
3. With the commencement of the Companies (Amendment) Act, 1999, effective from 31st October, 1998, the shareholders are advised that the Companies are now not required to transfer its unpaid/unclaimed dividend after the expiry of 3 years to The General Revenue Account of the Central Government, but the same will be transferred to the special fund called "Investors Education and Protection Fund" after the expiry of the 7 years from the date from which they become due for payment. No claims will lie for the amounts so transferred. The shareholders may please note that the dividends declared for the financial year upto 1993-94 has been transferred to the General Revenue Account of the Central Government and the dividends declared from the financial year 1994-95 onwards will be transferred after the expiry of 7 years to the funds as mentioned above. Members are therefore requested to take the note of the above.
4. The Register of members and share transfer books of the Company will remain closed from Friday, 22nd December, 2000 to Wednesday, the 27th December, 2000 [both days inclusive].
5. Members are requested to notify the Company, the change if any, in the address in full, with the postal area pincode quoting their folio nos. and to quote folio nos. in all future correspondence.
6. Members holding shares in the same name under different folios are requested to apply for consolidation of such folios and send relevant share certificates.
7. Members are requested to bring their copies of Annual Report to the meeting as the same will not be circulated at the meeting.

Registered Office :

"Sanskrit"

Old High Court Road

Ahmedabad-380009.

Date : 21st October, 2000

By Order of the Board

For **SYMPHONY COMFORT SYSTEMS LTD.**

(KALPESH DESAI)

COMPANY SECRETARY

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 13th Annual Report on your Company together with the Audited Balance Sheet as at 30.6.2000 and Profit and Loss Account for the year ended 30.6.2000.

1] Financial Results :

Particulars	[Rs. in Lacs]	
	Current Accounting Year ended on 30.6.2000	Previous Accounting Year ended on 30.6.1999
Sales and Other Income	3243.40	2931.76
Profit before Interest, Depreciation and Tax	547.78	436.11
Less : Interest	356.08	268.31
Depreciation	110.05	88.87
Profit Before Tax	81.65	78.93
Less : Provision for taxation	--	--
Net Profit After Tax	81.65	78.93
Balance for the year	81.65	78.93
Add : Balance as per last Balance Sheet	573.21	494.28
Appropriation		
Proposed Dividend	--	--
General Reserve	--	--
Balance carried to Balance Sheet	654.86	573.21

2] **DIVIDEND** : It is advisable not to recommend any dividend to conserve the resources.

3] REVIEW OF OPERATION :

During the year under review, Company was able to achieve sales turnover of Rs. 32.24 Crores against sales of Rs. 29.22 Crores during previous year. Net profit stands at Rs. 81.65 Lacs against net profit of Rs. 78.93 Lacs during previous year.

As informed to you in our last report, we have successfully launched 4 new models in air cooler category namely Sumo, Ninja, Mini Sumo and S-4700. All these models were well received by consumers in general, and Sumo in particular. Our Sumo model is packed with innovative product features like fragrance control, electromechanical timer, night lamp etc. Introduction of Sumo model has helped us in penetrating desert cooler segment. Our "Sumo TV" Commercial has generated a lot of excitement in the market place. This year your company's air cooler has also got entry into the Guinness Book of World Records. Our factory developed the world's largest working model of air cooler having Sumo design measuring 14 feet in height, 8 feet 10 inches in length and 8 feet in width. The year under review has also started putting efforts in international market. The Company participated in trade fairs in U.A.E. and Israel and have received good response. Our export turnover was Rs. 33 Lacs and we expect to have manifold growth in our exports in the current financial year. To establish our product in European countries we have successfully obtained CE certificate for 2 more models i.e. Sumo & Mini Kaizen.

Your Company has continued its innovative efforts and aggressive marketing by launching attractive trade and consumer schemes. This year we had launched "Khul Ja Sym Sym" trade scheme and recently launched "Hadh Kar Di" consumer scheme.

Institutional response for the current scheme is very good and Company expects to meet its target.

4] FIXED DEPOSITS :

The total fixed deposits as at 30.6.00 were to the tune of Rs. 538.78 lacs [previous year Rs. 275 lacs]. The Company repaid during the year Fixed Deposits worth Rs. 291.63 lacs [previous year Rs. 351.82 lacs]. The matured deposits which remained unclaimed or unpaid was Rs. 10.43 lacs. at the end of the year. The amount of Fixed Deposits accepted during the year 1999-00 was Rs. 555.41 lacs [previous year Rs. 275.19 lacs].

5] DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the

Company, Mr. Lalit P. Bakeri retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors recommend re-appointment to enable us to obtain his continued valuable direction, guidance and assistance in the conduct of your Company's affairs.

6] AUDITORS :

The Board recommends for your consideration, re-appointment of the retiring Auditors, M/s. Shah & Dalal, Chartered Accountants who shall hold office until the conclusion of ensuing Annual General Meeting. A certificate under section 224(1B) of the Companies Act, 1956 has been received from the said auditors signifying their eligibility and consent to act as Auditors. The Board may also be authorised, as usual, to fix their remuneration.

7] AUDITOR'S REMARK :

The observations made by the Auditors, with reference to notes on the account for the year under report are self-explanatory and need no further comments from the Directors.

8] SUBSIDIARY COMPANY :

The Company has no subsidiary Company and hence a statement pursuant to Section 212(1)(e) of the Companies Act, 1956 is not applicable.

9] STATUTORY INFORMATION :

The details as required under the Companies [Disclosure of particulars in the report of Board of Directors] Rules, 1988 are annexed.

10] INSURANCE :

All the properties and insurable interest of the Company including Factory Building, Plant & Machinery, Stocks etc. are adequately insured.

11] QUALITY :

Your Company has made considerable strides in achieving high quality standards in all areas of its operation by imparting proper training to various supervisory managerial staff throughout the year.

12] PARTICULARS OF EMPLOYEES :

Particulars of employees pursuant to the Provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies [Particulars of Employees] Rules, 1975 for the year ended 30th June 2000 is not applicable since Employees employed throughout the financial year under review were not in receipt of remuneration in aggregate Rs. 6,00,000 or more.

13] CORPORATE GOVERNANCE :

SEBI vide its Press Release dt. 21.02.2000 has issued Guidelines on Corporate Governance consisting mandatory and voluntary recommendations and has made it obligatory for all listed Companies to comply with the guidelines for Corporate Governance. As per the implementation schedule of SEBI, it is to be implemented by our Company within Financial Year 2000-2001 but not later than March 31, 2001.

14] Y2K COMPLIANCE : All computerised operations having tested to be Y2K compliant.

15] HUMAN RESOURCE & INDUSTRIAL RELATIONS :

During the year under review, the industrial relations remained harmonious and cordial. Human resources constitute the most productive asset and conscious efforts continued to be made to ensure high degree of motivation and productivity. With their support we can look forward to a bright future of the Company.

16] CUSTOMER SATISFACTION :

The Company has always tried to understand the needs of its customers and upgrade the quality of its product for increased customer satisfaction. The Company ensures that the customer gets the best products available in the market. It always anticipates the needs of the customers and tries its best to meet them. The best result of customer satisfaction is through repeat sales to existing customers and minimising the number of lost customers. On both these benchmarks, the Company has achieved more than satisfactory performance.

17] ACKNOWLEDGEMENTS :

Your Directors wish to acknowledge their gratitude to the Business Associates, Customers, Bankers, Financial Institutions and Depositors for their continued support, assistance and guidance.

Last but not the least, your Directors express their sincere thanks to you, the shareholders, for the confidence and faith reposed in the Management. They assure you of their full devotion to manage the affairs of your Company in the best possible way to serve your interest as well as of others, who matter for the business of the Company. The Directors also record their appreciation for the dedication, valuable services and contribution made by the employees at all levels.

Place : Ahmedabad.

Date : 21st October, 2000

For and on behalf of the Board

ACHAL A. BAKERI

Chairman & Managing Director