

August 4, 2022

To,
National Stock Exchange of India Limited
 Symbol – Symphony

To,
BSE Limited
 Security Code – 517385

Sub.: Notice of 35th Annual General Meeting (AGM), Annual Report and E-voting

Dear Sir / Madam,

We are submitting herewith the Annual Report of the Company for the financial year 2021- 22, along with notice of 35th AGM of the Company scheduled to be held on Monday, August 29, 2022 at 10:00 A.M. (IST) through Video Conference (VC)/Other Audio-Visual Means (OAVM).

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

The schedule of events of AGM is set out below:

Particular	Details	Time
Day, Date and Time	Monday, August 29, 2022	10:00 a.m.
Mode	Video conference and other audio-visual means	-
Link for participation	www.evoting.nsdl.com	-
E-voting cutoff date	Monday, August 22, 2022	-
E-voting start date	Thursday, August 25, 2022	9:00 a.m.
E-voting end date	Sunday, August 28, 2022	5:00 p.m.

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

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

Thanking You,

Yours Truly,
For, Symphony Limited

Mayur Barvadiya
Company Secretary and Head - Legal

Encl.: As above



A
27°C
world



MILLION AIR COOLERS
SOLD WORLDWIDE

Symphony Limited
Annual Report 2021-22

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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 our 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 (favorably or against) 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.



We have considered it prudent to commence this annual report with Charles Dickens.

This is what he wrote: "It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair."

We have never seen such years like FY2020-21 and FY2021-22.

And hope we never will – for the benefit of the world, consumers and our company.





PART 1

What we are and what we do

An introduction to the business of
Symphony and an overview of our
performance in FY2021-22

Symphony Limited.

An Indian multinational company.

Enjoying a global air-cooling presence in more than 60 countries across five continents.

Offering environment friendly air-cooling solutions for residential, commercial and industrial applications.

Respected for its innovative portfolio of technology-driven products that are good for consumers, environment and all stakeholders.

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 endeavour

Customer comfort

Always the inspiration

Legacy

Symphony Limited entered the cooling products business more than three decades ago and has since emerged as the world's largest air-coolers company. The Company was promoted by Achal Bakeri and its headquarter is located in Ahmedabad, India.

Global footprint

Symphony's portfolio of brands has emerged as the most widely available air-cooling brands with a presence across more than 60 countries. Some of these countries comprise Australia, China, Mexico, USA, UK, UAE, Turkey, Israel, Brazil, Saudi Arabia, Spain and almost all the African and South-East Asian nations.

Listing

The Company's equity shares are listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The Company's market capitalisation stood at ₹7,681 crores as on March 31, 2022.

Brand

Symphony is a respected global brand addressing market needs of cutting-edge technology, styling and effect with speed. The Company's products have been endorsed by major industrial players like General Electric (US), Lear Corporation (US) and Walmart (US) in addition to a footprint in organised marketplaces like Walmart, Sears, Metro, Carrefour, Lowe's and The Home Depot, among others. The Company is respected for delighting consumers through the creation of products with enhanced cooling efficiency and technology-driven innovative features.

Sustainability

The Company is positioned at the helm of global environment leadership through its energy conservation goals and achievements. The Company's R&D team works extensively with design engineers, air-cooling technology experts and consumers to create environment friendly products that moderate carbon footprint. Symphony has invested in high tech R&D facilities in India, China, Australia and Mexico, strengthening its position as a company that customises products around local needs and sensibilities.

Products

Symphony addresses household, commercial and industrial air-cooling needs. The Company's products have been marked by choice, innovation, customization, cost efficiency, affordability, portability, sustainability and cooling effectiveness. The Company has been respected for the capacity to create markets through the launch of innovative products addressing emerging consumer needs.



Subsidiaries

The Company comprises the following global subsidiaries:

Mexico

Symphony acquired IMPCO in 2009, which provided immediate market access to North America apart from an entry into the industrial cooling space, complementing the Company's long-standing presence in the residential air-coolers segment.

China

Symphony acquired Guangdong Symphony Keruilai Air Coolers (GSK) in 2016, a Company that had influenced China's air-cooling quality standards and had been awarded 50+ patents and designs for industrial coolers. This acquisition provided Symphony with an access to technologically superior commercial and industrial air cooling solutions, apart from an immediate access to the Chinese market.

Australia

Symphony acquired Climate Technologies in 2018, a leader in the Australian air-cooling and heating market. The subsidiary owns enduring brands like Bonaire and Celair, specialised in the production of air-coolers and premium ducted gas heaters.

USA

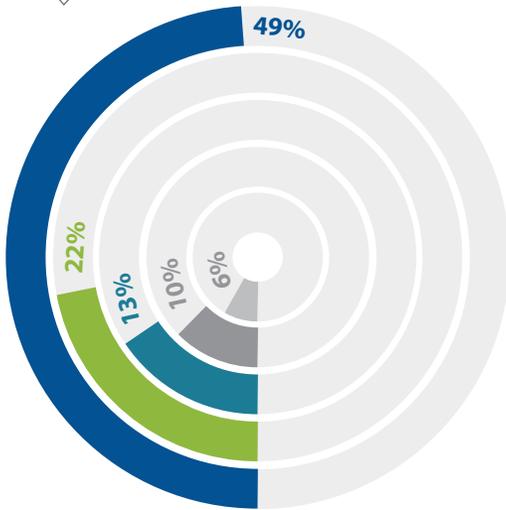
Bonaire USA (BUSA), a subsidiary of Climate Technologies, is a step-down subsidiary of Symphony. BUSA provides air coolers and markets to Home Depot, Lowe's and Amazon, among other retailers.

Brazil

Symphony Climatizadores Ltda (SCL) was set up as a 100% subsidiary of Symphony India to distribute in the Brazilian market, household, industrial and commercial coolers manufactured by the Symphony Group in India, Mexico and China.

Revenues by geography

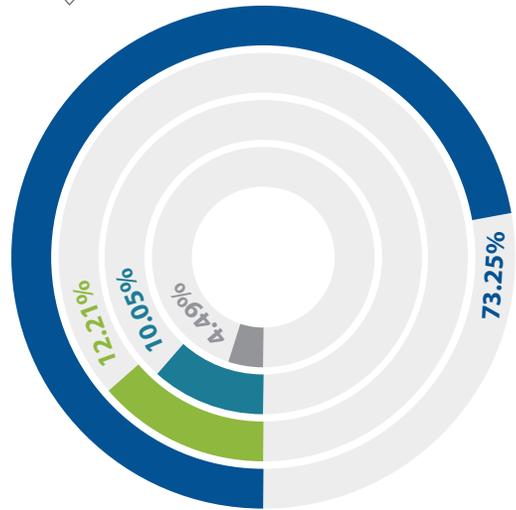
FY2021-22



- Revenues from India: 49%
- Revenues from Australia: 22%
- Revenues from the USA: 13%
- Revenues from Mexico: 10%
- Revenues from the rest of the world: 6%

Shareholding pattern

FY2021-22



- Promoter and Promoter Group: 73.25%
- Non-institutional investors: 12.21%
- Domestic institutional investors (DIIs): 10.05%
- Foreign portfolio investors (FPIs): 4.49%

Awards

Symphony bagged the recognition of Star Export House from the Government of India.



Symphony received the Best Innovative Company Award in 2015.



Symphony received the coveted Quality Mark Award in 2014 in the Home Appliances category.



Symphony won 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 received consecutive Awards for Excellence in Financial Reporting by The Institute of Chartered Accountants of India for its annual report of FY2009-10 and FY2010-11.



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

At Symphony, our quarterly financial track record validates the Company's sustainable performance in FY2021-22

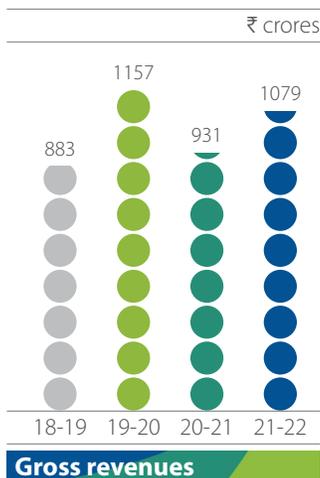
The financial strength of our business (Consolidated)

FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
Gross revenues (₹ crores)	238	229	212	400
EBITDA (₹ crores)	18	48	37	98
Profit after tax (₹ crores)	6	30	21	64
Cash profit (₹ crores)	9	33	24	61

The financial hygiene of Symphony (Consolidated)

FY2021-22	Quarter one	Quarter two	Quarter three	Quarter four
EBITDA margin (%)	8	21	17	24
Interest cover (x)	9	23	14	47
Interest cost (₹ crores)	2	2	3	2

Our performance in the last few years (Consolidated)



Definition

Gross revenue indicates revenue net of taxes

Why this is measured

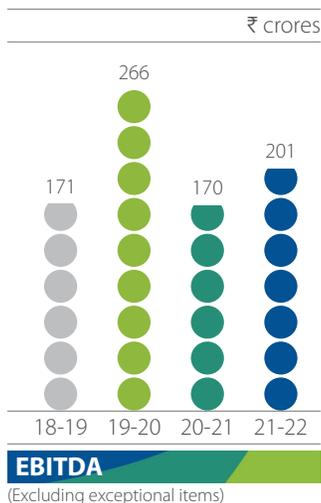
This is an index that showcases the Company's ability to maximise revenues, which provides a basis against which the Company's performance can be compared with sectorial peers.

What this means

Aggregate gross revenue increased by 16% to ₹1,079 crores following increased international business revenues and a favourable last quarter within India.

Value impact

The Company's performance was better compared with the sectorial average.



Definition

Earnings before the deduction of interest, tax, depreciation, amortisation and exceptional items.

Why this is measured

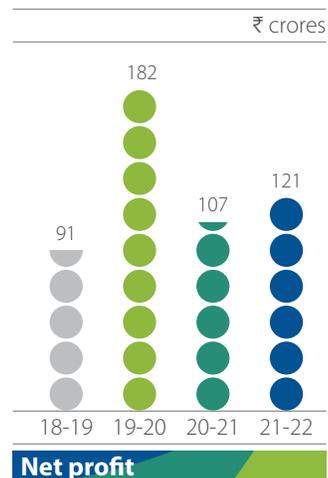
This is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectorial peers.

What this means

The Company reported an 18% growth in EBITDA in FY2021-22 due to growing sales volume and an increase in international revenues and cost optimization measures.

Value impact

The Company reported an attractive surplus despite a sharp increase in raw material costs.



Definition

Profit earned during the year after deducting all expenses.

Why this is measured

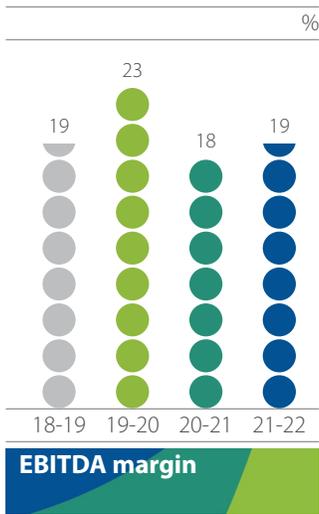
This measure highlights the strength of the business model in enhancing shareholder value.

What this means

The Company reported a 13% increase in net profit in FY2021-22 following remunerative exports and value engineering.

Value impact

Ensure adequate surplus is available for distribution to shareholders and reinvestment in the business.



Definition

EBITDA margin is a profitability measure to ascertain the effectiveness of a company's strategy and operating efficiency.

Why this is measured

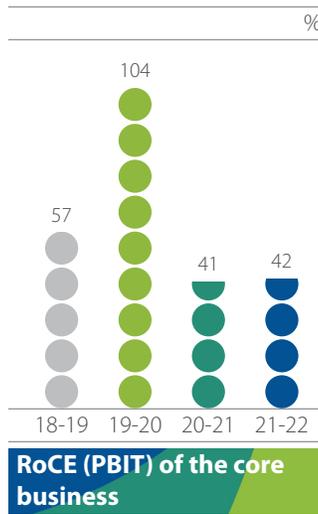
The EBITDA margin provides an index of how much a company earns (before interest and taxes) on each rupee of revenue.

What this means

Despite higher material and freight costs, the Company reported a 100 bps increase in EBITDA margin following value-engineering, higher online sales and increased exports.

Value impact

This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.



Definition

This financial ratio measures efficiency with which capital is employed in the business.

Why this is measured

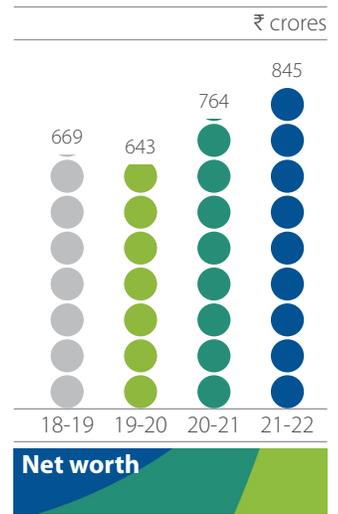
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

What this means

The Company reported a 100 bps growth in ROCE in FY2021-22 as a result of value-engineering, higher online revenues and increased exports.

Value impact

Enhanced ROCE can potentially drive valuations and market perception



Definition

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

Why this is measured

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

What this means

The Company's net worth strengthened 11% during the year under review.

Value impact

This indicates the borrowing capacity of the Company that influences the gearing (which, in turn, influences the cost at which the Company can mobilise debt)



Definition

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

Why this is measured

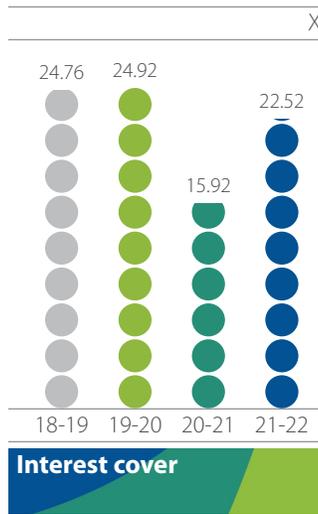
This is one of the defining measures of a company's financial solvency.

What this means

The Company's gearing was maintained largely around the same level, despite the challenges.

Value impact

This measure increases the perception of the borrowing room within the Company, the lower the gearing the better.



Definition

This is derived through the division of EBITDA (excluding exceptional items) by interest outflow.

Why this is measured

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

What this means

The Company's interest cover improved by 41% during the year under review following an increase in EBITDA, a creditable achievement in a challenging year.

Value impact

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



PART 2

'27'

It was a challenging year like the one under review that reaffirmed our commitment to cool a rapidly warming world

27°C





A few years ago, we emphasised our commitment to making the world cooler

There has never been a time in the recorded history of humankind when this commitment has been more relevant.

We aspire to transform all living or working spaces – indoors as well as outdoors – for residential, commercial and industrial spaces into comfortable spaces.

We intend to do so at a cost that is affordable for consumers on the one hand and benign for the environment on the other.

Assuring that we cool in a sustainable manner for the benefit for users, society and the world at large.

Our business has never been more relevant than now

Big numbers

413

Number of heatwaves in India, 1981-1990

575

Number of heatwaves in India, 2001-2010

600

Number of heatwaves in India, 2011-2020

Source: Indian Meteorological Department, Pune

4.3

% of India's working hours lost due to heat stress in 1995

5.8

% of India's working hours estimated to be lost due to heat stress in 2030

Source: International Labour Organization

Did you know?

Since the 1980s, each decade has been warmer than the previous one

(Source: WMO)

The warmest seven years have all been since 2015

2021 was one of the planet's seven hottest years since records began. The year was about 1.11°C above pre-industrial levels – the seventh year in a row that the average global temperature rise edged over 1°C.

Source: World Meteorological Organization (WMO)

The year 2022 is likely to be among the top 10 hottest years

Source: National Oceanic and Atmospheric Administration



PART 3

Strategic and tactical overview

Symphony's senior management tells
readers the way it was in FY2021-22

'It may have been the worst of years for our business but it was also a year when the relevance of our vision of creating a 27°C world became deeper'

Overview

It can be tedious for demanding shareholders to read yet another overview of the Company's performance with the words 'We could have done better, but...'

I have no option. For the second year running, Symphony Limited was affected by the same factor and at the same time of the financial year, resulting in much the same outcome. The coincidence and outcomes were unprecedented, which translated into lower revenues, compared to the pre-Covid level.

It may appear that the Company did virtually nothing during this period and continued to remain a convenient punching bag for what the world had to throw at it. This

is not true; a part of this overview explains our various counter-initiatives that made it possible for our Company to emerge stronger.

Yes, we were disappointed by the performance of the last two years, but this was because of reasons largely outside of our control. We remain optimistic for some developments. It is getting progressively warmer; what used to be a reasonable increase in temperature across a summer is now becoming visible as a sub-continental heat wave; what used to be a sequence of warm days punctuated by rainy evenings is now manifesting as a multi-week heat exposure with no precipitation.

My conclusion is that climate change is transforming the world and our lives quicker than we expected. My fear is that this will get worse soon before it gets better (much later, when we may no longer be around). Much as I fear for the impact that this may have on the existence of sentient beings, I believe (and this could be from a slightly self-serving perspective, be forewarned) that the world will

turn to something for relief without compromising the health of the environment. An air-cooler.

My optimism (a word I have used with as much responsibility as I could) is derived from the fact that in humankind's biggest challenge in centuries, our business and our products will continue to play a central role in making the world a better place.

What went wrong

It's uncanny but just when we were at the cusp of a demand breakout in the first month of the last two financial years, the suddenness of the pandemic outbreak affected our sales plan.

In 2020, there was an enormous demand for the Company's coolers in view of a harsh summer. However, the Company was unable to deliver coolers to customers as the pandemic-induced lockdown commenced from late March and extended into June (even as we provided them with the option to Buy a Cooler option off the net, delivered to their homes). The irony was that during the warmest months of the year, we sat at home with inventory, quite like being all dressed but nowhere to go. What we could have easily sold (consumer pull over product push) now had to be liquidated gradually in 'homoeopathic' doses across the rest of the year.

In 2021, with much of the pandemic behind us (as anyone could have felt at that time), we banked on a combination of 'revenge purchase' and rising temperature. The result was that we encountered successive stockouts; the more we produced,

the higher the indents coming out of retail stores for Symphony air-coolers. We did what anyone in our place would have done: we produced more than usual, sold a part of what we produced and inventorised a large part of what we had produced to address the peak demand of April, May and June (before the monsoons set in and the temperature declined).

However, April, 2021 coincided with the sharpest resurgence of the pandemic. India locked down for the second successive year. The challenge was not just temporary demand destruction. This time the Company encountered the challenge of unsold inventory lying with our trade partners, which comprised what they had just bought from us and a spill over of some unsold stock from the previous year. In our business, it is not unusual for our trade partners to nurse an inventory. It has been a standard practice for them to buy a large volume of stock in July and August (following peak summer demand) at attractive prices and sell through the year leading into pre-summer demand. What was different this time was that a sizable inventory had been built before



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The impact is evident in the numbers. Consolidated revenues increased from ₹931 crores in FY2020-21 to ₹1,079 crores in FY2021-22. Our EBITDA inched ahead from ₹170 crores in FY2020-21 to ₹201 crores in FY2021-22. Our profit after tax strengthened from ₹107 crores in FY2020-21 to ₹121 crores in FY2021-22. Our EBITDA margin added 100 bps to 19% in FY2021-22. It declined from 26% in the fourth quarter of FY21 (immediately before the pandemic outbreak) to 8% in the first quarter of FY22.

the summer, a season when all inventory accumulation errors (if at all) get corrected with speed on account of rising temperatures and consumer discomfort. It was not that this inventory could not be liquidated; The problem was that with the summer demand evaporating (cruel word to use), there was no visibility of how and when the substantial inventory would be liquidated across the non-peak months. The timing of the demand destruction also meant that when the time came for trade partners to make their post-peak season purchase, they would buy less (or not at all). In a business where the intensity of the summer demand sets the tone for demand across the year, there was no guidance for the second successive

year. Our trade partners were hesitant about what the pandemic would lead to next and moderated their exposure. The result: our revenues declined compared to the pre-Covid level.

The other challenge comprised a sharp increase in material and logistic costs. These were not insubstantial. As material prices increased, we continued to evaluate whether it would be cheaper to buy in the regions where our products were being sold or import from different regions. We also addressed the question of whether we should pass cost increases to consumers or wait. The longer we waited, the more these cost increase needed to be absorbed, moderating our margins.

Our financial performance

Now that I have explained our operating background across successive years, there will be a logical connect with our financial performance.

For a quick recap, demand remained high but couldn't be served during the peak months on account of the Covid-19 restrictions.

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outbreak) to 8% in the first quarter of FY2021-22.

It would appear from what has been explained that the Company saw the world pass by and waited for realities to improve. That would not be accurate. The Company was engaged in a number of counter-initiatives to correct its biggest challenge in years.

One, the Company delayed the price increase and raised sticker prices from 3% to 10% only from July 2021 across select models, balancing the interests of our stakeholders, including consumers and trade partners.

Two, we recognised that the most effective strengthening of our corporate shock absorber lay in reinforcing competitiveness across factors within our control.

We engaged in effective value-engineering. We questioned every cost. We sought to replace materials with lower cost alternatives without compromising overall quality. We simplified processes. We enhanced the role of digital technology platforms that made it possible to scale the business without a proportionate increase in expenses. We re-examined our product designs. We negotiated better,

using our scale as an effective advantage that could enhance mutual value.

The result: during the last financial year, our EBITDA margin was arguably higher than the rest of the sector. This represented a validation of the long-term competitiveness of our business on the one hand and resilience during Black Swan events on the other.

Our responsiveness

I am happy to report that the glare of the oncoming train did not blind our Company into a stupefied freeze. We moved with speed to reorient and under the camouflage of the weaker financials we reported, were positives that one can draw pride from.

We emerged resilient following concurrent cost and demand shocks, a rare combination. We had a positive bottom line to report. Our reserves were not drawn down; our liquidity was largely protected. If this is how we performed during the most challenging year in our existence, we are optimistic of doing better when demand rebounds.

There was a deepening in the faith reposed by our trade intermediaries, following the success of our 'Book a Cooler' campaign of 2020, when we activated an e-commerce purchase proposition for consumers and passed on all product requirements to our trade partners to fulfil.

We waited patiently during inflation and did not rush to pass costs on to consumers. We waited because in a corner of our mind we recognised that if we did not do well, other smaller players would do worse; if we sold less, others could possibly

vacate some markets. The result was a premium on patience. We waited until our relative competitiveness was better than the competition. We transformed what could have been a cost challenge into an opportunity that enhanced our competitiveness.

We launched a new tower fan product category where no serious competition exists, in addition to launching new coolers.

We reappraised the manufacture of products in geographies where the products were to be sold, following a sharp increase in freight cum logistic costs.

We went direct to consumers in Mexico and Australia, deepening our access to consumers, reducing costs and enhancing our responsiveness.

We commissioned Centres of Excellence to deepen our focus in e-commerce-driven direct-to-consumer and global marketing, where we could benefit our entire international eco-system and where a business-as-usual approach would have been incommensurate. This approach will enable consumers to reach out to us immediately with the click of a button, as opposed



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By the last quarter of the year under review, our business was trending back to erstwhile profitability. The incremental EBITDA margin on incremental revenues in that quarter was around 34% even as the basic EBITDA margin for that quarter was around 25%, indicating a considerably higher profitability on sales beyond a specific level.

to the conventional approach of having to wait for them to come to us. This will empower more channel partners in international geographies to engage with us and it will get our channel partners to sell more (which, in management terms, is described as 'capturing a larger share of their wallet').

More than fifty per cent of our floating stock on the stock exchanges continued to be held by institutional investors, affirming faith in the long-term relevance of our business.

Positive outcomes

The Indian air cooler industry recovered from the relatively flat growth of FY2020-21 and grew attractively in FY2021-22. Symphony grew revenues 30% through various initiatives, double the industry growth.

Our consolidated gross profit margin of 45% was at the level of the previous year. Our EBITDA margin was 100 bps higher at 19%.

Our consolidated PBIT of ₹177 crores was 25% higher than the previous year. Our 'Rest of the World' (RoW) PBIT of ₹70 crores was 563% higher than the previous year, accounting for 39% of our consolidated PBIT during the year under review, compared to 7% during the previous review.

By the last quarter of the year under review, our business was trending back to erstwhile profitability. The incremental EBITDA margin on incremental revenues in that quarter was around 34% even as the basic EBITDA margin for that quarter was around 24%, indicating a considerably higher profitability on sales beyond a specific level.

International revenues accounted for 51% of the Company's revenues during the last financial year (52% in FY2020-21). The increased proportion of global revenues has

helped re-balance our seasonal revenue mix; 43% of our revenues were from the first half of the last financial year and 57% from the second half of FY2021-22 as compared with a 44-56% split last year, smoothening our erstwhile inventory bulge and cash flow cycle. Our USA sales increased 177% to ₹133 crores in the last two years and 55% over the previous financial year.

Our Australian operations reported robust profitability in the last financial year and we see a progressive improvement in that country's performance from this point onwards. The improvement in the last financial year was also a validation of the co-ordination between the teams in India and Australia.

Our US operations (directed through our Australian subsidiary) reported 55% growth compared to the end of the last financial year, growing by 264% from the time of acquisition. Our share of the US air cooler market strengthened from 2% about three years ago to more than 6% during the year under review. The end-to-end gross margins we generated from this market were at par with what we derived out of India. This improvement validated the

potential of this large market and our long-term focus on enhancing value from it.

IMPCO Mexico reported a record top line, bottom line and margins on the back of a price increase of up to 30%. GSK China, which was buffeted by economic and pandemic induced headwinds in China, moderated overheads by around 30%, that should graduate the subsidiary closer to a cash break-even point in FY2022-23.

Our large space venti-cooling (LSV) business (formerly known as industrial and commercial cooling) was promoted in India's national media and generated positive traction. We strengthened that business with the appointment of a National Sales Head, wider distribution network, launch of new models and the complete indigenization of product manufacturing, enhancing our competitiveness.

Outlook

So where is Symphony placed at this point?

My answer in one word: 'optimistic.' Too cryptic? Okay, let me make it two words: 'unprecedented optimism!'

This is why. The heat wave across the world in the last few months has done more for us than dozens of product promotions would have achieved. The world seeks environment friendly and cost-effective air-coolers.

Our brand continues to lead the markets in its presence, having graduated to a generic name ('Ek Symphony chaahiye' has become the standard line when someone seeks to buy an air-cooler across the counter). Our dealer network not only remains protected but more committed than ever to outsell competition.

Our asset-light model has validated the robustness of our business model to endure extended challenges and emerge with no Balance Sheet impairment (on the contrary, we strengthened our net worth).

We did not market more of the same. We continued to lead and romance with choice. Our products underperformed material inflation, which means that their overall price-value proposition strengthened.

Our April 2022 sales (Symphony India) rebounded (third time lucky) the highest ever that we reported in that month in our existence. We are selling more through modern retail stores and e-commerce channels than before.

Even as our performance may be interpreted as disappointing at first glance for reasons largely outside of our control, I cannot think of a better moment to address the future and look forward to cooler results.

With warm regards (of another kind),

Achal Bakeri,
Chairman and Managing Director



Our brand continues to lead the markets in its presence, having graduated to a generic name ('Ek Symphony chaahiye' has become the standard line when someone seeks to buy an air-cooler across the counter). Our dealer network not only remains protected but more committed than ever to outsell competition.

The Symphony Brand Report, FY2021-22

Overview

Symphony's brand weathered two of the most challenging years in its existence and emerged stronger.

Even as there was extensive demand destruction during the last two years on account of the pandemic with consumers being unable to buy on account of lockdown conditions, the Company protected its brand.

This is how the credentials of the brand continued to be in evidence during the last financial year.

One, Symphony continued to lead market share for residential air-coolers in India.

Two, the Company did not discount to sell more, protecting a respect and sheen that had been built over the years.

Three, the Company deepened its global footprint; it enhanced sales in the USA, among the most demanding markets in the world.

Four, the sluggishness of the first two quarters of the last financial year appeared to be correcting; during the last quarter of the last financial year, the Company reported annual standalone gross revenues of ₹679 crores, 30%, higher than FY2020-21 and the highest ever gross revenue in Q4 FY2021-22.

The Company's brand competitiveness is the outcome of years of patient investment.

Recalls: Symphony (corporate and product brands) stands for the recalls of trust, contrarian approach (asset-lightness), net debt-free position, global leadership cum presence and innovator. It is synonymous with the word 'cooling'!

3A's: The Symphony brand is available across 25,000+ retail points across the country. It provides a superior price-value proposition (affordable) by the virtue of high uptime, lower running costs and superior features.

Properties: Symphony's air-cooler models are 'properties', which are enduring assets that do not need to be frequently churned but generate a positive recall (and offtake) that

extends into the long-term. This is evident in the numbers: our five oldest models accounted for 9% of the Company's revenues in FY2021-22; our ten youngest models accounted for 23% of the Company's revenues in FY2021-22.

Leadership: Symphony is respected for sustained market leadership (nearly 50% share of the organised market for air-coolers in India), an index of its brand potency. The Company remained the undisputed market leader in FY2021-22 with an estimated organised market share of 50%. Around 14 Symphony models had been category or segment leaders for ten years or more as on March 31, 2022. The sustained leadership

accelerated product offtake across market cycles, transformed the Company's models into industry benchmarks and made them annuity revenue generators.

Range: Symphony provides a wide consumer choice, making it a single-stop solution provider for consumer needs – across factors of size, cost, styling, features and effectiveness. The brand is a single-stop solution provider for residential, commercial and industrial cooling needs.

Success: Symphony's models have been sustained with moderate annual investments, making it possible to allocate unspent resources into new brands and launches. The Company made 5

product launches in a challenging FY2021-22 when much of the sector refrained from widening its portfolio.

Promotional spending:

Symphony was the largest sectorial brand spender in FY2021-22. The Company played a statesmanlike role in widening the market in addition to enhancing market share.

Strong financials: Symphony's

brand strength has been showcased in the strength of its Balance Sheet. The Company possessed ₹511 crores in its treasury corpus, including cash and cash equivalents (excluding loans/ investments in subsidiaries) on its Balance Sheet at the close of the year under review; the Company remained net debt-free.

Brand efficiency: Symphony's brand vitality was validated from

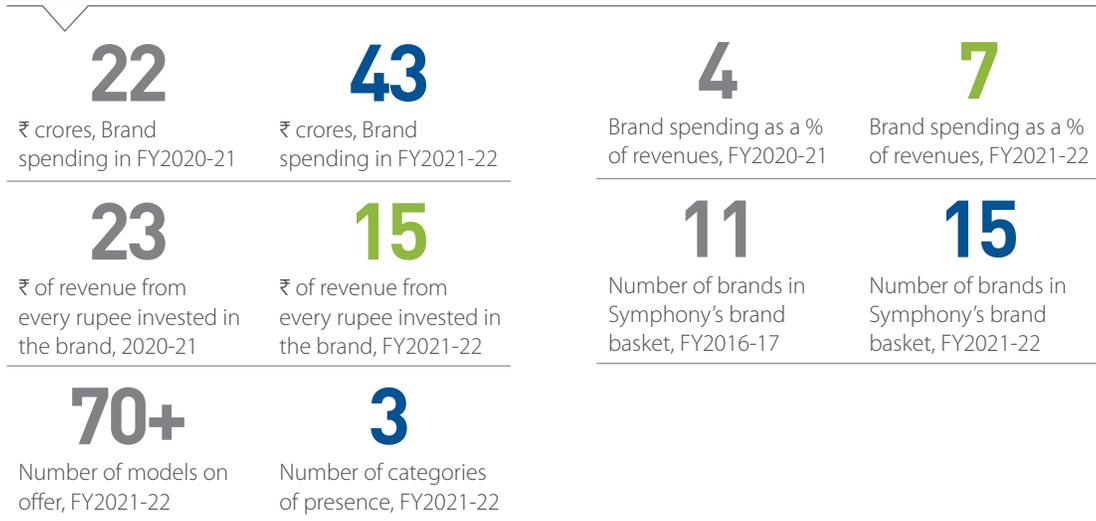
its investment and output. The Company invested ₹43 crores in its brands during the year under review, which was 7% of turnover. The Company generated ₹15 from every rupee of brand spending in FY2021-22.

Launches: Symphony revitalised its brand through periodic launches, validating the effectiveness of its research function to design and launch innovative products.

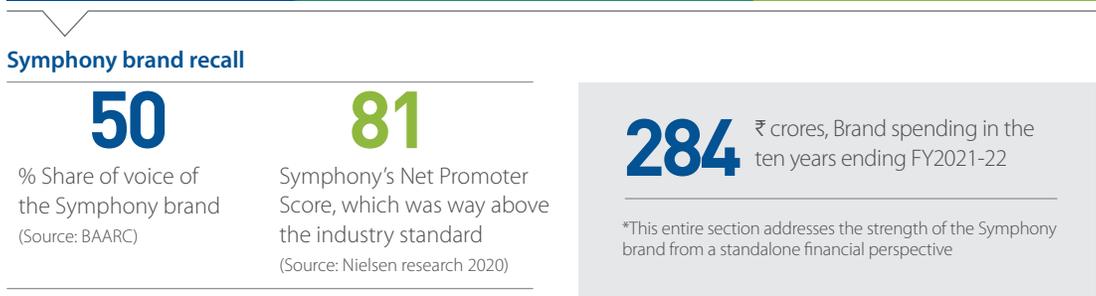
Symphony's year-on-year product launches



The Symphony brand scoreboard



How innovation resides at the core of Brand Symphony



'Book a Cooler': How this strategy opened new revenue channels for our Company



Overview

'The bigger the crisis, the larger the opportunity' is a belief that played out during the last two financial years at our Company. There was a time when there was no one stepping out to buy (first quarter, FY2020-21). We could have gone into our pit and waited for the storm to blow over. On

the contrary, we invited buyers cooped up in their homes to buy an air-cooler on our website and we promised to get our nearest dealer to each customer's doorstep (when the lockdown was momentarily relaxed). Consumer happy, dealer delighted, Symphony thrilled. We would like to report

that the fleeting opening of the window has opened a new door for our Company (which we shall describe in this section) and empowered brands like ours to own the customer relationship and data leading to unique shopping experiences.

Our domestic marketing

At the outset of the 2021 summer, the Company launched a high decibel campaign, which resulted in a 60% Share of Voice on the electronic media until the resurgence of the second COVID wave in April 2021.

A large leftover trade inventory staggered fresh air-cooler billing by trade partners (most said 'We will wait and see'). The result: the largest trade inventory at the start of the last financial year. The Company's 'Book a Cooler' generated three upsides: increased online bookings, lower channel inventory and increased retailer loyalty to Symphony. Stock compensation offers on existing trade stocks moderated inventory cost; margins declined for the moment, but trade partner trust increased for the long-term.

The Company launched a campaign to enhance awareness

on the importance of ventilation, partnering doctors and fitness influencers, underlining the reality that Symphony air coolers moderate the possibility of contracting COVID.

Symphony endorsed Harbhajan Singh and Shikhar Dhawan as brand ambassadors, addressing more than 2,300 retailers. The Company invested in various tools to track performance on social media and e-commerce portals.

In March 2022, the Company launched an exciting campaign that compared the cost of India's favourite snacks and the daily running cost of a cooler.

Protecting distribution relationships

- Our 'Double Dose Offer' proved to be a game-changer
- We offered benefits to dealers on the air-cooler stocks they carried

- irrespective of the brand (which means even on the unsold stocks of competing brands, would you believe?)

- This proved a win-win, where dealers gained and Symphony gained, but competition lost market share and mind share

Re-positioning

- The Company repositioned its industrial and commercial cooling business as 'Large Space Venticooling'
- It appointed 'Champion Sales Dealers' across India
- It launched a new dedicated website www.symphonyventicool.com
- It created a new commercial for the electronic media
- It added prominent clients like Big Basket, Delhivery, Welspun and Hawkins.

Outlook

The Company expects to strengthen its marketing function with the appointment of a Global Chief Marketing Officer. The commissioning of market research projects will be directed to strengthen strategic implementation and dominate the category with a presence across all consumer touch points. The Company will take the brand closer to customers, improve brand KPIs and embark on an exercise to position the brand around a new proposition with a higher purpose and global appeal.

Direct-to-customer

There is a D2C traction for good reasons. It allows brands to engage directly with customers; specific offers enhance customer retention. It facilitates a personalised engagement with customers over

emails, text messages or a chat. It empowers a brand to retain individuality, enhancing messaging and brand effectiveness. It provides a brand with a larger room for product or service innovation with downsides more limited than traditional trade channels. It circumvents multiple intermediaries from the downstream supply chain. It enhances a Company's insight into shopping needs, purchase habits and a customer's brand experience.

- A separate team was created to drive D2C sales.
- Symphony launched an exclusive brand D2C website for India. (<https://shop.symphonylimited.com>), generating more than a hundred thousand visitors in a short period; this pure-play e-commerce shop makes Symphony omni-channel.

- D2C exclusive coolers will be launched under the 'Different Model Different Channel' (DMDC) approach, minimizing the conflict with general trade and other channels. D2C was launched in Australia and Mexico and will soon be launched in the USA.

- No-cost EMI schemes were launched with banks and NBFCs to help customers buy products in worry-free instalments (in addition to Cash on Delivery).

- Alliances with Disney, Marvel and Greengold are expected to bring popular characters (Cinderella, Spiderman, Ironman and Chhota Bheem) to our select coolers, addressing children and teenagers.

- In just two months, the previous year's D2C sales had been exceeded.

Our e-commerce story

The Company generated substantial orders before the start of the summer. It created rich content on Amazon and Flipkart for better listing and generated more orders in two months of FY2021-22 than 12 months of FY2020-21.

Network integrity

- The launch of 'SyBIL' (Symphony Business Involvement Level) rating will make it possible for each channel partner to be given a score based on its business involvement level to enhance network quality.

- Dealers were appointed in all

towns with a population more than 10,000.

Launches

- New models were designed and launched exclusively for e-commerce and modern trade channels; the e-commerce segment grew 30% over the previous year and crossed 100,000 unit sales.

- A unique table-top personal cooler 'Duet' was launched in manual, touchscreen and remote-control manifestations.

Service

- We reduced customer waiting time by 20%.

- We increased call centres from one to three.

- We provided additional services features on our Symphony mobile app.

Forward-looking

- The Company is creating a different distribution channel to market products across rural and semi-urban India

Key numbers

85-90

US \$ billion, India's consumer digital economy, CY 20

800

US \$ billion, India's consumer digital economy, CY 30 (projected)

45

US \$ billion, India's e-commerce economy, CY 20

350*

US \$ billion, India's e-commerce economy, CY 30 (projected)

*30% expected from D2C.

Source: RedSeer, 2021

533

% growth in search interest for D2C brands, 2021

41

% growth in D2C brand comparisons, 2021

Source: Google's Year in Search Report, 2021

Our product launches, FY2021-22

Household



Surround Bladeless Tower Fan- Surround I and Surround

Features

- + Bladeless technology
- + Swivel action for surround air
- + Touch screen control panel
- + Powerful air throw



Sumo 40XL

Features

- + For rooms up to 16 m²
- + 3-side high efficiency honeycomb pads
- + i-Pure technology for fresh and filtered air
- + Cool flow dispenser for better cooling
- + Powerful fan
- + Large 40L water-tank capacity
- + Consumes 95 watts only

Subsidiaries



Silhouette EAC

Features

- + Energy saving motor
- + Arrowing fan design for better air delivery
- + Ultra low profile cabinet
- + Humidity management system
- + Air ionizer
- + Pad clean and exhaust function, Adopts to fit on different dropper duct sizes, rendering it easily retrofitted too, making it feasible for customers to upgrade from their existing units to Silhouette low profile high-tech units.



SHT Movil

Features

- + Tank capacity 25 litre 2800 PCM
- + Consumption 230 watts
- + Water inlet door for manual filling apart from float valve for auto water filling
- + Double turbine
- + Horizontal oscillation
- + Closeable louvers at front - Easy filter cleaning
- + Oxidation free
- + High efficiency filter. Trolley with castors

Household



HiFlo 40

Features

- + For rooms up to 18 m²
- + Powerful air throw
- + i-Pure technology for fresh and filtered air
- + Cool flow dispenser for better cooling
- + Powerful fan
- + Large 40L water-tank capacity
- + Consumes 150 watts only LSV

LSV



Venti Cool 10U

Features

- + Modular units suitable for any area
- + One unit can cool up to 1000 sq.ft.
- + Cool Flow Dispenser for enhanced cooling
- + Weather resistant UV Stabilised engineering plastic body
- + 2 speed motor for powerful air delivery of 10000 CMH
- + Three side cooling pads for superior cooling



Venti Cool 08U

Features

- + Modular units suitable for any area
- + One unit can cool up to 800 sq.ft.
- + Cool Flow Dispenser for enhanced cooling
- + Weather resistant UV Stabilised engineering plastic body
- + 2 speed motor for powerful air delivery of 8000 CMH
- + Three side cooling pads for superior cooling

Subsidiaries



SHT MovilXL

Features

- + Tank capacity 80 litre
- + Consumption 230 watts
- + Water inlet door for manual filling apart from float valve for auto water filling
- + Double turbine
- + Horizontal oscillation
- + Closeable louvres at front - Easy filter cleaning
- + Oxidation free
- + High efficiency filter
- + Raiser blocks with commercial grade castors



R38W

Features

- + Engineering plastic front grill with closable louvres
- + Auto swing
- + Engineering plastic side panels
- + Strong spot welded cabinet of galvanised steel with superior powder coating
- + Engineering plastic centrifugal fan, direct drive motor

Our International Business: Building a global personality

Overview

In the past, there were apprehensions about the Company's international strategy: Were these geographies right to venture into? Would those markets grow attractively? Would returns justify the spending? Would the Company's managerial bandwidth be stretched? Would the Company be able to negotiate the cultural complexity of those terrains?

When we entered those terrains, we cautioned our stakeholders. The returns from our international investments would not be linear; They would be derived indirectly (more) and directly (less) – like a football team when someone passes and another scores - strengthening the eco-system. Besides, these investments would need to be patient.

We are pleased to report that the wait is over. Our international investments have reported a breakout (in the language of the technical analyst). During the last financial year, we generated more revenues (51%) from outside India than within. Total PBIT from our international business as a proportion of our total PBIT climbed from 7% to 39%.

We believe that this positive breakout is important for our business. As cross-border communication becomes stronger following the increased use of social media, we foresee domestic brands becoming global. We see a large number of global brands consolidate around a select few.

We are optimistic that a combination of the parent

Company and its subsidiaries will make it possible for us to draw research out of China. Our shrinking manufacturing exposure in Australia and the USA will enhance asset-light competitiveness. Increased manufacturing out of India will leverage engagements with cost-effective vendors. Our international subsidiaries in Australia and USA will focus more on marketing and distribution. This consolidated competence is probably unprecedented in our sector, enhancing value for the consolidated Symphony and deepening our ambition: to be the biggest air-cooling solution provider in the world that researches from where it goes deepest, manufactures where it can be done best, quickest and the most competitive and sells everywhere.

Our focus

- We focused on expanding sales in every market across the world.
- This underlined our conviction that the world is one market and opportunities exist almost everywhere.
- We widened our sales footprint and de-risked our business (from a dispersal across markets and seasons).

Our global challenges

- Economic slowdown was marked across countries

• Traveling was restricted; customer engagement was difficult, customers were conservative in their ordering; carry-forward inventory was sizable.

• Economic and political issues affected Sri Lanka, Egypt and Myanmar; planned sales did not materialise there.

• Severe lockdowns, port traffic jams (and pendency) across various international destinations significantly increased shipping costs and caused significant delays. In some cases, goods reaching their destinations after their hot selling seasons were over.

Our counter-initiatives

- The Company migrated customer engagements to video conferences and telephone calls.
- The international sales team was strengthened.
- There was an emphasis on developing e-commerce directly and through distributors.
- The Company initiated digital marketing campaigns in key international markets.
- The Company resorted to more advance planning and inventory management to address higher shipping times and delays.



The global cross-pollination at Symphony

Symphony India

- Market building
- + Entrepreneurial
- + Asset lightness
- + Value engineering

Keruilai

- Deep research
- + Wide insight into the Chinese component eco-system
- + Market building competence
- + Wide products portfolio

IMPCO

- Rich experience in industrial coolers
- + Manufacturing presence in North America
- + Strong trade relations with major retail chains in Mexico

Climate Technologies

- Wide and deep Australian distribution network
- + Market knowledge
- + Popular proprietary brand
- + Marketing relationship with Home Depot (USA)

The performance of Climate Technologies, Australia

Principal challenges, 2021-22

- There was a need to address a decline in the pandemic-affected Australian market; the key Melbourne market suffered the longest lockdown period of any city in the world (262 days).
- There was a need to manage rising shipping and material costs.

Counter-challenges

- The Company commenced business transformation to address growth areas like portable cooling products in the USA and Australia, while reducing manufacturing costs through outsourcing.
- The Company focused on enhancing returns from the USA business, especially with product supply being FOB India (eliminating shipping costs).
- The Company developed a Bonaire refrigerated air-conditioning product range across the high-wall splits, multi-splits, ducted and add-on cooling ranges.

Our principal differentiators

- We fast-tracked the development of our US business; we added products.
- We re-modelled the US supply chain so that products (except for roof tops) were dispatched either FOB India or direct to distribution centres from Mexico, rather than direct to stores.
- We developed the portable air cooler business in Australia with

online engagements (including our new website) and new retailer engagements.

- We initiated the outsourcing of all fabricated metal parts.

The outcomes

- We generated a 10% increase in revenue from this subsidiary during the last financial year.
- We reduced fixed costs (CODB) by 5% versus the previous year.

- We strengthened our EBITDA margin to 10% from 4% in the previous year.

- We introduced 10 SKUs of portable air coolers.

The strengths of our Australian business

- Our longstanding premium Bonaire brand enjoys a high unaided recall for superior quality and after-sales service. This is facilitating brand extensions (online

and offline, portable cooling and heating products, refrigerated air-conditioning products).

- We now possess a multi-market business out of Australia that makes it possible for us to sell within Australia and also in the USA (out of Australia); the Australian and the USA summers complement each other, enhancing asset utilisation.
- Our Australian distribution network makes it possible to distribute products virtually everywhere across the island continent.
- The subsidiary enjoys the financial support of the parent Company.
- Our debt for the Australian business' acquisition loan was mobilised at an all-inclusive cost of less than 4%, even as the Company generates an average pre-tax return in excess of 5% on its treasury operations. The debt has enforced cash flow discipline at the operating level.

How we built our US business through Australia

- The US sales were ₹133 crores in FY2021-22 (₹86 crores in FY2020-21 and ₹48 crores in FY2019-20),

validating our foresight to invest in this subsidiary; even at this level, our US market share is negligible with significant growth headroom; The US sales of the subsidiary stood at 37% of the Company's revenues during the last financial year.

- Our US business is focussed on new and existing sales opportunities, including the replacement of competitor products because the Bonaire Durango product enjoys a superior price-value proposition.
- The US business focuses on product supply to the USA (FOB India or direct to The Home Depot's distribution centres in the USA from Mexico to maximise returns).

How we transformed the business in FY2021-22

- We partially outsourced Salisbury manufacturing operations.
- We secured new and existing product business for the 2022-23 US cooling season (FY2022-23).
- We secured an additional retailer for portable air cooler distribution for FY2022-23 Australian cooling season.

- We are developing a new portable cooling and heating product range for the 2023 Australian heating season and beyond.

- We are developing a new price point range for the high wall split refrigerated air conditioning range and the premium range for the Australian retail market.

Outlook

- The Australian business will focus on portable cooling, portable heating and refrigerated air-conditioning with a plan to widen the Bonaire portable cooling and introduce an electric heating and portable refrigerated air-conditioning products range.
- The business distributes and sells the ducted evaporative and ducted gas heating segments through the wholesale trade, retail dealer and builder contractor networks.
- The US business appears attractive, marked by new and existing product lines and opportunities.
- There is a commitment to make this a low-cost operation once business transformation and outsourcing initiatives are complete.

How we strengthened our IMPCO Mexico operations

Overview

IMPCO Mexico was acquired in 2009 to empower the Company's presence in the Americas and to seed its competence within the parent company.

During the last two years, IMPCO right-sized the team and emerged leaner. It also initiated its online engagement model.

Our initial challenges and counter-responses

There was a need to substitute an insolvent dealer (10% of sales); the Company directly served wholesale dealers and grew with the others.

One priority was to recover increased ocean freight (up to a seven-fold increase over 2019) through price increases.

There was a need to evolve from a significant presence in four States and emerge as a national player.

Strategic differentiators

The Mexico subsidiary sustained its position as the only air-cooler brand investing in marketing campaigns (open TV and digital).

The subsidiary was the only air-cooler player in that geography to invest in innovative products, launching R38W and SHTMovilXL (with 80-litre tank).

The business launched new categories to graduate into a national player.

The business built around strong existing brands (Master Cool and Arctic Circle), progressively strengthening their positioning in the metal body cooler space, while the Symphony brand was strengthened with all-polymer body coolers.

The business enhanced value through in-store sale promotion, and training to help retailers reduce their inventories and optimize sell-out.

Outcomes

IMPCO Mexico catered to Latin America, deepening its competitiveness over Chinese players. The increasing traction for the portable cooler was driven by new SKU, better cost structure and visible promotions

IMPCO Mexico registered robust topline growth from around ₹75 crores in FY2020-21 to ₹103 crores in FY2021-22; EBITDA was ₹13 crores and PAT about ₹8 crores.

Outlook

The business began to export products to the USA as well as to Brazil, which is likely to be scaled up further.

IMPCO intends to counter the incidence of high ocean freight with local manufacturing. It intends to build on the local production of its Phoenix product range and add to the Aeris range, both likely to enjoy consumer acceptance with high margins; the Company intends to produce three electric heater models (emerging as the only such local manufacturer). A new line of washer machines could catalyse sales. The manufacturing of the Diet range and Durango Rooftop could be relocated from India to Mexico, enhancing their visibility in the USA and Mexico.

Our China subsidiary continued to endeavour in a challenging environment

Overview

During the last few years, Guangdong Symphony Keruilai Air Coolers (GSK) moderated operational losses by right-sizing the team and enhancing engagements with Symphony's global subsidiaries and parent.

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

GSK has significantly assisted product development for the parent across the industrial and commercial segments, in addition to marketing deeper within China.

Challenges addressed, FY22

- The spread of the pandemic affected business growth.
- Inflation in raw material, rent, electricity costs and talent cost affected competitiveness.
- The business promoted its KD18 series to retain market share.
- The business restructured with the objective to moderate employee costs.
- The implementation of SAP enhanced management productivity.
- The business phased out the HC cooler, moderating employee and rental costs.

Strengths

- The business enjoys technical capabilities in the area of large coolers; it promoted the KM35 and KT85 models in the current year.
- The business enjoys more than 20 years of respect within China's cooling industry for its technical knowledge and quality.
- The business comprises robust infrastructure, including a state-of-the-art laboratory (among the best of its kind globally) and factory premises to propel growth.

Outlook

- The business targets enhanced sales and lower operational losses.
- The business seeks to introduce HVLS fan and centrally controlled coolers enhanced with the Internet of Things.
- The business intends to support dealers and agents to use BIM and select apps for different coolers.
- The business intends to monetise a part of its surplus workshop space.

- The business seeks to introduce an exclusive dealership arrangement with select customers.
- The business expects to get a high technology enterprise certification from the government.

Re-positioning and growing our Large Space Venticooling business

Overview

Symphony considers itself to be more than an air-cooler company. This positioning was manifested more than a decade ago when the Company acquired a company in Mexico that specialised in industrial cooling.

This business has evolved: the product would be manufactured in Mexico and China and imported into India, but in the last two years Symphony began to manufacture the product in India, enhancing convenience with a simple plug-and-play solution that could be commissioned immediately as opposed to an extended erstwhile

workflow. The Company created a vendor eco-system within a few hundred kms.

The Company's long-term optimism has been derived from the under-penetrated nature of the market and a growing need for temperature comfort (across factories, warehouses, educational institutions, banquet halls, restaurants, open-air restaurants, resorts, hospitals, hostels, places of worship, movie theatres, gyms, showrooms, service centers and data centers), without incurring expenses for air-conditioning systems.

The Company's 'Made in India' models helped moderate air-cooling costs down to ₹5 per hour. When used in classrooms, the models moderated cooling costs to 10% of the electricity generally consumed by an air-conditioner. when installed in retail stores, a single commercial unit moderated interiors temperature by nearly 10°C across 2500 sq.ft.

The Company sees itself at the cusp of a long-term opportunity of the kind it encountered in the early Nineties with air-coolers.

Challenges and counter-initiatives, FY2021-22

The outbreak of the second pandemic wave in the first quarter of the last financial year affected offtake, which was difficult to recoup.

The business responded to the challenges with the following initiatives:

- The Company repositioned the category as Large Space

Venticooling, a combination of ventilation and air-cooling.

- The Company introduced ready-made accessories and value-added products (VC 10U and VC 8U), which received good offtake.
- The Company deepened its distribution and service network backed by the Symphony brand.

- The business addressed customer segments with diverse applications, creating a broad-based and scalable platform.
- The business was marketed through electronic media campaigns.

Earlier

The products would be assembled in Mexico and China.

Much of the package would be imported.

The installation would take a few weeks.

Category launches were slow.

Dealer confidence was apprehensive.

Now

The Company started manufacturing these products for the first time in India two years ago.

The Company indigenised most components, accessed within 100 kms.

The Company moderated installation time to a few hours.

Customer downtime is addressed with speed; spares are locally available.

The Company accelerated launches (industrial and commercial).

Dealer confidence has increased.

Symphony's ESG commitment, FY2021-22

Overview

A growing number of global manufacturers are recognizing the financial and environmental benefits from sustainable business practices. Besides, stringent environmental norms regulating agencies are helping reduce resource depletion, water scarcity, pollution and other harmful impacts.

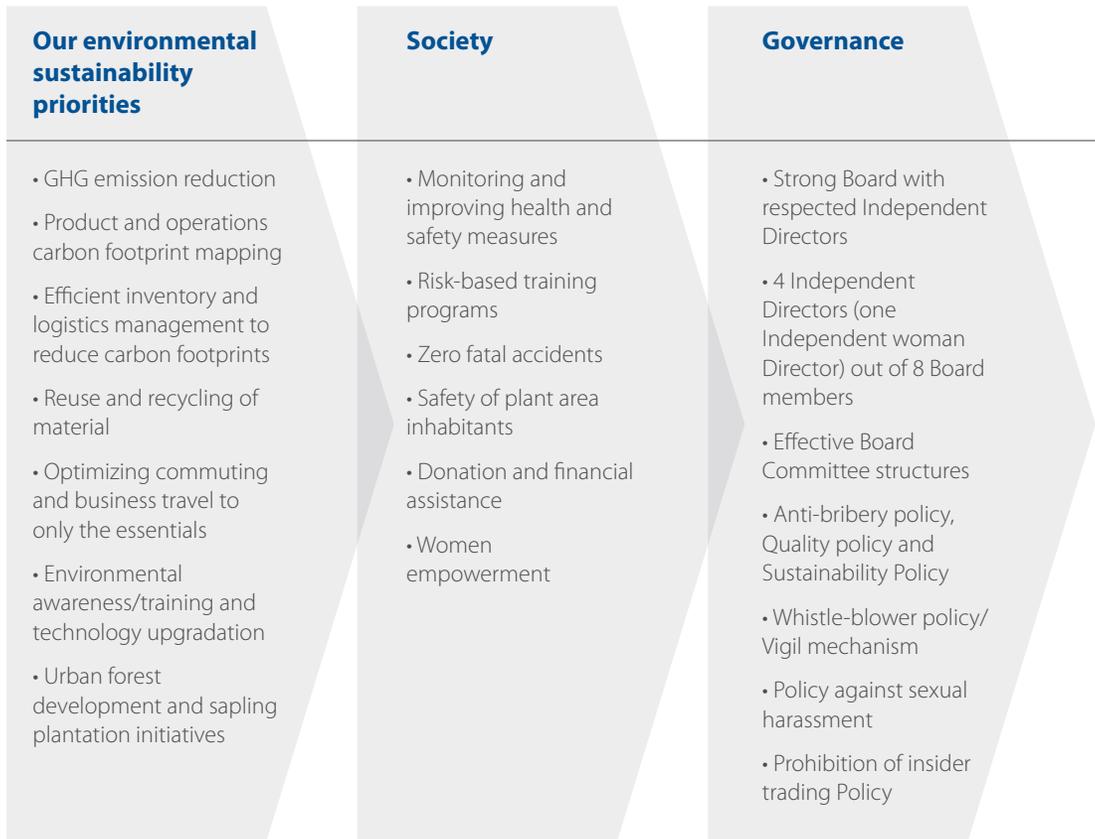
The result of these realities is a greater emphasis on sustainable manufacturing. This comprises the manufacture of products through economically sound processes that moderate the consumption of energy and natural resources while reducing negative environmental impact, in addition to enhancing employee, community and product safety.

Besides, there is a growing emphasis on aligning business existence with the ten principles of the UN Global Compact, covering human rights, labour interests, environment responsibility and anti-corruption initiatives.

As the world's largest air cooling solutions company, we wish to make the world cool and comfortable at 27°C. The Company has embarked on

various initiatives to moderate its environment impact, underlining its responsibility. The Company's low carbon product footprint is aligned with initiatives to moderate global warming and community impact. Our environment friendly cooling product represents an improvement over the air-conditioner, marked by a lower carbon footprint.

The Company has been prioritizing investments in ESG, strengthening holistic business growth, business quality, sustainability and respect. Investors are increasingly aligned through a desire to understand the Company's long-term value creation plan and receive credible, standardised information to support long-term risk assessment. The criteria are used by socially conscious investors and shareholders to screen investments and assess the Company's impact on the world. They affect how the Company gathers and retains funding from investment funds with the 'socially responsible' investment strategy.



Our environment-related priorities and initiatives

Symphony's focus lies in consuming less and manufacturing more while minimising environment impact. It is the Company's conviction that the most successful, profitable and sustainable companies are the ones benchmarked with the most stringent environmental standards.

Symphony has progressively produced air-coolers through greener alternatives. It invested in low-carbon technologies that translated into enhanced resource and energy efficiency. Its risk mitigation policies were outlined keeping in mind its long-term vision on the one hand and enhanced sustainability-driven

prosperity on the other. In doing so, the Company focused on the reduction of its environmental footprint, planet preservation and moderated resource consumption through a proactive investment in the use of modern technologies, practices, methodologies and standards.

Symphony emphasises manufacturing scalability on one hand, without depleting finite natural resources on the other. This environment responsibility was reinforced through the 5R's, comprising reduction, recycling, restoration, replacement and renewables.

Symphony strives to improve operations and minimise its environmental impact. The Company invested ahead of the curve to moderate emissions and improve energy management through conservation and energy-efficient product design. The Company focuses on the increased use of renewable and recycled materials. The Company focuses on water and energy use moderation, with the objective to become water-positive and carbon-neutral.

The Company intensified its commitment to embrace the challenge of developing energy-efficient products while minimizing adverse environment impact. It commenced the measurement of GHG emissions. The Company also started an initiative to measure the cradle-to-grave footprint of its products. It partnered with independent agencies to study the emission effectiveness of its cooling approach vis-à-vis alternative cooling solutions. The study confirmed that Symphony's air cooling products enjoyed a

lifetime carbon footprint of less than one-tenth of air-conditioning for comparable cooling space.

Symphony's R&D expenses were directed towards improving the environmental and social performance of its products. The Company empowered consumers to capitalise on eco-friendly, energy-saving air cooling technologies as an alternative to harmful and inefficient air-conditioners.

Symphony's corporate sustainability policy required the design and engineering of its products to comprise sustainable sourcing across its supply chain. All products of the Company were made of recyclable plastic.

Symphony's environment, health and safety policy laid down systems and procedures for identifying work safety, health and related hazards. The Company's Health and Safety Committee was responsible for the development, oversight and management of environmental, health and safety programmes that protected the environment, provided safe and healthy conditions for work and study and complied with applicable laws and regulations.

Waste and water management

Symphony adhered to strict environment compliance. The

Company did not generate any hazardous waste while its non-hazardous waste was re-used and recycled. The Company followed the 5R's principle of resource utilisation with the objective to create resource-efficient products.

The emission factored selected and methodologies used for GHG accounting that were referenced from sources as given in the standard (ISO 14064 - 1: 2019), e.g., GHG protocol, CEA and IPCC etc. Water consumption per unit stood at a credibly low 0.0059M3 during the reporting year.

Greening

Symphony developed Symphony Forest Park (for Ahmedabad Municipal Corporation, as a part of a public-private partnership model). This 11,000-square metre facility was planted with 25,000 plants (some rare) including fruit-bearing trees and flowering shrubs to attract birds, insects, bees, bats and squirrels. The 300 local plant species possessed medicinal, mythological, religious and ecological importance.

Road ahead

Going ahead, the Company will deepen its focus on the reduction of carbon footprint, efficient water recycling and reinforcing its respect as a responsible corporate citizen.

Symphony: Committed to make the world a better place



Our CSR spending

4.07

₹ crores, FY2020-21

3.28

₹ crores, FY2021-22

Overview

Symphony's corporate social responsibility projects are aligned with national and regional priorities. The Company's engagement is directed by a defined CSR policy, implemented under the guidance of a CSR Committee and senior management. The outcomes of these programmes are periodically tracked.

The pride of the Company's CSR initiative is Symphony Forest

Park, launched as a public-private partnership model. The park has already begun to attract diverse exotic bird species and a resuscitated with aquatic species. The area was earlier a waste dump, transformed into a unique urban forest opened to the public from February, 2020. The concept built around national parks and jungles of Sri Lanka, tropical national parks in Singapore and those in Madhya Pradesh, Southern India

and Gujarat. The urban forest moderated its carbon footprint from the design stage. It nurtured local species that could possibly have become extinct (Salvadora or Piludi). The 'forest' does not consume chemical fertilisers, pesticides or manure. By the virtue of the use of indigenous species, the space will require minimal maintenance for the first three years and then become self-sustainable.

Our CSR interventions

- Preventive healthcare and promoting well-being
- Promoting education
- Eradicating hunger, poverty and malnutrition
- Development and maintenance of a public park
- Disaster management, relief and rehabilitation
- Promotion and development of traditional art

Some rare species planted in Sangati

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

Management discussion and analysis

Global economic review

The global economy grew at an estimated 5.9% in 2021, compared to a de-growth of 3.3% in 2020. This improvement was largely due to the increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The global economic recovery is attributed to accelerated vaccine rollout across 4.4 billion people, around 56% of the global population (single dose). The spot price of Brent crude oil increased 53.34% from US\$ 50.37 per barrel at the beginning of 2021 to US\$ 77.24 per barrel at the end of the calendar year, strengthening the performance of oil exporting

countries and moderating growth in importing nations. Global FDI reported an increase from US\$929 billion in 2020 to an estimated US\$1.65 trillion in 2021.

The global economy was affected by prohibitive shipping freight rates, a shortage of shipping containers and semiconductor chips in 2021, affecting global economic recovery. Inflation was at its highest since 2011, especially in the advanced economies, catalysed by a run up in commodity prices. Some emerging and developing economies were positioned to withdraw policy support to contain inflation even as the economic recovery was still incomplete.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels, following the drop at the time of the pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, food grains, fertilisers and gold.

The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

Regional growth (%)	2021	2020
World output	5.9	(3.3)
Advanced economies	5.0	(4.9)
Emerging and developing economies	6.3	(2.4)

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: The country reported a GDP growth of 5.7% in 2021, compared to a de-growth of 3.4% in 2020, following the government's investment of trillions of dollars in COVID relief.

China: The country's GDP grew 8.1% in 2021, compared to 2.3%

in 2020, despite it being the novel coronavirus epicentre.

United Kingdom: The country's GDP grew 7.5% in 2021, compared to a 9.9% de-growth in 2020.

Japan: The country reported a growth of 1.7% in 2021, following a contraction in the previous year.

Germany: The country reported a GDP growth of 2.9% in 2021, compared to a decline of 4.9% in 2020.

(Source: World Bank, IMF, Business Standard, Times of India)

Indian economic review

The Indian economy reported an attractive recovery in FY2021-22, its GDP rebounding from a de-growth of 7.3% in FY2020-21, to a growth of 8.7% in FY2021-22. By the close

of FY2021-22, India was among the six largest global economies. Its economic growth rate was the fastest among major economies, except China. Its population is

around 1.40 billion, the second most populous in the world and its rural under-consumed population, arguably, is the largest in the world.

Y-o-Y growth of the Indian economy

Regional growth (%)	FY2018-19	FY2019-20	FY2020-21	FY2021-22
Real GDP growth (%)	6.1	4.0	(6.6)	8.7%

Growth of the Indian economy, FY2021-22

Regional growth (%)	Q1, FY2021-22	Q2, FY2021-22	Q3, FY2021-22	Q4, FY2021-22
Real GDP growth (%)	20.1	8.4	5.4	4.1%

The Indian economy was affected by the second wave of the pandemic that affected economic growth towards the fag end of the previous financial year and across the first quarter of the financial year under review. The result was that after a growth of 1.6% in the last quarter of 2020-21, the Indian economy grew 20.1% in the first quarter of FY2021-22 due to the relatively small economic base during the corresponding period of the previous year.

India's monsoon was normal in 2021 as the country received 99.32% of a normal monsoon, lower though than in the previous year. The estimated production of rice and pulses recorded volumes of 127.93 million tonnes and 26.96 million tonnes respectively. The total oilseeds production of the country recorded a volume of

371.47 million tonnes. Moreover, based on the spatial and temporal distribution of the 2021 monsoon rainfall, the agricultural gross value added (GVA) growth in FY2021-22 is anticipated to be 3-3.5%. The country's manufacturing sector grew an estimated 12.5 per cent, the agriculture sector 3.9%, mining and quarrying grew 14.3%, construction grew 10.7% and electricity, gas and water supply grew 8.5% in FY2021-22.

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

India attracted the highest annual FDI inflow of US\$ 83.57 billion in FY2021-22, a validation of global investing confidence in India's growth story. The government approved 100% FDI for insurance intermediaries and increased FDI limit in the insurance sector from

49% to 74% in the Union Budget 2021-22.

India surpassed the ₹88,000 crores target set for asset monetisation in FY2021-22, rising over ₹97,000 crores with roads, power, coal, mining and minerals accounting for a large chunk of the transactions.

The Indian government launched a four-year asset monetisation plan worth ₹6 lac crores. The plan includes roads and highways, pipelines, power transmission lines, telecom towers, railways station redevelopment, private trains, tracks, goods sheds, dedicated freight corridor, railways stadiums, airports, projects in major ports, coal mining projects, mineral mining blocks, national stadia, redevelopment of colonies and hospitality assets.

In 2021, India was the largest recipient of global remittances. The

country received US\$ 87 billion during 2021, with the US being the largest source (20%). India's foreign exchange reserves stood at an all-time high of US\$ 642.45 billion as on September 3, 2021, crossing US\$ 600 billion in foreign exchange reserves for the first time.

India's currency weakened 3.59% from ₹73.28 to ₹75.91 to a US dollar, through FY2021-22. The consumer price index (CPI) of India stood at an estimated 5.3% in FY2021-22. India reported improving Goods and Services Tax (GST) collections month-on-month in the second half of FY2021-22, following the relaxation of the lockdown, validating the consumption-driven improvement in the economy. The country recorded its all-time highest GST collections in March, 2022 standing at ₹1.42 lac crores,

which is 15% higher than the corresponding period in 2021.

India ranked 62nd in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth ₹51,000 crores in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of US\$3.21 trillion in March, 2022.

The fiscal deficit was estimated at ~₹15.91 trillion for the year ending March 31, 2022 on account of higher government expenditure during the year under review.

India's per capita income was estimated to have increased 16.28% from ₹1.29 lac in FY2020-21 to ₹1.50 lac in FY2021-22 following a relaxation in lockdowns and increased vaccine rollout.

India's tax collections increased to a record ₹27.07 lac crores in FY2021-22 compared with a budget estimate of ₹22.17 lac crores. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in FY2020-21 to 11.7% in FY2021-22, the highest since 1999.

Retail inflation spiked to a 17-month high in March, 2022, above the upper limit of the RBI's tolerance band for the third straight month.

(Source: Economic Times, IMF, World Bank, EIU, Business Standard, McKinsey, SANDRP, Times of India, Livemint, InvestIndia.org, Indian Express, NDTV, Asian Development Bank)

Indian economic reforms and Budget 2022-23 provisions

The Budget 2022-23 seeks to lay the foundation of the Indian economy over the 'Amrit Kaal' period of the next 25 years leading to 100 years of independence in 2047. The government is emphasizing the role of PM Gati Shakti, inclusive development, productivity enhancement and investment, sunrise opportunities, energy transition and climate action, as well as financing of investments. The capital expenditure target of the Indian government expanded by 35.4% from ₹5.54 lac crores to ₹7.50 lac crores. The effective capital expenditure for FY2022-23 is seen at ₹10.7 lac crores. An outlay of ₹5.25 lac crores was made to the Ministry of Defence, which is 13.31% of the total budget outlay. A boost was provided to India's electric vehicle policy 'Scheme for Faster Adoption and Manufacturing

of (Hybrid and) Electric Vehicle in India'. An announcement of nearly ₹20,000 crores was made for the PM Gati Shakti National Master Plan to catalyse the infrastructure sector. An expansion of 25,000 km was initiated for 2022-23 for the national highways network. To boost the agricultural sector, an allocation of ₹2.37 lac crores was made towards the procurement of wheat and paddy under MSP operations. An outlay of ₹1.97 lac crores was announced for the Production Linked Incentive (PLI) schemes across 13 sectors.

Outlook

India's medium-term optimism is derived from the fact that three down cycles – long-term, medium-term and short-term – could well be reversing at the same time. The long-term downtrend, as a result of non-performing assets, scams

and overcapacity could be over. The medium-term downtrend that was caused by the ILFS crisis, select banks collapse and weakening NBFCs could well be over. The short-term downtrend on account of the pandemic has weakened following the acceleration of the vaccine rollout.

There is a possibility of each of these downtrends playing out, which could well lead to a multi-year revival in capital investments. About US\$ 500 billion worth of investments are expected to be made in wind and solar infrastructure, energy storage and grid expansion.

The Indian economy is projected to grow by 7.5% in FY2022-23 (World Bank estimate), buoyed by tailwinds of consistent agricultural performance, flattening of

the COVID-19 infection curve, increase in government spending, favourable reforms and an efficient roll-out of the vaccine leading to a revival in economic activity.

Across the next three years, capital expenditure in core sectors - cement, metal, oil refining and power - should be about ₹5 trillion. Besides, the government's

production linked incentives (PLI)-led capex should generate an incremental ₹1.4 trillion in sectors like consumer durables, pharmaceuticals and automobiles.

Global consumer electronics market

The global consumer electronics market's revenue trade value amounts to US\$ 1,056,693 million in 2022. The market is anticipated to grow at a CAGR of 1.82% annually by 2026. In the consumer electronics market, volume is expected to amount to 8,947.8 million pieces by 2026. The consumer electronics market growth is attributed to the increasing disposable income of consumers, growing urbanization and consumers' preference for advanced technology. Although,

low market penetration in underdeveloped nations, increasing technological convergence to introduce one device for multiple functions and the availability of replicated electronic products are posing challenges to market growth. Besides, rapidly transforming lifestyles of customers and the increased reliance of consumers on electronics goods are estimated to boost the growth of the consumer electronics market. Telephony is the largest segment in the market with a market volume

of US\$ 482,892 million in 2022. China has generated the maximum revenues worth US\$ 250,911 million in 2022. In relation to total population figures, per person revenues of US\$138.8 are generated in 2022. The market players are investing in R&D to initiate new advanced eco-friendly electronics to enhance the market revenue and increase its footprint (Source: Statista, Globenewswire.com)

Indian appliances and consumer electronics industry

The Indian consumer electronics market revenue is valued at US\$71,177 million in 2022. The market is expected to grow at a CAGR of 5.76% annually by 2026. With increased demand for premium and technologically advanced products, India's ₹75,000 crores appliances and consumer electronics industry is expected to witness a double-digit growth in 2022, despite concerns due to the semiconductor shortage and the effect of the spreading omicron variant on business. The double-digit annual growth is expected on account of a probable price correction after softening raw material inputs, positive sentiment, pent-up demand release and improving economic conditions. In the consumer electronics market, volume is expected to amount to 937.6 million pieces by 2026. The

market is estimated to report a volume growth of 2.5% in 2023.

Moreover, transformations in consumer behaviour from price consciousness towards technologically advanced premium products with quality, value proposition and safety aspects are steering the increase in demand for home automation products, making the industry optimistic. The government introduced production linked incentive scheme for white goods with an investment of ₹4,614 crores which is expected to provide opportunities for sectorial growth. Many manufacturers are getting ready to make the most out of the opportunity along with undertaking measures for moderating their reliance on imports and make products more affordable. However, the appliances and consumer electronics industry

will also have to face the challenge of shortage of semiconductors, which led to a delay in the new launches of smart and connected products. At present, increased prices are expected to dampen consumer demand. Eventually, the commodity prices are expected to stabilise following a probable decline in global freight and raw material cost leading to a positive impact on consumer demand.

The online retail market is dominated by the consumer electronics and appliances segment. In the consumer electronics market, 16.9% of the total revenue will be generated through online sales by 2022. In the coming years, more users are expected to participate in online shopping particularly in this segment. (Source: Statista, Economic Times)

Indian air coolers market

Air-coolers have evolved among the fastest growing segments across the consumer appliances arena. They are energy-efficient, facilitate reduction in power consumption, are eco-friendly and can cool efficiently. They offer exceptional air quality and abstain from making the air excessively dry. They do not utilise harmful cooling agents (CFC or HFC), reduce the electricity bill by ~90% as against ACs and costs appealingly less compared to the air conditioners. The air cooler industry in India is expected to reach ₹90 billion in

the next few years on account of increased incomes and temperatures, widened market presence, increased aspirations and a cost advantage over air conditioners. The government reforms for rural development, increased urbanization, discretionary spending, revised industrial norms along with the upcoming stream of projects in the residential sector are expected to catalyse the demand for desert air coolers in the country across the foreseeable future.

Moreover, tower and personal air coolers are expected to increase their share in the succeeding years due to the transforming consumer preferences for new and innovative products, growing e-commerce sales, rising brand variants and stock-keeping units (SKUs). Following the introduction of GST, branded air coolers are penetrating deeper, moderating the gap between the organised and unorganised market players.

Sectorial growth drivers

Global warming: The average global temperature in 2021 stood at 1.11°C above the pre-industrial (1850-1900) levels. 2021 is the 7th consecutive year (2015-2021) where the global temperature stood at more than 1°C above pre-industrial levels, according to the World Meteorological Organisation.

Young population: India has a young population with more than 65% of its population below the age of 35 years and more than 50% of its population below the age of 25. The median age of the country is 28.4 years, an economically productive age compared to the global average of 31 years.

Increasing urbanization: In 2021, the urban population of India was 35.4%. Over the last 50 years, urban population of India grew substantially from 20.3% to 35.4%. By 2030, the urban population is expected to reach 40%, enhancing aspirations and driving the demand of air cooler market.

Non-metro markets: Over the past decade, non-metro cities have witnessed the fastest growth in consumption, which has led to their emergence as promising economic growth centres.

Digital penetration: India's e-commerce market is expected to reach US\$ 200 billion by 2026 and US\$ 350 billion by 2030. Increasing urbanisation along with growing internet penetration is expected to broaden the Indian e-commerce sector. The number of internet users is expected to enhance by 45% to reach 900 million active internet users by 2025.

Rural development: The government reinforces electricity connectivity across all the cities and villages of India, extending the electrical appliances market.

Working population: India adds 12 million people to its workforce each year. The proportion of the working age population in India is estimated to enhance from 61% in 2011 to 65% in 2036. Growing

working population is expected to boost the growth of the air cooler segment.

Technological inventions:

Technological innovations such as smart locks, feather-touch digital control panels, remote controls, auto swings, alarms and other alcove characteristics have become popular compared to technologically backdated products of the unorganised segment.

Reduced penetration: India's consumer durables market is underpenetrated compared with other countries and offers headroom for growth. Electronic items, which were formerly considered luxury items are likely to become basic necessities

Organised retail: The enhanced visibility of products in Tier II, III and IV cities is on account of inroads created by organised retailers.

(Source: Business Standard, worldometer, knoema, Hindustan Times, Economic Times, Statista)

Michael Porter's Five Forces Analysis

Threat of substitutes (Low)

- Cost-effective technology
- Low substitution power among the masses
- Strong product differentiation vis-à-vis alternative cooling technologies

Bargaining power of suppliers (Medium)

- Low product differentiation
- Low price differentiation
- Suppliers for select raw materials and bought-out-parts are large and have high pricing power.

Bargaining power of buyers (High)

- Use of technology and internet in knowing the features of the product
- Low product and category switching cost

Rivalry among competitors (High)

- Multitude of players competing with each other
- Product homogeneity
- Low brand switching cost

Threat of new entrants (High)

- Low working-capital intensive
- Distribution and consumer perception synergy with other consumer durable categories
- Reduced brand loyalty

Outlook

The Indian air cooler market is expected to report sustainable growth on account of growing rural electrification and disposable incomes. The residential sector is expected to dominate the Indian

air-cooler market on account of the vast percentage of the population in lower and middle-income groups and housing development plans of the government. The industrial and commercial segments are expected

to witness a significant growth in demand as select industry players introduce cooling solutions. (Source: Research Market)

Company overview

Profile: Incorporated in 1988, Symphony Limited is a premiere player in the country's cooling sector with an experience across three decades. The Company deals in designing, branding and marketing residential, commercial and industrial air coolers for the domestic and international markets. The operations of the Company comprise two sections: production of air coolers and treasury management.

Products: The Company manufactures products for the residential, commercial and industrial segments. Its residential portfolio includes models such as tower, personal, desert, room and window air-coolers. The Company's commercial air-coolers

are popular in open restaurants, showrooms, large halls and party plots. The Company's industrial air coolers greatly fulfill the increasing demand from factories, schools, malls, assembly halls, warehouses and metro stations, among others. The Company offers services to industries such as banking, automobile, packaging, distilleries and railways.

Footprint: The Company's headquarter is located in Ahmedabad and has subsidiary companies in Mexico, China, USA, Brazil and Australia. The Company focusses on creative design for manufacturing exceptional and energy saving products for domestic and industrial consumption not only in India but

in more than 60 countries.

Manufacturing: Symphony possesses long-standing engagements with more than ten OEMs in India and abroad for manufacturing of the state-of-the-art air coolers. Global subsidiaries of the Company have been steadily enhancing capital-light competitiveness.

Technology: The Company has invested in state-of-the-art technologies like SAP-HANA, CRM and data analytics that offers a strategic competitive advantage over the competitors.

Sustainability: The Company pioneered energy-efficient products to reduce emissions and enhance energy conservation.

Risk management

Product risk Decrease in demand of air coolers can pose a risk to the Company's operations.	Mitigation: The Company enhanced its portfolio of residential, commercial and central air cooling to increase its relevance. Furthermore, the growing temperature is expected to reinforce the demand for air-cooling products.
Industry risk A slowdown in downstream sector might affect sales volume	Mitigation: The Company anticipates having a consistent growth as it possesses comprehensive solution in air coolers fulfilling the requirements of household, industrial and commercial segments.
Quality risk Reduced quality can impact the Company's brand image	Mitigation: The Company's products are developed in hi-tech facilities owned by vendors that enable the creation of quality coolers at the reduced cost with the fastest turnaround time.
Distribution risk The Company's distribution network might not be able to increase the Company's footprint.	Mitigation: The Company is increasing its presence each year in the domestic market. The Company possesses a global footprint across more than 60 countries; reducing its risk on account of one or few geographies witnessing a slowdown.
Competition risk Enhanced competition might hamper sales volume and revenue	Mitigation: The Company manufactures creative products as a result of its continuous investments in research and development offering a competitive edge.

Financial overview

The Company's consolidated gross revenue stood at ₹1,079 crores in FY2021-22, compared to ₹931 crores in FY2020-21. The

EBITDA of the Company (excluding exceptional items) stood at ₹201 crore in FY2021-22, compared to ₹170

crores in the previous year. The Company registered a PAT of ₹121 crores in FY2021-22 compared to ₹107 crores in FY2020-21.

Key ratios

Please refer to Note no. 47 of the Standalone Financial Statements.

Information technology

We are getting mature in our digital transformation journey, adding new repetitives under the umbrella of process automation. We implemented robotic process automation in processing vendor invoices with the objective to reduce manual effort, improve

productivity and enhance accuracy. To improve customer transparency, the Company introduced the customer account reconciliation through RPA. The customer statement is generated automatically through RPA, signed off and uploaded.

Technology transformation is a double-edged sword and comes with IT security risks; we implemented data loss prevention, mobile device management and an active directory for data security.

Human resource management

The Company considers its people to be its biggest asset and credits its sustained improvements to their ethics, dedication and energy. It endeavours to offer a work environment that promotes creativity, teamwork, meritocracy, learning and leadership. During the critical time that all have been facing for the last two years owing to COVID-19, the Human Resource Management became keener on employee safety, ensuring 100% employee vaccination.

The management focused on emotional and cultural adaptation of employees joining the organization after the COVID-19 work from home facility by creating a mentorship program where experienced leaders help new joining employees to blend into the work environment.

The Symphony employment base was ~473 as on March 31, 2022, while the work strength was ~690, including overseas subsidiaries. Symphony Learning Centre, an

online Learning Management System, was launched to build skill sets across employees regardless of their location. Under the Leadership Development Program, curated individual development plans were prepared for high potential employees to create a leadership pipeline. All HR interventions and culture of high trust resulted in a Great Place to Work certificate in May, 2022.

Internal control systems and their adequacy

The Company's internal audit system was monitored and updated to ensure that assets were safeguarded, established regulations complied with and pending issues addressed promptly. The design and effectiveness of internal controls were assessed during the year. This provided reasonable assurance

across multiple functions and locations through extensive documentation reviews, enquiries, testing and other procedures as considered appropriate. Based on the assessment of internal audit, process owners undertook corrective action to strengthen the controls on an ongoing basis. The audit committee review reports

were presented by the internal auditors and statutory auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. The Company continues to maintain constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Cautionary statement

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

could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental

regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

Board of Directors



Achal Bakeri

DIN-00397 573
Chairman, Managing
Director and Founder
Architect, MBA
(University of
Southern California)

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



Nrupesh Shah

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

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



Amit Kumar

DIN: 01946117
Executive Director &
Group CEO
B. Tech. in
Mechanical
Engineering from IIT
Kanpur
MBA (PGDM) from
IIM, Ahmedabad

Mr. Amit Kumar has over 19 years of experience in corporate and consulting sectors. He has worked with GE, PwC, Shapoorji Pallonji, EY and KPMG. He had his own tech start-up in the field of data analytics and has been a business transformation and profitability improvement specialist. He focuses on overall business growth of Symphony India and its overseas subsidiaries.



Jonaki Bakeri

DIN: 06950998
Non-executive
Director
B.A

Ms. Jonaki Bakeri has much experience in various business functions including sales and marketing, accounts and finance, legal matters and product development.



Naishadh Parikh

DIN: 00009314
Independent
Director
B.Sc and MBA

Mr. Naishadh Parikh is an entrepreneur-manager with education in the areas of science and management and a track record of more than 40 years in performing various roles at a corporate level in diverse sectors such as Air conditioning and Refrigeration and Textile and Engineering. Mr. Parikh is currently the chairman and managing director of Equinox Solutions Limited. He was also the founder and managing director of Amtrex Hitachi Appliances Limited (now Johnson Controls - Hitachi Air Conditioning India Limited).



Ashish Deshpande

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

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



Reena Bhagwati

DIN: 00096280
Independent
Director
MBA

Ms. Reena Bhagwati is an industrialist with experience in providing fiscal, strategic and operations leadership in various engineering businesses. She also leads operations and strategic directions with full responsibility for the top and bottom line, including strategy formulation, long-term planning, cross-functional management and legal and financial obligations.



Santosh Nema

DIN: 01907138
Independent
Director
BE. (Mechanical)
MBA (IIM,
Ahmedabad)

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

Board's Report

Dear members

Your directors are pleased to present the Company's 35th Annual Report on business and operations, together with the audited financial statements for the year ended March 31, 2022.

Highlights of results and state of company's affairs

(₹ in crores)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations & Other Income	679.18	523.59	1079.01	931.24
Profit before Financial Charges, Depreciation & Taxation	152.94	152.37	200.62	163.27
Less: Financial Charges	0.96	0.08	8.92	10.71
Less: Depreciation & Amortisation Expenses	5.68	5.16	24.18	21.42
Profit Before Tax	146.30	147.13	167.52	131.14
Less: Income Tax	31.68	34.85	35.25	35.67
Less: Provision for tax of earlier years	0.72	(0.90)	0.72	(0.90)
Less: Deferred Tax Liability	3.09	0.83	10.69	(11.01)
Profit After Tax	110.81	112.35	120.86	107.38
Less: Non-controlling Interest	-	-	0.55	0.04
Profit After Tax attributable to the shareholders	110.81	112.35	120.31	107.34
Other comprehensive income	(0.11)	0.38	0.28	0.31
Total comprehensive income for the year	110.70	112.73	120.59	107.65
Add: Balance as per last year Balance Sheet	697.04	591.31	689.31	588.66
Amount available for appropriation	807.74	704.04	809.90	696.31
Less: Dividend	48.97	7.00	48.97	7.00
Surplus in statement of profit and loss	758.77	697.04	760.93	689.31

Key Financials as on March 31, 2022

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

income stood at ₹1,079.01 crores (PY ₹931.24 crores). The profit after tax was ₹120.86 crores (PY ₹107.38 crores). The standalone revenue from operations along with other income stood at ₹679.18 crores (PY ₹523.59 crores). The profit after tax was ₹110.81 crores (PY ₹112.35 crores).

The highlights of the key financials are as under:

(₹ in crores except per share data)

Particulars	Standalone	Consolidated
Equity Share Capital	13.99	13.99
Net Worth	826.43	844.81
Book Value Per Equity Share	118.13	120.76
Earnings Per Share (EPS)	15.84	17.20
Investments	597.00	500.03

Contribution to exchequer

Your Company has contributed a sum of ₹83.82 crores to the exchequer during the financial year 2021-22 by way of duties and taxes on a standalone basis.

Transfer to reserves

The Board of Directors has decided to retain the entire amount of profit for FY 2021-22 in the profit and loss account.

Dividend

During the period under review, the Board of Directors has declared two interim dividends aggregating to ₹3.00 (150%) per share and a bifurcation is as under:

Date of Declaration	Interim Dividend Amount per share (in ₹)	% of dividend
October 26, 2021	1.00	50
January 25, 2022	2.00	100

The Board has recommended a final dividend of ₹6.00 (300%) per equity share having face value of ₹2/- each subject to approval of members at their ensuing annual general meeting for the financial year ended on March 31, 2022.

The aggregate dividend for the financial year ended on March 31, 2022, on approval of the proposed final dividend at ensuing annual general meeting would be ₹9.00 (450%) [including interim dividends of ₹3.00 (150%)] per share amounting to ₹62.96 crores. The total payout towards dividend for the financial year 2021-22 would be ₹62.96 crores translating into a dividend payout of 52% on consolidated net profit which is in line with the dividend payout as mentioned in the Dividend Distribution Policy of the Company.

Shareholders' Reward Policy

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

The Shareholder's Reward Policy (including Dividend Distribution Policy) can be accessed at https://docpdfs.s3-ap-southeast-1.amazonaws.com/symphony/Corporate-Governance/CorpGov_13121322387.pdf

Material changes and commitment

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

Performance Review – India Operations

Household Coolers:

This year the summer arrived early and there has been a consistent streak of hot days. This is helping in reducing the channel stock rapidly. Due to the good season and lack of any disruptions such as COVID-19, the general market and consumer sentiment is very good across India. In addition to this, the Company has taken a new initiative in collaboration with the Government of India's CSC Grameen E-Stores. This will help us penetrate the vast and yet untapped rural markets. Our increased focus on Movicool commercial coolers is bearing fruits. Furthermore, the Company brought in several automations for expediting the commercial processes.

The Modern Trade vertical is doing extremely well with the e-commerce segment having clocked a 30% growth over the last year.

D2C:

A revamped and redesigned D2C platform was launched on Jan 15, 2022, as a pureplay e-commerce shop. By mid-March, we surpassed the previous year's D2C orders both in terms of value and volumes. We started the process to bring in exclusive products on D2C portals in tune with our Different Model Different Channel (DMDC) strategy. Furthermore, we have launched 12 new D2C exclusive products in the peak summer of 2022. The Company has also launched no-cost EMI schemes with major banks and NBFCs to help customers buy our products on worry-free instalments. The Company has launched Cash on Delivery (COD) to tap into the larger e-commerce savvy market. The Company has forged a tie-up with Disney, Marvel and Greengold to bring their characters like Cinderella, Spiderman, Ironman and Chhota Bheem to our select coolers targeting the young children and teenage market.

LSV:

Your Company rechristened its B2B division as "Large Space Venticooling" and revamped the overall positioning strategy. The Company has appointed Champion Sales Dealers across India to strengthen its distribution network. An altogether new website www.symphonyventicool.com has been launched as a repository of knowledge and resources about the category. A brand-new TV commercial was shot and aired on national channels to build mass awareness along with the usual performance marketing campaign.

Marketing:

The Company has launched an exciting new campaign drawing synergies between India's favorite snacks and the cost of running a cooler per day. The objective was to convey consumer benefits while contextualizing the low running cost of air coolers. We roped in ace cricketers Harbhajan Singh and Shikhar Dhawan to create hyper personalized videos for over 2300 retailers to deepen our bond with them. Your Company has commissioned multiple market research projects like to gather insights at category level and brand level that will help us craft a more robust strategy for the coming year. The Company has initiated digital performance marketing campaigns in key international markets to generate B2C and B2B leads. The Company has set up

business intelligence tools to track our performance on social media and e-commerce portals. The Company has Introduced new models exclusively for e-commerce and modern trade. A unique table-top personal cooler Duet was launched in manual, touchscreen and remote control avatars.

Service:

This year with micro level planning and execution, your company has been able (i) to reduce waiting time for our valuable customers, (ii) to achieve an average queue time of 15 seconds, down from 80 seconds. To streamline the process of customer contact for various after sales activities like registration of service request, inquiry on warranty, extended warranty, and, spare prices, the Company has expanded our call centre network from one call centre based in Ahmedabad to additional call centers, one each at Noida and Hubli. For our trade partners, the Company has provided an additional feature of call registration for stock as well as service request registration for their customers through the Symphony mobile app.

Overseas Business:

During the year, the revenue from operations of International Business, excluding sales to subsidiaries, was US\$3.371 mn. There has been a nominal growth of 5% from the previous year. The prevailing pandemic and large carry forward inventory in some Asian and African countries has affected the growth. The situation in Sri Lanka, the lockdown in Nepal, the forex situation in Egypt, and the war in Ukraine and Russia have majorly impacted the business from those countries. However, the recovery is becoming visible in other markets and the outlook is optimistic. Along with the easing-off of travel restrictions and the strengthening of our IB team, we expect the business to reach pre-pandemic levels.

SEZ Unit

In 2020, the Company had discontinued its operations from the Kandla SEZ unit. During the year under review, your Company has completed all requisite procedures for the closure of the Kandla SEZ unit.

Performance Review-Overseas Operations

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

On YoY basis, Climate Technologies' group business sales grew by 8%, mainly on account of the USA market growth. However, domestic Australia market

sales decreased more than was anticipated, due to adverse market situations in Australia. COVID-19 related extended lockdowns in the key market of Melbourne, Victoria posed challenges related to product installations, thus bringing down installed products' sales. The negative growth in the new homes market due to the construction industry's prolonged shutdown, along with a colder summer season have also affected sales. However, this was partially compensated through a growth in sales of portable air coolers to channel partners, Bunnings, and others. CT has planned a stronger presence in the Sydney, NSW market by appointing sales representation there and contracting with a third-party logistics company. Sydney is a strong market for portable spot coolers. .

The EBIDTA stood at 10% of gross revenue and witnessed growth as compared to the previous year. With an objective to improve EBIDTA growth further in FY23, the following product initiatives have been planned including (a) completing the outsourcing of metal parts fabrication to China; (b) further expanding Climate Technologies' presence in the Australian refrigerated air conditioning market; (c) expanding the Symphony India air cooler product offering in the USA; (d) expanding the Symphony India air cooler product offering in Australia; (e) expanding the Australian domestic retail product range to include other portable heating and cooling products, leveraging the well-known Bonaire brand name; and (f) complete the organizational restructure of the business and outsourcing of a large part of the manufacturing to further reduce fixed and variable costs.

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

During this year, the sales grew by 38% mainly on account of increased sales prices of 25% for heater products and 30% for coolers. The YTD contributions (and hence the profitability) improved in spite of increased input costs (RM as well as ocean freights), this was supported by (a) an aggressive price increase and (b) favorable product mix.

Two new locally manufactured products were launched, an 80-liter tank air cooler and a unique to market window cooler with 3 speeds and swing, both delivering very good market results.

The Company expects good market share in its new product categories such as heaters and fans,

which have already been launched in the market. Further, the Company is in the process of launching a range of washing machines in the current fiscal. The Company expects non-volatility in the Mexico peso-to-US dollar rate in the coming year. Also, the Company is working on localizing the manufacture of some more product SKUs (capex has already been allocated for this purpose) that would then allow us to save freight costs against import, while also enabling us to provide competitive offerings in the Mexico market.

(iii) **Guangdong Symphony Keruilai Air Coolers Co. Ltd, (GSK), China**

This year, we witnessed no growth in the top line. In fact, it decreased marginally, owing to adversities of various kinds in the China market. Industrial activity in general, in China, is not yet back to normal.

We are working on value engineering and alternate supply chain initiatives to address the margin improvements. Household products have been phased out from GSK in Q3, 2021 and GSK will focus on the industrial air coolers business. We have downsized the organization and made it leaner.

Through the above listed initiatives, we aim to achieve adequate sales in the next year to get a cash break even once again (we already had a cash break-even two years ago). E-commerce growth in China is robust, which requires rapid growth of warehousing space; these warehousing spaces are air cooled. The growing demand in the warehousing sector is reasonably compensating the slack in demand in the industrial sector in the domestic market in China. Despite strict lockdowns within China, GSK held the 2022 technology seminar successfully to introduce air coolers with IOT technology, the tool for online selection of coolers, and BIM design technology. GSK was recognized by National Sci-Tech Department as the high-technology enterprise during the year.

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

Brazil is the largest economy in South America and is an important market for Air coolers. Many brands sell residential and commercial air coolers which are mainly imported from China. There is a market for Industrial air coolers too. SCL has been established to tap this air cooler market. It imports range of portable and industrial coolers

from Symphony India and from GSK China and distributes them in the local market. Offering high quality products at competitive prices has been the strategy of SCL. The market is now looking up after two years of the COVID-19 impact, and it now has an optimistic outlook.

Awards and Accolades

- E4M: Pride of India Brands, The Best of Bharat Awards, 2022.
- Our plant is compliant with QSA (Quality System Assessment), RESA (Retail Ethical Sourcing Assessment), and CTPAT (Custom-Trade Partnership Against Terrorism) to cater to the needs of US retail.
- Products are designed and compliant with international quality standards and are duly certified by certifying agencies like UL (Underwriter's laboratory), Intertek, Bureau Veritas.
- All US export products are compliant with CEC's (California Energy Commission) requirement and FCC's (Federal Communications Commission) requirement.
- ISO 9001: 2015 certification for quality management and systems for its design, sales, marketing and after sales services of air coolers, certified by BVC.
- Information Security Management System certification ISO -27001 by Bureau Veritas Certification Holding SAS UK.

Management Discussion and Analysis Report

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Management Discussion and Analysis Report for the financial year ended on March 31, 2022, is part of this annual report.

Corporate Governance

Pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, the Corporate Governance Report for the financial year ended on March 31, 2022, is part of this annual report.

The requisite certificate obtained from the Practising Company Secretaries confirming compliance with the

conditions of Corporate Governance is attached with the report on Corporate Governance.

Subsidiaries

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

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

Further, during the year the Company has appointed Mr. Girish Thakkar, Chief Financial Officer as director of (i) Climate Technologies Pty Limited, Australia and (ii) Symphony AU Pty Limited, Australia, w.e.f. September 30, 2021 in place of Mr. Bhadresh Mehta who has been retired as Chief Financial Officer of the Company.

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

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

Auditors

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

Cost Auditors

During the year under review, the Company was not required to maintain cost records and hence, cost audit was not applicable; no manufacturing activities or services, covered under the Companies (Cost Records and Audit) Rules, 2014, have been carried out or provided by the Company.

Corporate Social Responsibility

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

Secretarial Audit Report

As required under the provisions of Section 204 of the Companies Act, 2013, the Board of Directors of your Company had appointed M/s. SPANJ & Associates, Practicing Company Secretaries, to conduct a Secretarial Audit. The Secretarial Audit Report for the financial year ended on March 31, 2022, is annexed to the Board's Report as **Annexure - 2**.

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

Directors and Key Managerial Personnel

Mr. Nrupesh Shah has been re-appointed as an Executive Director for a period of five years effective from November 1, 2021, by the members of the Company in their annual general meeting held on August 10, 2021.

The Board had in its meeting held on June 19, 2021, approved the appointment of Mr. Amit Kumar as an Additional Director and designated him as Executive Director and Group CEO of the Company with effect from August 2, 2021 for a period of five years which was

subsequently approved by the members in their AGM held on August 10, 2021.

Mr. Achal Bakeri was re-appointed as Managing Director for a period of five years effective from December 1, 2017, pursuant to which his present term will be expiring on November 30, 2022. The Board of Directors has re-appointed Mr. Achal Bakeri as Managing Director of the Company for a period of five years from December 1, 2022 subject to approval of members and concerned authorities including the Central Government, as may be acquired.

Mr. Nrupesh Shah, Executive Director, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

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

During the year under review, Mr. Bhadrash Mehta, Chief Financial Officer – Global has retired w.e.f. September 30, 2021 on attaining superannuation age. The Board placed on record its appreciation and gratitude for the services and contribution rendered by him during his tenure as Chief Financial Officer – Global of the Company.

Mr. Girish Thakkar has been promoted and appointed as Chief Financial Officer of the Company w.e.f. October 1, 2021.

Annual Return

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

Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts for the financial year ended on March 31, 2022, the applicable Indian accounting standards have been

followed and there are no material departures from the same;

- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 read with Rules made thereunder for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Meetings of the Board

Six meetings of the Board of Directors of the Company were held during the year under review. The details of composition, meetings, and attendance, along with other details of the Board have been reported in the Corporate Governance Report, which is annexed to the Board's Report.

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

Audit and Other Committees

The Audit committee comprises Mr. Naishadh Parikh, Chairman, Mr. Ashish Deshpande, Ms. Reena Bhagwati and Mr. Santosh Nema as members. In accordance with the provisions of section 177(8) of the Companies Act, 2013 and Listing Regulations, the Board has accepted all the recommendations of the Audit Committee during the financial year 2021-22.

The details of composition, meetings, and attendance, along with other details of the Audit Committee and other committees are reported in the Corporate Governance Report which is annexed to Board's Report.

Nomination & Remuneration Policy

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

Particulars of loans, guarantees, security or investments

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

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

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act as on March 31, 2022, are set out in Note nos. 4, 9 and 36 to the Standalone Financial Statements of the Company.

Particulars of contracts or arrangements with related parties

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

There are no materially significant related party transactions that may have potential conflict with interest of the Company. The disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 is not applicable to your Company. Members may refer to note no. 36 to the standalone financial statement which sets out related party disclosures pursuant to IND AS.

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

Risk Management

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

Annual performance evaluation

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

i. Criteria for evaluation of Board

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

ii. Criteria for evaluation of Committee

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

iii. Criteria for evaluation of Directors

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

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

Declaration by independent directors

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

Vigil Mechanism

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

Details of significant and material orders passed by the regulators or courts or tribunals

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

Particulars of employees

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

The statement of disclosures and other information as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Rules is forming part of this Report. However, as per second proviso to Section 136(1) of the Act and second proviso of Rule 5(3) of the Rules, the Report and Financial Statement are

being sent to the Members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

Internal financial controls and their adequacy

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

Disclosure under the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

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

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

Deposit

The Company has not accepted any deposit during the year under review and no unclaimed deposits or interest were outstanding as on March 31, 2022.

Insurance

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

Conservation of energy, technology absorption and foreign exchange earnings and outgo

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

Business Responsibility and Sustainability Report (BRSR)

The Business Responsibility and Sustainability Report for the financial year 2021-22, as stipulated under Regulation 34 of the Listing Regulations is annexed to this Report as **Annexure - 5**. The Company has decided to publish the BRSR report from the current financial year onwards.

Appreciation

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

For and on behalf of the Board

Achal Anil Bakeri

Chairman and Managing Director

DIN - 00397573

Place: Ahmedabad

Date: July 26, 2022

Annexure - 1

Corporate Social Responsibility

1. Brief outline on CSR Policy of the Company:

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

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

2. Composition of CSR Committee:

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

3. Weblink: -**i. Composition of CSR Committee: -**

https://docpdfs.s3-ap-southeast-1.amazonaws.com/symphony/Corporate-Governance/CorpGov_1211122241.pdf

ii. CSR Policy: -

https://docpdfs.s3-ap-southeast-1.amazonaws.com/symphony/Corporate-Governance/CorpGov_131213224045.pdf

iii. CSR Project: -

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

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

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

4. Details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, (attach the report): - **NOT APPLICABLE**

5. Details of amount available for set off and amount required for set off for the financial year: -

Amount available for set off : ₹0.08 crores

Amount required for set off : ₹0.04 crores

6. Average net profit of the Company as per section 135 (5): - **₹166.20 crores**

7. (a) Two percent (2%) of net profit of the Company as per section 135 (5): - **₹3.32 crores**

(b) Surplus arising out of the CSR Project/ activities of the previous FY: - **NIL**

(c) Amount required to be set off for the FY: - **₹0.04 crores**

(d) Total CSR obligation for the FY (7a + 7b – 7(c)): - **₹3.28 crores**

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

Total Amount Spent for the Financial Year (₹ in crores)	Amount Unspent (₹ in crores)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2.99	0.29	31.03.2022	NIL		

b. Details of CSR amount spent against ongoing projects for the financial year : ₹0.30 crores

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	Location of the project State/ District	Amount allocated for the project (₹ in crores).	Amount spent in the current FY (₹ in crores).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in crores)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation through implementing agency	
									Name	CSR Registration number
1	Education and Research project on Environment and Sustainability	(ii) and (iv)	Yes	UP and Rajasthan	0.30	0.01	0.29	No	Alliance for an Energy Efficient Economy	CSR00003197

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

₹ In crores

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	Location of the project State/ District	Amount spent for the project	Mode of Implementation Direct (Yes/ No)	Mode of Implementation through implementing agency	
							Name	CSR Registration No.
1	Preventive Healthcare and Promoting Healthcare	(i)	Yes	Ahmedabad, Gujarat	2.35	No	Dr. Jivraj Mehta Smarak Health Foundation	CSR00003117
2	Development and Maintenance of Public Park	(iv)	Yes	Ahmedabad, Gujarat	0.26	Yes	N.A.	N.A.
3	Promotion and development of traditional art	(v)	Yes	Ahmedabad, Gujarat	0.05	No	Abir Public Charitable Trust	CSR00016207
4	Setting up and Maintenance of Old age home	(iii)	Yes	Mumbai, Maharashtra	0.05	No	Jayaben Kumandas Amlani Charitable Trust	CSR00008902
5	Empowerment of Women and Children	(iii)	Yes	Ahmedabad, Gujarat	0.05	No	Shree Sai Women and Children Welfare Trust	CSR00011555
6	Education	(ii)	Yes	Kheda, Gujarat	0.05	No	C P Patel Charitable Trust, Kheda	CSR00012926
7	Promotion and development of traditional art	(v)	Yes	Ahmedabad, Gujarat	0.03	No	LxS Foundation	CSR00022064

d. amount spent in Administrative overheads: - ₹0.15 crores

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

f. Total amount spent for the financial year (8b + 8c + 8d + 8e): ₹3.28 crores

g. Excess amount for set off, if any: - **Not Applicable**

₹ in crores

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

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

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

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

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

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

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

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

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

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

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

Date: May 3, 2022
Place: Ahmedabad

Naishadh Parikh
Chairman - CSR Committee
DIN - 00009314

Achal Bakeri
Chairman & Managing Director
DIN - 00397573

Annexure - 2

Form No. MR-3

Secretarial Audit Report

For the Financial Year ended on 31st March 2022

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

To,

The Members

SYMPHONY LIMITED

CIN: L32201GJ1988PLC010331

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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 31st March, 2022 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to an extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

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

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

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, during the year under review, Mr. Amit Kumar (DIN: 01946117) was appointed as Whole Time Director of the Company for the period of five years from 02nd August, 2021 to 01st August, 2026 and upon retirement Mr. Bhadrash Mehta from the post Chief Financial Officer (CFO) of the Company w.e.f. 30th September, 2021, Mr. Girish

Thakkar was appointed as Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company w.e.f. 01st October, 2021. Further Mr. Nrupesh Shah (DIN: 00397701)-Whole Time Director of the Company was re-appointed as Whole Time Director of the Company for the period of five years from 01st November, 2021 to 31st October, 2026.

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

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

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

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

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

Company Secretaries

FCS No.: F3544

COP No.: 2356

Date: May 3, 2022

Place : Ahmedabad

P R Certificate No. : 702/2020

UDIN: F003544D000258612

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

CIN: L32201GJ1988PLC010331
Regd. Off: "Symphony House", Third Floor, FP-12, TP-50,
Off S.G. Highway, Bodakdev, Ahmedabad – 380 059.

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2022

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

ASHISH C DOSHI, PARTNER
SPANJ & ASSOCIATES

Company Secretaries

FCS No.: F3544

COP No.: 2356

P R Certificate No. : 702/2020

UDIN: F003544D000258612

Date: May 3, 2022
Place : Ahmedabad

Annexure - 3

A. Information pursuant to Section 197(12) read with rule 5 of the companies (appointment and remuneration of managerial personnel) rules, 2014

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

Name of Directors / KMPs	Remuneration		% increase (decrease) in remuneration	Ratio to median remuneration
	2021-22 (₹ in lacs)	2020-21 (₹ in lacs)		
Executive Directors~				
Mr. Achal Bakeri, Chairman & Managing Director	236.40	0.29 [§]	refer note below [§]	27.88
Mr. Nrupesh Shah, Executive Director	104.90	107.59	(2.92)	12.37
Mr. Amit Kumar, Executive Director and Group CEO [#]	162.44	N.A.	N.A.	19.15
Non-Executive Independent Directors*				
Mr. Naishadh Parikh	2.90	2.00	N.A.	0.34
Mr. Ashish Deshpande	2.90	2.00	N.A.	0.34
Ms. Reena Bhagwati	2.80	2.00	N.A.	0.33
Mr. Santosh Nema	2.90	2.00	N.A.	0.34
Non-Executive Non-Independent Director				
Ms. Jonaki Bakeri ^{##}	-	-	N.A.	-
Key Managerial Personnel				
Mr. Bhadresh Mehta, Chief Financial Officer [^]	-	-	N.A.	-
Mr. Girish Thakkar, Chief Financial Officer ^{^^}	-	-	2.30	-
Mr. Mayur Barvadiya, Company Secretary and Head – Legal	-	-	(4.4)	-

~ the above remuneration includes performance based incentives for FY 2021-22 and excluding gratuity.

§ he has waived his rights to receive remuneration / commission for the year 2020-21 due to Covid-19 pandemic. Hence, % in increase/decrease in remuneration not calculated.

appointed w.e.f. 02.08.2021

* non-executive directors are paid sitting fees for attending Board and Audit Committee meetings, hence not comparable.

she has waived her rights to receive sitting fees.

^ retired from the post of Chief Financial Officer w.e.f. September 30, 2021, hence, % increase in remuneration is not mentioned.

^^ appointed as Chief Financial Officer w.e.f. October 1, 2021

- 2 The median remuneration of employees during the financial year under review was **₹8.48 lacs.**
- 3 The percentage increase in the median remuneration of employees in the financial year: **9%.**
- 4 The number of permanent employees on the rolls of Company as on March 31, 2022: **473**
- 5 Average percentiles increase / (decrease) already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average Increase/ (decrease) in remuneration of employees other than Managerial Personnel is 1% and average increase/(decrease) in remuneration of Managerial Personnel is 411.57%. The criteria for increase in remuneration of employees other than Managerial Personnel is based on an internal performance evaluation carried out by the Management annually, which is further linked to the overall performance of the Company.
- 6 We affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

Note:

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

Annexure - 4

Information as required under Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the financial year ended on March 31, 2022.

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

(A) Conservation of Energy

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

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

xiv. Use of Dura pump technology which cuts off the power supply in case of overheating.

xv. Switching to LED lights instead of CFL.

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

(c) Capital investment on energy conservation equipment: Nil

(B) Technology Absorption:

(i) The Efforts made in technology absorption

- a. Constant R & D efforts directed towards product improvement, new product development, enhancement of features of existing products, cost reduction, automation, environmentally friendly products, import substitute and energy-efficient products.
- b. In house development of aesthetically designed full plastic body air coolers/ storage.
- c. In house testing of all types of plastic materials for their development, reliability and usability.
- d. Intelligent electronic components with user-friendly features.
- e. Revolutionary water distribution technology.
- f. Special plastic formulation developed for the fan blades which has drastically reduced its breakage.
- g. LCD / LED technology in coolers.
- h. Introduction of power PCB to work even in fluctuating voltage in various parts of the country.
- i. Energy-efficient products.
- j. Extensive usage of simulation and prototypes to reduce development time and predict failures.
- k. Developed and adopted new RPT technology to avoid the laser cutting of plastic pollution flames and save power.

- i. Enhanced reliability of parts to avoid 100% testing and thereby saving usage of power.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution**
- a. Reduced part/component replacement in the field.
- b. Enhanced customer satisfaction.
- c. Improvement in quality and reliability.
- d. Cost Reduction.
- e. Improvement in productivity.
- f. Reduction in wastage/rework.
- g. New product development as well as enhancement of features in existing products resulting in higher sales and market shares.
- h. Improved serviceability and improved field service.
- i. Power saving.
- (iii) Imported Technology (Imported during the last three years reckoned from the beginning of the financial year):** No imported technology is involved. The Company has its proven technology which is duly tested and approved. However, certain critical tools & moulds have been imported.

(iv) Expenditure incurred on Research and Development:

(₹ In crores)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
1. Revenue	3.65	3.70	7.98	11.07
2. Capital	0.11	0.05	0.11	0.10
3. Total	3.76	3.75	8.09	11.17
4. Total R&D expenditure (as % of turnover)	0.59	0.77	0.78	1.24

(C) Foreign Exchange Earnings and Outgo:

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

(₹ In crores)

Particulars	2021-22	2020-21
Foreign Exchange Earnings	129.50	58.13
Foreign Exchange Outgo	47.46	37.30

Annexure - 5

Business Responsibility and Sustainability Report

Message From Our CMD

SEBI has issued circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10th May, 2021 to notify the new Business Responsibility and Sustainability Report (BRSR) requirements. The new BRSR has many new elements which are not there in the existing Business Responsibility Reporting (BRR) formats. The addition of the word "Sustainability" signifies the direction that environmental sustainability and business responsibility are aligned with business objectives.

At Symphony, sustainability is a commitment that is brought to life through the choices and investments we make in the safety and well-being of our employees, in the environmental efficiency of our products and our operations, and in our support for the communities we call home. We are adopting BRSR on a voluntary basis, one year ahead of the SEBI mandate as sustainability is an essential part of Symphony's heritage of innovative, efficient products, and our long-term commitment to our communities. Today, our pledge to support sustainability is deeply rooted in our culture. This work is guided by a clear mission to earn trust and create demand remaining in constant pursuit of improving life at home and in workplaces.

As the world's largest air cooling solutions company, we wish to make the world cool and comfortable at 27 degrees Celsius. The Paris Agreement on climate change commits world leaders to act to limit global temperature rise to below 2°C above pre-industrial levels and calls for efforts to pursue a more challenging target of a maximum 1.5°C increase. Climate scientists now recommend keeping below 1.5°C to avoid some of the worst impacts, as highlighted in the recent International Panel on Climate Change Special Report on Global Warming. With the low carbon footprint of our products we are supporting the cause of global warming and the impact on the communities around the world. By adopting environment friendly product for cooling homes and our work places our customers have supported our journey to make the world a better place to live in, for the generations to come.

Regarding our community work, we are focused on health care (general and preventive), addressing hunger, poverty and malnutrition and environment conservation. Symphony Forest Park has been created on a public-private partnership model and is conceptualized as an 'oasis' for office goers to take a stroll in during breaks, for artists to find inspiration in, for students to seek knowledge from, and for other interested visitors. The urban forest sourced locally available species (no imports from outside the state or country), moderating the carbon footprint of the facility from the design stage. The urban forest nurtured local endangered species that could possibly have become extinct (Salvadora or Piludi).

Our experience and results prove that sound corporate citizenship and environmental performance are fundamentals of good business. We embrace our responsibility as a corporate citizen that will make positive impacts for generations to come. Through the delivery of our commitments, we have made great progress. We are excited to develop and commit to even more sustainable practices in the years to come, raising the bar for our company and our industry. The BRSR report showcases our commitment and approach to sustainability in the areas of Environment, Employees, Product and Community.

Achal Bakeri

Chairman and Managing Director

Section A: General Disclosures

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	-	L32201GJ1988PLC010331
2.	Name of the Listed Entity	-	Symphony Limited
3.	Year of Incorporation	-	1988
4.	Registered Office Address	-	"Symphony House", Third Floor, FP-12, TP-50, Off S. G. Highway, Bodakdev, Ahmedabad – 380059, Gujarat, India.
5.	Corporate Address	-	"Symphony House", Third Floor, FP-12, TP-50, Off S. G. Highway, Bodakdev, Ahmedabad – 380059, Gujarat, India.
6.	E-mail	-	investors@symphonylimited.com
7.	Telephone		+91-79-6621 1111
8.	Website	-	www.symphonylimited.com
9.	Financial year for which reporting is being done	-	April 1, 2021 to March 31, 2022
10.	Name of the Stock Exchange(s) where shares are listed		BSE and NSE
11.	Paid up Capital (INR)	-	INR 13.99 crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	-	
	Name		Mr. Mayur Barvadiya
	Designation		Company Secretary & Head - Legal
	Telephone number		+91-79-6621 1111
	E-mail id		investors@symphonylimited.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)		The disclosures under this report have been made on a standalone basis, unless specified in any particular disclosure.

II. Products / Services

14. Details of business activities (accounting for 90% of the Turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Air cooling and other appliances	The Company is in the business of air coolers, and spares	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Description of Main Activity	NIC Code	% of total
1.	Air cooling and Others	46529	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	22	23
International	Symphony Limited has 6 overseas subsidiaries which have operations in these countries. On a standalone basis, the company has no overseas office locations.		

17. Markets served by the entity:

- a. Number of locations

Locations	Number
National (No. of States)	National market
International (No. of Countries)	Along with our overseas subsidiaries, we have a presence in over 60 countries selling air coolers for residential, commercial, and industrial spaces.

- b. What is the contribution of exports as a percentage of the total turnover of the entity?

20% of our revenues come from exports on a standalone basis.

- c. A brief on types of customers

We have a presence in household, commercial and industrial segments in the air cooling category.

IV. Employees

18. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	473	461	97.5	12	3
2.	Other than Permanent (E)	43	40	93	3	7
3.	Total employees (D + E)	516	501	97	15	3
WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	27	27	100	0	0
6.	Total workers (F + G)	27	27	100	0	0

- b. Differently abled Employees and workers: Nil

19. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25
Key Management Personnel	2	0	0

20. Turnover rate for permanent employees and workers

	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14%	8%	13.5%	9%	8%	9%	15%	8%	14.5%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary/ Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	IMPSCO S. de R. L. de C.V., (IMPSCO), México	Subsidiary	100	No
2.	Guangdong Symphony Keruilai Air Coolers Co. Ltd., China	Subsidiary	100	No
3.	Symphony AU Pty Limited, Australia	Subsidiary	95	No
4.	Climate Technologies Pty Limited, Australia	Subsidiary	95	No
5.	Bonaire USA LLC, U.S.A	Subsidiary	95	No
6.	Symphony Climatizadores Limitada. Brazil	Subsidiary	100	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) **YES**

(ii) Turnover (in ₹) **637.51 crores**

(iii) Net worth (in ₹) **826.43 crores**

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Y	0	0		0	0	
Investors (other than shareholders)	Y	0	0		0	0	
Shareholders	Y	5	1		3	1	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-22 Current Financial Year			FY 2020-21 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Y	0	0	-	0	0	
Customers	Y	11	72	Cases are pending with the consumer courts	-	-	
Value Chain Partners	Y	0	0		0	0	
Other (please specify)	-	-	-	-	-	-	-

All the policies are available on - <https://www.symphonylimited.com/corporate-governance>

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material identified issue	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Low energy consumption of our products	Opportunity	Our products consume much less energy than other cooling products (ACs) and thus helps in minimizing the environmental impact and GHG emission for the consumers and society	NA	NA
2.	Ease of repair and maintenance	Opportunity	We build our products to last and our products are very low on maintenance and repair maintenance services are accessible to all the customers.	NA	NA

Section B: Management and process disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Principle P1: Transparency & Accountability

Code of Ethics and Business Conduct
Vigil Mechanism (Whistle Blower Policy)

Principle P2: Product Responsibility

Corporate Sustainability Policy
Environment Health & Safety Policy

Principle P3: Employee Development

Code of Ethics and Business Conduct
Environment Health & Safety Policy

Principle P4: Stakeholder Engagement

Shareholder Reward Policy

Principle P5: Human Rights

Code of Ethics and Business Conduct
Human Rights Policy

Principle P6: Environment Principle

Corporate Sustainability Policy
Environment Health & Safety Policy

Principle P7: Policy Advocacy

We don't have a standalone policy on public advocacy, however all the concerns are covered under Code of Ethics and Business Conduct

Principle P8: Inclusive Growth

Corporate Social Responsibility Policy

Principle P9: Customer Value

Corporate Sustainability Policy
Environment Health & Safety Policy

All the policies are available on - <https://www.symphonylimited.com/corporate-governance>

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link* of the Policies, if available	https://www.symphonylimited.com/corporate-governance								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
	While our policies are not directly applicable to our value chain partners, we have actively engaged with our OEMs and suppliers so that they initiate their own policies and procedures towards environment protection and employee safety and welfare.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies have been formulated and implemented in accordance with National Guidelines on Responsible Business conduct, requirements of the Companies Act, 2013 and SEBI regulations.								

Disclosure Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Our strategies, business model and operations are based on environment protection, employee and customer safety.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA	NA	NA	NA	NA	NA	NA	NA	NA

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) - The message from our CMD has been put at the beginning of this report.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Achal Bakeri, Chairman and Managing Director								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	Yes, The Board / CMD / ED has reviewed the performance against the above policies.									The frequency of review is annual.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Compliance with statutory requirements of relevance to the principles has been carried out by the relevant committees of the Board									The frequency of review is quarterly.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

The evaluation of the working of its policies is done internally.

12. **If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

----- Not Applicable -----

Section C: Principle wise performance disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

The training and awareness programmes on the 9 Principles of National Guidelines on Responsible Business Conduct will be conducted during FY 2022-23

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format. (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure

Obligations) Regulations, 2015 and as disclosed on the entity’s website):

No fines / penalties /punishment/ award/ compounding fees/ settlement amount has been paid in any proceedings by the entity or by directors / KMPs.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Provisions relating to anti-corruption or anti bribery are covered under the Code of Ethics and Business Conduct and the Vigil Mechanism (Whistle Blower Policy).

5. Number of Directors/KMPs/employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

No disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption against any of the Directors/KMPs/ employees/workers.

6. Details of complaints with regard to conflict of interest:

No complaint has been received with regard to conflict of interest against any of the Directors or KMPs.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

b. If yes, what percentage of inputs were sourced sustainably?

Yes, the Corporate Sustainability Policy requires that the design and engineering of the products involve sustainable sourcing. The Company continuously strives to implant sustainability throughout its supply chain system.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Most of our R&D expenses are towards improving the environmental and social performance of our products. Symphony enables people across the world to capitalise on eco-friendly, energy-saving air cooling technologies as a serious alternative to harmful and inefficient air-conditioners.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) : Yes

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

All our products are made of recyclable plastics.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, we are in the process of registration regarding plastic packaging waste in line with extended producer responsibility plan.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	461	461	100	461	100	NA	NA	0	0	0	0
Female	12	12	100	12	100	12	100	NA	NA	0	0
Total	473	473	100	473	100	12	100	0	0	0	0
Other than Permanent employees											
Male	40	40	100	40	100	NA	NA	0	0	0	0
Female	3	3	100	3	100	3	3	NA	NA	0	0
Total	43	43	100	43	100	3	100	0	0	0	0

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	-----Not Applicable -----										
Female	-----Not Applicable -----										
Total	-----Not Applicable -----										
Other than Permanent employees											
Male	27	0	0	0	0	NA	NA	0	0	0	0
Female	-----Not Applicable -----										
Total	27	0	0	0	0	0	0	0	0	0	0

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2021-22			FY 2020-21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total Employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises of the head office have ramps built up for the accessibility of differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the policies of the company are accessible on the following link - <https://www.symphonylimited.com/corporate-governance>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the policies are accessible on https://www.symphonylimited.com/corporate-governance
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The company has no recognized employee and worker association(s) or Unions.

8. Details of training given to employees and workers:

Category	FY 2021-22					FY 2020-21				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	501	501	100	200	40	481	481	100	192	40
Female	15	15	100	6	40	9	9	100	4	40
Total	516	516	100	206	40	490	490	100	196	40
Workers										
Male	27	27	100	0	0	27	27	100	0	0
Female	-	-	-	-	-	-	-	-	-	-
Total	27	27	100	0	0	27	27	100	0	0

9. Details of performance and Career development reviews of employees:

Category	FY 2021-22			FY 2020-21		
	Total Employees	Total Performance Review done	%	Total Employees	Total Performance Review done	%
Male	The performance and career development reviews of employees has been delayed on account of Covid pandemic and will be conducted during FY 22-23			446	446	100
Female				9	9	100
Total				455	455	100

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, an occupational health and safety management system has been implemented at the company premises.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The company has a policy on "Environment, Health and Safety" to lay down the systems and procedures for identifying work safety, health and related hazards. Health and

Safety committee is responsible for the development, supervision and management of environmental health and safety programs that protect the environment, provide safe and healthy conditions for work and study, and comply with applicable laws and regulations. The health and safety committee provides educational programs, technical assistance, and health and safety services to the staff at Symphony. This committee makes health and safety investigations, as needed. Safety practices guidelines have been implemented for:

- Communication of Hazards in the Workplace
- Eye and Face Protection
 - Chemical Hazards
 - Physical Hazards
 - Hot sealing of plastic or Soldering
- Hand / Arm and body Protection
- Hearing Protection
- Respiratory Protection
- Trainings
- Medical Examination

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

No safety related recordable incidents have been reported during the current financial year or the previous financial year.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Explained under point 10

13. Number of Complaints on the following made by employees and workers:

No complaints have been made by the employees or workers in respect to working conditions, Health and Safety.

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)

Health and safety practices	All office premises were assessed for Health, Safety and working condition as part of the business operating processes.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Symphony believes in forging a strong relationship with its stakeholders based on trust and delivery. The stakeholders' expectations and concerns offer critical inputs to the management of business and its growth. The key stakeholders include employees, customers, OEMS, other suppliers, investors and analysts, shareholders, regulatory bodies and the community. By actively fostering periodic interactions, the company engages with stakeholders and is in a position to address its stakeholder expectations and concerns in an informed and effective way.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Customer and Distributor Meetings, Customer Feedback, Website, Product Catalogues	Ongoing	Customer satisfaction, product quality, product safety, energy efficiency of products
Employees	No	Notice Boards, Website, Employee Survey feedback, Annual Performance Review, Meetings, Trainings	Ongoing	Working condition, employee performance, Employee Satisfaction
Community, NGOs	Yes	Corporate Social Responsibility engagements, meeting with community representative	Ongoing	Welfare of the community
Investors & Shareholders & Analysts	No	AGM, Investor meets, Investor Grievance redressal mechanism	Ongoing	Business Strategies and Performance
Regulatory Bodies	No	Compliance Reports	Ongoing	Compliance with the Law of the land

PRINCIPLE 5 Businesses should respect and promote human rights

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2021-22			FY 2020-21		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D) of /	% (D / C)
Employees						
Permanent	473	8	2%	457	-	-
Other than permanent	43	-	-	35	-	-
Total Employees	516	8	2%	492	-	-

Category	FY 2021-22			FY 2020-21		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D) of /	% (D / C)
Workers						
Permanent	-	-	-	-	-	-
Other than permanent	27	27	100	27	-	-
Total Workers	27	27	100	27	-	-

Note: The Company has started maintaining training data in respect to human rights training from current year 2021-22.

2. Details of minimum wages paid to employees and workers, in the following format:

All the employees and workers are paid more than applicable minimum wages:

Category	FY 2021-22					FY 2020-21				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	461	0	0%	461	100%	448	0	0%	448	100%
Female	12	0	0%	12	100%	9	0	0%	9	100%
Other than Permanent										
Male	40	0	0%	40	100%	35	0	0%	35	100%
Female	3	0	0%	3	100%	0	0	0%	0	100%
Workers										
Permanent										
Male	Not Applicable									
Female	Not Applicable									
Other than Permanent										
Male	27	0	0%	27	100%	27	0	0%	27	100%
Female										

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	11,71,894	2	1,40,000
Key Managerial Personnel (KMP)	2	57,18,717	0	-
Employees other than BoD and KMP	456	8,48,400	12	6,25,242
Workers	-	-	-	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the HR Head is the focal point for addressing human rights impacts or issues caused by or contributed to by the business

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes. All the complaints regarding human rights violations are routed to Head HR. Head HR and the Grievance Redressal Committee takes action as per the grievance mechanism.

6. Number of Complaints on the sexual harassment, discrimination at work place, child labour, force labour, wages, other human rights related issues etc. made by employees and workers:

No such complaint has been made by any employee or worker.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Code of Ethics and Business Conduct and Vigil Mechanism (Whistle Blower Policy) provides the mechanism to prevent adverse consequences to the complainant in discrimination and harassment cases.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No. We are studying this requirement and we are findings the most relevant clauses to be included in the agreements.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100

All assessments have been done internally

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2021-22	FY 2020-21
Total electricity consumption (A)	970.83 GJ	859.72 GJ
Total fuel consumption (B)	11.93 GJ	11.93 GJ
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	982.76 GJ	871.64 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	1.53 GJ / per crore of Turnover	1.77 GJ / per crore of Turnover
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-22	FY 2020-21
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	-
(ii) Groundwater	720	-
(iii) Third party water	0	-
(iv) Seawater / desalinated water	0	-
(v) Others	0	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	720	-
Total volume of water consumption (in kilolitres)	720	-
Water intensity per rupee of turnover (Water consumed / turnover)	1.12 kl / per crore of Turnover	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Note: The company has started measuring water consumption data from FY 2021-22 onwards. hence, data for previous year is not available.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

These emissions are insignificant and are not being tracked.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2021-22	FY 2020-21
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	58.08	-
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	213.04	-
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent per Crore of turnover	0.42	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Note: The company has started measuring greenhouse gas emissions from FY 2021-22 onwards. hence, data for previous year not available.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

At Symphony, we continually strive to improve our operations and minimize our impact on the environment. We pursue new ways to reduce emissions and improve energy management through conservation, and energy-efficient product design and also consider increasing the use of renewable and recycled materials, and evaluate and adjust our water and energy usage pattern to become water positive and carbon neutral. Over the years, we have been embracing the challenge of developing energy efficient products while minimizing the adverse impact on the environment. We have started measuring the GHG emission for our products.

8. Provide details related to waste management by the entity, in the following format:

We adhere to strict environment compliances and effectively dispose the hazardous waste generated through authorised dealers. Our non-hazardous waste is re-used and recycled. We follow the 5Rs principle of resource utilisation and remain resolute in creating new and more resource-efficient products.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Please refer point no. 8 above.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The entity's operations/offices are not in/around ecologically sensitive areas.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

No projects have been undertaken by the entity

requiring environmental impact assessments of projects in the current financial year.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, Symphony Limited is compliant with the applicable environmental law/ regulations/ guidelines in India

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

3 (Three)

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Gujarat Chamber of Commerce	State
2	Confederation of Indian Industry	National
3	Federation of Indian Export Organisations	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

No projects have been undertaken which require Social Impact Assessments (SIA) in the current financial year

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

No projects have been undertaken which require Rehabilitation and Resettlement (R&R)

3. **Describe the mechanisms to receive and redress grievances of the community.**

Grievances can be posted on the website of the company.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

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

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has well laid out procedures to respond to customer complaints. Authorized Service Partners (ASPs) handle all the customer complaints and feedback. Customers can register their complaints/feedback through the customer care number, or the WhatsApp number or through the 'Symphony Cool Care' mobile app. In case ASPs are not able to provide solutions, customers have the option of approaching the customer service representative at the corporate level.

2. **Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:**

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

3. **Number of consumer complaints in respect of the following:**

The Company is committed to creating products and solutions that exceed customer expectations and enhance the level of business profitability. We consistently strive forth to ensure higher customer satisfaction through our efforts in production innovation, R&D activities and ensuring enhanced lifecycle of the product. No customer complaints were received during 2021-22.

Stakeholder group from whom complaint is received	FY 2021-22			FY 2020-21		
	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers						
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber Security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-

Stakeholder group from whom complaint is received	FY 2021-22			FY 2020-21		
	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Others	11	72	Cases are pending with the consumer courts	-	65	Cases are pending with the consumer courts

4. Details of instances of product recalls on account of safety issues:

No product recalls were done during FY 2021-22

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the company has Cyber Security Policy and a Data Loss Prevention Policy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No regulatory action has been taken regarding advertising, essential services, cyber security, data privacy or product recalls.

Corporate Governance Report

Your directors present the Company's Corporate Governance Report for the year ended March 31, 2022, in terms of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations').

Company's Philosophy on Corporate Governance

Symphony Limited (hereinafter referred to as "Symphony" or "the Company") believes in conducting its affairs in a fair, transparent and professional manner and maintaining good ethical standards in its dealings with all its constituents. The Company's philosophy on Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values.

The Company is committed to following good Corporate Governance practices, such as having professional directors on the Board, adopting pragmatic policies, effective systems and procedures and subjecting business processes to audits and checks, compliant with the required standards.

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

(A) Board of directors

The Board of Directors (hereinafter referred to as "the Board") is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board is responsible for the management and performance of the Company. The Board provides and evaluates the strategic direction of the Company, its management policies, and their effectiveness and ensures that the long-term interests of the shareholders are being looked after. An active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

1. As of March 31, 2022, the Board comprises 8 directors with an executive chairman, of this, 50% directors are independent directors. Two of the directors are women, one of whom is an Independent Woman Director, which is in line with the requirement of Regulation 17(1)(a) of the Listing Regulations. The Board is headed by Mr. Achal Bakeri, Chairman and Managing Director, he is also a promoter of the Company. The Board does not have any nominee director as on March 31, 2022.

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

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

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

The Board of Directors comprises professionals of eminence and stature drawn from diverse fields. They collectively bring a wide range of skills and experience to the Board, which elevates the quality of the Board's decision-making process. A brief profile of the directors may be accessed on the website of the Company at www.symphonylimited.com.

Following is a list of core skills/ expertise/ competencies identified by the Board of Directors as required in context of the business(es) and sector(s) for them to function effectively; this list also includes with the names of directors who have such skills/ expertise/ competence:

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

3. Following is a table containing details of various listed entities where each board member is also a director, along with information about the category of directorship as on March 31, 2022:

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

4. The names and categories of the directors, number of board meetings held and attended by directors, number of directorships held in other public companies, number of committee chairmanship / membership positions held in other public companies, attendance at the last annual general meeting and the number of shares held as on March 31, 2022, are given below:

Name of Director	Category [@]	Number of Board Meeting			No. of directorship held in public companies including Symphony	No. of committee chairmanship / membership held in public companies including Symphony	Attended last AGM	No. of shares held as on March 31, 2022
		held	entitled to attend	attended				
Mr. Achal Bakeri [#]	CMD	6	6	6	3	1	Yes	5,12,43,740#
Mr. Nrupesh Shah	ED	6	6	6	1	1	Yes	11,74,052*
Mr. Amit Kumar	ED	6	3	3	1	-	Yes	-
Ms. Jonaki Bakeri [^]	NED	6	6	6	1	-	Yes	5,12,43,740#
Mr. Naishadh Parikh	NE – ID	6	6	6	6	4	Yes	-
Mr. Ashish Deshpande	NE – ID	6	6	6	1	1	Yes	-
Ms. Reena Bhagwati	NE – ID	6	6	6	4	5	Yes	-
Mr. Santosh Nema	NE – ID	6	6	6	1	1	Yes	500

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

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

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

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

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

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

5. The Board meets at least once every quarter with the gap between two meetings not exceeding 120 days. During the year, the Board met on the following dates: April 27, 2021, June 19, 2021, July 23, 2021, August 27, 2021, October 26, 2021, and January 25, 2022.
6. The Company has a system to circulate and provide adequate information to the Board, including the minimum information to be placed before the Board as required under Part- A of Schedule II of Listing Regulations to enable the Board to take informed decisions. As required under Regulation 17(3) of the Listing Regulations, the Board periodically reviews compliances of various laws applicable to the Company.
7. The Directors have access to all the information about the Company and are free to recommend the inclusion of any matter in the agenda for discussion.
8. The Company has in place a structured induction and familiarization programme for all its directors including the independent directors. The objective of the programme is to familiarize the Directors to enable them to understand the Company, its operations, the business, the industry and the environment in which it functions and the regulatory environment applicable to it. The Company also educates them regarding their role, responsibility and duties under the Companies Act, 2013 and under the Listing Regulations.

Details of the familiarization programme imparted to independent directors are available at https://symphonylimited.com/uploads/Familiralisation_Programme.pdf

9. The disclosures regarding appointment/re-appointment of Directors forms part of the notice.
10. The Board of Directors of your Company confirms that the Independent Directors fulfil the conditions

specified in the Listing Regulations and are independent of the management.

11. Roles of various constituents of Corporate Governance in the Company:

- (i) Board: The directors of the Company are in a fiduciary position, empowered to oversee the management functions to ensure effectiveness and enrichment of stakeholders' value. The Board reviews, considers and approves the management's strategic business plan and business objectives and monitors the Company's strategic direction.
- (ii) Chairman and Managing Director: The role of a chairman and managing director is to provide leadership to the Board and the senior executive team for realizing the approved strategy, business plan and business objectives. He presides over the meetings of the Board and members.
- (iii) Executive Director: Executive director, as a member of the Board, contributes to strategic management of the Company's businesses within Board approved direction and framework. He assumes overall responsibility for strategic management of business, corporate affairs functions including governance processes and top management effectiveness.
- (iv) Non-Executive Directors (including Independent Directors): The non-executive directors play a critical role in improving the Board's effectiveness with their judgment on issues of strategy, performance, resources, standards of conduct, etc. besides providing valuable inputs to the Board.

12. Code of Conduct

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

Declaration of code of ethics and business conduct for the financial year:

I hereby confirm that all directors and senior management personnel have affirmed compliance with the code of ethics and business conduct for the financial year ended on March 31, 2022.

Place: Ahmedabad
Date: May 3, 2022

Achal Anil Bakeri
Chairman & Managing Director

(B) Audit Committee

1. The Board has constituted the Audit Committee under Listing Regulations in line with Section 177 of Companies Act, 2013. The role and responsibility and minimum information to be reviewed by the Audit Committee are as per Companies Act, 2013 and Listing Regulations, they broadly cover the following:
 - I. The Audit committee mandatorily reviews:
 - i. Management discussions and analysis of financial condition and results of operations.
 - ii. Statement of significant related party transactions submitted by management.
 - iii. Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - iv. Internal audit reports relating to internal control weaknesses.
 - II. The role of Audit Committee also includes looking at oversights in the of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible, recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors, reviewing with the management quarterly results and annual financial statements before submission to the Board for approval, approval or any subsequent modification of any transactions of the Company with related parties, review and monitor the auditor's independence and performance and effectiveness of audit process, scrutiny of inter-corporate loans and investments, evaluation of internal financial controls and risk management system, review of utilization of loans/ advances from / investment by the Company in the subsidiary exceeding ₹100 crores or 10% of the assets size of the subsidiary, valuation of undertaking and assets, performance of statutory auditors and internal auditors and adequacy of internal control systems, and reviewing the functioning of the whistle blower mechanism and such other functions as is mentioned in the terms of reference of the audit committee and more specifically stated in Part C of Schedule II of the Listing Regulations.
2. The Audit Committee consists of Mr. Naishadh Parikh, Chairman, Mr. Ashish Deshpande, Mr. Santosh Nema and Ms. Reena Bhagwati as members. All members of the Committee are financially literate as specified under the Listing Regulations.
3. The Chief Financial Officer, and the representatives of Statutory Auditors and Internal Auditors are permanent invitees to the meetings and had attended & participated in all the Committee Meetings. The Company Secretary acts as Secretary to the Committee.
4. Executive summary of the Audit Committee Meeting is placed before the Board Meeting held after the Audit Committee Meeting for deliberation and the full minutes of the same are placed before the following Board Meeting for record. The Chairman of the Audit Committee apprises the Board on the recommendations made by the Committee.
5. Mr. Naishadh Parikh, Chairman of the Committee has attended the last annual general meeting held on August 10, 2021.

6. During the year under review, the committee met on April 26, 2021, July 22, 2021, August 27, 2021, October 25, 2021 and January 24, 2022 and attendance of the members is shown below:

Name of Member	Membership	Meetings entitled to attend	Meetings Attended
Mr. Naishadh Parikh	Chairman	5	5
Mr. Ashish Deshpande	Member	5	5
Ms. Reena Bhagwati	Member	5	4
Mr. Santosh Nema	Member	5	5

(C) Stakeholders Relationship Committee

- (a) The Board has constituted a Stakeholders Relationship Committee pursuant to Section 178 of the Companies Act, 2013 and Listing Regulations.
- (b) The terms of reference of the Committee are to consider and resolve grievances of shareholders of the Company and more specifically, those prescribed under Section 178 of the Companies act, 2013 and Regulation 20 of the Listing Regulations.
- (c) The Stakeholders Relationship Committee of the Company as on March 31, 2022, comprised of Mr. Naishadh Parikh, Chairman, Mr. Nrupesh Shah and Ms. Reena Bhagwati as members. The Company Secretary acts as Secretary to the committee.
- (d) Mr. Mayur Barvadiya, Company Secretary of the Company is a Compliance Officer of the Company.

- (e) During the year, the Committee met four times on April 26, 2021, July 22, 2021, October 25, 2021 and January 24, 2022 and attendance of the members is shown below:

Name of Member	Membership	Meeting details	
		Meetings entitled to attend	Meetings Attended
Mr. Naishadh Parikh	Chairman	4	4
Ms. Reena Bhagwati	Member	4	3
Mr. Nrupesh Shah	Member	4	4

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

Opening balance at 01.04.2021	Received during the year	Resolved during the year	Closing balance as at 31.03.2022
1	5	5	1

(D) Nomination and Remuneration Committee

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

(v) Whether to extend or continue the term of appointment of the independent director based on the report of performance evaluation of independent directors.

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

2. The Nomination and Remuneration Committee of the Company as on March 31, 2022, comprised of the following members:

Ms. Reena Bhagwati, Chairperson, Mr. Naishadh Parikh, Mr. Ashish Deshpande and

Mr. Santosh Nema, as members. All members of the committee are Independent Directors. The Company Secretary acts as Secretary to the committee.

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

4. During the year under review, the committee met on April 26, 2021, June 19, 2021 and August 27, 2021 and attendance of the members is shown below:

Name of Member	Membership	Meeting details	
		Meetings entitled to attend	Meetings Attended
Ms. Reena Bhagwati	Chairperson	3	3
Mr. Naishadh Parikh	Member	3	3
Mr. Ashish Deshpande	Member	3	3
Mr. Santosh Nema	Member	3	3

5. Nomination and Remuneration Policy

I. Appointment

i. The Nomination and Remuneration Committee shall be responsible to identify and ascertain the qualification, expertise and experience of a person for appointment as director, key managerial personnel or employee at senior management level.

ii. Appointment of directors, whether executive, non-executive or independent shall be made as per applicable provisions of the Companies Act, 2013 read with Listing Regulations.

II. Evaluation

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

III. Removal

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

IV. Remuneration

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

- ii. The Nomination and Remuneration Committee shall recommend remuneration to be paid to key managerial personnel and employees at senior management at the time of their appointment. Further, the Committee may recommend an increment/incentive to key managerial personnel and employees at the senior management level based on their performance annually or at such intervals.
6. The Board has carried out the annual performance evaluation of the Board, the Directors including Independent Directors, individually as well as the

evaluation of the working of its committees. A structured questionnaire was prepared, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

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

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

(₹ in lacs)

Name of Director	Salary	Perquisites/ Gratuity/ PF/ Others	performance linked remuneration*	Total
Mr. Achal Bakeri	24.12	12.28	200.00	236.40
Mr. Nrupesh Shah	11.64	7.50	85.76	104.90
Mr. Amit Kumar [§]	147.71	14.73	-	162.44

* Provision for the year 2021-22 and payable in the year 2022-23.

§ Appointed as Executive Director and Group CEO w.e.f. August 2, 2021.

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

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

(₹ in lacs)

Name of Member	Sitting Fees	
	Board Meeting	Audit Committee
Mr. Naishadh Parikh	2.40	0.50
Mr. Ashish Deshpande	2.40	0.50
Ms. Reena Bhagwati	2.40	0.40
Mr. Santosh Nema	2.40	0.50

9. Ms. Reena Bhagwati, being chairperson of the Committee has attended the last annual general meeting held on August 10, 2021.
10. Elephant Design Private Limited in which Mr. Ashish Deshpande, an Independent Director, was paid ₹20 lacs as professional fees for design services provided by it during the year. Apart from above,

there were no other pecuniary relationships / transactions with the Non-Executive / Independent Directors vis-à-vis the Company. None of the Independent Directors shall be entitled to any stock option of the Company.

(E) Other Committees

1. Corporate Social Responsibility Committee

- a. Corporate Social Responsibility Committee consists of Mr. Naishadh Parikh, Chairman, Mr. Achal Bakeri and Mr. Nrupesh Shah as members of the Committee. The Company Secretary acts as Secretary to the committee.
- b. The terms of reference of the 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.

- (iv) Such other activities as may be prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

- c. During the year, the Committee met three times on April 26, 2021, October 25, 2021 and March 21, 2022 and attendance of the members is shown below:

Name of Member	Membership	Meeting details	
		Entitled to attend	Attended
Mr. Naishadh Parikh	Chairman	3	3
Mr. Achal Bakeri	Member	3	3
Mr. Nrupesh Shah	Member	3	3

2. Risk Management Committee

a. Risk Management Policy:

Pursuant to the provisions of Regulation 21 of the Listing Regulations, a Risk Management Committee has been constituted by the Board. The Company satisfies the requirement of Regulation 21 of the Listing Regulations, which states that the majority of Committee shall consist of members of the Board of Directors; senior executives of the Company may be members of the said committee, but chairman of the Risk Management Committee shall be a member of the Board of Directors. The Company is having well defined Risk Management Policy and Risk Management Framework.

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

Mr. Naishadh Parikh, Chairman, Mr. Achal Bakeri and Mr. Nrupesh Shah are Members. The Company Secretary acts as Secretary to the committee.

c. Terms of Reference:

The role of the Risk Management Committee includes (a) framework for identification of internal and external risks specifically faced by the listed entity, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee (b) Measures for risk mitigation including systems and processes for internal control of identified risks. (c) Business continuity plan and which is more specifically stated in part D of Schedule II of the Listing Regulations.

d. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Foreign exchange risk and hedging activities are covered separately in note no.46 of Notes forming a part of standalone financial statements.

The Company does not deal in commodity and hence the disclosure pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not applicable.

- e. During the year, the Committee met three times on April 26, 2021, October 18, 2021 and March 21, 2022 and attendance of the members is shown below:

Name of Member	Membership	Meeting details	
		Entitled to attend	Attended
Mr. Naishadh Parikh	Chairman	3	3
Mr. Achal Bakeri	Member	3	3
Mr. Nrupesh Shah	Member	3	3

3. Management Committee

- a. The Management Committee consists of Mr. Achal Bakeri, Chairman, Mr. Nrupesh Shah, Mr. Naishadh Parikh and Ms. Jonaki Bakeri as members of the Committee.
- b. The Management Committee deals with day-to-day business operations related to banking, treasury, insurance, legal, GST, customs, authorization, administration and dealing with other government/non-government authorities.
- c. During the year, the Committee met on October 18, 2021 and March 21, 2022 and attendance of the members is shown below:

Name of Member	Membership	Meeting details	
		Entitled to attend	Attended
Mr. Achal Bakeri	Chairman	2	2
Mr. Nrupesh Shah	Member	2	2
Mr. Naishadh Parikh	Member	2	2
Ms. Jonaki Bakeri	Member	2	1

4. Separate Meeting of Independent Directors

During the year, a separate meeting of independent directors was held on January 24, 2022, in which the majority of independent directors were present. Mr. Naishadh Parikh was appointed as Chairman of the Meeting. In this meeting, they have discussed and evaluated:

- performance of Non-Independent Directors, and the Board of Directors as a whole.
- performance of the Chairman of the Company, considering the views of the Executive and Non-Executive Directors.
- performance of the various committees of the Board.
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

Mr. Naishadh Parikh has been appointed as Lead Independent Director of the Company.

(F) Disclosures

- There have been no materially significant related party transactions, which have potential conflict with the interests of the Company at large. The Audit Committee considers and approves related party transactions and omnibus approval from Audit Committee is taken as per the terms and conditions of the Listing Regulations. The details showing related party transactions are provided in Note no. 36 of Notes forming part of the standalone financial statements for the financial year ended on March 31, 2022, in accordance with the provisions of Indian Accounting Standard 24.
- 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 penalties have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority except for a penalty of ₹10,000/- each imposed by

BSE and NSE under regulation 29 (2) of the Listing Regulations during FY 2019-20.

3. In preparation of the financial statements, the Company has followed the applicable Indian Accounting Standards. The significant accounting policies applied in the preparation and presentation of financial statements have been set out in Note no. 2-A of Notes forming part of the financial statements for the financial year ended on March 31, 2022.

4. CEO/CFO Certification:

Pursuant to Regulation 17(8) of the Listing Regulations, the certificate of Chairman and Managing Director, Executive Director and Chief Financial Officer was placed before the Board.

5. SEBI (Prohibition of Insider Trading) Regulations, 2015:

To comply with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information relating to dealing in the shares of the Company. The Company has also adopted a Code of Conduct to Regulate, Monitor and Report trading by Insiders which provides for disclosures from promoter, director and designated person as well as pre-clearance of transactions above the threshold limit as prescribed under the Code.

6. Vigil Mechanism/ Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. This policy is available on the Company's website at https://docpdfs.s3-ap-southeast-1.amazonaws.com/symphony/Corporate-Governance/CorpGov_31331225650.pdf

[com/symphony/Corporate-Governance/CorpGov_31331225650.pdf](https://docpdfs.s3-ap-southeast-1.amazonaws.com/symphony/Corporate-Governance/CorpGov_31331225650.pdf)

7. Reconciliation of Share Capital Audit:

Every quarter, a practicing company secretary provides reconciliation of share capital audit to reconcile total admitted equity shares with the National Securities Depository Limited and Central Depository Services (India) Limited. This audit is carried out every quarter and the reports thereon are submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and the total number of shares in physical form.

8. The policy for determining material subsidiaries may be accessed on the website of the Company at the following link:

https://docpdfs.s3-ap-southeast-1.amazonaws.com/symphony/Corporate-Governance/CorpGov_31331225837.pdf

9. The policy on materiality and dealing with related party transactions may be accessed on the website of the Company at the following link:

<https://www.symphonylimited.com/uploads/Policy%20on%20Dealing%20with%20Related%20Party%20Transactions.pdf>

10. Subsidiary Companies:

Climate Technologies Pty Limited, Australia (on standalone basis) and Symphony AU Pty Limited, Australia, (on consolidated basis) subsidiaries of the Company come under the purview of the material unlisted subsidiary as per criteria given in Regulation 16(1) of the Listing Regulations. The Audit Committee of the Company reviews the financial statements and investments made by unlisted subsidiary Companies and the minutes of the unlisted subsidiary Companies are placed at the Board Meeting of the Company.

11. The Company has put in place a succession plan for appointment to the Board and to senior management.

12. The designated senior management personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in

which they have a personal interest, which may have a potential conflict with the interests of the Company at large.

13. Details of Compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all mandatory requirements of the Regulation 17 to 27, clause (b) to (i) of Regulation 46(2) of the Listing Regulations and has voluntarily complied with the following non-mandatory requirements:

- I. There are no qualifications contained in the audit report.
 - II. Quarterly results of the Company are sent to shareholders and other stakeholders through an email.
 - III. The Internal Auditor has direct access to the Audit Committee. The internal auditors make detailed presentation at quarterly meetings.
14. The Company has obtained a certificate from M/s. SPANJ & Associates, Practising Company Secretaries regarding confirmation that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board (i.e., SEBI) / Ministry of Corporate Affairs

or any such statutory authority and the same is attached to the Report on Corporate Governance.

15. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are given below:

₹ In crores	
Payment to Statutory Auditors	FY 2021-22
Audit Fees	0.24
Limited Review Reports and Certifications	0.19
Fees paid to Network Entities	0.03

16. Disclosure of complaint received, disposed of during the year under review and pending as at the end of the financial year under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: NONE

17. Legal Compliance Management Tool

The Company has in place an on-line legal compliance management tool, which has been devised to ensure compliance with all applicable laws that impact the Company's business. The tool is intended to provide an assurance to the Board on legal compliances as ensured by the Company. The Board is informed about the progress and the status of legal compliances through this tool.

(G) General Body Meeting

1. Annual General Meeting

Financial Year	Date of AGM	Venue	Time	Special resolution passed at AGM
2018-19	July 31, 2019	Ahmedabad Management Association, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	5.00 p.m.	-
2019-20	September 22, 2020	Through Video Conferencing / Other Audio Video Mode	10.00 a.m.	Re-appointment of Mr. Naishadh Parikh as Independent Director for a second term of five years
2020-21	August 10, 2021		10.00 a.m.	Appointment of Mr. Amit Kumar as Executive Director and Group CEO for a period of five years

2. No extraordinary general meeting was held during the year under review.
3. No resolution has been passed through postal ballot during the financial year 2021-22.
4. None of the businesses proposed to be transacted in the ensuing Annual General Meeting requires passing a special resolution through postal ballot.

(H) Means of communications:

1. Quarterly Results

Quarterly results are approved and taken on record by the Board of Directors and submitted to the Stock Exchanges as per requirement of the Listing Regulations. At present, Company is communicating intimation of date of board meeting for approval of quarterly results and quarterly results post approval by the Board to the shareholders and other stakeholders through email on voluntary basis.

2. Annual Report

An annual report is circulated to members and other stakeholders entitled thereto.

3. Publication of Results

Quarterly results are normally published in Financial Express (English and Gujarati) as per requirements of the Listing Regulations.

4. News Releases, Presentations

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 regularly made with financial analysts on a quarterly basis to discuss unaudited quarterly results as well as audited annual results of the Company. The transcripts of this conference call are uploaded to the Company's website. Presentations made to Institutional Investors or to other Analysts are uploaded on the Company's website from time to time.

6. BSE Listing Centre

BSE has developed a web-based application namely BSE Listing Centre for corporates to file all periodical compliance namely corporate governance report, shareholding pattern, board meeting intimation, reconciliation of share capital audit report and other event-based announcements in electronic mode.

7. NSE Electronic Application Processing System (NEAPS) / NSE Digital Portal

NSE has developed a web-based application namely NEAPS / NSE Digital Portal for corporates to file all periodical compliance namely corporate governance report, shareholding pattern, board meeting intimation, reconciliation of share capital audit report and other event-based announcements in electronic mode.

8. SEBI Complaints Redress System (SCORES)

Investor complaints are processed on the centralized web-based complaints redressal system. The salient features of the systems are: Centralized Database of all Complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by Investors of action taken on the complaint and its status.

9. Reminder to the Shareholders

Reminders to shareholders for claiming their returned undelivered share certificates, unclaimed dividend(s) and prior intimations regarding transfer of their shares to the Investor Education and Protection Fund (IEPF) are regularly dispatched by the RTA on behalf of the Company.

10. Mandatory to register KYC details for holding of shares in physical mode

The Securities and Exchange Board of India ("SEBI") has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. effective from January 1, 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after April 1, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://symphonylimited.com/download-forms>

(I) Dividend payment history of the last eight years (including the year under review):

Financial year		Date of declaration of dividend	Dividend per share (amount in ₹)	Due date for transfer to IEPF + 30 days
2014-15	Final	October 27, 2015	10.00	November 27, 2022
2015-16	1 st Interim	January 28, 2016	5.00	February 27, 2023
	2 nd Interim	March 10, 2016	20.00	April 10, 2023
2016-17	1 st Interim	July 26, 2016	1.50	August 24, 2023
	2 nd Interim	October 25, 2016	1.00	November 24, 2023
	3 rd Interim	February 10, 2017	1.00	March 13, 2024
	Final Dividend	September 8, 2017	1.00	October 12, 2024
2017-18	1 st Interim	August 10, 2017	1.00	September 12, 2024
	2 nd Interim	October 31, 2017	1.00	November 30, 2024
	3 rd Interim	January 23, 2018	1.00	February 22, 2025
	Final Dividend	August 31, 2018	1.50	October 1, 2025
2018-19	1 st Interim	July 24, 2018	1.00	August 23, 2025
	2 nd Interim	October 30, 2018	1.00	December 20, 2025
	3 rd Interim	February 5, 2019	1.00	March 9, 2026
	Final Dividend	July 31, 2019	1.50	August 31, 2026
2019-20	1 st Interim	July 31, 2019	1.00	August 31, 2026
	2 nd Interim	November 12, 2019	2.00	December 27, 2026
	3 rd Interim	February 7, 2020	20.00	March 11, 2027
2020-21	1 st Interim	January 22, 2021	1.00	February 24, 2028
	Final Dividend	August 10, 2021	4.00	September 14, 2028
2021-22	1 st Interim	October 26, 2021	2.00	November 29, 2028
	2 nd Interim	January 25, 2022	1.00	February 24, 2029
	Final Dividend [@]	Next AGM date	6.00	-

@ Final dividend of ₹6/- per share having a face value of ₹2 recommended by the Board at its meeting held on May 3, 2022, is subject to approval by members at their ensuing annual general meeting.

(J) Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended/modified from time to time), all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more, has been transferred by the Company in to IEPF. The Company has communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company has also published notice in newspaper before such transfer in favour of IEPF. The Company has also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at www.symphonylimited.com/iepf

Shareholders to take note that both the unclaimed dividend and corresponding shares transferred to the

IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the stipulated procedure viz., an application in E-form No. IEPF-5 prescribed in the Rules is to be filed with IEPF authority.

During the year under review, the unclaimed final dividend for the financial year 2013-14 amounting to ₹47.69 lacs and unclaimed interim dividend for the financial year 2014-15 amounting to ₹19.20 lacs have been transferred to the IEPF established by the Central Government and no claim shall lie with the Company in respect of the unclaimed dividend transferred to IEPF.

The Company had sent individual reminders to all the members at their registered address whose dividends have remained unclaimed, before transferring the amount to the IEPF. The information on unclaimed dividend is also posted on the website of the Company.

(K) Unclaimed shares suspense account

As per Regulations 34(3) and 39(4) read with Schedule V of the Listing Regulations, the details of unclaimed suspense account are as follows:

Particulars	No. of Shareholders	No. of Shares
Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	98	73,000
Number of Shares transferred to Suspense account during the year	0	0
Number of shareholders/legal heirs to whom the shares were transferred from the Unclaimed Suspense Account	3	1,500
Number of shareholders whose shares were transferred from the Unclaimed Suspense Account to IEPF authority account	10	9,000
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	85	62,500

*The voting rights on the above shares shall remain frozen till the rightful owner of such shares claims the shares.

(L) General Shareholders Information

1. Annual General Meeting:

Date	Time	Venue
Monday, August 29, 2022	10:00 a.m.	Through Video Conferencing / Other Audio-Visual Means as set out in the Notice convening the Annual General Meeting

2. Financial Year: April 1 to March 31

3. Financial Calendar (FY 2022-23):

Quarterly Results	Tentative Schedule
Quarter ending on June 30, 2022	On or before August 14, 2022
Quarter ending on September 30, 2022	On or before November 14, 2022
Quarter ending on December 31, 2022	On or before February 14, 2023
Quarter ending on March 31, 2023	On or before May 30, 2023

4. Book Closure: Saturday, August 27, 2022 to Monday, August 29, 2022 (both days inclusive).

5. Dividend Payment date:

For interim dividends 2021-22:

1st Interim dividend declared on October 26, 2021 paid on November 20, 2021

2nd Interim dividend declared on January 25, 2022 paid on February 18, 2022

6. Listing on stock exchange: BSE Limited - Stock Code: 517385

National Stock Exchange of India Limited - Symbol: SYMPHONY

7. Payment of Listing Fees: The Company has paid the Listing fee to BSE and NSE for the year 2021-22 and for the year 2022-23.

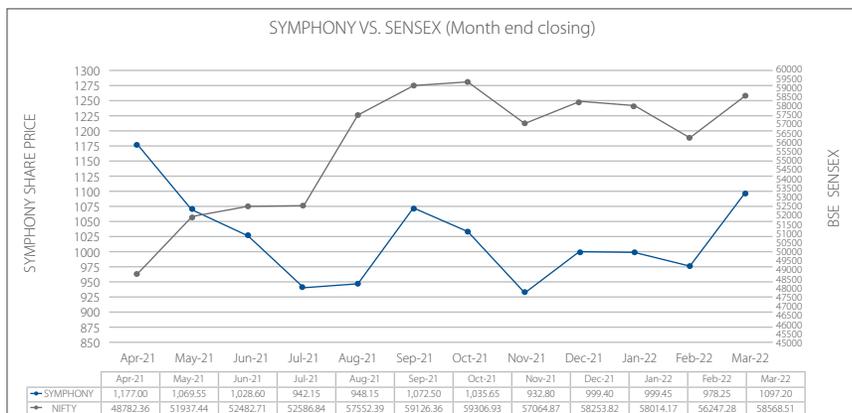
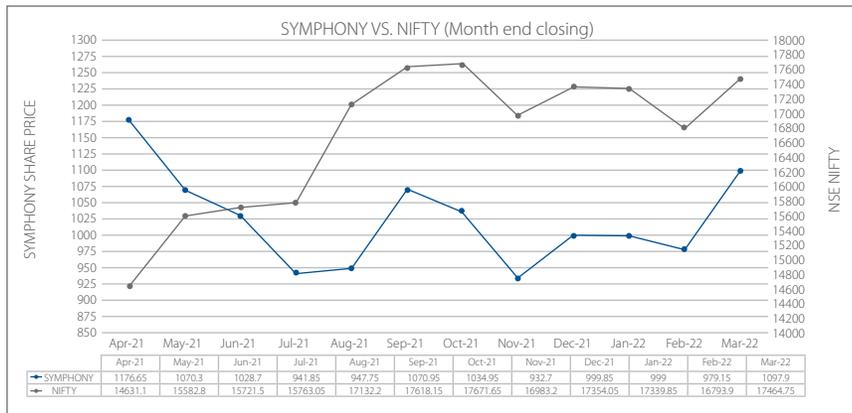
8. Corporate Identity No.: L32201GJ1988PLC010331

9. Market Price Data Monthly high and low during financial year ended on March 31, 2022, is as under:

(Amount in ₹)

Month	BSE		NSE	
	High	Low	High	Low
2021				
April	1,368.00	1,131.20	1,355.00	1,100.00
May	1,191.85	1,055.00	1,194.95	1,054.50
June	1,148.00	1,025.00	1,149.00	1,025.00
July	1,128.05	935.00	1,129.40	938.00
August	979.00	890.00	967.85	890.00
September	1,079.55	943.55	1,080.00	944.00
October	1,109.00	1008.45	1,110.00	1,008.00
November	1,063.00	924.00	1,063.90	900.15
December	1,027.75	932.10	1,028.50	931.75
2022				
January	1,088.00	967.00	1,089.00	958.65
February	1,019.00	900.00	1,017.75	902.00
March	1,156.10	942.00	1,155.45	940.60

10. Performance in comparison to broad-based indices



11. ISIN of the Company: INE225D01027

12. Registrar and Share Transfer Agent

Bigshare Services Private Limited
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093, Maharashtra
Tel No.: +91-22-62638200
E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com

13. Prohibition of physical transfer of shares and issuance of physical share certificates

Please note that as per SEBI circular, physical transfer of securities has been prohibited w.e.f. April 1, 2021. Further, as per SEBI circular bearing no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, it is mandatory for the Company and RTA to issue the securities in demat form with in respect to investor requests for issuance of duplicate share certificate, unclaimed shares, transmission, transposition, consolidation, split, endorsement as per the procedure prescribed under the said circular.

The Company has regularly obtained certificate(s) from practising company secretary regarding compliance with share transfer formalities including other matters pursuant to Listing Regulations and these have been submitted to the stock exchanges.

14. Distribution of shareholding

Distribution of Shareholding as on March 31, 2022, is as under:

Category		No. of holders	% of holders	No. of shares	% of total shares
1	2500	59,290	99.57	38,25,178	5.47
2501	5000	106	0.18	3,84,613	0.55
5001	10000	68	0.12	4,96,415	0.71
10001	15000	14	0.02	1,79,600	0.26
15001	20000	10	0.02	1,77,788	0.25
20001	25000	2	0.00	41,615	0.06
25001	50000	13	0.02	4,90,977	0.70
50001	& above	43	0.07	6,43,60,814	92.00
TOTAL		59,546	100.00	6,99,57,000	100.00

15. Category wise holding as on March 31, 2022, is as under:

Category	No. of shares	% of total shares
Promoter and Promoter Group	5,12,43,740	73.25
Mutual Funds	67,28,820	9.62
FPIs / FIIIs	31,40,300	4.49
Bodies Corporate	9,89,356	1.41
NRIs	2,54,925	0.36
Clearing Members	38,982	0.06
Resident Individuals/ HUF	56,11,971	8.02
IEPF	4,12,002	0.59
Alternate Investment Fund	1,89,976	0.27
Director and Directors relatives	11,74,552	1.68
Unclaimed Suspense Account	62,500	0.09
Insurance Companies	1,09,876	0.16
Total	6,99,57,000	100.00

16. Dematerialization of Shares and Liquidity

As on March 31, 2022, 6,94,25,550 equity shares of the Company equivalent to 99.24% of total shares are held in electronic form.

17. Plant Location

Survey No. 703/704, Sanand Kadi Highway, Village Thol, Tal. Kadi, Dist. Mehsana, Gujarat PIN- 382728.

18. Communication Address

Symphony Limited

Symphony House, Third Floor, FP12-TP50, Bodakdev, Off S.G. Highway, Ahmedabad - 380 059. Gujarat, India
Phone No.: +91-79-6621 1111,
Fax No.: +91-79- 6621 1140
Email ID: investors@symphonylimited.com

(M) Company's recommendations to the shareholders

The Company has the following recommendations to members to mitigate/avoid risks while dealing with shares and related matters:

1. Dematerializations (demat) of shares

Members are requested to demat their physical shares through any of the Depository Participants (DPs) to avoid the problems involved in the physical shares such as the possibility of loss, mutilation, etc. and to ensure safe and speedy transaction in shares.

Holding shares in demat form helps members to get immediate transfer. No stamp duty is payable

on transfer of shares held in demat form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

2. Register your National Electronic Clearing Service (NECS) Mandate

Members are encouraged to register an NECS mandate to Company or registrar and share transfer agent in case of shares held in physical form and ensure that the correct and updated particulars of their bank accounts are registered with the DPs in case of shares held in demat form. This would facilitate in receiving direct credits of dividends etc. from Company and avoiding postal delays and loss in transit.

3. Encash your Dividends on time

Members who have not registered their bank details with Company or DP are requested to encash their dividend warrants promptly to avoid problems of revalidation/losing your right of claim due to transfer of unclaimed dividends to Investor Education and Protection Fund.

4. To support the 'Green Initiative'

Members holding shares in demat form are requested to register their email id with their DPs and members holding shares in physical form are requested to register their email addresses with the registrar and share transfer agent. This would facilitate receipt of the annual report and other communications from the Company through email.

Compliance Certificate on Corporate Governance

The Members of

SYMPHONY LIMITED

CIN: L32201GJ1988PLC010331

Ahmedabad – 380 059.

We have examined the compliance of conditions of Corporate Governance by SYMPHONY LIMITED, for the year ended 31st March, 2022, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us along with documents & submissions for regulatory compliances provided for our verification and representation made by the management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Moreover, as per information provided by the company and declarations provided by the directors, in terms of schedule V, Part C, Clause (10)(i), we further state that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of the company by the Board/Ministry of Corporate Affairs or any such statutory authority.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: May 3, 2022
Place : Ahmedabad

ASHISH C DOSHI, PARTNER

SPANJ & ASSOCIATES

Company Secretaries

FCS No.: F3544

COP No.: 2356

P R Certificate No. : 702/2020

UDIN: F003544D000148579

Independent Auditor's Report

To
The Members of
Symphony Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Symphony Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance

with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Director's report including annexures thereto, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. This report is expected to be made available to us after the date of this audit report.
- Our opinion on the consolidated financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors

and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information when it becomes available, so far as it relates to the subsidiaries will be traced from their financial statements audited by the other auditors.

- When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to

going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting

estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- (a) We did not audit the financial statements / financial information of 5 subsidiaries whose financial statements / financial information reflect total assets of ₹603.87 crore as at 31st March, 2022, total revenues of ₹509.53 crore and net cash inflows amounting to ₹40.47 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements / financial information of one subsidiary whose financial statements / financial information reflect total assets of ₹2.78 crore as at 31st March, 2022, total revenues of ₹2.06 crore and net cash outflows amounting to ₹0.24 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on such unaudited financial statements /

financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on 31st March, 2022 taken on record by the Board of Directors of the Parent, being the only company in the Group to which such requirements of the Act are applicable, none of the directors of the Parent is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.
 - iv) (a) The Management of the Parent which is a company incorporated in India, whose financial statements

has been audited under the Act, has represented to us that, to the best of its knowledge and belief, as disclosed in the note 51(vi) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management of the Parent which is a company incorporated in India, whose financial statements have been audited under the Act has represented to us that, to the best of its knowledge and belief, as disclosed in the note 51(vii) to the consolidated financial statements, no funds have been received by the Parent from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

As stated in note 14.5 to the financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Parent, we report that CARO is applicable only to the Parent and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm's Registration No.117365W)

Kartikeya Raval

(Partner)

Place: Ahmedabad
Date: 3rd May, 2022

(Membership No. 106189)
(UDIN:22106189AIHZFB9653)

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Symphony Limited (hereinafter referred to as “Parent”), as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Parent is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Parent’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Parent’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent,

has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm's Registration No.117365W)

Kartikeya Raval

(Partner)

Place: Ahmedabad
Date: 3rd May, 2022

(Membership No. 106189)
(UDIN:22106189AIHZFB9653)

Consolidated Balance Sheet as at March 31, 2022

(₹ in Crores)

Particulars	Note	As at 31/03/2022	As at 31/03/2021
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3(A)	107.41	105.24
(b) Right-of-use asset	3(A)	29.73	32.01
(c) Capital work - in - Progress	3(C)	-	0.46
(d) Goodwill	40	163.11	161.39
(e) Other intangible assets	3(B)	54.51	54.90
(f) Intangible assets under development	3(D)	0.34	0.02
(g) Financial Assets			
(i) Other investments	4	168.78	159.33
(ii) Other financial assets	5	0.65	0.62
(h) Deferred Tax Assets (Net)	19.2	6.35	9.05
(i) Other non-current assets	6	0.99	4.16
Total Non-current assets		531.87	527.18
(2) Current assets			
(a) Inventories	7	173.21	118.38
(b) Financial assets			
(i) Other investments	8	331.25	325.09
(ii) Trade receivables	9	207.69	166.14
(iii) Cash and cash equivalents	10	63.91	34.55
(iv) Bank balances other than (iii) above	10	3.64	3.94
(v) Other financial assets	11	7.03	1.21
(c) Current tax assets (Net)	25	0.18	0.24
(d) Other current assets	12	48.37	42.87
Total Current assets		835.28	692.42
Total Assets		1,367.15	1,219.60
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	13	13.99	13.99
(b) Other equity	14	825.48	745.23
Equity attributable to owners of the Company		839.47	759.22
Non-controlling interests	15	5.34	4.70
Total Equity		844.81	763.92
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	113.01	139.70
(ii) Lease liabilities	17	21.53	26.03
(iii) Other financial liabilities	17	0.54	-
(b) Provisions	18	9.54	10.72
(c) Deferred tax liabilities (Net)	19.1	14.39	5.72
Total Non-current liabilities		159.01	182.17
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	108.46	44.30
(ii) Lease liabilities	22	11.47	8.74
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	21	4.03	1.86
- total outstanding dues of creditors other than micro enterprises and small enterprises	21	145.33	133.88
(iv) Other financial liabilities	22	4.86	6.43
(b) Other current liabilities	23	71.31	63.97
(c) Provisions	24	14.82	10.89
(d) Current tax liabilities (Net)	25	3.05	3.44
Total Current liabilities		363.33	273.51
Total Liabilities		522.34	455.68
Total Equity and Liabilities		1,367.15	1,219.60
See accompanying notes forming part of the consolidated financial statements	1-53		

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

For and on behalf of the board

Kartikeya Raval

Partner

Achal Bakeri

Chairman & Managing Director
DIN-00397573

Nrupesh Shah

Executive Director
DIN-00397701

Place : Ahmedabad

Date : May 03, 2022

Mayur Barvadiya

Company Secretary

Girish Thakkar

Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Crores)

Particulars	Note	Year ended 31/03/2022	Year ended 31/03/2021
I Revenue from Operations	26	1,039.08	899.84
II Other income	27	39.93	31.40
III Total Revenue (I + II)		1,079.01	931.24
IV Expenses:			
Cost of materials consumed	28	198.00	238.10
Purchase of stock-in-trade	29	413.15	260.02
Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(39.89)	(0.72)
Employee benefits expense	31	115.87	103.05
Finance costs	32	8.92	10.71
Depreciation and amortisation expense	3	24.18	21.42
Advertisement and Sales Promotion Expenses		45.65	25.05
Other Expenses	33	145.61	135.31
Total Expenses (IV)		911.49	792.94
V Profit Before Exceptional Items and Tax (III – IV)		167.52	138.30
VI Exceptional Items	43	-	7.16
VII Profit Before Tax (V – VI)		167.52	131.14
VIII Tax expense / (Benefits):			
(1) Current tax	35.1	35.25	35.67
(2) (Excess)/Short provision of tax relating to previous years	35.1	0.72	(0.90)
(3) Net current tax		35.97	34.77
(4) Deferred tax	35.1	10.69	(11.01)
Net tax expense (VIII)		46.66	23.76
IX Profit for the year (VII - VIII)		120.86	107.38
X Other comprehensive income			
Items that will not be reclassified to profit or loss :			
(i) Remeasurements of the defined benefit plans	41	0.41	0.40
(ii) Income tax effect on above	35.2	(0.13)	(0.09)
Items that will be reclassified to profit or loss :			
(i) Gain on Items designated as Fair Value Through Other Comprehensive Income	14.3	4.68	4.74
(ii) Income tax effect on above	35.2	(0.55)	(0.56)
Total other comprehensive income, net of tax (X)		4.41	4.49
XI Total comprehensive income for the year (IX+X)		125.27	111.87
Profit for the year attributable to			
Owners of the Company		120.31	107.34
Non Controlling Interests		0.55	0.04
		120.86	107.38
Total comprehensive income for the year attributable to			
Owners of the Company		124.72	111.83
Non Controlling Interests		0.55	0.04
		125.27	111.87
XII Earnings per equity share of face value of ₹2/- each :			
(1) Basic	34	17.20	15.35
(2) Diluted	34	17.20	15.35
See accompanying notes forming part of the consolidated financial statements	1-53		

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants

For and on behalf of the board

Kartikeya Raval
 Partner

Achal Bakeri
 Chairman & Managing Director
 DIN-00397573

Nrupesh Shah
 Executive Director
 DIN-00397701

Place : Ahmedabad
 Date : May 03, 2022

Mayur Barvadiya
 Company Secretary

Girish Thakkar
 Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended March 31, 2022

A Equity Share Capital

(₹ in Crores)

	No. of Shares	Amount
Balance as at April 01, 2020	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2021	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2022	6,99,57,000	13.99

B Other Equity

(₹ in Crores)

Particulars	Equity attributable to owners of the Company						Non-controlling interests	Total
	General Reserve	Capital Reserve	Reserve for Debt Instruments through Other Comprehensive Income	Translation Reserve	Retained Earnings	Total		
Balance as at April 01, 2020	35.00	9.05	(0.49)	(7.00)	588.66	625.22	4.25	629.47
Profit during the year	-	-	-	-	107.34	107.34	0.04	107.38
Other Comprehensive Income for the year, net of income tax	-	-	4.18	-	0.31	4.49	-	4.49
Total Comprehensive Income for the year	-	-	4.18	-	107.65	111.83	0.04	111.87
Translation Reserve Movement	-	-	-	13.37	-	13.37	0.41	13.78
Reclassification to Profit & Loss on disposal of Instruments designated as FVTOCI	-	-	2.07	-	-	2.07	-	2.07
Income tax on gain reclassified to profit or loss on sale of debt instruments at FVTOCI	-	-	(0.26)	-	-	(0.26)	-	(0.26)
Dividend on Equity Shares	-	-	-	-	(7.00)	(7.00)	-	(7.00)
Balance as at March 31, 2021	35.00	9.05	5.50	6.37	689.31	745.23	4.70	749.93
Profit during the year	-	-	-	-	120.31	120.31	0.55	120.86
Other Comprehensive Income for the year, net of income tax	-	-	4.13	-	0.28	4.41	-	4.41
Total Comprehensive Income for the year	-	-	4.13	-	120.59	124.72	0.55	125.27
Translation Reserve Movement	-	-	-	4.50	-	4.50	0.08	4.58
Dividend on Equity Shares	-	-	-	-	(48.97)	(48.97)	-	(48.97)
Balance as at March 31, 2022	35.00	9.05	9.63	10.87	760.93	825.48	5.33	830.81

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

For and on behalf of the board

Kartikeya Raval

Partner

Achal Bakeri

Chairman & Managing Director
DIN-00397573

Nrupesh Shah

Executive Director
DIN-00397701

Place : Ahmedabad

Date : May 03, 2022

Mayur Barvadiya

Company Secretary

Girish Thakkar

Chief Financial Officer

Consolidated Statement of Cash Flows for the year ended March 31, 2022

(₹ in Crores)

	Year Ended 31/03/2022	Year Ended 31/03/2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	120.86	107.38
Adjustments For:		
Income tax expenses recognised in profit or loss	46.66	23.76
Depreciation and amortization expenses	24.18	21.42
Finance costs recognised in profit or loss	8.92	10.71
Mark to Market (Gain)/Loss	(5.45)	0.39
Interest Income recognised in profit or loss	(8.91)	(9.03)
Net (gain)/loss on disposal of instruments designated at FVTOCI	-	(0.00)
Net gain on disposal of instruments designated at FVTPL	(8.26)	(9.29)
Net gain on financial assets mandatorily measured at FVTPL	(9.21)	(8.70)
Adjustment on Foreign Currency Translation	2.24	(18.40)
Unrealised foreign exchange (gain)/loss	2.22	(0.49)
Allowances for credit losses on trade receivables	(0.23)	9.36
Provisions / Liabilities no longer required written back	(3.79)	(3.65)
Receivables / Advances written off	0.17	0.29
(Gain)/Loss on disposal of property, plant and equipment	0.01	(0.09)
Operating Profit Before Working Capital Changes	169.41	123.66
Movements in working capital:		
(Increase) in trade and other receivables	(43.95)	(54.06)
(Increase) in inventories	(54.84)	(0.56)
(Increase)/Decrease in other assets	(6.06)	19.83
Increase in trade payables	17.65	15.65
Increase in other liabilities	7.78	18.28
Increase in provisions	3.15	0.33
Cash Generated from Operations	93.14	123.13
Income taxes paid	(36.30)	(34.47)
Net Cash generated by Operating Activities (A)	56.84	88.66
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment, intangible assets and capital advances	(9.25)	(19.67)
Proceeds from disposal of property, plant and equipment	0.22	3.98
Interest received	9.52	9.02
Dividend received	-	0.36
Net (payments to)/proceeds from mutual funds	16.64	(74.82)
Payments to acquire financial assets	(31.37)	(69.56)
Proceeds on sale of financial assets	20.52	97.32
Net Cash generated / (Used) in Investing Activities	6.28	(53.37)

Consolidated Statement of Cash Flows for the year ended March 31, 2022

(₹ in Crores)

	Year Ended 31/03/2022	Year Ended 31/03/2021
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid on equity shares	(49.56)	(7.58)
Payments on lease liabilities	(12.76)	(10.37)
Proceeds from/ (Repayment of) borrowings	37.48	7.33
Finance cost paid	(8.92)	(10.71)
Net Cash Used in Financing Activities (C)	(33.76)	(21.33)
Net Increase in Cash & Cash Equivalents (A+B+C)	29.36	13.96
Cash & Cash Equivalents at the beginning of the year	34.55	20.59
Cash & Cash Equivalents at the end of the year	63.91	34.55
Cash on Hand	0.50	0.41
Balances with Schedule Bank in Current Account	63.41	34.14
Cash & Cash Equivalents included in Note no.10	63.91	34.55

Summary of significant accounting policies refer note 2

Notes to Statement of Cash Flows:

- The Consolidated Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented under note (22).

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Kartikeya Raval

Partner

Place : Ahmedabad

Date : May 03, 2022

For and on behalf of the board

Achal Bakeri

Chairman & Managing Director
DIN-00397573

Mayur Barvadiya

Company Secretary

Nrupesh Shah

Executive Director
DIN-00397701

Girish Thakkar

Chief Financial Officer

Notes forming part of the Consolidated Financial Statements

(1) Corporate Information

Symphony Limited ("the Parent Company"), a premier air cooling company was established in the year 1988. The Parent Company and its subsidiaries (together the parent company and its subsidiaries constitute "the Group") are in the field of residential, commercial and industrial air cooling and other appliances both in the domestic and international markets. The addresses of the registered offices and principal place of business are disclosed under corporate information in the annual report.

(2-A) Significant Accounting Policies

i) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

ii) Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these consolidated financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Notes forming part of the Consolidated Financial Statements

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. The Goodwill is determined separately for each subsidiary company and such amounts are not set off between different entities.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Sr. No.	Name of Subsidiary Company	Country of Incorporation	Extent of Holding/ Voting Power (%) as on March 31, 2022
1	IMPCO S DE RL DE C.V.	Mexico	100
2	Guangdong Symphony Keruilai Air Coolers Co., Limited	China	100
3	Symphony AU Pty. Limited	Australia	95
4	Climate Technologies Pty. Limited	Australia	95
5	Bonaire USA LLC	USA	95
6	Symphony Climatizadores Ltda	Brazil	100

iv) Use of Estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and

Notes forming part of the Consolidated Financial Statements

reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

v) Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

vi) Revenue Recognition

a) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any.

b) Customer loyalty programme

The Group has a loyalty points programme, reward Points, which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer.

A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative standalone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

When estimating the standalone selling price of the loyalty points, the Group considers the likelihood that the customer will redeem the points. The Group updates its estimates of the points that will be redeemed on an annual basis and any adjustments to the contract liability balance are charged against revenue.

c) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is

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the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

vii) Leases

Effective from April 01, 2019, the Group adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

viii) Foreign currencies

In preparing the consolidated financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit or loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless

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exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

ix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

x) Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

xi) Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

xii) Taxation

Income tax expense represents the sum of the current tax payable and deferred tax.

Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Notes forming part of the Consolidated Financial Statements

xiii) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Useful lives of tangible assets

Estimated useful lives of the Plant Property Equipment are as follows:

Buildings	10-60 years
Plant & Machinery	5-20 years
Vehicles / Transportation equipments	4-8 years
Furniture and fixtures, Computers & Office Equipment	3-10 years

Capital work in progress is stated at cost less accumulated impairment loss, if any.

xiv) Intangible Fixed Assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred

Notes forming part of the Consolidated Financial Statements

from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Software	6 years
Trademarks	5 years
Designs	5 years
Copy Rights	5 years

xv) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

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xvi) Inventories

Raw materials and traded goods are valued at lower of cost or net realizable value. The costs of these items of inventory comprises of cost of purchase and other incidental costs incurred to bring the inventories to their present location and condition. However, raw materials are written down below cost only when the finished product to which they belong are written down below cost and the replacement cost of that raw material is lower than cost. Cost of raw materials and traded goods are determined on "Moving Average" basis.

Work-in-process and Finished goods are valued at lower of cost or net realizable value. The cost includes direct materials, labour, other direct costs and related production overheads based on normal operating capacity. Cost is determined on "Moving Average" basis.

xvii) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

xviii) Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Group's obligation.

xix) Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

xx) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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For the impairment policy on financial assets measured at amortised cost, refer paragraph on Impairment of financial assets.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to statement of profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph on Impairment of financial assets.

All other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

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Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

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On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

xxi) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

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Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

xxii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

xxiii) Earnings per Share

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xxiv) Statement of Cash Flows

Statement of Cash flows is reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

xxv) Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(2-B) Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control

Notes forming part of the Consolidated Financial Statements

of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets (including goodwill)

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the CGU, are disclosed and further explained in note 40.

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 19.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 41.

Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 48 for further disclosures.

Depreciation / amortisation and useful lives of property, plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

Notes forming part of the Consolidated Financial Statements

(3) Property, Plant and Equipment, Capital Work-In-Progress & Other Intangible Assets (contd.)

Capital Work-in-Progress (CWIP) Ageing

(₹ in Crores)

CWIP	As at March 31, 2022					As at March 31, 2021				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	-	-	-	-	-	0.46	-	-	-	0.46
Total	-	-	-	-	-	0.46	-	-	-	0.46

There are no projects which are temporarily suspended

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development Ageing

(₹ in Crores)

Intangible assets under development	As at March 31, 2022					As at March 31, 2021				
	Amount in intangible assets under development for a period of					Amount in intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	0.34	-	-	-	0.34	0.02	-	-	-	0.02
Total	0.34	-	-	-	0.34	0.02	-	-	-	0.02

There are no projects which are temporarily suspended

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan

Notes forming part of the Consolidated Financial Statements

(4) Non-Current Investments

(₹ in Crores)

Particulars	As at 31/03/2022		As at 31/03/2021	
	Nos.		Nos.	
Other Investments				
Quoted Investments				
In fully paid up bonds at FVTOCI				
Tax Free Bond of HUDCO Ltd. 7.39% 08-02-2031	86,477	10.43	86,477	10.59
Tax Free Bond of HUDCO Ltd. 7.39% 15-03-2031	1,00,000	12.19	1,00,000	11.08
Tax Free Bond of IRFC Ltd. 7.35% 22-03-2031	30,000	3.65	30,000	3.31
Tax Free Bond of IRFC Ltd. 7.28% 21-12-2030	24,157	4.23	24,157	3.03
Tax Free Bond of NABARD 7.35% 23-03-2031	1,20,000	15.24	1,20,000	14.50
Tax Free Bond of NHAI 7.28% 18-09-2030	100	11.79	100	10.91
Tax Free Bond of NHAI 8.30% 25-01-2027	50,000	6.08	50,000	5.96
Tax Free Bond of NHAI 8.50% 05-02-2029	75,000	9.13	75,000	9.36
Tax Free Bond of NHAI 7.39% 09-03-2031	1,10,000	13.39	1,10,000	13.38
Tax Free Bond of NHB 8.46% 30-08-2028	100	12.08	100	11.99
Tax Free Bond of NTPC Ltd. 7.37% 05-10-2035	60,000	7.69	60,000	7.76
Tax Free Bond of REC Ltd. 8.46% 24-09-2028	50,000	6.50	50,000	6.45
In fully paid non convertible debentures at FVTOCI				
HDFC Ltd 5.40% NCD	250	24.99	250	25.11
In fully paid non convertible debentures at FVTPL				
REC Ltd-5.36% MLD	150	16.50	150	15.75
Shriram City Union Finance Limited MLD 8.65%	-	-	100	10.15
Assem Infra Ltd MLD	148	14.89	-	-
In fully paid cumulative redeemable preference shares at FVTOCI				
IL&FS Ltd.	-	-	6,700	10.04
IL&FS Ltd.	-	-	2,699	4.18
IL&FS Ltd.	-	-	680	1.05
IL&FS Ltd.	-	-	660	1.02
Less: Provision for impairment on Investments				(16.29)
		168.78		159.33
Aggregate carrying value of quoted investments		168.78		175.62
Aggregate market value of quoted investments		168.78		175.62
Aggregate amount of impairment in value of investments				(16.29)

For category-wise classification of Non-Current Investments Refer note 47.

- The Group has pledged tax free bonds worth ₹100.32 crores (Previous year ₹96.33 crores) out of the above mentioned investments in favour of Standard Chartered Bank, India towards issuance of standby letter of credit upto ₹73.46 crores (Previous year ₹83.82 crores) as security in respect of working capital facility availed by Climate Technologies Pty. Limited, Australia (Wholly owned subsidiary of Symphony AU Pty. Limited, Australia) (Refer note no. 8 & 20).
- The Group has pledged HDFC Ltd NCD worth ₹20.99 crores (Previous year ₹ Nil) out of the above mentioned investments in favour of ICICI Bank as security in respect of working capital facility availed by the Parent Company (Refer note no. 20).

Notes forming part of the Consolidated Financial Statements

(5) Other Non-Current Financial Assets

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Balance held as Margin Money	0.07	0.09
Deposit Others	0.58	0.53
	0.65	0.62

(6) OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Unsecured, considered good		
Capital advances	0.79	3.33
Prepaid expenses	0.18	0.81
Other loans and advances		
Balance with statutory / government authorities	0.02	0.02
	0.99	4.16

(7) Inventories

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Raw materials (Including Packing Material) (Including Goods in Transit ₹0.02 crores, Previous year ₹0.08 crores)	46.15	31.21
Work-in-Progress	0.79	1.02
Finished Goods (Including Goods in Transit ₹4.9 crores, Previous year ₹8.61 crores)	23.96	35.12
Stock-In-Trade (Including Goods in Transit ₹37.92 crores, Previous year ₹6.86 crores)	102.31	51.03
	173.21	118.38

(8) Other Investments

(₹ in Crores)

Particulars	As at 31/03/2022		As at 31/03/2021	
	Nos.		Nos.	
Current Investments				
Quoted Investments				
In fully paid non convertible debentures at FVTPL				
Mindspa B Park MLD	100	11.05	-	-
Shriram City Union Finance Limited MLD 8.65%	150	16.70	-	-
In fully paid cumulative redeemable preference shares at FVTOCI				
IL&FS Ltd.	-	-	3,123	4.14
IL&FS Ltd.	-	-	800	1.07
Less: Provision for impairment on Investments		-		(5.21)

Notes forming part of the Consolidated Financial Statements

(8) Other Investments (contd.)

(₹ in Crores)

Particulars	As at 31/03/2022		As at 31/03/2021	
Unquoted Investments				
Investment in Mutual Funds at FVTPL				
BBVA BANCOMER S.A.-BMRGOBP Series E	1,10,356	0.59	6,30,394	3.16
Aditya Birla Sun Life- AF - DG	37,45,923	8.52	-	-
AxisArbitrage Fund-G	55,61,817	9.00	-	-
ICICI Prudential Equity – Arbitrage Fund	-	-	1,28,50,975	36.05
Invesco (I) ARB - DG	36,93,669	10.04	-	-
Kotak Equity Arbitrage-Direct	-	-	1,02,70,329	31.10
L&TArbit.Oppo.-Dir-G	-	-	2,12,99,147	33.19
Nippon (I) ARB-DG	1,09,80,739	25.07	-	-
Tata Arbitrage-Dir-G	3,62,74,958	43.48	2,81,06,893	32.24
ICICI Prudential Corporate Bond Fund	78,92,245	19.40	78,92,245	18.55
DSP BlackRock Ultra Short Term Fund-Growth	-	-	85,136	24.30
DSP Floater Fund-Direct Growth	49,73,441	5.22	49,73,441	5.00
HDFC Ultra Short Term Fund-Growth	35,68,733	4.43	-	-
IDFC Bank&PSU Debt-G	1,01,50,181	20.71	-	-
IDFC Corporate Bond Fund-Growth	1,71,71,863	27.54	1,71,71,863	26.22
IDFC Ultra Short Term Fund-Growth	-	-	84,37,613	10.10
Kotak Float.Ra-Dir-G	1,33,118	16.34	1,33,118	15.40
Kotak Savings Fund - Direct - Growth	60,49,099	21.80	34,59,755	12.00
L&TTripleAceBo-Dir-G	17,14,151	10.78	17,14,151	10.22
Nippon Ban.&PSUDir-G	1,59,23,161	27.47	1,59,23,161	26.15
Nippon (I) Floating	54,27,661	20.49	-	-
Aditya Birla Sun Life Saving Fund -G	2,19,346	9.77	-	-
Axis Ultra ST Fund-G	78,32,381	9.77	-	-
AxisTreasy.AdvFu-D-G	-	-	42,689	10.60
SBI Floating Rate	96,37,794	10.27	-	-
SBIMag.Low Dura. F-G	-	-	40,294	11.27
Trust LiquidFu-Dir-G	27,264	2.81	-	-
Investment in ICD at amortised cost				
LICHousFinLtdCD5.65%		-		19.54
		331.25		325.09
Aggregate carrying value of quoted investments		27.75		5.21
Aggregate market value of quoted investments		27.75		5.21
Aggregate carrying value of unquoted investments		303.50		325.09
Aggregate amount of impairment in value of investments		-		(5.21)

For category-wise classification of Current Investments Refer note 47.

Notes forming part of the Consolidated Financial Statements

(8) Other Investments (contd.)

- i) The Group has pledged mutual funds worth ₹10.78 crores (Previous year ₹10.22 crores) out of the above mentioned investments in favour of Standard Chartered Bank, India towards issuance of standby letter of credit upto ₹73.46 crores (Previous year ₹83.82 crores) as security in respect of working capital facility availed by Climate Technologies Pty. Limited, Australia (Wholly owned subsidiary of Symphony AU Pty. Limited, Australia) (Refer note no. 4 & 20).
- ii) The Group has pledged mutual fund units worth ₹61.17 crores (Previous year ₹58.26 crores) out of the above mentioned investments in favour of Standard Chartered Bank, UK as collateral in respect to acquisition loan availed by Symphony AU Pty Limited, Australia as per terms of the amendment and restatement agreement with the Bank.

(9) Trade Receivables

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Considered good - Unsecured	217.18	175.31
Less : Allowances for expected credit loss	(9.49)	(9.17)
Considered good - Unsecured	207.69	166.14
Credit impaired	0.41	0.96
Less : Allowances for credit impaired	(0.41)	(0.96)
Credit impaired	-	-
	207.69	166.14

Movement in Allowance for credit loss

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Balance at beginning of the year	10.13	0.77
Allowance for credit impairment during the year	0.51	10.10
Trade receivables written off during the year	(0.74)	(0.74)
Balance at end of the year	9.90	10.13

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Trade receivables ageing schedule for March 31, 2022 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment						Total
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	179.27	24.91	1.07	11.93	0.00	0.00	217.18
2	Undisputed Trade receivables - credit impaired	-	-	-	0.32	-	-	0.32

Notes forming part of the Consolidated Financial Statements

(9) Trade Receivables (contd.)

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment						Total
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
3	Disputed Trade receivables - credit impaired	-	0.00	0.01	0.04	0.04	0.00	0.09
	Total	179.27	24.91	1.08	12.29	0.04	0.00	217.59
	Less: Allowance for credit loss							9.90
	Total Trade Receivables							207.69

Trade receivables ageing schedule for March 31, 2021 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment						Total
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	145.44	17.55	2.03	10.27	0.02	0.00	175.31
3	Undisputed Trade receivables - credit impaired	-	0.01	0.95	0.00	-	-	0.96
	Total	145.44	17.56	2.98	10.27	0.02	0.00	176.27
	Less: Allowance for credit loss							10.13
	Total Trade Receivables							166.14

Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

(10) Cash & Cash Equivalents

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Cash and Cash Equivalents		
Cash on Hand	0.07	0.09
Balance with employees Imprest account	0.43	0.32
Balance with banks in current accounts	63.41	34.14
	63.91	34.55

Notes forming part of the Consolidated Financial Statements

(10) Cash & Cash Equivalents (contd.)

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Other Bank Balances		
In Earmarked Accounts		
Unpaid Dividend Accounts	3.13	3.72
Margin Accounts	0.22	0.22
Unpaid CSR Accounts	0.29	-
	67.55	38.49

(11) Other Financial Assets

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Export Incentive Receivable	1.88	1.16
Derivative Assets	4.66	-
Others	0.49	0.05
	7.03	1.21

(12) Other Current Assets

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Advance for supply of goods and rendering of services		
Unsecured, considered good	31.75	28.18
Unsecured, considered doubtful	0.82	0.47
Less: Provision for doubtful Advances	(0.82)	(0.47)
Prepaid expenses	2.32	6.68
Balance with statutory / government authorities	14.30	8.01
	48.37	42.87

(13) Equity Share Capital

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Authorised :		
7,50,00,000 Equity Shares of ₹2/- each	15.00	15.00
Issued, Subscribed & Paid up :		
6,99,57,000 (Previous year: 6,99,57,000) Equity Shares of ₹2/- each fully paid up	13.99	13.99
	13.99	13.99

Notes forming part of the Consolidated Financial Statements

(13) Equity Share Capital (contd.)

The Parent Company has only one class of shares referred to as equity shares having a par value of ₹2/-, rank pari passu in all respects including voting rights and entitlement to dividend.

The Parent Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors of the Parent Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive assets of the Company of the Parent Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Parent Company has allotted 349,78,500 bonus equity shares of ₹2/- each fully paid up on September 17, 2016 in the proportion of one (1) bonus equity share for every fully Paid up equity share (1:1). As a result of the bonus issue the Paid up capital of the Parent Company stands increased to ₹13.99 crores from ₹7.00 crores.

The details of shareholder holding more than 5% shares as at March 31, 2022 is set out below

Name of the shareholder	No. of shares	% held as at March 31, 2022	No. of shares	% held as at March 31, 2021
Mr. Achal A. Bakeri	2,92,61,600	41.83%	2,92,61,600	41.83%
Ms. Rupa A. Bakeri	70,92,940	10.14%	70,92,940	10.14%
Sanskrit Tradecom Private Limited	1,24,83,200	17.84%	1,24,83,200	17.84%
Axis Mutual Fund Trustee Limited	36,73,086	5.25%	35,83,027	5.12%

Shareholding of Promoters

Name of the Promoters	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Achal Anil Bakeri	2,92,61,600	41.83%	2,92,61,600	41.83%

For the purpose of this disclosure, definition of promoter as per the Companies Act, 2013 has been considered.

The reconciliation of the number of shares outstanding as at March 31, 2022 is set out below

Particulars	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	Amount (₹ in Crores)	No. of Shares	Amount (₹ in Crores)
Opening Balance	6,99,57,000	13.99	6,99,57,000	13.99
Add: Issued during the year	-	-	-	-
Closing Balance	6,99,57,000	13.99	6,99,57,000	13.99

Notes forming part of the Consolidated Financial Statements

(14) Other Equity

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
General Reserve	35.00	35.00
Capital Reserve	9.05	9.05
Reserve for Debt Instruments through Other Comprehensive Income	9.63	5.50
Translation Reserve	10.87	6.37
Retained Earnings	760.93	689.31
	825.48	745.23

14.1 General Reserve

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Closing balance	35.00	35.00

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

14.2 Capital Reserve

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Closing balance	9.05	9.05

14.3 Reserve for Debt Instruments through Other Comprehensive Income

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Opening balance	5.50	(0.49)
Net fair value gain on investments in debt instruments at FVTOCI	4.68	4.74
Income tax on net fair value gain on investments in debt instruments at FVTOCI	(0.55)	(0.56)
Cumulative gain reclassified to profit or loss on sale of debt instruments at FVTOCI	-	2.07
Income tax on gain reclassified to profit or loss on sale of debt instruments at FVTOCI	-	(0.26)
Closing balance	9.63	5.50

This reserve represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or impairment losses on such instruments.

Notes forming part of the Consolidated Financial Statements

(14) Other Equity (contd.)

14.4 Translation Reserve

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Opening balance	6.78	(7.00)
Movement during the year	4.58	13.78
Closing balance	11.36	6.78

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly and accumulated in the foreign currency translation reserve.

14.5 Retained Earnings

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Opening balance	689.31	588.66
Profit for the year	120.31	107.34
Other Comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.28	0.31
Dividend on Equity Shares	(48.97)	(7.00)
Closing balance	760.93	689.31

The Board of Directors have recommended a final dividend of ₹6/- (300%) per equity share of ₹2/- each amounting to ₹41.97 cr. for FY 21-22. The total dividend for FY 21-22 aggregates to ₹9/- (450%) per equity share of ₹2/- each amounting to ₹62.96 cr. which includes two interim dividends of ₹3/- (150%) per equity share paid during the year. The final dividend is subject to approval by shareholders at the ensuing Annual General Meeting of the Group.

The portion of profits not distributed among the shareholders are termed as retained earnings. The Group may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Group.

(15) Non-controlling Interests

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Opening balance	4.71	4.25
Profit for the year	0.55	0.04
Translation Reserve	0.08	0.41
Closing balance	5.34	4.70

Notes forming part of the Consolidated Financial Statements

(16) Non-Current Borrowings

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Secured		
Loan from Bank	113.01	139.70
	113.01	139.70

This represents loan taken from Standard Chartered Bank in Australian dollars for acquisition of subsidiary company in Australia. The loan is repayable in six half yearly equal installment of AUD 2.5 Millions starting from July 2022 and balance amount of AUD 10 Millions is repayable in July 2025. The loan is secured by pledge of 17,480,000 (previous year 17,480,000) ordinary shares having FV of AU\$ 1 each of Symphony AU Pty. Limited, Australia held by Symphony Limited, India and Corporate Guarantee of ₹155.39 crores ((Previous year ₹153.67 crores) issued by Symphony Limited, India in favour of Standard Chartered Bank, UK and mutual fund units worth ₹61.17 crores (Previous year ₹58.26 crores) held by Symphony Limited pledged in favour of Standard Chartered Bank, UK.

The Group has not defaulted on any loans payable.

(17) Other Non-Current Financial Liabilities

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Lease liabilities	21.53	26.03
Trade Deposits	0.54	-
	22.07	26.03

(18) Long-Term Provisions

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Provision for		
Employee benefits (Refer note (i) below)	5.27	6.50
Warranty (Refer note (ii) below)	4.27	4.22
	9.54	10.72

- (i) The provision for employee benefits includes gratuity, seniority premium, leave encashment and pension plan. For detailed disclosures, refer note no. 41.
- (ii) The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. For movement refer note 24(ii).

Notes forming part of the Consolidated Financial Statements

(19.1) Deferred Tax Liabilities/(Assets) (Net) - Parent Company

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Deferred Tax Liabilities/(Assets) on		
(i) Property, plant and equipment and intangible assets	6.85	5.97
(ii) Financial Assets at FVTOCI	1.28	0.73
(iii) Financial Assets at FVTPL	3.41	2.30
(iv) Derivative Assets	0.02	-
(v) Financial Liabilities measured on inception	0.10	-
(vi) Impairment allowance on financial assets	(0.39)	(2.89)
(vii) Provision for doubtful advances	(0.35)	(0.39)
(viii) Carry forward tax losses	(1.60)	-
Deferred Tax Liabilities/(Assets) Net	9.32	5.72

(19.2) Deferred Tax Liabilities/(Assets) (Net) - Australian/Mexican subsidiaries

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Deferred Tax Liabilities/(Assets) on		
(i) Property, plant and equipment and intangible assets	22.17	23.70
(ii) Tax effect on non deductible expenses	(12.71)	(14.30)
(iii) Carry forward tax losses	(7.92)	(16.49)
(iv) Others	(2.83)	(1.96)
Deferred Tax Liabilities/(Assets) Net	(1.29)	(9.05)

Movement of Deferred Tax Liabilities / Assets

For the year ended March 31, 2022 - Parent Company

(₹ in Crores)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	5.97	0.88	-	-	6.85
(ii) Financial Assets at FVTOCI	0.73	-	0.55	-	1.28
(iii) Financial Assets at FVTPL	2.30	1.11	-	-	3.41
(iv) Derivative Assets	-	0.02	-	-	0.02
(v) Financial Liabilities measured on inception	-	0.10	-	-	0.10
(vi) Impairment allowance on financial assets	(2.89)	2.50	-	-	(0.39)
(vii) Remeasurements of the defined benefit plans	-	0.04	(0.04)	-	-

Notes forming part of the Consolidated Financial Statements

(19) Deferred Tax Liabilities/(Assets) (Net) (contd.)

(₹ in Crores)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
(viii) Provision for doubtful advances	(0.39)	0.04	-	-	(0.35)
(ix) Carry forward tax losses	-	(1.60)	-	-	(1.60)
Deferred Tax Liabilities/(Assets) Net	5.72	3.09	0.51	-	9.32

For the year ended March 31, 2022 - Australian/Mexican subsidiaries

(₹ in Crores)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	23.70	(1.53)	-	-	22.17
(ii) Tax effect on non deductible expenses	(14.30)	1.42	0.17	-	(12.71)
(iii) Carry forward tax losses	(16.49)	8.57	-	-	(7.92)
(iv) Others	(1.96)	(0.87)	-	-	(2.83)
(v) Exchange difference on foreign operations	-	(0.01)	-	0.01	-
Deferred Tax Liabilities/(Assets) Net	(9.05)	7.58	0.17	0.01	(1.29)

For the year ended March 31, 2021 - Parent Company

(₹ in Crores)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	5.56	0.41	-	-	5.97
(ii) Financial Assets at FVTOCI	(0.09)	-	0.56	0.26	0.73
(iii) Financial Assets at FVTPL	1.52	0.78	-	-	2.30
(iv) Impairment allowance on financial assets classified as FVTOCI	(2.89)	-	-	-	(2.89)
(v) Remeasurements of the defined benefit plans	-	(0.12)	0.12	-	-
(vi) Provision for doubtful advances	(0.15)	(0.24)	-	-	(0.39)
Deferred Tax Liabilities/(Assets) Net	3.95	0.83	0.68	0.26	5.72

Notes forming part of the Consolidated Financial Statements

(19) Deferred Tax Liabilities/(Assets) (Net) (contd.)

For the year ended March 31, 2021 - Australian/Mexican subsidiaries

(₹ in Crores)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	20.51	3.19	-	-	23.70
(ii) Tax effect on non deductible expenses	(6.17)	(8.10)	(0.03)	-	(14.30)
(iii) Carry forward tax losses	(11.33)	(5.16)	-	-	(16.49)
(iv) Others	(0.17)	(1.79)	-	-	(1.96)
(v) Exchange difference on foreign operations	-	0.02	-	(0.02)	-
Deferred Tax Liabilities/(Assets) Net	2.84	(11.84)	(0.03)	(0.02)	(9.05)

(20) Current Borrowings

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Secured		
Loan from Bank (Refer note (i) to (iii) below)	106.32	44.30
Unsecured		
Loan from Bank (Refer note (iv) below)	2.14	-
	108.46	44.30

- (i) ₹37.66 crores (previous year ₹44.30 crores) represents working capital loan availed from Westpac Bank by Climate Technologies Pty. Limited, Australia. The same loan is against issuance of Stand by Letter of Credit by Standard Chartered Bank, India for which Symphony India has pledged tax free bonds/mutual fund units as security (Refer Note No. 4 & 8).
- (ii) ₹28.25 crores represents current portion of loan availed from Standard Chartered Bank, UK in Australian dollars for acquisition of subsidiary company in Australia (Refer Note No. 4 & 8).
- (iii) ₹40.41 crores (previous year ₹ Nil) represents working capital loan availed in the form of Export Packing Credit and Post Shipment Credit-INR by Symphony India from ICICI Bank. The Group has pledged HDFC Ltd NCD as security (Refer Note No. 4).
- (iv) ₹2.14 crores (previous year ₹Nil) represents working capital loan availed from Bank of Bajio by IMPCO, Mexico.

The Group has not defaulted on any loans payable.

The Parent Company has filed the quarterly stock details and other stipulated information with the bank which are in agreement with the books of accounts and there are no material discrepancies.

Notes forming part of the Consolidated Financial Statements

(21) Trade Payables

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	4.03	1.86
- Total outstanding dues of creditors other than micro enterprises and small enterprises	145.33	133.88
	149.36	135.74

Trade payables ageing schedule for March 31, 2022 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment						Total
		Unbilled Dues	No Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
1	MSME - Undisputed	0.27	-	3.76	-	-	-	4.03
2	Others - Undisputed	74.24	42.77	26.77	0.12	0.10	1.33	145.33
	Total	74.51	42.77	30.53	0.12	0.10	1.33	149.36

Trade payables ageing schedule for March 31, 2021 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment						Total
		Unbilled Dues	No Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
1	MSME - Undisputed	0.23	-	1.63	-	-	-	1.86
2	Others - Undisputed	56.69	49.03	26.28	0.56	0.07	1.25	133.88
	Total	56.92	49.03	27.91	0.56	0.07	1.25	135.74

There are no "Disputed" trade payables, hence the same are not disclosed in ageing schedule

(22) Other Financial Liabilities

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Trade deposits	1.33	1.73
Unclaimed dividends	3.13	3.72
Creditors for capital goods	0.11	0.04
Unpaid CSR Amounts	0.29	-
Lease liabilities	11.47	8.74
Derivative liabilities	-	0.94
	16.33	15.17

Notes forming part of the Consolidated Financial Statements

(22) Other Financial Liabilities (contd.)

Disclosure with regards to changes in liabilities arising from financing activities as per Ind AS 7 Statement of Cash Flows:

Change in liabilities arising from financing activities

(₹ in Crores)

Particulars	Borrowings	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend)	Total
Balance as at April 01, 2020	173.20	37.04	4.31	214.55
Cash Flows	(3.38)	(10.37)	(7.58)	(21.33)
Cancellation of Right-of-use asset	-	(1.28)	-	(1.28)
Foreign Exchange Movement	3.47	9.38	-	12.85
Charged to P&L during the year	10.71	-	-	10.71
Dividend recognised during the year ¹	-	-	6.99	6.99
Balance as at March 31, 2021	184.00	34.77	3.72	222.49
Adjustment due to adoption of Ind AS 116 - Leases	-	10.64	-	10.64
Cash Flows	28.55	(12.76)	(49.56)	(33.77)
Foreign Exchange Movement	-	0.35	-	0.35
Charged to P&L during the year	8.92	-	-	8.92
Dividend recognised during the period	-	-	48.97	48.97
Balance as at March 31, 2022	221.47	33.00	3.13	257.60

(23) Other Current Liabilities

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Advance from customers	38.13	44.36
Statutory dues	20.33	14.83
Deferred revenue (Refer note (i) below)	12.61	4.67
Other payables	0.24	0.11
	71.31	63.97

- (i) The deferred revenue arises in respect of the Group's Point Credits Scheme recognised in accordance with Ind AS 115 Customer Loyalty Programmes.

(₹ in Crores)

	Deferred revenue As at 31/03/2022	Deferred revenue As at 31/03/2021
Opening balance	4.67	3.29
Deferred during the year	12.20	4.67
Recognised as revenue during the year	(4.26)	(3.29)
Closing balance	12.61	4.67

Notes forming part of the Consolidated Financial Statements

(24) Provisions

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Provision for		
Employee benefits (Refer note (i) below)	6.00	4.02
Warranty (Refer note (ii) below)	8.82	6.87
	14.82	10.89

- (i) The provision for employee benefits includes gratuity, seniority premium, leave encashment and pension plan. For detailed disclosures, refer note no. 41.
- (ii) The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Group's obligations for warranties under local sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The movement in the warranty provision is as below:

(₹ in Crores)

	Warranty As at 31/03/2022	Warranty As at 31/03/2021
Opening balance	11.09	12.25
Additional provisions recognised	18.90	11.73
Reductions arising from payments	(17.81)	(10.43)
Reductions arising from remeasurement or settlement without cost	-	-
Foreign currency translation	0.91	(2.46)
Closing balance	13.09	11.09

(25) Current Tax Liabilities/(Assets) (Net)

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Tax liabilities		
Provision for income tax	35.12	35.81
Total	35.12	35.81
Tax assets		
Advance income tax	32.25	32.61
Total	32.25	32.61
Net	2.87	3.20

Notes forming part of the Consolidated Financial Statements

(26) Revenue From Operations

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Revenue from Sale of Products	1,034.92	897.28
Other Operating Revenue	4.16	2.56
	1,039.08	899.84
Sale of products comprises of :		
Air Coolers	804.10	703.76
Others	230.82	193.52
	1,034.92	897.28

Reconciliation of Revenue from sale of products & services with the contracted price

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Revenue as per contracted price	1,092.30	1,000.54
Adjustments		
Loyalty points	(8.16)	(1.03)
Sales return	(5.84)	(2.98)
Discount	(43.38)	(99.25)
Sale of products and Services	1,034.92	897.28

(27) Other Income

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Interest Income:		
Deposits (at amortised cost)	1.31	0.33
Investments in debt instruments measured at FVTOCI	7.59	6.72
Other financial assets carried at amortised cost	0.01	1.98
Other gains and losses		
Gain on disposal of property, plant and equipment	-	0.09
Gain on disposal of instruments designated at FVTOCI	-	0.00
Net Foreign Exchange gains	2.32	-
Mark to Market Gain	5.45	-
Net gain on disposal of instruments designated at FVTPL	8.26	9.29
Net gain on financial assets mandatorily measured at FVTPL	9.21	8.70
Other Non Operating Income	5.78	4.29
	39.93	31.40

Notes forming part of the Consolidated Financial Statements

(28) Cost of Materials Consumed

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Opening Stock of Raw Materials	31.23	31.37
Add: Purchases	212.92	237.94
Less: Closing Stock of Raw Materials	46.15	31.21
	198.00	238.10

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

(29) Purchase of Stock-In-Trade

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Air Coolers	320.06	206.79
Others	93.09	53.23
	413.15	260.02

(30) Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Opening Stock		
Work-in-Progress	1.02	1.28
Finished Goods	27.24	47.29
Stock-In-Trade	58.91	37.88
Less:		
Closing Stock		
Work-in-Progress	0.79	1.02
Finished Goods	23.96	35.12
Stock-In-Trade	102.31	51.03
	(39.89)	(0.72)

(31) Employee Benefits Expense

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Salaries, Wages and Bonus	104.61	92.22
Contribution to Provident Fund and Other Funds	8.67	8.34
Gratuity Expense (Refer Note no. 41)	1.53	1.48
Staff Welfare Expenses	1.06	1.01
	115.87	103.05

Notes forming part of the Consolidated Financial Statements

(32) Finance Costs

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Interest on bank loans	6.95	8.88
Interest expense on lease liability	1.73	1.64
Other interest expense	0.24	0.19
	8.92	10.71

(33) Other Expenses

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Stores and Spare parts consumed	0.12	0.15
Assembly and Labour Charges	8.86	12.74
Power and Fuel	0.54	0.69
Repairs & Maintenance		
Building	0.13	0.20
Machinery	2.11	1.92
Rent (Refer Note no. 39)	6.91	5.87
Rates & Taxes	0.33	0.44
Travelling	7.89	3.58
Conveyance	1.34	1.28
Communication Expenses	2.82	2.30
Insurance	5.69	5.66
Printing and stationery charges	0.88	0.50
Legal & Professional Charges	9.31	9.09
Payment to Auditors	1.23	1.35
Vehicle Expenses	1.07	0.70
CSR Expenditure	3.28	4.07
General Expenses	13.64	15.25
Repairs Others	0.27	0.25
Mark to Market Loss	-	0.39
Loss on disposal of property, plant and equipment	0.01	-
Guarantee Charges	-	0.36
Bank Charges	1.43	1.34
Foreign Exchange Fluctuation(Net)	-	3.38
Freight & Forwarding Charges	45.89	37.98
Warranty Expense	20.31	12.60
Sales Commission	10.00	11.97
CFA Handling Charges	1.49	1.22
VAT and Sales Tax	0.06	0.03
	145.61	135.31

Notes forming part of the Consolidated Financial Statements

(34) Earnings per share

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Face value of Equity Shares (₹)	2	2
Net Profit available for Equity Shareholders(₹ in Crores)	120.31	107.38
No. of Equity Shares	6,99,57,000	6,99,57,000
Basic and Diluted EPS (₹)	17.20	15.35

(35) Tax Expense

(35.1) Income tax recognised in statement of profit and loss

(₹ in Crores)

Sr. No.	Particulars	Year ended 31/03/2022	Year ended 31/03/2021
(a)	Current tax		
	In respect of the current year	35.25	35.67
	In respect of prior years	0.72	(0.90)
		35.97	34.77
(b)	Deferred tax		
	In respect of the current year	10.69	(11.01)
		10.69	(11.01)
	Total income tax recognised in statement of profit and loss	46.66	23.76

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crores)

Sr. No.	Particulars	Year ended 31/03/2022	Year ended 31/03/2021
	Profit before tax	167.53	131.14
	Income tax expense calculated at India's statutory tax rate 25.168% (Previous year 25.168%)	42.16	33.01
(a)	Effect of income that is exempt from taxation		
	Interest on tax free bonds	(1.75)	(1.75)
(b)	Effect of expense that are not deductible in taxable profit		
	Expenses in relation to exempt income	-	0.02
(c)	Effect of lower tax on capital gain from investment in Bonds & Market Linked Debentures	(0.62)	(0.15)
(d)	Effect of CSR Expenditure not allowed under income tax	0.83	1.02
(e)	Effect of unused tax losses and tax offsets not recognised as deferred tax assets	5.82	(6.99)
(f)	Others	(0.49)	(0.50)
	Current Year Income tax expense	45.95	24.66
	Prior Year Income tax expense	0.72	(0.90)
	Total income tax recognised in statement of profit and loss	46.67	23.76

Notes forming part of the Consolidated Financial Statements

(35) Tax Expense (contd.)

(35.2) Income tax recognised in Other Comprehensive Income

(₹ in Crores)

Sr. No.	Particulars	Year ended 31/03/2022	Year ended 31/03/2021
	Deferred tax		
(a)	Arising on income and expenses recognised in other comprehensive income:		
	Re-measurement of defined benefit obligation	0.13	0.09
	Net fair value gain on investments in debt instruments at FVTOCI	0.55	0.56
	Total income tax recognised in other comprehensive income	0.68	0.65
	Bifurcation of the income tax recognised in other comprehensive income into:-		
	Items that will not be reclassified to profit or loss	0.13	0.09
	Items that may be reclassified to profit or loss	0.55	0.56
		0.68	0.65

(36) Contingent Liabilities and Commitments (to the extent not provided for) :

(i) Contingent Liabilities:

(₹ in Crores)

Sr. No.	Particulars	2021-22	2020-21
a)	Claims against the Group not acknowledged as debt.	0.07	0.07
b)	Demand on account of VAT / sales tax matters.	0.05	0.07
c)	Demand on account of Income Tax matters.	0.85	0.85
d)	Demand on account of central excise matters.	1.39	1.41
		2.36	2.40

In respect of the above matters the management is reasonably confident that no material liability will devolve on the Group and hence not recognised in the books of account.

(ii) Commitments :

(₹ in Crores)

Particulars	2021-22	2020-21
a) Estimated amount of Property, plant and equipment contracts remaining to be executed and not provided for.	0.27	2.72

Notes forming part of the Consolidated Financial Statements

(37) Segment Reporting

(a) Primary Segment :

As per recognition criteria mentioned in Ind AS - 108, Operating Segments, the Group has identified only one operating segment i.e. Air Cooling and Other Appliances Business. However substantial portion of Corporate Funds remained invested in various financial instruments. The Group has considered Corporate Funds as a separate segment so as to provide better understanding of performance of Air Cooling and Other Appliances Business.

(₹ in Crores)

Particulars	2021-22	2020-21
(1) Segment Revenue		
Air Cooling and Other Appliances	1,052.85	904.52
Corporate Funds	26.16	26.72
Un-allocable	-	-
Total	1,079.01	931.24
(2) Segment Profit before Interest and Taxes (PBIT)		
Air Cooling and Other Appliances	150.63	115.45
Corporate Funds	25.81	26.40
Un-allocable	-	-
Total	176.44	141.85
Less: Finance Costs	8.92	10.71
Less: Taxes	46.66	23.76
Total Profit After Tax	120.86	107.38
(3) Segment Assets		
Air Cooling and Other Appliances	867.72	738.34
Corporate Funds	499.43	481.26
Un-allocable	-	-
Total	1,367.15	1,219.60
(4) Segment Liabilities		
Air Cooling and Other Appliances	522.34	455.68
Corporate Funds	-	-
Un-allocable	-	-
Total	522.34	455.68
(5) Capital Employed		
Air Cooling and Other Appliances	458.39	422.36
Corporate Funds	499.43	481.26
Total	957.82	903.62

(b) Secondary Segment : Geographical segment

(₹ in Crores)

Particulars	2021-22	2020-21
(1) Segment Revenue		
India	511.98	431.35
Rest of the world	527.10	468.49
Revenue from operations	1,039.08	899.84

Notes forming part of the Consolidated Financial Statements

(37) Segment Reporting (contd.)

(₹ in Crores)

Particulars	2021-22	2020-21
(2) Segment Profit before Interest and Taxes (PBIT)		
India	106.77	131.34
Rest of the world	69.67	10.51
Total	176.44	141.85
Less: Finance Costs	8.92	10.71
Less: Taxes	46.66	23.76
Total Profit After Tax	120.86	107.38

Secondary Segment Capital Employed :

Property, plant & equipment used in the Group's business and liabilities contracted have not been identified with any of the reportable segments, as the Property, plant & equipment and services are used interchangeably between segments. The Group believes that it is not practical to provide secondary segment disclosures relating to Capital employed.

(38) Related Party Disclosures

(₹ in Crores)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2021-22		2020-21	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
1	Elephant Design Private Limited	Enterprise in which Director has significant influence	Consultancy Expense & reimbursement of Travelling Expense	0.20	0.02	0.35	-
2	Key Management Personnels *	Key Management Personnels	Short-term benefits	5.80	2.86	2.00	0.89
			Post-employment benefits#	0.15		0.12	
3	Independent Directors**	Independent Directors	Sitting Fees	0.12	-	0.08	-

The above remuneration does not include Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

* List of Key Management Personnels

Name	Category of directorship
Mr. Achal Bakeri	Chairman & Managing Director
Mr. Nrupesh Shah	Executive Director
Mr. Amit Kumar (w.e.f. 02-08-2021)	Executive Director
Mr. Mayur Barvadiya	Company Secretary
Mr. Bhadresh Mehta (Till 30-09-2021)	Chief Financial Officer
Mr. Girish Thakkar (w.e.f. 01-10-2021)	Chief Financial Officer

Notes forming part of the Consolidated Financial Statements

(38) Related Party Disclosures (contd.)

** List of Independent Directors

Name	Category of directorship
Mr. Naisadh Parikh	Independent Director
Mr. Ashish Despande	Independent Director
Ms. Reena Bhagwati	Independent Director
Mr. Santosh Nema	Independent Director

Policy on dealing with Related party transactions:

The Group has made a list of related parties after considering the requirements and based on the annual declaration received from individuals like Directors and Key Managerial Personnel (KMP). All related party transactions are reported and referred for approval to the Audit Committee as per section 177 of the Companies Act, 2013. The Audit committee may grant general approval for repetitive related party transactions. Such general approval will be valid for a period of one year and a fresh approval shall be taken for every financial year. As per section 188 of the Companies Act, 2013, the consent of the Board/Shareholders' approval is required, by a special resolution in a general meeting, for entering into the specified transactions with a related party, if they are not in ordinary course of business of the Group or at arm's length and exceeds the threshold limits as specified in the Act.

(39) Leases

39.1 : Leasing Arrangement

Effective from April 01, 2019, the Group adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

Right-of-use asset is related to

- i) Lease of land at Kandla SEZ for 48 months from Sept,16. The same is accounted for in accordance with Ind AS 116. Group has not renewed the said lease and has cancelled on July 31, 2020. Group has recognized loss on of ₹0.01 crore on cancellation of the said lease in statement of profit & loss account.
- ii) Factory rental located at China and Mexico pertaining to subsidiaries.
- iii) Lease of premises at 26 Nylex Avenue, Salisbury, Australia for a period of 7 years from July 2018.
- iv) Lease of premises at 444-446 South Gippsland Highway, Dandenong South, Australia for a period of 10 years from July 2009 which is renewed for further 3 years.
- v) Lease of Office equipments for australian subsidiary
- vi) Lease of premises at New Las Vegas, USA with a lease period of 3 year from 4th Nov 2020.

39.2 : Maturity Analysis of Lease Liabilities

(₹ in Crores)

Particulars	2021-22	2020-21
Not later than 1 year	11.47	8.74
Later than 1 year and not later than 5 years	21.53	26.03
	33.00	34.77

Notes forming part of the Consolidated Financial Statements

(39) Leases (contd.)

39.3 : Amount Recognised in Statement of Profit & Loss

(₹ in Crores)

Particulars	2021-22	2020-21
Interest on Lease Liabilities	1.73	1.64
Amortisation of ROU Assets	12.95	10.95
Expense related to Short-term Leases	6.48	5.87

39.4 : Amount Recognised in Statement of Cash Flows

(₹ in Crores)

Particulars	2021-22	2020-21
Under Financing activities (Repayment of lease liability)	(14.49)	(12.02)
Under Operating activities (Short term leases)	(6.48)	(5.87)
Total cash outflow for leases	(20.97)	(17.89)

39.5 : Lease Commitments for short-term leases

The Group has entered into Short term leases for CFA premises at various location of India, tenure of which is less than a year. There are no obligations or commitments with reference to such short term leases as at reporting date as such leases are cancellable at the discretion of lessee i.e. the Group.

(40) Goodwill

(₹ in Crores)

Particulars	2021-22	2020-21
Carrying value at the beginning of the year	161.39	135.97
Amount impaired during the year	-	-
Forex movement	1.72	25.42
Carrying value at the end of the year	163.11	161.39

The Group tests goodwill on an annual basis or based on an indicator. Based on the annual impairment test no provision towards impairment was required necessary. The recoverable amount is determined based on value-in-use calculations which is calculated as the net present value of forecasted cash flows of the cash generating unit (CGU) to which the goodwill is related.

The key assumptions for CGUs with significant amount of goodwill as follows:

- Projected cash flows for five years based on financial budgets/forecasts in line with the past experience. The perpetuity value and terminal value is taken based on the long term growth rate depending on macro economic growth factors.
- Discount rate applied to projected cash flow is 3.84%.

The Management, on the basis of above assumptions, optimistically, believes that any reasonable possible change in the key assumptions on which a recoverable amount is based would not cause the carrying amount to exceed its recoverable amount of the CGU.

Notes forming part of the Consolidated Financial Statements

(41) Employee Benefits

(A) Defined contribution plans

The Group makes provident fund contribution which is defined contribution plan, for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of payroll costs to fund the benefits. The Group recognised ₹1.59 crores (Year ended March 31, 2021 ₹1.43 crores) for provident fund contributions in the Statement of Profit and Loss. The contribution payable to this plan by the Group is at rate specified in the rule of the scheme.

(B) Defined benefit plans

The defined benefit plan of the Company includes entitlement of gratuity for each year of service until the retirement age.

The plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk:	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.
Interest risk:	A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Longevity risk:	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Salary risk:	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The Present value of gratuity obligations is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

I The principal assumptions used for the purposes of actuarial valuation were as follows:

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Expected return on plan assets	7.06%	-	-	6.86%	-	-
Discount rate	7.06%	7.25%	6.75%	6.86%	7.00%	7.25%
Rate of salary increase	7.00%	4.50%	4.50%	7.00%	4.50%	4.50%

Notes forming part of the Consolidated Financial Statements

(41) Employee Benefits (contd.)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Rate of employee turnover	For services 4 years and below 10.00% and For services 5 years and above 4.00%			For services 4 years and below 11.00% and For services 5 years and above 4.00%		
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban			Indian Assured Lives Mortality (2006-08) Ultimate		
Mortality rate after employment	N.A.			N.A.		

II Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in Crores)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Current service cost	1.16	0.03	0.14	1.12	0.03	0.13
Net interest expense	-	0.02	0.18	0.03	0.02	0.15
Components of defined benefit cost recognised in profit or loss	1.16	0.05	0.32	1.15	0.05	0.28
Actuarial (gains)/losses on obligation for the year	0.14	-	(0.55)	(0.51)	0.02	0.07
Return on plan assets (excluding interest income)	-	-	-	0.01	-	-
Components of defined benefit costs recognised in other comprehensive income	0.14	-	(0.55)	(0.50)	0.02	0.07
Total	1.30	0.05	(0.23)	0.65	0.07	0.35

Notes forming part of the Consolidated Financial Statements

(41) Employee Benefits (contd.)

III The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in Crores)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Present value of funded defined benefit obligation	(11.47)	(0.28)	(2.53)	(10.93)	(0.27)	(2.66)
Fair value of plan assets	11.35	-	-	10.90	-	-
Funded status	(0.12)	(0.28)	(2.53)	(0.03)	(0.27)	(2.66)
Net liability arising from defined benefit obligation	(0.12)	(0.28)	(2.53)	(0.03)	(0.27)	(2.66)

IV Movements in the present value of the defined benefit obligation are as follows:

(₹ in Crores)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gratuity	Seniority Premium	Pension Plan	Gratuity	Seniority Premium	Pension Plan
Opening defined benefit obligation	10.93	0.26	2.66	10.38	0.26	2.37
Current service cost	1.16	0.03	0.14	1.12	0.03	0.13
Interest cost	0.75	0.02	0.18	0.70	0.02	0.15
Benefits paid from the fund	(1.39)	-	-	(0.67)	-	-
Benefits paid directly by the employer	(0.12)	(0.05)	-	(0.10)	(0.06)	(0.06)
Actuarial (gains)/losses arising from changes in demographic assumptions	0.02	-	-	0.04	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(0.18)	(0.03)	(0.31)	(0.03)	-	0.05
Actuarial (gains)/losses arising from experience adjustments	0.30	0.03	(0.24)	(0.51)	0.02	0.02
Translation exchange difference	-	0.02	0.10	-	-	-
Closing defined benefit obligation	11.47	0.28	2.53	10.93	0.27	2.66

Notes forming part of the Consolidated Financial Statements

(41) Employee Benefits (contd.)

V Movements in the fair value of the plan assets are as follows:

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
	Gratuity	Gratuity
Opening fair value of plan assets	10.90	10.01
Interest income	0.75	0.68
Return on plan assets (excluding amounts included in net interest expense)	-	(0.01)
Contributions from the employer	1.09	0.89
Benefits paid	(1.39)	(0.67)
Closing fair value of plan assets	11.35	10.90

VI The fair value of the plan assets at the end of reporting period for each category are as follows:

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
	Gratuity	Gratuity
HDFC Group Traditional Plan	11.35	10.90
Closing fair value of plan assets	11.35	10.90

VII The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
	Gratuity	Gratuity
1st following year	1.28	1.25
2nd following year	0.70	0.92
3rd following year	0.82	1.06
4th following year	1.18	0.54
5th following year	0.80	1.07
Sum of years 6 to 10	4.93	4.58
Sum of years 11 and above	12.62	11.34

(42) Leave encashment

As per the policy followed by the Group except Symphony AU Pty Ltd., Australia all the leaves are enjoyable in the year itself. Therefore there is no liability of leave encashment existing at the end of the year. Accordingly no provision is made for leave encashment.

Symphony AU Pty Ltd., Australia has a policy on leave encashment. The expected cost of leave encashment is determined at present value on the additional amount expected to be paid as a result of unused entitlement that has accumulated at the balance sheet date.

Notes forming part of the Consolidated Financial Statements

(43) Exceptional Items

IMPCO S. de R.L. de C. V., Mexico has provided for doubtful debts during the year ended March 31, 2021 of ₹7.2 crores, estimated at 80% of the outstanding receivable from one of its top customers which has applied for bankruptcy in Mexican Court and the same has been shown as an exceptional item.

(44) The Group has considered the possible effects that may result from Covid19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of Covid19, the Group has, at the date of approval of the financial statements, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of Covid19 on Group's financial statements may differ from that estimated as at the date of approval of the same.

(45) Additional information pursuant to Schedule III of Companies Act, 2013.

(Previous year figures are in brackets)

(₹ in Crores)

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	98.51%	832.20	92.46%	111.75
	(99.46%)	(759.80)	(105.74%)	(113.54)
Subsidiaries:				
Foreign				
(1) IMPCO S DE RL DE CV, Mexico	6.40%	54.04	6.65%	8.04
	(5.71%)	(43.59)	(1.55%)	(1.66)
(2) Guangdong Symphony Keruilai Air Coolers Co., Limited, China	(-)6.74%	(56.96)	(-)8.29%	(10.02)
	((-)5.69%)	((-)43.47)	((-)7.81%)	(-8.38)
(3) Symphony AU Pty. Limited, Australia	2.77%	23.37	(-)1.02	(1.23)
	(1.72%)	(13.10)	((-)4.46%)	((-)4.79)
(4) Climate Technologies Pty. Limited, Australia	0.80%	6.76	14.44%	17.45
	((-)0.18%)	((-)1.42)	(3.52%)	(3.78)
(5) Bonaire USA LLC, USA	(-)1.65%	(13.95)	(-)4.39%	(5.31)
	((-)0.87%)	((-)6.69)	(1.66%)	(1.78)
(6) Symphony Climatizadores Ltda, Brazil	(-)0.09%	(0.65)	0.15%	0.18
	((-)0.15%)	((-)0.99)	((-)0.20%)	((-)0.21)
Total	100.00%	844.81	100.00%	120.86
	(100.00%)	(763.92)	(100.00%)	(107.38)

(46) The figures pertaining to subsidiary companies have been reclassified, where necessary, to bring them in line with the parent Company's financial statements.

Notes forming part of the Consolidated Financial Statements

(47) Financial Instruments

Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Group is not subject to any externally imposed capital requirements.

The management of the Group reviews the capital structure of the Group on regular basis.

The following table summarises the capital of the Group.

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Debts	221.47	184.00
Total Equity	839.47	759.22
Debt to equity ratio	26.38%	24.24%

Other disclosure pursuant to Ind AS 107 "Financial instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

(₹ in Crores)

Sr. No.	Particulars	As at 31/03/2022	As at 31/03/2021
I	Measured at fair value through Profit or Loss (FVTPL):		
(i)	Investment in mutual funds	303.50	305.55
(ii)	Investment in MLD	59.14	25.90
		362.64	331.45
II	Measured at amortised cost:		
(i)	Investment in CD	-	19.54
(ii)	Trade receivables	207.69	166.14
(iii)	Cash and cash equivalents and bank balances	67.55	38.49
(iv)	Other financial assets	7.68	1.83
		282.92	226.00
III	Measured at fair value through Other Comprehensive Income (FVTOCI):		
(i)	Investment in bonds	112.40	108.32
(ii)	Investment in NCD	24.99	25.11
		137.39	133.43
	Total	782.95	690.88

Notes forming part of the Consolidated Financial Statements

(47) Financial Instruments (contd.)

(b) Category-wise classification for applicable financial liabilities:

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Measured at amortised cost:		
(i) Borrowings	221.47	184.00
(ii) Trade payables	149.36	135.74
(iii) Lease liabilities	33.00	34.77
(iv) Other financial liabilities	5.40	6.43
Total	409.23	360.94

(48) Fair value measurements

(a) Fair value Hierarchy of the Group's financial assets that are measured at fair value on a recurring basis:

(₹ in Crores)

Particulars	As at 31/03/2022				As at 31/03/2021			
	Level1	Level2	Level3	Total	Level1	Level2	Level3	Total
I Financial assets at FVTPL								
(i) Investment in mutual funds	303.50	-	-	303.50	305.55	-	-	305.55
(ii) Investment in MLD	59.14	-	-	59.14	25.90	-	-	25.90
II Financial assets at FVTOCI								
(i) Investment in bonds & NCD	137.39	-	-	137.39	96.15	37.28	-	133.43
Total	500.03	-	-	500.03	427.60	37.28	-	464.88

Valuation technique and key inputs used to determine fair value:

- A. Level 1 : Mutual funds, Bonds, NCD - Quoted prices in active market.
- B. Level 2 : Bonds, NCD, Preference shares - The fair value is calculated using the discounted cash flow method. Risk free rate adjusted by applicable spread is used for discounting future cash flows.

(b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

I Financial assets measured at amortised cost

The carrying amount of Trade receivables, Loans, Cash and cash equivalents and bank balances & Other current financial assets are considered to be the same as their fair value due to their short term nature. The carrying amount of Other non-current financial assets are considered to be close to the fair value.

II Financial liabilities measured at amortised cost

The carrying amount of Trade payables and Other financial liabilities are considered to be the same as their fair values due to their short term nature.

Notes forming part of the Consolidated Financial Statements

(49) Financial Risk Management Objectives And Policies

Financial risk management objectives

The Group's management monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Group's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The most significant risks to which the Group is exposed are described below:

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates risk, liquidity risk, credit risk and price risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases and 24-month period for net investment hedges.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Group hedges its exposure to fluctuations on the translation into INR of its foreign operations by holding net borrowings in foreign currencies and by using foreign currency swaps and forwards.

The Group has taken an acquisition funding loan from Standard Chartered Bank at a fixed interest rate denominated in Australian Dollars. To insulate the Group from interest rate fluctuation, an Interest Swap agreement has been entered for the outstanding loan amount of AUD 25.000 millions (Previous year AUD 25.000 millions). During the year the effect of mark to market valuation gain/(loss) AUD 977,756 (₹5.36 crores) [previous year AUD (73,860) (₹(0.39) crores)] has been provided in the statement of profit and loss.

(All figures in crores)

Foreign currency exposure	As at March 31, 2022		As at March 31, 2021	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	0.89	0.06	0.49	-
AUD	-	-	-	0.02
NZD	0.01	-	0.01	-
CNY	-	-	-	0.00
THB	-	0.06	-	0.34

Notes forming part of the Consolidated Financial Statements

(49) Financial Risk Management Objectives And Policies (contd.)

Foreign currency sensitivity

The following table details the Group's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their transaction at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ in Crores)

Currency	As at March 31, 2022		As at March 31, 2021	
	5% increase	5% decrease	5% increase	5% decrease
Foreign currency monetary assets				
USD	(3.49)	3.49	(1.76)	1.76
AUD	-	-	(0.01)	0.01
NZD	(0.03)	0.03	-	-
Foreign currency monetary liabilities				
USD	0.24	(0.24)	0.30	(0.30)
AUD	-	-	0.05	(0.05)
CNY	-	-	0.00	(0.00)
THB	0.01	(0.01)	-	-
Impact on profit or loss at the end of the reporting year	(3.27)	3.27	(1.42)	1.42
Impact on total equity as at the end of the reporting year (net of tax)	(3.27)	3.27	(1.42)	1.42

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments (Bond, NCD, preference share and mutual fund), trade receivables, loans and advances.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Group periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Group manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue.

Notes forming part of the Consolidated Financial Statements

(49) Financial Risk Management Objectives And Policies (contd.)

Price risk

The Group's exposure to price risk arises from investments in Bond, NCD, preference share and mutual fund held by the Group and classified in the balance sheet at fair value through OCI and at fair value through profit or loss. To manage its price risk arising from investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Price risk sensitivity

The table below summarises the impact of increases / decreases of the index on the Group's equity and profit for the year.

(₹ in Crores)

	Movement in Rate	As at March 31, 2022		As at March 31, 2021	
		Impact on Profit	Impact on Other Comprehensive Income	Impact on Profit	Impact on Other Comprehensive Income
Bonds					
Increase	+2%	-	2.25	-	2.17
Decrease	-2%	-	(2.25)	-	(2.17)
Preference Shares					
Increase	+2%	-	-	-	-
Decrease	-2%	-	-	-	-
NCD/CD					
Increase	+2%	1.18	0.50	0.52	0.50
Decrease	-2%	(1.18)	(0.50)	(0.52)	(0.50)
Mutual Funds					
Increase	+2%	6.07	-	6.11	-
Decrease	-2%	(6.07)	-	(6.11)	-
Total					
Increase	+2%	7.25	2.75	6.63	2.67
Decrease	-2%	(7.25)	(2.75)	(6.63)	(2.67)
Impact on total equity as at the end of the reporting year (net of tax)					
Increase	+2%		8.10		7.51
Decrease	-2%		(8.10)		(7.51)

Interest rate risk

- (i) The Group's majority investments are primarily in fixed rate interest bearing investments. Except in case of Market Linked Debentures the Group is not significantly exposed to interest rate risk.
- (ii) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Group's policy is to minimise interest rate cash flow risk exposures on working capital financing. As at March 31,2022, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rate.

Notes forming part of the Consolidated Financial Statements

(49) Financial Risk Management Objectives And Policies (contd.)

(₹ in Crores)

	Movement in Rate	As at March 31, 2022	As at March 31, 2021
Interest rates	+0.50%	(1.11)	(0.92)
Interest rates	-0.50%	1.11	0.92

Liquidity risk

The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities:

The tables below analyse the Group's financial liabilities into relevant maturity groupings base on their contractual maturities for all non-derivative financial liabilities.

(₹ in Crores)

Particulars	As at March 31, 2022			
	Less than 1 year	1 to 5 years	>5 years	Total
Non-Current				
(i) Borrowings	-	113.01	-	113.01
(ii) Lease liabilities	-	21.53	-	21.53
(iii) Other financial liabilities	-	0.54	-	0.54
Current				
(i) Borrowings	108.46	-	-	108.46
(ii) Trade payables	149.36	-	-	149.36
(iii) Lease liabilities	11.47	-	-	11.47
(iii) Other financial liabilities	4.86	-	-	4.86

(₹ in Crores)

Particulars	As at March 31, 2021			
	Less than 1 year	1 to 5 years	>5 years	Total
Non-Current				
(i) Borrowings	-	139.70	-	139.70
(ii) Lease liabilities	-	26.03	-	26.03
Current				
(i) Borrowings	44.30	-	-	44.30
(ii) Trade payables	135.74	-	-	135.74
(iii) Lease liabilities	8.74	-	-	8.74
(iii) Other financial liabilities	6.43	-	-	6.43

The surplus funds with the Group and operational cash flows will be sufficient to dispose the financial liabilities within the maturity period.

(50) The Code on Wages, 2019 and Code on Social Security, 2020 (the "Codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Group will assess the impact of the Codes when the rules are notified and will record any related impact in the periods the Codes becomes effective.

Notes forming part of the Consolidated Financial Statements

(51) Other Statutory Information

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.
- (v) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with any oral or written understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with any oral or written understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (viii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(52) The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of May 03, 2022, there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

(53) Approval of financial statements

The consolidated financial statements were approved for issue by the board of directors on May 03, 2022.

For and on behalf of the board

Achal Bakeri
Chairman & Managing Director
DIN-00397573

Nrupesh Shah
Executive Director
DIN-00397701

Place : Ahmedabad
Date : May 03, 2022

Mayur Barvadiya
Company Secretary

Girish Thakkar
Chief Financial Officer

Independent Auditor's Report

To
The Members of
Symphony Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Symphony Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical

responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report including annexures thereto, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. This report is expected to be made available to us after the date of this audit report.
- Our opinion on the standalone financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the other information identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the

economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the

underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 49(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 49(vii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
- As stated in note 16.4 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm's Registration No.117365W)

Kartikeya Raval

(Partner)

Place: Ahmedabad (Membership No. 106189)
Date: 3rd May, 2022 (UDIN:22106189AIHYVB4681)

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Symphony Limited (“the Company”) as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls

operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and

such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm's Registration No.117365W)

Kartikeya Raval

(Partner)

Place: Ahmedabad

Date: 3rd May, 2022

(Membership No. 106189)

(UDIN:22106189AIHYVB4681)

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Symphony Limited of even date)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and capital work-in-progress.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of property, plant and equipment so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program Property, Plant and Equipment which were due for verification during the year were physically verified by the management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories except for goods-in-transit were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising stock details and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarter and no material discrepancies have been observed.
- iii. (a) The Company has provided loans, stood guarantee, and provided security during the year and details of which are given below:

	(₹ in Crores)		
	Loans	Guarantees	Security
Aggregate amount granted/provided during the year to subsidiaries	9.44	-	-
Balance outstanding as at balance sheet date	58.49	243.95	158.64*

* Represents the carrying value of securities in the books of accounts as at 31st March, 2022

- (b) The guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest, as applicable.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date. There are no advances in the nature of loan provided.
- (e) During the year loan amounting to ₹0.98 crore given to Symphony Climatizadores Ltda, Brazil (subsidiary) which has fallen due during the year has been extended. The percentage of such loan to the total loans granted during the year is 10.38%.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (₹ in Crores)	Amount Unpaid (₹ in Crores)
Income Tax Act, 1961	Income Tax Demand	Income Tax Appellate Tribunal	2010-2011	0.10	0.10
			2012-2013	0.07	0.04
		Commissioner of Income Tax (Appeal), Ahmedabad	2014-2015	0.03	0.03
			2017-2018	0.68	0.68
Central Excise Act, 1944	Demand of Penalty	Commissioner of Central Excise and Customs, Vadodara	2009-2011	0.89	0.89
			Jaipur High Court	2012-2017	0.50

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (₹ in Crores)	Amount Unpaid (₹ in Crores)
Punjab Value Added Tax Act, 2005	Commercial Tax Demand	VAT Tribunal, Punjab	2014-2015	0.03	0.02
Odisha Entry Tax, 1999	Commercial Tax Demand	Assistant Commissioner, Circle Office Cuttack	2001-2002	0.01	0.01
Bihar Value Added Tax Act, 2005	Commercial Tax Demand	Commissioner Appeal, Bihar	2012-13 and 2013-14	0.01	0.01

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where

applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2021 and the draft of the internal audit reports were issued after the balance sheet date covering the period January 2022 to March 2022 for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions,

nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) on other than ongoing projects and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the provision of sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause (xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm's Registration No.117365W)

Kartikeya Raval

(Partner)

Place: Ahmedabad
Date: 3rd May, 2022

(Membership No. 106189)
(UDIN:22106189AIHYVB4681)

Balance Sheet as at March 31, 2022

(₹ in Crores)

Particulars	Note	As at 31/03/2022	As at 31/03/2021
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3(A)	78.49	69.69
(b) Capital work - in - Progress	3(C)	0.21	0.31
(c) Other intangible assets	3(B)	1.53	1.74
(d) Intangible assets under development	3(D)	0.34	0.02
(e) Financial Assets			
(i) Investments			
a) Investments in subsidiaries	4	97.56	97.56
b) Other investments	4	168.78	159.34
(ii) Loans	5	56.71	44.29
(iii) Other financial assets	6	0.27	0.27
(f) Other non-current assets	7	0.83	3.34
Total Non-current assets		404.72	376.56
(2) Current assets			
(a) Inventories	8	69.69	48.93
(b) Financial assets			
(i) Other investments	9	330.66	321.93
(ii) Trade receivables	10	155.50	80.75
(iii) Cash and cash equivalents	11	11.02	21.53
(iv) Bank balances other than (iii) above	11	3.44	3.74
(v) Loans	12	1.78	1.19
(vi) Other financial assets	13	2.46	1.70
(c) Current tax assets (Net)	23	0.07	-
(d) Other current assets	14	33.08	25.37
Total Current assets		607.70	505.14
Total Assets		1,012.42	881.70
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15	13.99	13.99
(b) Other equity	16	812.44	746.58
Total Equity		826.43	760.57
(2) Non-current liabilities			
(a) Deferred tax liabilities (Net)	17	9.32	5.72
Total Non-current liabilities		9.32	5.72
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	40.41	-
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	19	4.03	1.86
- total outstanding dues of creditors other than micro enterprises and small enterprises	19	61.73	45.95
(iii) Other financial liabilities	20	4.86	5.49
(b) Other current liabilities	21	58.56	54.29
(c) Provisions	22	7.08	5.24
(d) Current tax liabilities (Net)	23	-	2.58
Total Current liabilities		176.67	115.41
Total Liabilities		185.99	121.13
Total Equity and Liabilities		1,012.42	881.70
See accompanying notes forming part of the Financial Statements	1-51		

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants

For and on behalf of the board

Kartikeya Raval
 Partner

Achal Bakeri
 Chairman & Managing Director
 DIN-00397573

Nrupesh Shah
 Executive Director
 DIN-00397701

Place : Ahmedabad
 Date : May 03, 2022

Mayur Barvadiya
 Company Secretary

Girish Thakkar
 Chief Financial Officer

Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Crores)

Particulars	Note	Year ended 31/03/2022	Year ended 31/03/2021
I Revenue from Operations	24	641.31	487.88
II Other income	25	37.87	35.71
III Total Revenue (I + II)		679.18	523.59
IV Expenses:			
Cost of materials consumed	26	-	3.60
Purchase of stock-in-trade	27	373.45	258.53
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(20.76)	(10.07)
Employee benefits expense	29	62.71	50.57
Finance costs	30	0.96	0.08
Depreciation and amortisation expense	3	5.68	5.16
Advertisement and Sales Promotion Expenses		42.79	21.62
Other Expenses	31	68.05	46.97
Total Expenses (IV)		532.88	376.46
V Profit Before Tax (III – IV)		146.30	147.13
VI Tax expense / (Benefits):			
(1) Current tax	33.1	31.68	34.85
(2) (Excess)/Short provision of tax relating to previous years	33.1	0.72	(0.90)
(3) Net current tax		32.40	33.95
(4) Deferred tax	33.1	3.09	0.83
Net tax expense (VI)		35.49	34.78
VII Profit for the year (V - VI)		110.81	112.35
VIII Other comprehensive income			
Items that will not be reclassified to profit or loss :			
(i) Remeasurements of the defined benefit plans	39	(0.15)	0.50
(ii) Income tax effect on above	33.2	0.04	(0.12)
Items that will be reclassified to profit or loss :			
(i) Gain on Items designated as Fair Value Through Other Comprehensive Income	16.3	4.68	4.74
(ii) Income tax effect on above	33.2	(0.55)	(0.56)
Total other comprehensive income, net of tax (VIII)		4.02	4.56
IX Total comprehensive income for the year (VII+VIII)		114.83	116.91
X Earnings per equity share of face value of ₹2/- each :			
(1) Basic	32	15.84	16.06
(2) Diluted	32	15.84	16.06
See accompanying notes forming part of the Financial Statements	1-51		

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

For and on behalf of the board

Kartikeya Raval

Partner

Achal Bakeri

Chairman & Managing Director

DIN-00397573

Nrupesh Shah

Executive Director

DIN-00397701

Place : Ahmedabad

Date : May 03, 2022

Mayur Barvadiya

Company Secretary

Girish Thakkar

Chief Financial Officer

Statement of Changes in Equity for the year ended March 31, 2022

A Equity Share Capital

(₹ in Crores)

	No. of Shares	Amount
Balance as at April 01, 2020	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2021	6,99,57,000	13.99
Add: Issued during the year	-	-
Balance as at March 31, 2022	6,99,57,000	13.99

B Other Equity

(₹ in Crores)

Particulars	General Reserve	Capital Reserve	Reserve for Debt Instruments through Other Comprehensive Income	Retained Earnings	Total
Balance as at April 01, 2020	35.00	9.04	(0.49)	591.31	634.86
Profit during the year	-	-	-	112.35	112.35
Other Comprehensive Income for the year, net of income tax	-	-	4.18	0.38	4.56
Total Comprehensive Income for the year	-	-	4.18	112.73	116.91
Reclassification to Profit & Loss on disposal of Instruments designated as FVTOCI	-	-	2.07	-	2.07
Income tax on gain reclassified to profit or loss on sale of debt instruments at FVTOCI	-	-	(0.26)	-	(0.26)
Dividend on Equity Shares	-	-	-	(7.00)	(7.00)
Balance as at March 31, 2021	35.00	9.04	5.50	697.04	746.58
Profit during the year	-	-	-	110.81	110.81
Other Comprehensive Income for the year, net of income tax	-	-	4.13	(0.11)	4.02
Total Comprehensive Income for the year	-	-	4.13	110.70	114.83
Dividend on Equity Shares	-	-	-	(48.97)	(48.97)
Balance as at March 31, 2022	35.00	9.04	9.63	758.77	812.44

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants

Kartikya Raval
 Partner

Place : Ahmedabad
 Date : May 03, 2022

For and on behalf of the board

Achal Bakeri
 Chairman & Managing Director
 DIN-00397573

Mayur Barvadiya
 Company Secretary

Nrupesh Shah
 Executive Director
 DIN-00397701

Girish Thakkar
 Chief Financial Officer

Statement of Cash Flows for the year ended March 31, 2022

(₹ in Crores)

	Year Ended 31/03/2022	Year Ended 31/03/2021
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	110.81	112.35
Adjustments For:		
Income tax expenses recognised in profit or loss	35.50	34.78
Depreciation and amortization expenses	5.68	5.16
Finance costs recognised in profit or loss	0.96	0.08
Interest Income recognised in profit or loss	(11.35)	(10.41)
Net gain on disposal of instruments designated at FVTPL	(8.26)	(9.29)
Net gain on financial assets mandatorily measured at FVTPL	(9.21)	(8.70)
Unrealised foreign exchange (gain)/loss	(3.03)	(0.31)
Allowances for credit losses on trade receivables	0.05	0.57
Provisions / Liabilities no longer required written back	(3.79)	(3.65)
Receivables / Advances written off	0.17	0.24
(Gain)/Loss on disposal of property, plant and equipment	(0.03)	0.08
Operating Profit Before Working Capital Changes	117.50	120.90
Movements in working capital:		
(Increase) in trade and other receivables	(73.00)	(21.39)
(Increase) in inventories	(20.77)	(7.62)
(Increase)/Decrease in other assets	(8.39)	15.43
Increase in trade payables	21.77	12.38
Increase in other liabilities	4.15	16.74
Increase/(Decrease) in provisions	1.69	(1.26)
Cash Generated from Operations	42.95	135.18
Income taxes paid	(35.04)	(34.36)
Net Cash generated by Operating Activities (A)	7.91	100.82
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment, intangible assets, capital advances and creditors	(12.19)	(8.24)
Proceeds from disposal of property, plant and equipment	0.33	0.06
Interest received	9.49	8.74
Dividend received	-	0.36
Net (payments to)/proceeds from mutual funds	13.96	(78.00)
Payments to acquire financial assets	(31.37)	(69.56)
Proceeds on sale of financial assets	20.52	96.99
Loan given to Subsidiaries	(9.44)	(43.19)
Loan received back from Subsidiaries	0.39	19.26
Net Cash Used in Investing Activities	(8.31)	(73.58)

Statement of Cash Flows for the year ended March 31, 2022

(₹ in Crores)

	Year Ended 31/03/2022	Year Ended 31/03/2021
C CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost paid	(0.96)	(0.08)
Proceeds from borrowings	40.41	-
Payments on lease liabilities	-	(0.29)
Dividend paid on equity shares	(49.56)	(7.58)
Net Cash Used in Financing Activities (C)	(10.11)	(7.95)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(10.51)	19.29
Cash & Cash Equivalents at the beginning of the year	21.53	2.24
Cash & Cash Equivalents at the end of the year	11.02	21.53
Cash on Hand	0.39	0.28
Balances with Schedule Bank in Current Account	10.63	21.25
Cash & Cash Equivalents included in Note no.11	11.02	21.53

Summary of significant accounting policies refer note 2

Notes to Statement of Cash Flows:

- The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).
- Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 – Statement of Cash flows is presented under note (20).

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Kartikeya Raval

Partner

Place : Ahmedabad

Date : May 03, 2022

For and on behalf of the board

Achal Bakeri

Chairman & Managing Director
DIN-00397573

Mayur Barvadiya

Company Secretary

Nrupesh Shah

Executive Director
DIN-00397701

Girish Thakkar

Chief Financial Officer

Notes forming part of the Financial Statements

(1) Corporate Information

Symphony Limited ("the Company"), a premier air cooling company was established in the year 1988. The Company is in the field of residential, commercial and industrial air cooling and other appliances both in the domestic and international markets. The addresses of its registered office and principal place of business are disclosed under corporate information in the annual report.

(2-A) Significant Accounting Policies

i) Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

ii) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

iii) Revenue Recognition

a) Revenue from contracts with customer

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any.

Notes forming part of the Financial Statements

b) Customer loyalty programme

The Company has a loyalty points programme, reward Points, which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer.

A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative standalone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

When estimating the standalone selling price of the loyalty points, the Company considers the likelihood that the customer will redeem the points. The Company updates its estimates of the points that will be redeemed on an annual basis and any adjustments to the contract liability balance are charged against revenue.

c) Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

iv) Leases

Effective from April 01, 2019, the Company adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Notes forming part of the Financial Statements

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

v) Foreign currencies

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit or loss in the period in which they arise.

vi) Employee Benefits

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Notes forming part of the Financial Statements

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

vii) Taxation

Income tax expense represents the sum of the current tax payable and deferred tax.

Current tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

viii) Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and

Notes forming part of the Financial Statements

depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Useful lives of tangible assets

Estimated useful lives of the Plant Property Equipment are as follows:

Buildings	30-60 years
Plant & Machinery	10-15 years
Furniture & Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years
Computers	3-6 years

Capital work in progress is stated at cost less accumulated impairment loss, if any.

ix) Intangible Fixed Assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Notes forming part of the Financial Statements

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Software	6 years
Trademarks	5 years
Designs	5 years

x) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

xi) Inventories

Raw materials and traded goods are valued at lower of cost or net realizable value. The costs of these items of inventory comprises of cost of purchase and other incidental costs incurred to bring the inventories to their present location and condition. However, raw materials are written down below cost only when the finished product to which they belong are written down below cost and the replacement cost of that raw material is lower than cost. Cost of raw materials and traded goods are determined on "Moving Average" basis.

Work-in-process and Finished goods are valued at lower of cost or net realizable value. The cost includes direct materials and labour. Cost is determined on "Moving Average" basis.

Notes forming part of the Financial Statements

xii) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

xiii) Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

xiv) Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

xv) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer paragraph on Impairment of financial assets.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the asset is held within a business model whose objective is achieved both by collecting contractual cashflows and selling financial assets; and

Notes forming part of the Financial Statements

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to statement of profit or loss.

For the impairment policy on debt instruments at FVTOCI, refer paragraph on Impairment of financial assets.

All other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual

Notes forming part of the Financial Statements

terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for

Notes forming part of the Financial Statements

the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

xvi) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Notes forming part of the Financial Statements

xxii) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

xxiii) Earnings per Share

Basic earnings per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

xxiv) Statement of Cash Flows

Statement of Cash flows is reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

xxv) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(2-B) Significant accounting judgements, estimates and assumptions

The preparation of the Company's Ind AS Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Notes forming part of the Financial Statements

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. The mortality rate is based on publicly available mortality tables for the specific country. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the industry practice considering promotion and demand & supply of the employees. Further details about gratuity obligations are given in note 39.

Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 45 for further disclosures.

Depreciation/ amortisation and useful lives of property plant and equipment/ intangible assets

Property, plant and equipment/ intangible assets are depreciated/ amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Notes forming part of the Financial Statements

(3) Property, Plant and Equipment, Capital Work-In-Progress & Other Intangible Assets (contd.)

Capital Work-in-Progress (CWIP) Ageing

(₹ in Crores)

CWIP	As at March 31, 2022					As at March 31, 2021				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	0.21	-	-	-	0.21	0.31	-	-	-	0.31
Total	0.21	-	-	-	0.21	0.31	-	-	-	0.31

There are no projects which are temporarily suspended

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan

Intangible assets under development Ageing

(₹ in Crores)

Intangible assets under development	As at March 31, 2022					As at March 31, 2021				
	Amount in Intangible assets under development for a period of					Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	0.34	-	-	-	0.34	0.02	-	-	-	0.02
Total	0.34	-	-	-	0.34	0.02	-	-	-	0.02

There are no projects which are temporarily suspended

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan

Notes forming part of the Financial Statements

(4) Non-Current Investments

(₹ in Crores)

Particulars	As at 31/03/2022		As at 31/03/2021	
Non-current Investments				
Unquoted Investments				
Investments in subsidiaries	Nos.		Nos.	
In fully paid equity shares of subsidiaries at amortised cost				
Symphony AU Pty. Limited, Australia	1,74,80,000	97.47	1,74,80,000	97.47
Symphony Climatizadores Ltda, Brazil	49,999	0.09	49,999	0.09
IMPCO S DE RL DE CV, Mexico	-	0.00	-	0.00
Guangdong Symphony Keruilai Air Coolers Co. Limited, China	-	1.55	-	1.55
Less: Provision for impairment on Investments		(1.55)		(1.55)
		97.56		97.56
Other Investments				
Quoted Investments				
In fully paid up bonds at FVTOCI				
Tax Free Bond of HUDCO Ltd. 7.39% 08-02-2031	86,477	10.43	86,477	10.59
Tax Free Bond of HUDCO Ltd. 7.39% 15-03-2031	1,00,000	12.19	1,00,000	11.08
Tax Free Bond of IRFC Ltd. 7.35% 22-03-2031	30,000	3.65	30,000	3.31
Tax Free Bond of IRFC Ltd. 7.28% 21-12-2030	24,157	4.23	24,157	3.03
Tax Free Bond of NABARD 7.35% 23-03-2031	1,20,000	15.24	1,20,000	14.50
Tax Free Bond of NHAI 7.28% 18-09-2030	100	11.79	100	10.92
Tax Free Bond of NHAI 8.30% 25-01-2027	50,000	6.08	50,000	5.96
Tax Free Bond of NHAI 8.50% 05-02-2029	75,000	9.13	75,000	9.36
Tax Free Bond of NHAI 7.39% 09-03-2031	1,10,000	13.39	1,10,000	13.38
Tax Free Bond of NHB 8.46% 30-08-2028	100	12.08	100	11.99
Tax Free Bond of NTPC Ltd. 7.37% 05-10-2035	60,000	7.69	60,000	7.76
Tax Free Bond of REC Ltd. 8.46% 24-09-2028	50,000	6.50	50,000	6.45
In fully paid non convertible debentures at FVTOCI				
HDFC Ltd 5.40% NCD	250	24.99	250	25.11
In fully paid non convertible debentures at FVTPL				
REC Ltd-5.36% MLD	150	16.50	150	15.75
Shriram City Union Finance Limited MLD 8.65%	-	-	100	10.15
Assem Infra Ltd MLD	148	14.89	-	-
In fully paid cumulative redeemable preference shares at FVTOCI				
IL&FS Ltd.	-	-	6,700	10.04
IL&FS Ltd.	-	-	2,699	4.18
IL&FS Ltd.	-	-	680	1.05
IL&FS Ltd.	-	-	660	1.02
Less: Provision for impairment on Investments		-		(16.29)
		168.78		159.34
		266.34		256.90

Notes forming part of the Financial Statements

(4) Non-Current Investments (contd.)

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Aggregate carrying value of quoted investments	168.78	175.64
Aggregate market value of quoted investments	168.78	175.64
Aggregate carrying value of unquoted investments	99.11	99.11
Aggregate amount of impairment in value of investments	(1.55)	(17.84)

For category-wise classification of Non-Current Investments Refer note 44.

- i) The Company has pledged tax free bonds worth ₹100.32 crores (Previous year ₹96.33 crores) out of the above mentioned investments in favour of Standard Chartered Bank, India towards issuance of standby letter of credit upto ₹73.46 crores (Previous year ₹83.82 crores) as security in respect of working capital facility availed by Climate Technologies Pty. Limited, Australia (Wholly owned subsidiary of Symphony AU Pty. Limited, Australia) (Refer note no. 9 & 36).
- ii) The Company has pledged 17,480,000 (Previous year 17,480,000) ordinary shares of Symphony AU Pty. Limited, Australia worth ₹97.47 crores (Previous year ₹97.47 crores) mentioned above in favour of Standard Chartered Bank, UK as collateral in respect to acquisition loan availed by Symphony AU Pty Limited, Australia as per terms of the amendment and restatement agreement with the Bank (Refer note no. 36).
- iii) The Company has pledged HDFC Ltd NCD worth ₹20.99 crores (Previous year ₹ Nil) out of the above mentioned investments in favour of ICICI Bank as security in respect of working capital facility availed by the Company (Refer note no. 18).

(5) Loans

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Loans to Subsidiaries (Refer note no. 36)		
Unsecured, considered good	56.71	44.29
	56.71	44.29

(6) Other Non-Current Financial Assets

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Balance held as Margin Money	0.07	0.09
Deposit Others	0.20	0.18
	0.27	0.27

Notes forming part of the Financial Statements

(7) Other Non-Current Assets

(₹ in Crores)

Particulars	As at	
	31/03/2022	31/03/2021
Unsecured, considered good		
Capital advances	0.79	3.29
Prepaid expenses	0.02	0.03
Other loans and advances		
Balance with statutory / government authorities	0.02	0.02
	0.83	3.34

(8) Inventories

(₹ in Crores)

Particulars	As at	
	31/03/2022	31/03/2021
Finished Goods (Including Goods in Transit ₹0 crores, Previous year ₹0 crores)	-	0.11
Stock-In-Trade (Including Goods in Transit ₹14.11 crores, Previous year ₹4.47 crores)	69.69	48.82
	69.69	48.93

(9) Other Investments

(₹ in Crores)

Particulars	As at		As at	
	31/03/2022		31/03/2021	
	Nos.		Nos.	
Current Investments				
Quoted Investments				
In fully paid non convertible debentures at FVTPL				
Mindspa B Park MLD	100	11.05	-	-
Shriram City Union Finance Limited MLD 8.65%	150	16.70	-	-
In fully paid cumulative redeemable preference shares at FVTOCI				
IL&FS Ltd.	-	-	3,123	4.14
IL&FS Ltd.	-	-	800	1.07
Less: Provision for impairment on Investments				(5.21)
Unquoted Investments				
Investment in Mutual Funds at FVTPL				
Aditya Birla Sun Life- AF - DG	37,45,923	8.52	-	-
AxisArbitrage Fund-G	55,61,817	9.00	-	-
ICICI Prudential Equity – Arbitrage Fund	-	-	1,28,50,975	36.05
Invesco (I) ARB - DG	36,93,669	10.04	-	-
Kotak Equity Arbitrage-Direct	-	-	1,02,70,329	31.10
L&TArbit.Oppo.-Dir-G	-	-	2,12,99,147	33.19
Nippon (I) ARB-DG	1,09,80,739	25.07	-	-

Notes forming part of the Financial Statements

(9) Other Investments (contd.)

(₹ in Crores)

Particulars	As at 31/03/2022		As at 31/03/2021	
Tata Arbitrage-Dir-G	3,62,74,958	43.48	2,81,06,893	32.24
ICICI Prudential Corporate Bond Fund	78,92,245	19.40	78,92,245	18.55
DSP BlackRock Ultra Short Term Fund-Growth	-	-	85,136	24.30
DSP Floater Fund-Direct Growth	49,73,441	5.22	49,73,441	5.00
HDFC Ultra Short Term Fund-Growth	35,68,733	4.43	-	-
IDFC Bank&PSU Debt-G	1,01,50,181	20.71	-	-
IDFC Corporate Bond Fund-Growth	1,71,71,863	27.54	1,71,71,863	26.22
IDFC Ultra Short Term Fund-Growth	-	-	84,37,613	10.10
Kotak Float.Ra-Dir-G	1,33,118	16.34	1,33,118	15.40
Kotak Savings Fund - Direct - Growth	60,49,099	21.80	34,59,755	12.00
L&T TripleAceBo-Dir-G	17,14,151	10.78	17,14,151	10.22
Nippon Ban.&PSU Dir-G	1,59,23,161	27.47	1,59,23,161	26.15
Nippon (I) Floating	54,27,661	20.49	-	-
Aditya Birla Sun Life Saving Fund -G	2,19,346	9.77	-	-
Axis Ultra ST Fund-G	78,32,381	9.77	-	-
AxisTreasy.AdvFu-D-G	-	-	42,689	10.60
SBI Floating Rate	96,37,794	10.27	-	-
SBIMag.Low Dura. F-G	-	-	40,294	11.27
Trust LiquidFu-Dir-G	27,264	2.81	-	-
Investment in ICD at amortised cost				
LICHousFinLtdCD5.65%		-		19.54
		330.66		321.93
Aggregate carrying value of quoted investments		27.75		5.21
Aggregate market value of quoted investments		27.75		5.21
Aggregate carrying value of unquoted investments		302.91		321.93
Aggregate amount of impairment in value of investments		-		(5.21)

For category-wise classification of Current Investments Refer note 44.

- i) The Company has pledged mutual funds worth ₹10.78 crores (Previous year ₹10.22 crores) out of the above mentioned investments in favour of Standard Chartered Bank, India towards issuance of standby letter of credit upto ₹73.46 crores (Previous year ₹83.82 crores) as security in respect of working capital facility availed by Climate Technologies Pty. Limited, Australia (Wholly owned subsidiary of Symphony AU Pty. Limited, Australia) (Refer note no. 4 & 36).
- ii) The Company has pledged mutual fund units worth ₹61.17 crores (Previous year ₹58.26 crores) out of the above mentioned investments in favour of Standard Chartered Bank, UK as collateral in respect to acquisition loan availed by Symphony AU Pty Limited, Australia as per terms of the amendment and restatement agreement with the Bank (Refer note no. 36).

Notes forming part of the Financial Statements

(10) Trade Receivables

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Considered good - Unsecured (Refer note no. 36)	155.63	80.88
Less : Allowances for expected credit loss	(0.13)	(0.13)
Considered good - Unsecured	155.50	80.75
Credit impaired	0.41	0.96
Less : Allowances for credit impaired	(0.41)	(0.96)
Credit impaired	-	-
	155.50	80.75

Movement in Allowance for credit loss

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Balance at beginning of the year	1.09	0.54
Allowance for credit impairment during the year	0.19	1.06
Trade receivables written off during the year	(0.74)	(0.51)
Balance at end of the year	0.54	1.09

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Trade receivables ageing schedule for March 31, 2022 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment						Total
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	148.66	6.50	0.45	0.02	0.00	0.00	155.63
2	Undisputed Trade receivables - credit impaired	-	-	-	0.32	-	-	0.32
3	Disputed Trade receivables - credit impaired	-	0.00	0.01	0.04	0.04	0.00	0.09
		148.66	6.50	0.46	0.38	0.04	0.00	156.04
	Less: Allowance for credit loss							0.54
	Total Trade Receivables							155.50

Notes forming part of the Financial Statements

(10) Trade Receivables (contd.)

Trade receivables ageing schedule for March 31, 2021 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment						Total
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	68.00	12.47	0.38	0.03	0.00	0.00	80.88
2	Undisputed Trade receivables - credit impaired	-	0.01	0.95	0.00	-	-	0.96
		68.00	12.48	1.33	0.03	0.00	0.00	81.84
	Less: Allowance for credit loss							1.09
	Total Trade Receivables							80.75

Trade receivables are non-interest bearing and are generally on terms of 0 to 180 days.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

(11) Cash & Cash Equivalents

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Cash and Cash Equivalents		
Cash on Hand	-	0.01
Balance with employees Imprest account	0.39	0.27
Balance with banks in current accounts	10.63	21.25
	11.02	21.53
Other Bank Balances		
In Earmarked Accounts		
Unpaid Dividend Accounts	3.13	3.72
Margin Accounts	0.02	0.02
Unpaid CSR Accounts	0.29	-
	14.46	25.27

(12) Loans

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Loans to Subsidiaries (Refer note no. 36)		
Unsecured, considered good	1.78	1.19
	1.78	1.19

Notes forming part of the Financial Statements

(13) Other Financial Assets

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Export Incentive Receivable	1.88	1.16
Derivative Assets	0.09	-
Others (Refer note no. 36)	0.49	0.54
	2.46	1.70

(14) Other Current Assets

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Advance for supply of goods and rendering of services		
Unsecured, considered good	22.11	17.62
Unsecured, considered doubtful	0.82	0.47
Less: Provision for doubtful Advances	(0.82)	(0.47)
Advances to related parties (Refer note no. 36)	0.33	1.83
Prepaid expenses	1.59	0.96
Balance with statutory / government authorities	9.05	4.96
	33.08	25.37

(15) Equity Share Capital

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Authorised :		
7,50,00,000 Equity Shares of ₹2/- each	15.00	15.00
Issued, Subscribed & Paid up :		
6,99,57,000 (As at March 31, 2021: 6,99,57,000) Equity Shares of ₹2/- each fully paid up	13.99	13.99
	13.99	13.99

The Company has only one class of shares referred to as equity shares having a par value of ₹2/-, rank pari passu in all respects including voting rights and entitlement to dividend.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholder.

The Company allotted 349,78,500 bonus equity shares of ₹2/- each fully paid up on September 17, 2016 in the proportion of one (1) bonus equity share for every fully Paid up equity share (1:1). As a result of the bonus issue the Paid up capital of the Company stands increased to ₹13.99 crores from ₹7.00 crores.

Notes forming part of the Financial Statements

(15) Equity Share Capital (contd.)

The details of shareholder holding more than 5% shares as at March 31, 2022 is set out below

Name of the shareholder	No. of shares	% held as at March 31, 2022	No. of shares	% held as at March 31, 2021
Mr. Achal A. Bakeri	2,92,61,600	41.83	2,92,61,600	41.83
Ms. Rupa A. Bakeri	70,92,940	10.14	70,92,940	10.14
Sanskrut Tradecom Private Limited	1,24,83,200	17.84	1,24,83,200	17.84
Axis Mutual Fund Trustee Limited	36,73,086	5.25	35,83,027	5.12

Shareholding of Promoters

Name of the Promoters	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	% Holding	No. of Shares	% Holding
Achal Anil Bakeri	2,92,61,600	41.83%	2,92,61,600	41.83%

For the purpose of this disclosure, definition of promoter as per the Companies Act, 2013 has been considered.

The reconciliation of the number of shares outstanding as at March 31, 2022 is set out below

Particulars	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	Amount (₹ in Crores)	No. of Shares	Amount (₹ in Crores)
Opening Balance	6,99,57,000	13.99	6,99,57,000	13.99
Add: Issued during the year	-	-	-	-
Closing Balance	6,99,57,000	13.99	6,99,57,000	13.99

(16) Other Equity

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
General Reserve	35.00	35.00
Capital Reserve	9.04	9.04
Reserve for Debt Instruments through Other Comprehensive Income	9.63	5.50
Retained Earnings	758.77	697.04
	812.44	746.58

16.1 General Reserve

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Closing balance	35.00	35.00

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Notes forming part of the Financial Statements

(16) Other Equity (contd.)

16.2 Capital Reserve

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Closing balance	9.04	9.04

16.3 Reserve for Debt Instruments through Other Comprehensive Income

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Opening balance	5.50	(0.49)
Net fair value gain on investments in debt instruments at FVTOCI	4.68	4.74
Income tax on net fair value gain on investments in debt instruments at FVTOCI	(0.55)	(0.56)
Cumulative gain reclassified to profit or loss on sale of debt instruments at FVTOCI	-	2.07
Income tax on gain reclassified to profit or loss on sale of debt instruments at FVTOCI	-	(0.26)
Closing balance	9.63	5.50

This reserve represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or impairment losses on such instruments.

16.4 Retained Earnings

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Opening balance	697.04	591.31
Profit for the year	110.81	112.35
Other Comprehensive income arising from remeasurement of defined benefit obligation net of income tax	(0.11)	0.38
Dividend on Equity Shares	(48.97)	(7.00)
Closing balance	758.77	697.04

The Board of Directors have recommended a final dividend of ₹6/- (300%) per equity share of ₹2/- each amounting to ₹41.97 cr. for FY 21-22. The total dividend for FY 21-22 aggregates to ₹9/- (450%) per equity share of ₹2/- each amounting to ₹62.96 cr. which includes two interim dividends of ₹3/- (150%) per equity share paid during the year. The final dividend is subject to approval by shareholders at the ensuing Annual General Meeting of the Company.

The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

Notes forming part of the Financial Statements

(17) Deferred Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Deferred Tax Liabilities/(Assets) on		
(i) Property, plant and equipment and intangible assets	6.85	5.97
(ii) Financial Assets at FVTOCI	1.28	0.73
(iii) Financial Assets at FVTPL	3.41	2.30
(iv) Derivative Assets	0.02	-
(v) Financial Liabilities measured on inception	0.10	-
(vi) Impairment allowance on financial assets	(0.39)	(2.89)
(vii) Provision for doubtful advances	(0.35)	(0.39)
(viii) Carry forward tax losses	(1.60)	-
Deferred Tax Liabilities (Net)	9.32	5.72

Movement of Deferred Tax Liabilities / Assets

For the year ended March 31, 2022

(₹ in Crores)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	5.97	0.88	-	-	6.85
(ii) Financial Assets at FVTOCI	0.73	-	0.55	-	1.28
(iii) Financial Assets at FVTPL	2.30	1.11	-	-	3.41
(iv) Derivative Assets	-	0.02	-	-	0.02
(v) Financial Liabilities measured on inception	-	0.10	-	-	0.10
(vi) Impairment allowance on financial assets	(2.89)	2.50	-	-	(0.39)
(vii) Remeasurements of the defined benefit plans	-	0.04	(0.04)	-	-
(viii) Provision for doubtful advances	(0.39)	0.04	-	-	(0.35)
(ix) Carry forward tax losses	-	(1.60)	-	-	(1.60)
Deferred Tax Liabilities (Net)	5.72	3.09	0.51	-	9.32

Notes forming part of the Financial Statements

(17) Deferred Tax Liabilities (Net) (contd.)

For the year ended March 31, 2021

(₹ in Crores)

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
Deferred Tax Liabilities/(Assets) on					
(i) Property, plant and equipment and intangible assets	5.56	0.41	-	-	5.97
(ii) Financial Assets at FVTOCI	(0.09)	-	0.56	0.26	0.73
(iii) Financial Assets at FVTPL	1.52	0.78	-	-	2.30
(iv) Impairment allowance on financial assets	(2.89)	-	-	-	(2.89)
(v) Remeasurements of the defined benefit plans	-	(0.12)	0.12	-	-
(vi) Provision for doubtful advances	(0.15)	(0.24)	-	-	(0.39)
Deferred Tax Liabilities (Net)	3.95	0.83	0.68	0.26	5.72

(18) Current Borrowings

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Secured		
Loan from Bank	40.41	-
	40.41	-

- (i) ₹40.41 crores (previous year ₹ Nil) represents working capital loan availed in the form of Export Packing Credit and Post Shipment Credit-INR from ICICI Bank. The Company has pledged HDFC Ltd NCD as security (Refer Note No. 4).

The Company has not defaulted on any loans payable.

The Company has filed the quarterly stock details and other stipulated information with the bank which are in agreement with the books of accounts and there are no material discrepancies.

Notes forming part of the Financial Statements

(19) Trade Payables

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	4.03	1.86
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note no. 36)	61.73	45.95
	65.76	47.81

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
(i) (a) Principal amount remaining unpaid to any supplier	3.76	1.63
(b) Interest on (i)(a) above	-	-
(ii) The amount of interest paid along with the principal payment made to the supplier	-	-
(iii) Amount of interest due and payable on delayed payments	0.02	0.03
(iv) Amount of further interest remaining due and payable for the earlier years	0.24	0.21
(v) Total outstanding dues of Micro and Small Enterprises		
Principal	3.76	1.63
Interest	0.27	0.24

Trade payables ageing schedule for March 31, 2022 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment					Total
		Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME - Undisputed	0.27	3.76	-	-	-	4.03
2	Others - Undisputed	48.83	12.72	0.08	0.09	0.01	61.73
	Total	49.10	16.48	0.08	0.09	0.01	65.76

Trade payables ageing schedule for March 31, 2021 is as below

(₹ in Crores)

Sr No	Particulars	Outstanding for following periods from due date of payment					Total
		Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME - Undisputed	0.23	1.63	-	-	-	1.86
2	Others - Undisputed	31.98	13.83	0.10	0.03	0.01	45.95
	Total	32.21	15.46	0.10	0.03	0.01	47.81

There are no "Not Due" and "Disputed" trade payables, hence the same are not disclosed in ageing schedule

Notes forming part of the Financial Statements

(20) Other Financial Liabilities

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Trade deposits	1.33	1.73
Unclaimed dividends	3.13	3.72
Creditors for capital goods	0.11	0.04
Unpaid CSR Amounts	0.29	-
	4.86	5.49

Disclosure with regards to changes in liabilities arising from financing activities as per Ind AS 7 Statement of Cash Flows:

Change in liabilities arising from financing activities

(₹ in Crores)

Particulars	Borrowings	Lease Liabilities	Unpaid Dividend on Equity (including Interim dividend)	Total
Balance as at April 01, 2020	-	0.68	4.31	4.99
Cash Flows	-	(0.29)	(7.58)	(7.87)
Cancellation of Right-of-use asset	-	(0.39)	-	(0.39)
Dividend recognised during the year ¹	-	-	6.99	6.99
Balance as at March 31, 2021	-	-	3.72	3.72
Cash Flows	40.41	-	(49.56)	(9.15)
Dividend recognised during the year ¹	-	-	48.97	48.97
Balance as at March 31, 2022	40.41	-	3.13	43.54

(21) Other Current Liabilities

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Advance from customers	33.02	41.26
Statutory dues	12.93	8.36
Deferred revenue (Refer note (i) below)	12.61	4.67
	58.56	54.29

- (i) The deferred revenue arises in respect of the Company's Point Credits Scheme recognised in accordance with Ind AS 115 Customer Loyalty Programmes.

(₹ in Crores)

	Deferred revenue As at 31/03/2022	Deferred revenue As at 31/03/2021
Opening balance	4.67	3.29
Deferred during the year	12.20	4.67
Recognised as revenue during the year	(4.26)	(3.29)
Closing balance	12.61	4.67

Notes forming part of the Financial Statements

(22) Provisions

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Provision for		
Employee benefits (Refer note (i) below)	0.13	0.03
Warranty (Refer note (ii) below)	6.95	5.21
	7.08	5.24

- (i) The provision for employee benefits includes gratuity provision. For detailed disclosures, refer note no. 39.
- (ii) The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under local sale of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The movement in the warranty provision is as below:

(₹ in Crores)

	Warranty As at 31/03/2022	Warranty As at 31/03/2021
Opening balance	5.21	6.62
Additional provisions recognised	8.39	1.54
Reductions arising from payments	(6.64)	(2.95)
Closing balance	6.96	5.21

(23) Current Tax Liabilities/(Assets) (Net)

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Tax liabilities		
Provision for income tax	31.78	34.95
Total	31.78	34.95
Tax assets		
Advance income tax	31.85	32.37
Total	31.85	32.37
Net	(0.07)	2.58

(24) Revenue From Operations

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Revenue from Sale of Products	637.51	485.94
Other Operating Revenue	3.80	1.94
	641.31	487.88
Sale of products comprises of :		
Air Coolers	584.07	442.23
Others	53.44	43.71
	637.51	485.94

Notes forming part of the Financial Statements

(24) Revenue From Operations (contd.)

Reconciliation of Revenue from sale of products & services with the contracted price

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Revenue as per contracted price	656.06	493.89
Adjustments		
Loyalty points	(8.16)	(1.03)
Sales return	(1.05)	1.19
Discount	(9.34)	(8.11)
Sale of products and Services	637.51	485.94

(25) Other Income

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Interest Income:		
Deposits (at amortised cost)	1.09	0.05
Investments in debt instruments measured at FVTOCI	7.59	6.72
Other financial assets carried at amortised cost	2.67	3.65
Other gains and losses		
Gain on disposal of property, plant and equipment	0.03	-
Gain on disposal of instruments designated at FVTOCI	-	0.00
Net Foreign Exchange gains	3.65	2.61
Mark to Market Gain	0.09	-
Net gain on disposal of instruments designated at FVTPL	8.26	9.29
Net gain on financial assets mandatorily measured at FVTPL	9.21	8.70
Other Non Operating Income	5.28	4.69
	37.87	35.71

(26) Cost of materials consumed

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Opening Stock of Raw Materials	-	2.45
Add: Purchases	-	1.15
Less: Closing Stock of Raw Materials	-	-
	-	3.60

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

Notes forming part of the Financial Statements

(27) Purchase of stock-in-trade

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Air Coolers	299.05	203.70
Others	74.40	54.83
	373.45	258.53

(28) Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Opening Stock		
Finished Goods	0.11	1.05
Stock-In-Trade	48.82	37.81
Less:		
Closing Stock		
Finished Goods	-	0.11
Stock-In-Trade	69.69	48.82
	(20.76)	(10.07)

(29) Employee Benefits Expense

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Salaries, Wages and Bonus	59.09	47.16
Contribution to Provident Fund and Other Funds	2.08	1.87
Gratuity Expense (Refer Note no. 39)	1.16	1.15
Staff Welfare Expenses	0.38	0.39
	62.71	50.57

(30) Finance Costs

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Interest on bank loans	0.85	-
Interest expense on lease liability	-	0.01
Other interest expense	0.11	0.07
	0.96	0.08

Notes forming part of the Financial Statements

(31) Other Expenses

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Assembly and Labour Charges	0.10	0.07
Power and Fuel	0.05	0.04
Repairs & Maintenance		
Building	0.05	0.08
Machinery	0.39	0.14
Rent (Refer Note no. 38)	5.16	3.53
Rates & Taxes	0.09	0.09
Travelling	7.25	3.10
Conveyance	1.34	1.28
Communication Expenses	1.09	0.76
Insurance	0.38	0.33
Printing and stationery charges	0.20	0.19
Legal & Professional Charges	6.54	5.71
Payment to Auditors (Refer Note no. 37)	0.43	0.34
Vehicle Expenses	0.06	0.06
CSR Expenditure (Refer Note no. 43)	3.28	4.07
General Expenses	6.39	6.12
Repairs Others	0.18	0.11
Loss on Sale of Fixed Assets(Net)	-	0.08
Bank Charges	0.15	0.21
Freight & Forwarding Charges	23.20	16.49
Warranty Expense	9.80	2.42
Sales Commission	0.43	0.53
CFA Handling Charges	1.49	1.22
	68.05	46.97

(32) Earnings per share

(₹ in Crores)

Particulars	Year ended 31/03/2022	Year ended 31/03/2021
Face value of Equity Shares (₹)	2	2
Net Profit available for Equity Shareholders(₹ in Crores)	110.81	112.35
No. of Equity Shares	6,99,57,000	6,99,57,000
Basic and Diluted EPS (₹)	15.84	16.06

Notes forming part of the Financial Statements

(33) Tax Expense

(33.1) Income tax recognised in statement of profit and loss

(₹ in Crores)

Sr. No.	Particulars	Year ended 31/03/2022	Year ended 31/03/2021
(a)	Current tax		
	In respect of the current year	31.68	34.85
	In respect of prior years	0.72	(0.90)
		32.40	33.95
(b)	Deferred tax		
	In respect of the current year	3.09	0.83
		3.09	0.83
	Total income tax recognised in statement of profit and loss	35.49	34.78

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Crores)

Sr. No.	Particulars	Year ended 31/03/2022	Year ended 31/03/2021
	Profit before tax	146.30	147.13
	Income tax expense calculated at 25.168% (Previous year 25.168%)	36.82	37.03
(a)	Effect of income that is exempt from taxation		
	Interest on tax free bonds	(1.75)	(1.75)
(b)	Effect of expense that are not deductible in taxable profit		
	Expenses in relation to exempt income	-	0.02
(c)	Effect of lower tax on capital gain from investment in Bonds & Market Linked Debentures	(0.62)	(0.15)
(d)	Effect of CSR Expenditure not allowed under income tax	0.83	1.02
(e)	Others	(0.51)	(0.49)
	Current Year Income tax expense	34.77	35.68
	Prior Year Income tax expense	0.72	(0.90)
	Total income tax recognised in statement of profit and loss	35.49	34.78

(33.2) Income tax recognised in Other Comprehensive Income

(₹ in Crores)

Sr. No.	Particulars	Year ended 31/03/2022	Year ended 31/03/2021
	Deferred tax		
(a)	Arising on income and expenses recognised in other comprehensive income:		
	Re-measurement of defined benefit obligation	(0.04)	0.12
	Net fair value gain on investments in debt instruments at FVTOCI	0.55	0.56
	Total income tax recognised in other comprehensive income	0.51	0.68

Notes forming part of the Financial Statements

(33) Tax Expense (contd.)

(₹ in Crores)

Sr. No.	Particulars	Year ended 31/03/2022	Year ended 31/03/2021
	Bifurcation of the income tax recognised in other comprehensive income into:-		
	Items that will not be reclassified to profit or loss	(0.04)	0.12
	Items that may be reclassified to profit or loss	0.55	0.56
		0.51	0.68

(34) Contingent Liabilities and Commitments (to the extent not provided for) :

(i) Contingent Liabilities:

(₹ in Crores)

Sr. No.	Particulars	2021-22	2020-21
a)	Claims against the Company not acknowledged as debt.	0.07	0.07
b)	Demand on account of VAT / sales tax matters.	0.05	0.07
c)	Demand on account of Income Tax matters.	0.85	0.85
d)	Demand on account of central excise matters.	1.39	1.41
e)	Corporate Guarantee / Standby Letter of Credit given to banks for loan availed (Refer note no. 36)*.	208.15	197.97
		210.51	200.37

In respect of the above matters the management is reasonably confident that no material liability will devolve on the company and hence not recognised in the books of account.

*This represents the amount of Corporate Guarantee / Standby Letter of Credit to the extent of outstanding balance of loans availed. The total Corporate Guarantee / Standby Letter of Credit given is ₹243.95 crores (Previous year ₹237.49 crores).

(ii) Commitments :

(₹ in Crores)

Particulars	2021-22	2020-21
a) Estimated amount of Property, plant and equipment contracts remaining to be executed and not provided for.	0.27	2.72
b) Letter of Support issued to Guangdong Symphony Kerulai Air Coolers Co. Limited, China, wholly owned subsidiary, to provide financial support in order to allow it to meet its liabilities as they fall due and to carry on its business without significant curtailment of operations.		

Notes forming part of the Financial Statements

(35) Segment Reporting

(a) Primary Segment :

As per recognition criteria mentioned in Ind AS - 108, Operating Segments, the Company has identified only one operating segment i.e. Air Cooling and Other Appliances Business. However substantial portion of Corporate Funds remained invested in various financial instruments. The Company has considered Corporate Funds as a separate segment so as to provide better understanding of performance of Air Cooling and Other Appliances Business.

(₹ in Crores)

Particulars	2021-22	2020-21
(1) Segment Revenue		
Air Cooling and Other Appliances	647.73	494.38
Corporate Funds	26.16	26.72
Un-allocable	5.29	2.49
Total	679.18	523.59
(2) Segment Profit before Interest and Taxes (PBIT)		
Air Cooling and Other Appliances	116.16	118.32
Corporate Funds	25.81	26.40
Un-allocable	5.29	2.49
Total	147.26	147.21
Less: Finance Costs	0.96	0.08
Less: Taxes	35.49	34.78
Total Profit After Tax	110.81	112.35
(3) Segment Assets		
Air Cooling and Other Appliances	356.94	257.13
Corporate Funds	499.43	481.26
Un-allocable	156.05	143.31
Total	1,012.42	881.70
(4) Segment Liabilities		
Air Cooling and Other Appliances	185.99	121.13
Corporate Funds	-	-
Un-allocable	-	-
Total	185.99	121.13
(5) Capital Employed		
Air Cooling and Other Appliances	170.95	136.00
Corporate Funds	499.43	481.26
Un-allocable	156.05	143.31
Total	826.43	760.57

(b) Secondary Segment : Geographical segment

(₹ in Crores)

Particulars	2021-22	2020-21
(1) Segment Revenue		
India	511.98	431.34
Rest of the world	129.33	56.54
Revenue from operations	641.31	487.88

Notes forming part of the Financial Statements

(35) Segment Reporting (contd.)

(₹ in Crores)

Particulars	2021-22	2020-21
(2) Segment Profit before Interest and Taxes (PBIT)		
India	106.76	131.34
Rest of the world	40.50	15.87
Total	147.26	147.21
Less: Finance Costs	0.96	0.08
Less: Taxes	35.49	34.78
Total Profit After Tax	110.81	112.35

Secondary Segment Capital Employed :

Property, plant & equipment used in the Company's business and liabilities contracted have not been identified with any of the reportable segments, as the Property, plant & equipment and services are used interchangeably between segments. The Company believes that it is not practical to provide secondary segment disclosures relating to Capital employed.

(36) Related Party Disclosures

(₹ in Crores)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2021-22		2020-21	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
1	IMPCO S DE RL DE C V., Mexico	Wholly owned Subsidiary	Sale of Goods / Receivables	13.63	12.20	9.95	9.57
			Sale of Assets	0.08		0.01	
			Software charges recovered	0.05		0.04	
			Guarantee Charges recovered	0.04		-	
2	IMPCO S DE RL DE C V., Mexico	Wholly owned Subsidiary	Investment in Capital	-	0.00	-	0.00
3	Guangdong Symphony Keruilai Air Coolers Co. Limited	Wholly owned Subsidiary	Guarantee Charges recovered	-	0.33	0.20	1.87
			Software charges recovered	0.05		0.04	
			Purchase of Assets	0.85		-	
			Purchase of Goods / Advances	0.70		1.94	

Notes forming part of the Financial Statements

(36) Related Party Disclosures (contd.)

(₹ in Crores)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2021-22		2020-21	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
4	Guangdong Symphony Keruilai Air Coolers Co. Limited	Wholly owned Subsidiary	Sale of Goods / Receivables	-	0.00	-	0.00
5	Guangdong Symphony Keruilai Air Coolers Co. Limited	Wholly owned Subsidiary	Loan Given/ Receivable	8.49	55.66	42.45	43.54
			Interest Income	2.53		1.26	
6	Symphony AU Pty. Limited	Subsidiary	Investment in Capital	-	97.47	-	97.47
7	Symphony AU Pty. Limited	Subsidiary	Guarantee Charges recovered / Receivable	0.81	-	0.77	0.21
8	Symphony AU Pty. Limited	Subsidiary	Loan Given/ Receivable	-	-	-	-
			Loan Received back	-		20.91	
			Interest Income	-		0.33	
9	Climate Technologies Pty. Limited	Step down Subsidiary	Sale of Goods	81.96	79.17	17.08	15.86
			Sale of Assets	0.20		-	
			Software charges recovered	0.10		-	
			Accounting Charges recovered	0.76		0.42	
			Guarantee Charges recovered / Receivable	0.46		0.40	
10	Climate Technologies Pty. Limited	Step down Subsidiary	Purchase of Goods	0.02	-	0.01	0.03
			Purchase of Assets	4.22		1.50	
			Software charges recovered/ Receivable	-		0.10	

Notes forming part of the Financial Statements

(36) Related Party Disclosures (contd.)

(₹ in Crores)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2021-22		2020-21	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
11	Bonaire USA, LLC	Step down Subsidiary	Sale of Goods/ Receivable	6.26	5.60	5.61	5.36
			Consultancy- Others recovered	-		0.01	
12	Symphony Climatizadores Ltda	Wholly owned Subsidiary	Investment in Capital	-	0.09	-	0.09
13	Symphony Climatizadores Ltda	Wholly owned Subsidiary	Sale of Goods/ Receivable	0.00	0.00	1.19	1.01
14	Symphony Climatizadores Ltda	Wholly owned Subsidiary	Loan Given/ Receivable	0.95	2.83	0.74	1.94
			Loan Received back	0.19		-	
			Interest Income	0.14		0.07	
15	Elephant Design Private Limited	Enterprise in which Director has significant influence	Consultancy Expense & reimbursement of Travelling Expense	0.20	0.02	0.35	-
16	Symphony AU Pty. Limited	Subsidiary	Corporate Guarantee / Standby Letter of Credit given to banks for loan availed	-	208.15	-	197.97
17	Key Management Personnels *	Key Management Personnels	Short-term benefits	5.80	2.86	2.00	0.89
			Post-employment benefits#	0.15		0.12	
18	Independent Directors**	Independent Directors	Sitting Fees	0.12	-	0.08	-

The above remuneration does not include Gratuity as it is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be identified.

Notes forming part of the Financial Statements

(36) Related Party Disclosures (contd.)

* List of Key Management Personnels

Name	Category of directorship
Mr. Achal Bakeri	Chairman & Managing Director
Mr. Nrupesh Shah	Executive Director
Mr. Amit Kumar (w.e.f. 02-08-2021)	Executive Director
Mr. Mayur Barvadiya	Company Secretary
Mr. Bhadresh Mehta (Till 30-09-2021)	Chief Financial Officer
Mr. Girish Thakkar (w.e.f. 01-10-2021)	Chief Financial Officer

** List of Independent Directors

Name	Category of directorship
Mr. Naisadh Parikh	Independent Director
Mr. Ashish Despande	Independent Director
Ms. Reena Bhagwati	Independent Director
Mr. Santosh Nema	Independent Director

Policy on dealing with Related party transactions:

The Company has made a list of related parties after considering the requirements and based on the annual declaration received from individuals like Directors and Key Managerial Personnel (KMP). All related party transactions are reported and referred for approval to the Audit Committee as per section 177 of the Companies Act, 2013. The Audit committee may grant general approval for repetitive related party transactions. Such general approval will be valid for a period of one year and a fresh approval shall be taken for every financial year. As per section 188 of the Companies Act, 2013, the consent of the Board/Shareholders' approval is required, by a special resolution in a general meeting, for entering into the specified transactions with a related party, if they are not in ordinary course of business of the Company or at arm's length and exceeds the threshold limits as specified in the Act.

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Pursuant to the requirement of the section 186(4) of the companies Act 2013 for the disclosure relating to the loans, guarantee and security given by the Company:

- The loans given to its' wholly owned subsidiaries for the general business purpose only.
- Guarantees are given for issue of credit facility to it's wholly owned subsidiary.

(37) Payment to Statutory Auditors (excluding GST) (Refer Note no. 31)

(₹ in Crores)

Particulars	2021-22	2020-21
a) As Auditor	0.24	0.12
b) In other capacity, in respect of		
i) Certification	0.03	0.03
ii) Limited Review	0.16	0.19
	0.43	0.34

Notes forming part of the Financial Statements

(38) Leases

38.1 : Leasing Arrangement

Effective from April 01, 2019, the Company adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019.

The Company does not have any Non-cancellable lease.

Right-of-use asset is related to lease of land at Kandla SEZ for 48 months from Sept,16. The same is accounted for in accordance with Ind AS 116. Company has not renewed the said lease and has cancelled on July 31, 2020. Company has recognized loss on of ₹0.01 crore on cancellation of the said lease in statement of profit & loss account.

38.2 : Amount Recognised in Statement of Profit & Loss

(₹ in Crores)

Particulars	2021-22	2020-21
Interest on Lease Liabilities	-	0.01
Amortisation of ROU Assets	-	0.27
Expense related to Short-term Leases	5.16	3.53

38.3 : Amount Recognised in Statement of Cash Flows

(₹ in Crores)

Particulars	2021-22	2020-21
Under Financing activities (Repayment of lease liability)	-	(0.30)
Under Operating activities (Short term leases)	(5.16)	(3.53)
Total cash outflow for leases	(5.16)	(3.83)

38.4 : Lease Commitments for short-term leases

The Company has entered into Short term leases for CFA premises at various location of India, tenure of which is less than a year. There are no obligations or commitments with reference to such short term leases as at reporting date as such leases are cancellable at the discretion of lessee i.e. the Company.

(39) Employee Benefits

(A) Defined contribution plans

The Company makes provident fund contribution which is defined contribution plan, for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of payroll costs to fund the benefits. The Company recognised ₹1.59 crores (Year ended March 31, 2021 ₹1.43 crores) for provident fund contributions in the Statement of Profit and Loss. The contribution payable to this plan by the Company is at rate specified in the rule of the scheme.

(B) Defined benefit plans

The defined benefit plan of the Company includes entitlement of gratuity for each year of service until the retirement age.

The plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Notes forming part of the Financial Statements

(39) Employee Benefits (contd.)

Investment risk:	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.
Interest risk:	A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
Longevity risk:	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Salary risk:	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The Present value of gratuity obligations is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

I The principal assumptions used for the purposes of actuarial valuation were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Expected return on plan assets	7.06%	6.86%
Discount rate	7.06%	6.86%
Rate of salary increase	7.00%	7.00%
Rate of employee turnover	For services 4 years and below 10.00% and For services 5 years and above 4.00%	For services 4 years and below 11.00% and For services 5 years and above 4.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate
Mortality rate after employment	N.A.	N.A.

II Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

(₹ in Crores)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	1.16	1.12
Net interest expense	-	0.03
Components of defined benefit cost recognised in profit or loss	1.16	1.15

Notes forming part of the Financial Statements

(39) Employee Benefits (contd.)

(₹ in Crores)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (gains)/losses on obligation for the year	0.14	(0.51)
Return on plan assets (excluding interest income)	-	0.01
Components of defined benefit costs recognised in other comprehensive income	0.14	(0.50)
Total	1.30	0.65

III The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(₹ in Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded defined benefit obligation	(11.47)	(10.93)
Fair value of plan assets	11.35	10.90
Funded status	(0.12)	(0.03)
Net liability arising from defined benefit obligation	(0.12)	(0.03)

IV Movements in the present value of the defined benefit obligation are as follows:

(₹ in Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	10.93	10.38
Current service cost	1.16	1.12
Interest cost	0.75	0.70
Benefits paid from the fund	(1.39)	(0.67)
Benefits paid directly by the employer	(0.12)	(0.10)
Actuarial (gains)/losses arising from changes in demographic assumptions	0.02	0.04
Actuarial (gains)/losses arising from changes in financial assumptions	(0.18)	(0.03)
Actuarial (gains)/losses arising from experience adjustments	0.30	(0.51)
Closing defined benefit obligation	11.47	10.93

Notes forming part of the Financial Statements

(39) Employee Benefits (contd.)

V Movements in the fair value of the plan assets are as follows:

(₹ in Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening fair value of plan assets	10.90	10.01
Interest income	0.75	0.68
Return on plan assets (excluding amounts included in net interest expense)	-	(0.01)
Contributions from the employer	1.09	0.89
Benefits paid	(1.39)	(0.67)
Closing fair value of plan assets	11.35	10.90

VI The fair value of the plan assets at the end of reporting period for each category are as follows:

(₹ in Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
HDFC Group Traditional Plan	11.35	10.90
Closing fair value of plan assets	11.35	10.90

VII The following payments are expected contributions to the defined benefit plan in future years:

(₹ in Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
1st following year	1.28	1.25
2nd following year	0.70	0.92
3rd following year	0.82	1.06
4th following year	1.18	0.54
5th following year	0.80	1.07
Sum of years 6 to 10	4.93	4.58
Sum of years 11 and above	12.62	11.34

VIII Sensitivity analysis:

(₹ in Crores)

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate increase by 1%	(0.81)	(0.76)
Discount rate decrease by 1%	0.93	0.88
Rate of salary increase by 1%	0.92	0.87
Rate of salary decrease by 1%	(0.82)	(0.77)
Rate of employee turnover increase by 1%	(0.01)	(0.02)
Rate of employee turnover decrease by 1%	0.01	0.02

Notes forming part of the Financial Statements

(40) Leave encashment

As per the policy followed by the Company, all the leaves are enjoyable in the year itself. Therefore there is no liability of leave encashment existing at the end of the year. Accordingly no provision is made for leave encashment.

(41) The Company has considered the possible effects that may result from Covid19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of Covid19, the Company has, at the date of approval of the financial statements, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of Covid19 on Company's financial statements may differ from that estimated as at the date of approval of the same.

(42) Expenditure on Research & Development activities are as under

The amount of expenditure as shown in respective heads of account is as under:

(₹ in Crores)

Particulars	2021-22		2020-21	
Capital Expenditure		0.11		0.05
Revenue Expenditure				
Material Consumed	0.24		0.58	
Employee Benefit Expenses	3.12		3.07	
Other Expenses	0.29	3.65	0.05	3.70
Total		3.76		3.75

(43) Expenditure on Corporate Social Responsibility are as under

(a) Gross amount required to be spent by the Company during the year ₹3.32 crores (Previous year ₹3.99 crores).

(b) Amount spent during the year on

(₹ in Crores)

	In Cash		Yet to be paid in Cash		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
(i) Development and Maintenance of Public Park	0.26	0.30	-	-	0.26	0.30
(ii) Preventive Healthcare	2.35	3.71	-	-	2.35	3.71
(iii) Scientific Research	-	0.01	-	-	-	0.01
(iv) Education and Research	0.06	-	0.29	-	0.35	-
(v) Others	0.32	0.05	-	-	0.32	0.05
Total	2.99	4.07	0.29	-	3.28	4.07

(i) Pursuant to the requirement of the section 135(6) of companies Act 2013 ₹0.29 crores are transfer to the Special Bank account for the expenditure to be made on the ongoing project.

(ii) Shortfall contribution of ₹0.04 crores during the current year is adjusted against the excess contribution made during the FY 2020-21 amounting to ₹0.08 crores.

Notes forming part of the Financial Statements

(44) Financial Instruments

Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concern, while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company is not subject to any externally imposed capital requirements.

The management of the Company reviews the capital structure of the Company on regular basis.

The following table summarises the capital of the Company.

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Debt	40.41	-
Total Equity	826.43	760.57
Debt to equity ratio	4.89%	-

Other disclosure pursuant to Ind AS 107 "Financial instruments: Disclosures":

(a) Category-wise classification for applicable financial assets:

(₹ in Crores)

Sr. No.	Particulars	As at 31/03/2022	As at 31/03/2021
I	Measured at fair value through Profit or Loss (FVTPL):		
	(i) Investment in mutual funds	302.91	302.39
	(ii) Investment in MLD	59.14	25.90
		362.05	328.29
II	Measured at amortised cost:		
	(i) Investment in equity shares of subsidiaries	97.56	97.56
	(ii) Investment in CD	-	19.54
	(iii) Trade receivables	155.50	80.75
	(iv) Cash and cash equivalents and bank balances	14.46	25.27
	(v) Loans	58.49	45.48
	(vi) Other financial assets	2.73	1.97
		328.74	270.57
III	Measured at fair value through Other Comprehensive Income (FVTOCI):		
	(i) Investment in bonds	112.40	108.33
	(ii) Investment in NCD	24.99	25.11
		137.39	133.44
	Total	828.18	732.30

Notes forming part of the Financial Statements

(44) Financial Instruments (contd.)

(b) Category-wise classification for applicable financial liabilities:

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Measured at amortised cost:		
(i) Borrowings	40.41	-
(ii) Trade payables	65.76	47.81
(iii) Other financial liabilities	4.86	5.49
Total	111.03	53.30

(45) Fair value measurements

(a) Fair value Hierarchy of the Company's financial assets that are measured at fair value on a recurring basis:

(₹ in Crores)

Particulars	As at 31/03/2022				As at 31/03/2021			
	Level1	Level2	Level3	Total	Level1	Level2	Level3	Total
I Financial assets at FVTPL								
(i) Investment in mutual funds	302.91	-	-	302.91	302.39	-	-	302.39
(ii) Investment in MLD	59.14	-	-	59.14	25.90	-	-	25.90
II Financial assets at FVTOCI								
(i) Investment in bonds & NCD	137.39	-	-	137.39	96.16	37.28	-	133.44
Total	499.44	-	-	499.44	424.45	37.28	-	461.73

Valuation technique and key inputs used to determine fair value:

- Level 1 : Mutual funds, Bonds, NCD - Quoted prices in active market.
- Level 2 : Bonds, NCD, Preference shares - The fair value is calculated using the discounted cash flow method. Risk free rate adjusted by applicable spread is used for discounting future cash flows.

(b) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

I Financial assets measured at amortised cost

The carrying amount of Trade receivables, Loans, Cash and cash equivalents and bank balances & Other current financial assets are considered to be the same as their fair value due to their short term nature. The carrying amount of Other non-current financial assets are considered to be close to the fair value.

II Financial liabilities measured at amortised cost

The carrying amount of Trade payables and Other financial liabilities are considered to be the same as their fair values due to their short term nature.

Notes forming part of the Financial Statements

(46) Financial Risk Management Objectives and Policies

Financial risk management objectives

The Company's management monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The most significant risks to which the Company is exposed are described below:

Market risk

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates risk, liquidity risk, credit risk and price risk which impact returns on investments. Market risk exposures are measured using sensitivity analysis.

Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and purchases and 24-month period for net investment hedges.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company hedges its exposure to fluctuations on the translation into INR of its foreign operations by holding net borrowings in foreign currencies and by using foreign currency swaps and forwards.

At March 31, 2022 the Company hedged 48% (March 31, 2021: Nil) of its expected foreign currency receivable. Those hedged sales were highly probable at the reporting date. This foreign currency risk is hedged by using foreign currency forward contracts and by Export Packing Credit and Post Shipment Credit.

(All figures in crores)

Foreign currency exposure	As at March 31, 2022		As at March 31, 2021	
	Foreign currency monetary assets	Foreign currency monetary liabilities	Foreign currency monetary assets	Foreign currency monetary liabilities
USD	1.87	-	1.06	-
AUD	0.13	-	0.01	-
CNY	0.71	-	-	0.00

Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

Notes forming part of the Financial Statements

(46) Financial Risk Management Objectives and Policies (contd.)

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their transaction at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ in Crores)

Currency	As at March 31, 2022		As at March 31, 2021	
	5% increase	5% decrease	5% increase	5% decrease
Foreign currency monetary assets				
USD	(7.00)	7.00	(3.88)	3.88
AUD	(0.36)	0.36	(0.03)	0.03
CNY	(0.42)	0.42	-	-
Foreign currency monetary liabilities				
CNY	-	-	0.00	(0.00)
Impact on profit or loss at the end of the reporting year	(7.78)	7.78	(3.91)	3.91
Impact on total equity as at the end of the reporting year (net of tax)	(7.69)	7.69	(3.90)	3.90

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments (Bond, NCD, preference share and mutual fund), trade receivables, loans and advances.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this risk, the Company periodically assesses the financial reliability of customers, taking into account their financial position, past experience and other factors. The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Price risk

The Company's exposure to price risk arises from investments in Bond, NCD, preference share and mutual fund held by the Company and classified in the balance sheet at fair value through OCI and at fair value through profit or loss. To manage its price risk arising from investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Notes forming part of the Financial Statements

(46) Financial Risk Management Objectives and Policies (contd.)

Price risk sensitivity

The table below summarises the impact of increases / decreases of the index on the Company's equity and profit for the year.

(₹ in Crores)

	Movement in Rate	As at March 31, 2022		As at March 31, 2021	
		Impact on Profit	Impact on Other Comprehensive Income	Impact on Profit	Impact on Other Comprehensive Income
Bonds					
Increase	+2%	-	2.25	-	2.17
Decrease	-2%	-	(2.25)	-	(2.17)
Preference Shares					
Increase	+2%	-	-	-	-
Decrease	-2%	-	-	-	-
NCD/ICD					
Increase	+2%	1.18	0.50	0.52	0.50
Decrease	-2%	(1.18)	(0.50)	(0.52)	(0.50)
Mutual Funds					
Increase	+2%	6.06	-	6.05	-
Decrease	-2%	(6.06)	-	(6.05)	-
Total					
Increase	+2%	7.24	2.75	6.57	2.67
Decrease	-2%	(7.24)	(2.75)	(6.57)	(2.67)
Impact on total equity as at the end of the reporting year (net of tax)					
Increase	+2%		8.09		7.45
Decrease	-2%		(8.09)		(7.45)

Interest rate risk

The Company's majority investments are primarily in fixed rate interest bearing investments. Except in case of Market Linked Debentures the Company is not significantly exposed to interest rate risk.

Liquidity risk

The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities:

The tables below analyse the Company's financial liabilities into relevant maturity groupings base on their contractual maturities for all non-derivative financial liabilities.

Notes forming part of the Financial Statements

(46) Financial Risk Management Objectives and Policies (contd.)

(₹ in Crores)

Particulars	As at March 31, 2022			
	Less than 1 year	1 to 5 years	>5 years	Total
Current				
(i) Borrowings	40.41	-	-	40.41
(ii) Trade payables	65.76	-	-	65.76
(iii) Other financial liabilities	4.86	-	-	4.86

(₹ in Crores)

Particulars	As at March 31, 2021			
	Less than 1 year	1 to 5 years	>5 years	Total
Current				
(i) Trade payables	47.81	-	-	47.81
(ii) Other financial liabilities	5.49	-	-	5.49

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities within the maturity period.

(47) Ratios as per Schedule III Requirements

a) Current Ratio = Current Assets divided by Current Liabilities

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Current Assets	607.70	505.14
Current Liabilities	176.67	115.41
Current Ratio	3.44	4.38
% change from previous period	-21.41%	

b) Debt - Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Total Debt	40.41	-
Total Equity	826.43	760.57
Debt - Equity Ratio	0.05	0.00
% change from previous period	100.00%	

Reason for change more than 25%:

During the year Company has availed Exports packing Credit and Post Shipment Credit from ICICI Bank. The said loan was taken to meet working capital requirement for exports business done to subsidiaries companies.

Notes forming part of the Financial Statements

(47) Ratios as per Schedule III Requirements (contd.)

c) Return on Equity Ratio (ROE) = Net profit after tax divided by Average Shareholder's Equity

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Profit for the year	110.81	112.35
Average Shareholder's Equity	793.50	704.71
Return on Equity Ratio (ROE)	0.14	0.16
% change from previous period	-12.41%	

d) Inventory Turnover Ratio = Cost of goods sold divided by Average inventory

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Cost of goods sold	352.69	252.06
Average Inventory	59.31	45.12
Inventory Turnover Ratio	5.95	5.59
% change from previous period	6.45%	

e) Trade Receivables turnover ratio = Total Sales divided by Closing trade receivables

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Total Sales	637.51	485.94
Closing Trade Receivables	155.50	80.75
Trade Receivables turnover ratio	4.10	6.02
% change from previous period	-31.87%	

Reason for change more than 25%:

Decrease in Trade receivable turnover ratio is due to :

- Increase in sales in current year by 32% mainly on account of increase in exports sales and on account of relaxation in restrictions imposed due to Covid19.
- Increase in Trade receivable due to increase in credit sales to Modern trade & higher sales to subsidiaries during the FY22 as compared to that of FY21.

f) Trade payables turnover ratio = Total purchases divided by closing trade payables

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Total purchases	373.45	259.68
Closing Trade payables	65.76	47.81
Trade payables turnover ratio	5.68	5.43
% change from previous period	4.56%	

Notes forming part of the Financial Statements

(47) Ratios as per Schedule III Requirements (contd.)

- g) **Net capital Turnover Ratio = Net Sales divided by Net Working capital (whereas net working capital= current assets - current liabilities)**

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Net sales	637.51	485.94
Net working capital	431.03	389.73
Net capital Turnover Ratio	1.48	1.25
% change from previous period	18.62%	

- h) **Net profit ratio = Net profit after tax divided by Net Sales**

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Profit for the year	110.81	112.35
Net sales	637.51	485.94
Net profit ratio	0.17	0.23
% change from previous period	-24.82%	

Reason for change more than 25%:

PAT % are lower compared to last year inspite of increase in sales mainly due to

- Lower gross margin on account of massive increase in input cost and logistics cost in current year and increase in Sales to Rest of the world by 126%
 - Higher spent on advertisement & sales promotion & overheads.
- i) **Return on Capital employed (ROCE) = Earnings before interest and taxes(EBIT) divided by Capital Employed**

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
EBIT	147.26	147.21
Capital employed	876.16	766.29
ROCE Ratio	0.17	0.19
% change from previous period	-12.51%	

- j) **Return on investment = Income from investments divided by Time weighted average investments**

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Tax Free Bonds	10.19%	11.37%
Income from investments	11.04	11.77
Time weighted average investments	108.32	103.51
% change from previous period	-10.38%	

Notes forming part of the Financial Statements

(47) Ratios as per Schedule III Requirements (contd.)

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
NCD and MLD	6.16%	7.80%
Income from investments	3.51	3.50
Time weighted average investments	57.03	44.85
% change from previous period	-20.99%	
Mutual Funds	4.24%	4.61%
Income from investments	15.20	16.15
Time weighted average investments	358.66	350.08
% change from previous period	-8.12%	
Corporate Deposits	5.65%	5.65%
Income from investments	1.07	0.04
Time weighted average investments	18.84	0.69
% change from previous period	0.08%	

k) Operating Profit Margin = Operating Profit (Profit Before Tax + Finance Cost - Other Income) divided by Revenue from Operations

(₹ in Crores)

Particulars	As at 31/03/2022	As at 31/03/2021
Operating Profit	109.39	111.50
Revenue from Operations	641.31	487.88
Operating Profit Margin	0.17	0.23
% change from previous period	-25.36%	

Reason for change more than 25%:

Please refer explanation given in note number (h).

Debt Service Coverage Ratio (DSCR) is not applicable because the Company does not have any term borrowings.

(48) The Code on Wages, 2019 and Code on Social Security, 2020 (the "Codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the periods the Codes becomes effective.

(49) Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Notes forming part of the Financial Statements

(49) Other Statutory Information (contd.)

- (v) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with any oral or written understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with any oral or written understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (viii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(50) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of May 03, 2022, there were no subsequent events and transactions to be recognised or reported that are not already disclosed.

(51) Approval of financial statements

The financial statements were approved for issue by the board of directors on May 03, 2022.

For and on behalf of the board

Achal Bakeri
Chairman & Managing Director
DIN-00397573

Nrupesh Shah
Executive Director
DIN-00397701

Place : Ahmedabad
Date : May 03, 2022

Mayur Barvadiya
Company Secretary

Girish Thakkar
Chief Financial Officer

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries:

(₹ in Crores)

Sr. No.	Particulars	IMPCO S DE RL DE CV, Mexico	Guangdong Symphony Keruilai Air Coolers Co., Limited, China	Bonaire USA LLC, USA	Climate Technologies Pty. Limited, Australia	Symphony AU Pty. Limited, Australia	Symphony Climatizadores Ltda, Brazil
1	Reporting period	31-12-2021	31-12-2021	31-03-2022	31-03-2022	31-03-2022	31-12-2021
2	(i) Reporting currency	Mexican Peso	CNY	US Dollar	Australian Dollar	Australian Dollar	Brazilian Real
	(ii) Exchange rate as on the last date of the relevant Financial year	3.69	11.90	75.52	56.50	56.50	15.94
3	Share Capital	0.00	101.12	0.00	0.00	103.97	0.08
4	Reserves & Surplus	55.45	(157.00)	(9.87)	101.05	(22.34)	(0.79)
5	Total Assets	75.35	17.18	28.94	333.98	238.85	2.89
6	Total Liabilities	25.11	73.06	38.81	232.93	157.22	3.60
7	Investments (Excl. Investment in Subsidiaries)	5.21	-	-	-	-	-
8	Turnover	95.14	42.65	25.54	355.30	-	1.95
9	Profit before taxation	10.50	(10.86)	(5.40)	25.16	(0.92)	(0.49)
10	Provision for taxation	2.70	-	-	8.08	0.35	-
11	Profit after taxation	7.80	(10.86)	(5.40)	17.08	(1.27)	(0.49)
12	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil
13	% of shareholding	100%	100%	95%	95%	95%	100%
14	The date since when subsidiary was acquired	01-04-2011	01-01-2016	01-07-2018	01-07-2018	15-06-2018	10-06-2019

For and on behalf of the board

Achal Bakeri
Chairman & Managing Director
DIN-00397573

Nrupesh Shah
Executive Director
DIN-00397701

Place : Ahmedabad
Date : May 03, 2022

Mayur Barvadiya
Company Secretary

Girish Thakkar
Chief Financial Officer

Symphony Limited

CIN – L32201GJ1988PLC010331

Regd. Office: Symphony House, Third Floor, FP12, TP50, Off S.G. Highway, Bodakdev,
Ahmedabad – 380 059, Gujarat, India.

Phone: +91-79-66211111 • Fax: +91-79-66211140

E-mail ID: investors@symphonylimited.com • Website: www.symphonylimited.com

Notice

NOTICE is hereby given that the 35th Annual General Meeting (“AGM”) of the Members of Symphony Limited (“the Company”) will be held on Monday, August 29, 2022 at 10:00 a.m. (IST) through Video Conferencing (“VC”) facility or Other Audio-Visual Means (“OAVM”) to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended on March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended on March 31, 2022, together with the Report of the Auditors thereon.
3. To confirm payment of interim dividend of ₹3/- per share and to declare a final dividend of ₹6/- per share on equity shares for the financial year 2021-22.
4. To appoint a director in place of Mr. Nrupesh Shah (DIN-00397701) who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business:

5. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of SEBI Listing Regulations and the Articles of Association of the Company and subject to such other approval as may be necessary, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Achal Bakeri (DIN – 00397573) as Managing Director of the Company for a further period of 5 (five) years w.e.f. December 1, 2022, upon the terms and conditions, including the remuneration to be paid in the event of inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the notice convening this annual general meeting, with authority / liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed between the Board of Directors and Mr. Achal Bakeri.”

“RESOLVED FURTHER THAT the Board of Directors or a Committee thereof of the Company, be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

By Order of the Board
For Symphony Limited

Date: July 26, 2022

Place: Ahmedabad Company Secretary & Head - Legal

Mayur Barvadiya

Notes:

- (a) In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos.14/2020, 17/2020, 20/2020 and 02/2021 dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021, respectively and by General Circular No. 02/2022 dated May 5, 2022, allowed companies whose AGMs were due to be held in the year 2022 or become due in the year 2022, to conduct their AGMs on or before December 31, 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 ("MCA Circulars"). In compliance with these circulars, the AGM of the Company is being held through VC/OAVM on Monday, August 29, 2022 at 10.00 a.m. (IST). The deemed venue for the 35th AGM will be Symphony House, 3rd Floor, FP12, TP50, Off S. G. Highway, Bodakdev, Ahmedabad – 380059.
- (b) **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**
- (c) In accordance with the MCA Circulars and the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2022/62 dated May 13, 2022, the Notice alongwith the Annual Report of the Company for the financial year ended March 31, 2022, will be sent through e-mail, to those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Bigshare Services Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2022 shall be available on the websites of the Company viz., www.symphonylimited.com and of the Stock Exchanges where equity shares of the Company are listed. The Notice shall also be available on the e-voting website of the agency engaged for providing e-voting facility, i.e., National Securities Depository Limited (NSDL), viz., www.evoting.nsdl.com.
- (d) The statement setting out material facts as required under Section 102(1) of the Companies Act, 2013, in respect of Special Business mentioned in the above notice is annexed hereto. The documents and/or letters, if any, referred to in the resolutions are open for inspection for the members at the registered office of the Company on all working days between 2.00 p.m. to 4.00 p.m., up to the date of ensuing annual general meeting.
- (e) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 27, 2022 to Monday, August 29, 2022 (both days inclusive) for the purpose of annual general meeting and payment of final dividend.
- (f) Members desirous of obtaining any information as regards to accounts and operations of the Company are requested to write to the Company at least 7 days before the meeting to enable the Company to keep the required information ready at the ensuing annual general meeting.
- (g) Pursuant to Section 72 of Companies Act, 2013, members holding shares in physical form may file Nomination Form in respect of their shareholdings to Registrar and Share Transfer Agent.
- (h) Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 35th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-voting are requested to send a certified copy of the board resolution / power of attorney to the Scrutinizer.
- (i) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (j) The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned

in the Notice. The Members will be able to view the proceedings by logging into the National Securities Depository Limited's ('NSDL') e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis as per the MCA Circulars.

(k) In line with the MCA General Circulars, the Notice of the AGM alongwith the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 35th AGM has been uploaded on the website of the Company at www.symphonylimited.com under 'Investors' section and may also be accessed on the websites of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com and on the website of NSDL www.evoting.nsdl.com.

(l) Members, who hold shares in physical form, are requested to intimate the change in their registered address, if any, to the Registrar and Share Transfer Agent.

(m) **Dividend Tax**

Pursuant to the amendments in the Income Tax Act, dividend income is taxable in the hands of the shareholders from April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's email address at investors@symphonylimited.com. For details, Members may refer to the "Communication on TDS on Dividend Distribution" appended to this Notice of AGM.

(n) Details of directors seeking appointment/re-appointment at ensuing annual general meeting of the Company are given in this Notice in compliance of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting.

(o) Members holding shares in demat form who have not registered their email addresses, are requested to register their email id with their respective depository participants and members who are holding shares in physical form are requested to register their email id with the Registrar and Share Transfer Agent for receipt of Annual Report, notice, quarterly results, circulars, etc. by electronic mode.

(p) Transfer of unclaimed / unpaid amounts and shares to the Investor Education and Protection Fund:

Members who have not yet encashed their dividend (s) for the financial year 2014-15 onwards are requested to lodge their claims with the Company or Registrar and Share Transfer Agent. It may be noted that the unclaimed final dividend for the financial year 2014-15 and two interim dividends for the financial year 2015-16 declared by the Company can be claimed by the members by September 30, 2022 and January 31, 2023 respectively.

The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. Details of the unpaid/unclaimed dividend are also uploaded as per the requirements, on the Company's website: <https://www.symphonylimited.com/investor-shareholders-information-iepf.aspx>

The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from September 7, 2016 ("IEPF Rules 2016") as amended/modified from time to time. The Company has, during financial year 2020-21, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more within 30 days from the due dates.

Details of shares transferred to the IEPF Authority are available on the website of the Company as well as IEPF Authority and the same can be accessed through the following links:

- (i) <http://www.symphonylimited.com/investor-shareholders-information-iepf.aspx>
- (ii) www.iepf.gov.in.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be

claimed back from the IEPF authority. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact our Registrar and Transfer Agent Bigshare Services Private Limited (BSPL) for lodging a claim for refund of shares and / or dividend from the IEPF Authority.

(q) **INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:**

The remote e-voting period begins on Thursday, August 25, 2022 at 9:00 A.M. and ends on Sunday, August 28, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 22, 2022, may cast their vote electronically.

The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility, Open web browser and type URL: https://eservices.nsd.com/ . Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. Please enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on options available against company name or e-voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com . Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-voting website of NSDL and type the following URL: https://www.evoting.nsd.com/ . Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site. Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Step -1 How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-voting system is launched, click on the icon "Login", which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-voting system.

How to cast your vote electronically and join General Meeting on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/

modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csdoshia@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investors@symphonylimited.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested), AADHAR (self-attested) to investors@symphonylimited.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

The instructions for members for e-voting on the day of the AGM are as under: -

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for members for attending the AGM through VC/OAVM are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.
2. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at investors@symphonylimited.com. The

same will be replied by the company suitably.

General Guidelines for Shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csdoshiac@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available in the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
 - (r) M/s. SPANJ & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - (s) Voting shall be allowed at the end of discussion on the resolutions on which voting is to be held, with the assistance of Scrutinizer, by use of electronic mode for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - (t) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of

the Company, and make, within two working days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour of 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.

- (u) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website

www.symphonylimited.com immediately after the result is declared and the same shall be communicated to the National Stock Exchange of India Limited and BSE Limited.

- (v) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the AGM.

Statement pursuant to Section 102(1) of the Companies Act, 2013 ("The Act")

The following statement sets out all material facts relating to the business mentioned in the notice:

Item No. 5

The members, at their Annual General Meeting of the Company held on September 8, 2017, had approved the re-appointment of Mr. Achal Bakeri as Managing Director for a period of five years effective from December 1, 2017 and pursuant to which his present term will be expiring on November 30, 2022. Accordingly, on the recommendation of the Nomination and Remuneration committee of the Company, the Board of Directors at its meeting held on May 3, 2022, has re-appointed Mr. Achal Bakeri as Managing Director for a further period of five years w.e.f. December 1, 2022, subject to approval of members. The brief resume and other information of Mr. Achal Bakeri is given in this notice in compliance with Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting.

The key terms and conditions of his re-appointment are as under:

(A) Nature of duties:

Mr. Achal Bakeri, shall, subject to the supervision and control of the Board, be entrusted with substantial powers of management and shall also perform such duties as may from time to time, be entrusted to him and the business of any one or more of its subsidiaries and/or associate companies.

(B) Remuneration:

- a. Monthly Basic Salary: not exceeding ₹10,00,000/- (Rupees Ten Lacs only)
- b. Other allowances as per the policies of the Company from time to time.
- c. Reimbursement of Expenses: Up to 50% of Basic Salary.
- d. Ex-Gratia: 5% of Basic Salary.
- e. On completion of the year, in eventuality of profits, consolidated profits linked performance incentive to the extent that the total remuneration is within applicable statutory ceiling of remuneration.
- f. Perquisites:
 - i. Reimbursement of expenses on actuals pertaining to telephone and other utilities used for his housing accommodation.
 - ii. Car: Two cars for use of the Company's business.
 - iii. Medical Expenses Reimbursement: As per the policy of the Company.
 - iv. Club fees: Fees of Two Clubs in India (including admission/annual membership fee).
 - v. Personal accident insurance premium – As per the policy of the Company.

- vi. Reimbursement of travelling and all other expenses incurred for the business of the Company as per the policy of the Company.

The following perquisites will not be included in the computation of the ceiling on the remuneration specified above:

1. Contribution to provident fund, superannuation fund or annuity fund, to the extent that these, either singly or put together, are not taxable under the Income Tax Act, 1961.
2. Gratuity not exceeding half month's salary for each completed year of service.

The above remuneration is subject to the limit of 5% or 10% of the net profit of the Company during the year, as the case may be, as laid down in Section 197 of the Companies Act, 2013.

(C) Minimum Remuneration:

Where, in any financial year, the Company has no profit or its profits are inadequate, the Company shall pay to Mr. Achal Bakeri in respect of such financial year, remuneration by way of salary, allowance, perquisites and other benefits subject to further approvals as required under Schedule V of the Companies Act, 2013 as existing or modified or re-enacted from time to time.

(D) Other terms and conditions:

- (i) The terms and conditions of the said re-appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject to such approvals as may be required.
- (ii) The employment may be terminated by either party by giving 3 (three) months' notice or the Company paying three months' remuneration in lieu thereof.
- (iii) All policies of the Company and the related rules shall be applicable to the Managing Director unless specifically provided otherwise.

The Board recommends the resolution at Item No. 5 for approval of the members.

Except Mr. Achal Bakeri and his relatives, none of the directors, key managerial personnel or their relatives are in any way interested or concerned, financially or otherwise, in the said resolution.

By Order of the Board
For Symphony Limited

Date: July 26, 2022

Place: Ahmedabad **Mayur Barvadiya**
Company Secretary & Head - Legal

Details of the directors seeking re-appointment in the forthcoming Annual General Meeting (in compliance with Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting)

The brief resume and other information of Mr. Achal Bakeri and Mr. Nrupesh Shah are as under:

Name	Mr. Achal Bakeri (DIN: 00397573)	Mr. Nrupesh Shah (DIN: 00397701)
Age	62 years	59 years
Qualification	Architect, MBA (University of Southern California)	B.Com., FCA, CS
Date of Appointment	February 5, 1988	October 19, 2002
Relationship with Other Director	Father of Ms. Jonaki Bakeri	None
Brief Resume, Functional expertise and experience	<p>Mr. Achal Bakeri, a game-changer in the industry of environment-friendly products is the founder of the world's largest air cooler company. In 1988, he founded Symphony Limited with an aim to provide economically viable cooling accessible to all. Driven by a design thinking approach, Achal has lead Symphony to be a pioneer in the industry with largest market share over the years. The Company under Mr. Bakeri's leadership has remained close to the idea behind its conception – design and efficacy.</p> <p>Mr. Bakeri has been the advocate for green and environment friendly cooling solutions and has popularised the aesthetically and ergonomically designed evaporative coolers in the residential, commercial and industrial segments. The wide adoption of the products in a formerly unorganised sector has made Symphony synonymous with 'cooling'.</p>	<p>Mr. Shah heads the Company's financial and commercial functions and is responsible for corporate affairs, growth and performance strategies, merger and acquisitions, finance, M.I.S., and treasury, among other things.</p> <p>Mr. Shah joined Symphony in 1993 as Finance Controller and became Executive Director in 2002. With more than 30 years of experience in finance and accounts, Mr. Shah is a key architect of the Company's growth and turnaround.</p>
No. of Shares held in the Company	5,12,43,740 ⁻ (73.25%) equity shares	11,74,052 (1.68%) equity shares*
Directorship in other Company	<ol style="list-style-type: none"> 1. Sanskrut Tradecom Private Limited 2. Harmony Holdings Private Limited 3. Scarlet Living Private Limited 	Helix Consultants Private Limited

	4. Blubay Technologies Private Limited	
	5. Arvind Fashions Limited	
	6. Nuvoco Vistas Corporation Limited	
Chairman / Member of the committee of the Company	1. Corporate Social Responsibility Committee – Member	1. Corporate Social Responsibility Committee – Member
	2. Risk Management Committee - Member	2. Risk Management Committee – Member
		3. Stakeholders Relationship Committee - Member
No. of Board Meeting attended during the year	Six Meetings	Six Meetings
Remuneration drawn during year	₹236.40 lacs [#]	₹104.90 lacs [#]

~ Mr. Achal Bakeri and Ms. Jonaki Achal Bakeri are part of promoter group which holds 73.25% 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, father's HUF in which he is Karta and Family Trust in which he is interested as Trustee and Beneficiary of the Trust.

includes profit linked performance incentives, as approved by the Board, for the year 2021-22, payable in FY 2022-23.

Communication on tax deduction at source (tds) on dividend distribution

This communication summarizes the applicable TDS provisions in accordance with the provisions of the Act for various shareholder categories, including a Resident or Non-Resident shareholder. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the Dividend will be paid after deducting TDS as explained herein.

Section 1: Mandatory details applicable for all shareholders

All shareholders are requested to ensure that the below details are completed and/or updated, as applicable, in their depository records through their depository participant (if shares are held in Demat form) or in the register of members through registrar and share transfer agent (if shares are held in physical form) on or before August 20, 2022.

- a. Residential status as per the Act i.e. Resident or Non-Resident for FY 2022-23
- b. Valid Permanent Account Number (PAN)
- c. Category of shareholder viz. Mutual Fund, Insurance Company, Alternate Investment Fund (AIF) Category I and II, AIF Category III, Foreign Portfolio Investor (FPI) /Foreign Institutional Investor (FIL), Foreign Company, Others (being Individual, Firm, Trust, AJP, etc.): - Individual, Hindu Undivided Family (HUF), Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of individuals (BOI) or Artificial Juridical Person (AJP), Trust, Domestic company, Foreign company etc.
- d. Email id
- e. Address

Please note that the above details as available on record date in the register of members will be relied upon by the Company, for the purpose of complying with the applicable TDS provisions.

Section 2: TDS Provisions and documents required as applicable for relevant category of shareholders.

In addition to ensuring completion and/or updating, as applicable, of above mandatory details, shareholders are also requested to take note of the TDS rates and additional information requested by the Company for their respective category in order to comply with the applicable TDS provisions.

1. Resident Shareholder:

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
Mutual Funds - Applicable for Mutual Funds registered with SEBI	196	0%	No TDS is required to be deducted as per Section 196(iv) of the Act, subject to specified conditions. A declaration that they are governed by the provisions of section 10(23D) of the Act along with self-attested copy of relevant registration documents (*) (***)
Category I and II Alternative Investment Funds (AIF)	197A(1F)	0%	No TDS is required to be deducted as per Section 197A(1F) of the Act, subject to specified conditions. Copy of valid SEBI registration certificate need to be submitted and a declaration that its income is exempt under section 10 (23FB) of the Act (*) (***)

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
Other resident shareholder	194 / 197	10%	<p>a) TDS is required to be deducted at the rate of 10% under Section 194 of the Act.</p> <p>b) No TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to individual shareholder does not exceed ₹5000/-.</p> <p>c) No TDS is required to be deducted on furnishing of valid Form 15G (#) (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (#) (for individual above the age of 60 years with no tax liability on total income). (*) (***)</p> <p>d) PAN available in the register of members must be valid (**). TDS is required to be deducted at the rate of 20% under Section 206AA of the Act, if valid PAN of the shareholder is not available.</p> <p>e) TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the Act, if such valid certificate is provided. (*) (***)</p> <p>f) As per section 206AB inserted by Finance Act 2021, TDS is proposed to be deducted at twice the applicable rates, if Income Tax Return is not filed by the resident shareholders for preceding financial year, for which the time limit for filing has expired. The Company will use the mechanism prescribed by Income tax department to verify if a shareholder is a 'specified person' under section 206AB of the Income Tax Act and basis the result provided, the Company will apply higher rates under section 206AB of the Income Tax Act on those shareholders who are covered as 'specified person' under section 206AB of the IT Act.</p>
Any other entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g. relevant copy of registration, notification, order, etc.) in support of the entity being entitled to TDS exemption need to be submitted. (*) (***)

2. Non-Resident Shareholder:

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
FPIs and FIIIs	196D	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 196D of the Act.</p> <p>b) The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-Resident shareholder.</p> <p>Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:</p> <ul style="list-style-type: none"> • Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***) • Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***) • Self-declaration in Form 10F (*) (***) • Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication). <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p>

Category of shareholder	Relevant section of the Act	Rate of Tax	Exemption applicability/Documentation Requirement
Other non-resident shareholder	195	20%	<p>a) TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 of the Act.</p> <p>b) The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-Resident shareholder. Further, as per Section 90 of the Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder if they are more beneficial to them. For this purpose, i.e. to avail Tax Treaty benefits, the non-resident shareholders will have to provide the following:</p> <ul style="list-style-type: none"> • Copy of the PAN allotted by the Indian Income Tax authorities; (*) (***) • Copy of valid Tax Residency Certificate obtained from the tax authorities of the country of which the shareholder is a resident; (*) (***) • Self-declaration in Form 10F (*) (***); • Self-declaration on letterhead of having no Permanent Establishment in India, Beneficial ownership of shares and eligibility to claim treaty benefits (as per Annexure 1 to this Communication). <p>In the case of shareholder other than individuals, the declaration has to be on the official letterhead of the entity with reference to the authorization date of the Board/Trust resolution in favour of the authorized signatory to sign the document.</p> <p>c) TDS is required to be deducted at the rate prescribed in valid lower tax withholding certificate issued under Section 197 of the Act, if such certificate is provided. (*) (***)</p>
Any entity entitled to exemption from TDS	-	-	Valid documentary evidence (e.g. relevant copy of registration, notification, order, etc. by Indian tax authorities) in support of the entity being entitled to exemption from TDS is to be submitted. (*) (***)

Clearing member should ensure that as on record date no shares are lying in their account.

(*) The documents have to be emailed to tds@bigshareonline.com and investors@symphonylimited.com of the Registrar and Share Transfer Agent ('RTA') / Company on or before August 20, 2022. Alternatively,

physical documents may be sent to RTA at the following address:

Bigshare Services Private Limited

Unit : Symphony Limited
Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093, Maharashtra

Please note that the Company will not be able to consider the documents / communication sent physically, after August 20, 2022.

In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules on or before 31st March, 2023. The Company will not accept any declarations referred to Rule 37BA of Income Tax Rules, 1962 on or after 31st March, 2023.

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, you will be able to claim refund of the excess tax deducted by filing your income tax return. No claim shall lie against the Company for such taxes deducted.

(**) If the PAN is not as per the database of the Income-tax Portal, it would be considered as invalid PAN.

(***) All documents to be submitted are required to be self-attested (the documents should be signed by shareholder/authorised signatory stating the document to be "certified true copy of the original"). Benefits depend upon availability of the documents within the time specified and verification of the same by the Company. In case of ambiguous, incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate.

(#) Given the current Covid scenario, the Company would accept scanned copy of the duly signed and verified Form 15G/15H. However, the shareholder is required to additionally self-attest the document stating, "certified true copy of the original". If the original Form 15G/15H is required in future, the Company would call for the same from the shareholders.

All the forms 15G/15H/10F/self-declaration for tax exemption can be downloaded from the website of the company's RTA- <https://www.bigshareonline.com/Resources.aspx>.

Note:

- All the above referred rates will be enhanced by surcharge and cess, wherever applicable

- Application of TDS rate is subject to necessary due diligence and verification by the Company of the shareholder details as available in register of members on the record date and any other additional documents that may be submitted.
- If the dividend income is assessable to tax in the hands of a person other than the registered shareholder as on the record date, the registered shareholder is required to furnish a declaration to the Company containing the name, address, permanent account number of the person to whom TDS credit is to be given and reasons for giving credit to such person.
- If, for any reason, TDS is deducted at a higher rate, the shareholder can claim refund of excess TDS, by filing Income-tax return in India, subject to fulfilment of the applicable conditions.
- In the event of any income-tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the shareholders, such shareholders will be responsible to pay and indemnify such income-tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income-tax/appellate authority.
- The Company will arrange to email a soft copy of the TDS certificate to the registered email IDs of the shareholders in due course. The TDS amount will also be reflected in Form 26AS of the shareholder, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>

ABOVE COMMUNICATION ON TDS SETS OUT THE PROVISIONS OF LAW IN A SUMMARISED MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES. SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

Annexure 1 - format for declaration for claiming benefits under DTAA

Date:

To,

Symphony Limited

Symphony House,

FP-12, TP50, Off S. G. Highway

Bodakdev,

Ahmedabad – 380 059.

Subject: Declaration for eligibility to claim benefit under Agreement for Avoidance Of Double Taxation between Government of India and Government of ("DTAA"), as modified by Multilateral Instrument ("MLI"), if applicable

With reference to above, I/We wish to declare as below:

1. I / We, _____, having permanent account number (PAN) under the Indian Income tax Act, _____, and holding _____ number of shares of the Company under demat account number/ folio number..... as on the record date, am / are a tax resident of .. _____ in terms of Article 4 of the DTAA as modified by MLI (if applicable) and do not qualify as a 'resident' of India under section 6 of the Indian Income-tax Act, 1961 ("the IT Act"). A copy of the valid tax residency certificate for, along with Form 10F which is valid as on the Book Closure Date/record date, is attached herewith.
2. I/We am/are eligible to be governed by the provisions of the DTAA as modified by MLI (if applicable), in respect of the dividend income and meet all the necessary conditions to claim treaty rate.
3. I / We hereby declare that, I am /we are the beneficial owner of the share/shares held in the Company as well as the dividend arising from such shareholding; and I/ we have the right to use and enjoy the dividend received/ receivable from the above shares and such right is not constrained by any contractual and/ or legal obligation to pass on such dividend to another person.
4. I/We confirm that I/We are entitled to claim the benefits under the Treaty as modified by the multilateral convention to implement tax treaty related measures to prevent base erosion and profit shifting (MLI) including but not limited to the Principal Purpose Test (PPT), limitation of benefit clause (LOB), Simplified Limitation of Benefits (SLOB), period of holding of shares etc. as applicable. We specifically confirm that my affairs / affairs were not arranged such that the main purpose or the principal purpose thereof was to obtain tax benefits available under the applicable tax treaty.
5. I/We confirm that I/We have not entered into an impermissible avoidance arrangement i.e. an arrangement, the main purpose or one of the main purposes of which is to obtain a tax benefit and it (a) creates rights, or obligations, which are not ordinarily created between persons dealing at arm's length (b) results, directly or indirectly, in the misuse, or abuse, of the provisions of this Act (c) lacks commercial substance or is deemed to lack commercial substance under section 97, in whole or in part; or (d) is entered into, or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes.

I/We do not have a Permanent Establishment ("PE") in India in terms of Article 5 of the DTAA as modified by MLI (if applicable) or a fixed base in India during the period April 2022-March 2023 and the amounts paid/ payable to us, in any case, are not attributable to the PE or fixed base, if any, which may have got constituted

otherwise. Further I/We hereby declare and confirm that I/We do not fall under the definition of 'specified person' as provided in section 206AB of the IT Act

6. I/We do not have a PE in a third country and the amounts paid/payable to us, in any case, are not attributable to a PE in third jurisdiction, if any, which may have got constituted otherwise.
7. I/We do not have a Business Connection in India according to the provision of section 9(1)(i) of the Act and the amounts paid/ payable to us, in any case, are not attributable to business operations, if any, carried out in India.
8. I/We confirm that my affairs/affairs of _____ were arranged such that the main purpose or the principal purpose thereof was not to obtain tax benefits available under the applicable tax treaty.
9. Further, our claim for relief under the tax treaty is not restricted by application of Limitation of Benefit clause, if any, thereunder.
10. I/ We further indemnify the Company for any penal consequences arising out of any acts of commission or omission initiated by the Company by relying on my/ our above averment.
11. I/We hereby confirm that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/ accounts declared in the form.

I/We hereby certify that the declarations made above are true and bonafide. In case in future, any of the declarations made above undergo a change, we undertake to promptly intimate you in writing of the said event. You may consider the above representations as subsisting unless intimated otherwise.

I/we in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me, I will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

For..... Authorised Signatory

Contact address: _____ [Please insert]

Email address: _____ [Please insert]

Contact Number: _____ [Please insert]

Tax Identification Number _____ [Please insert]

The shareholders are required to provide a Declaration strictly as per the specified format given above, failing which the Company reserves the right to deny the Treaty benefits.

Corporate Information

Board of Directors

Achal Bakeri

Chairman & Managing Director
DIN: 00397573

Nrupesh Shah

Executive Director
DIN: 00397701

Amit Kumar

Executive Director and Group CEO
DIN: 01946117

Jonaki Bakeri

Non-Executive Director
DIN: 06950998

Naishadh Parikh

Independent Director
DIN: 00009314

Ashish Deshpande

Independent Director
DIN: 00498890

Reena Bhagwati

Independent Director
DIN: 00096280

Santosh Nema

Independent Director
DIN: 01907138

Chief Financial Officer

Girish Thakkar

Company Secretary and Head - Legal

Mayur Barvadiya

Statutory Auditors

Deloitte Haskins & Sells,
Chartered Accountants, Ahmedabad

Internal Auditors

Mukesh M. Shah & Co.,
Chartered Accountants, Ahmedabad

Secretarial Auditors

SPANJ & Associates,
Practising Company Secretaries, Ahmedabad

Registered and Corporate Office

Symphony House, Third Floor, FP12-TP-50,
Off. S. G. Highway, Bodakdev,
Ahmedabad - 380 059, Gujarat, India.

Phone : +91-79-6621 1111

Fax : +91-79-6621 1140

Email: investors@symphonylimited.com

Factory

Survey No. 703/704, Sanand Kadi Highway,
Village Thol, Taluka Kadi, District Mehsana, Gujarat,
India, Pin Code - 382 728.

Website

<https://www.symphonylimited.com>

<https://www.symphonylimited.com.mx>

<https://www.keruilai.com>

<https://www.climatetechnologies.com.au>

<https://www.bonaire-usa.com>

Connect with us on

<https://www.linkedin.com/company/symphony-limited-ahmedabad-india>

<https://www.instagram.com/symphonylimited>

<https://www.twitter.com/symphonylimited>

<https://www.facebook.com/symphonylimited>

Registrar & Share Transfer Agent

Bigshare Services Private Limited

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai – 400093, Maharashtra

Tel No.: +91-22-62638200

E-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

Symphony Limited

Symphony House
FP12-TP50, Bodakdev
Off SG Highway
Ahmedabad 380059

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natural cooling

