

BOARD'S REPORT

Dear members

The Board of Directors are pleased to present the Company's 33rd Annual Report on business and operations together with the audited financial statements for the year ended March 31, 2020.

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

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations & Other Income	763.05	557.20	1,157.36	882.52
Profit before Financial Charges, Depreciation & Tax	246.46	144.35	262.30	146.93
Less: Financial Charges	0.25	0.29	10.68	6.91
Less: Depreciation & Amortisation Expenses	5.94	4.26	21.15	9.86
Profit Before Tax	240.27	139.80	230.47	130.16
Less: Income Tax	56.23	42.67	56.23	40.38
Less: Provision for tax of earlier years	-	(0.32)	-	(0.32)
Less: Deferred Tax Liability	(1.87)	(3.55)	(7.53)	(1.45)
Profit After Tax	185.91	101.00	181.77	91.55
Less: Non-controlling Interest	-	-	0.32	(0.72)
Profit After Tax attributable to the shareholders	185.91	101.00	181.45	92.27
Other comprehensive income	(0.25)	(0.15)	(0.75)	(0.02)
Total comprehensive income for the year	185.66	100.85	180.70	92.25
Add: Balance as per last year Balance Sheet	612.27	549.37	614.58	560.28
Amount available for Appropriation	797.93	650.22	795.28	652.53
Less: Dividend and Dividend Distribution Tax	206.62	37.95	206.62	37.95
Surplus in statement of profit and loss	591.31	612.27	588.66	614.58

B) Key Financials as on March 31, 2020

Consolidated Financial Results

Your Company, along-with its subsidiaries, has a global presence. In order to provide an overall view of the comprehensive performance of the group, the Company has prepared consolidated accounts of the holding company and all its subsidiaries,

in accordance with the Ind AS that are applicable. The consolidated revenue from operations along with other income stood at ₹1,157.36 Crores (₹882.52 Crores). The profit after tax was ₹181.77 Crores (₹91.55 Crores).

The highlights of the key financials are as under:

Particulars	[₹ in Crores except per share data]	
	Standalone	Consolidated
Equity Share Capital	13.99	13.99
Net Worth	648.85	643.46
Book Value Per Equity Share	92.75	91.98
Earnings Per Share (EPS)	26.57	25.98
Investments	503.25	412.07
Contribution to Exchequer	157.40	168.99

2] Dividend

During the year under review, the Board of Directors declared three interim dividends aggregating to ₹23.00/- (including Special Dividend of ₹18.00/-) (1150%) per share as per details given below:

Date of Declaration of Dividend	Interim Dividend Amount per share (in ₹)	% of dividend
July 31, 2019	1.00	50%
November 12, 2019	2.00	100%
February 7, 2020	20.00	1000%
TOTAL	23.00	1150%

The total payout towards interim dividends for the financial year 2019-20 (including dividend distribution tax) was ₹193.97 Crores (previous year ₹37.95 Crores) translating into a dividend payout of 107% (previous year 41%) on consolidated net profit which was much more than minimum dividend payout as mentioned in 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.

Method of Payout/Rewards to the Shareholders

A.1 Dividend Distribution Policy

This policy is framed pursuant to Regulation 43A of the Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter referred to as Listing Regulations).

- a) The Company will generally endeavour to distribute to the shareholders up to 50% of its profit after tax (including dividend distribution tax and other taxes as applicable).
- b) In rare circumstances of any contingency, acquisition opportunities or other business opportunities or unforeseen circumstances, pay-out to shareholders may be precluded at the discretion of the Board of Directors.
- c) Recommendation with regard to pay out to shareholders shall be influenced by various factors including, without limitation, internal factors such as profits earned during the fiscal year, liquidity position, fund requirement for acquisitions, reward to shareholders by corporate actions (like buy back of shares) and external factors such as general market conditions, cost of raising funds from alternate sources, applicable taxes including tax on dividend, exemptions under tax laws available to various categories of investors and future expansion opportunities etc.
- d) The retained earnings of the Company shall be utilized for future growth and expansion of business, probable acquisitions, working capital and for meeting unforeseen contingencies.
- e) The Company has only one class of shares viz. equity shares.

A.2 Interim Dividend

The Board of Directors may, as and when consider it fit, on the basis of performance, profitability, liquidity and on review of quarterly / half yearly / periodical financial statements declare interim dividend to reward the shareholders.

A.3 Special Dividend

The Company may consider special dividend in exceptional circumstances in such event, the limit as stated in clause 1(a) above may exceed.

B. Bonus Issue

As and when the Company has large accumulated reserves represented by free reserves, securities premium, surplus etc. which are felt more than the requirements of the Company, the Board may consider to utilize such balances towards issuance of bonus equity shares or any other security(ies) as may be permissible under the applicable provisions of the Companies Act, 2013, SEBI Act along with applicable regulations thereunder and any other Act as may be applicable.

C. Buy Back

As and when the Company has large accumulated reserves represented by free reserves, security premium, surplus etc. which is also supported by sufficient liquidity in the company, the Board of Directors may consider to carry out Buyback of its equity shares in accordance with the relevant applicable provisions of the Companies Act, 2013, SEBI Act along with applicable regulations thereunder and any other Act as may be applicable.

D. Sub Division / Splitting of Shares

The Board of Directors may also consider to sub-divide the equity shares in order to improve the liquidity in the market and to make it more affordable to retail shareholders thereby attracting better participation of retail shareholders in the equity shares of the Company.

Shareholders' Reward Policy can be accessed at https://www.symphonylimited.com/Uploads/Investor/CorporateGovernance/CorpGov_13121322387.pdf

3] Material Changes and Commitment

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

4] Operations Review

The sales till March 31, 2020 were higher by 37% over the previous year. However, these were impacted by lockdown, which came into effect in the last week of March, 2020.

The growth was on account of good season during April to May 2019, and robust performance of the company through variety of sales and marketing schemes, and timely enrolment of network distributors and dealers.

New product launches and product rationalisation

In keeping with the Company's tradition of innovation and design excellence, some unique cooler models were launched during the year. Diet 3D series of coolers were introduced with features like automatic

pop up touchscreen control panel, 3 side honeycomb cooling pads, etc. The old models of Symphony were workhorses in their heydays, but competition had chipped away some market share of those models by copying them. To counter this, the iconic Sumo series of air coolers were completely revamped and launched with fresh looks and innovative features. A double decker model of Sumo was launched that was till now unprecedented in the air cooler category. Also, a new range of commercial coolers called Movicool was launched. These coolers are meant for cooling large commercial spaces, which have opened new avenues for the company.

Institutional Sales

A new vertical to generate sales from institutional business has been created and your company has received a very good response.

After-Sales services

Responsibility for after sales service was given to the sales department with all our service staff now reporting to the sales head. This change has enabled the company to ensure better coordination and early resolution of complaints.

Modern trade vertical

The Modern Trade vertical has performed exceedingly well with all time high sales both in value and volume. It has a huge potential to grow further.

Air Coolers - Overseas Business

During the year, revenue from operation of International Business was ₹65.23 Crores. There has been a decline in European business. However, other regions of South-East Asia, Middle-East, Africa and Latin

America showed marginal growth. Further there were orders worth over US\$ 1 million under production, out of which substantial part could have been shipped during the current year, had there been no lock-down due to COVID-19.

Your Company continues to have several International quality certifications like CE, SASO, NOM etc, which provide access to markets in several countries.

Advertising and Marketing

To maintain an existing strong brand equity and to create a significant customer pull, your Company has launched new TV campaigns highlighting the innovative features of Symphony air coolers.

Your company maintained its dominance in print, electronic and digital media with over 50% share of voice. Your Company also invested considerable amount in its marketing budget in conducting various activities like in-shop brand promotion, retail outlet branding, dealer meets, etc. supported by various promotional schemes for the channel partners to increase volume and to improve ties.

Central Air Cooling Solutions

- In Q2 the company successfully launched across India a unique Universal Cooler, The first of its kind, with 2 models PAC 20 U & PAC 25 U.
- New Movicool Range was launched PAN India in Q3.
- The benefits of the launch of the new models under this category will accrue in the times to come, starting next year.

Your company executed many prestigious projects during the year, which include a 40,000 sq. ft warehouse of Apollo Pharmacy,

Amazon's Lucknow sorting centre, Delhi Public School, Godrej, RK Marble and Supreme Industries to name a few.

SEZ Unit

During the year under review, your Company's operations in its SEZ unit in Kandla were satisfactory.

5] Overseas Operations

(i) Climate Technologies Pty Limited, Australia

The year ended on an improved note with higher consolidated revenues and EBIDTA.

The main factors of revenue improvement were: (a) strong growth in ducted gas heater sales in Australia by Climate Technologies Pty Ltd, (CT), wholly owned subsidiary of Symphony AU Pty Limited (b) the introduction of portable air coolers in the US market (c) the introduction of the Symphony India portable coolers range in Australia and (d) the new Bonaire Optima branded hi wall split range in Australia

After a strong start of summer, the temperatures quickly dropped beyond normal and the summer was relatively weak for the rest of the summer season. Despite this, CT was able to grow its market share in Australia for ducted evaporative cooling.

Several projects have been initiated with a view to outsource a large part of the manufacturing, thereby converting several fixed costs to variable costs.

With a view to ensuring EBIDTA growth in FY21, seven key project initiatives have been planned. These are: (a) outsourcing of the fabrication requirement of the high volume ducted gas heater range; (b) expansion of the presence of Climate Technologies in the Australian refrigerated air conditioning

market by leveraging the Bonaire brand name, (c) introduction of commercial portable air coolers in USA, (d) introduction of commercial portable air coolers in Australian market, (e) growth of portable spot coolers in Australian market, (f) growth of portable spot coolers in USA market and (g) outsourcing of ducted evaporative air coolers.

The organization structure of the business is simplified towards the end of the year in order to reduce the fixed overheads and cost of doing business, without compromising sales growth.

Symphony AU Pty Limited and its subsidiaries implemented SAP with effect from October 1, 2019.

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

During the year under review IMPCO focused on market share growth strategy delivering a sales growth of 13%, and thereby consolidated its leadership in cooler business.

However, currency devaluation led to raw material cost increases in steel and plastic resulting in a reduced EBITDA against the previous year.

This year IMPCO successfully introduced new all-plastic window and portable coolers fully manufactured in Mexico. During this year, IMPCO also introduced all-plastic, roof-top ducted coolers brought from Bonaire USA – a stepdown subsidiary of CT - which too was a success.

With regard to the new product categories, the heaters business saw a good growth despite mild winter. However, IMPCO is yet to achieve sizeable sales volume for portable fans.

Export to Central America and Colombia grew threefold.

During Q4, IMPCO implemented a different brand strategy - consolidating Symphony brand as the main brand for the cooler Products. This is expected to result in better brand positioning and more efficient use of the advertising spends. The Company registered a solid growth in Q4 compared to the corresponding period in the previous year, despite an early effect of Covid19.

(iii) Guangdong Symphony Keruilai Aircoolers Co. Ltd, (GSK), China

This year saw a substantial reduction in China domestic sales due to continued US-China trade-war and Covid 19 which resulted in reduced manufacturing activity and lower capital investments by factories, which are our principal customers.

During the year, a few changes were made in the GSK Sales team to ensure better sales orientation. These changes are expected to yield results in the coming years.

The strategy planned for domestic sales revolves around: (a) focus on top distributors, (b) streamlined product pricing and sales policies, (c) focused marketing efforts, (d) launch of innovative products in all three categories, (e) launch of portable coolers in retail and online channels (f) launch of commercial coolers in commercial kitchen channel.

The new products launched during the year were highly successful. These included an IC model (KD25) and a CC model (KF100).

Although Q4 has been quite challenging for entire China owing to Covid19 and related issues, GSK has been amongst the companies which managed to resume operations rather quickly.

GSK implemented SAP, w.e.f. January 1, 2020.

(iv) Symphony Climatizadores Ltda, (SCL) Brazil

Brazil is a significantly large market for industrial and household portable coolers. In order to scale up our business there, SCL has been established to import coolers from Symphony India and from GSK China to distribute in the local market.

6] Awards and Accolades

- Information Security Management System certification ISO-27001 by Bureau Veritas Certification Holding SAS UK.
- Received award for India's Most Trusted Air Coolers Brand – 2019 from Trust Research Advisory (TRA).
- ISO 9001 : 2015 certification for quality management and systems for its design, sales, marketing and after sales services of air coolers, certified by BVC.
- Some of our products are ETL / CE / CEC /FCC certified.

7] Management Discussion and Analysis Report

Pursuant to the provisions of Regulation 34 of the Listing Regulations, Management Discussion and Analysis Report for the financial year ended on March 31, 2020, is forming part of this annual report.

8] Corporate Governance

Pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, Corporate Governance Report

for the financial year ended on March 31, 2020, is annexed to this annual report.

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

9] Subsidiaries

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

During the year under review, the Company incorporated a subsidiary company Symphony Climatizadores Ltda, Brazil.

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

In accordance with Section 129 (3) of the Companies Act, 2013, the Company has prepared consolidated financial statements 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.

10] Auditors

Members of the Company, at its 28th Annual General Meeting held on October 27, 2015 had appointed M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 117365W) as the Statutory Auditors for a term of five consecutive years (first term) from the conclusion of the 28th ensuing Annual General Meeting to the conclusion of the 33rd AGM of the Company.

Accordingly, in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the present Statutory Auditors of the Company, M/s. Deloitte Haskins & Sells, will hold office until the conclusion of the ensuing Annual General Meeting. They have expressed their willingness to be reappointed for a further term. In terms of

the provisions of Section 139 (2) (b) of the Companies Act, 2013, an Audit Firm can be appointed for two terms of five consecutive years each.

The Board of Directors after considering the recommendations of the Audit Committee, has recommended the re-appointment of M/s. Deloitte Haskins & Sells, as the Statutory Auditors of the Company, for approval of the Members, to hold office for a further period of five consecutive years (second term), from the conclusion of the ensuing 33rd Annual General Meeting until the conclusion of 38th Annual General Meeting to be held in the calendar year 2025.

M/s. Deloitte Haskins & Sells, have submitted their confirmation to the effect that they continue to satisfy the criteria provided in Section 141 of the Companies Act, 2013 and that their appointment is within the limits prescribed under Section 141(3)(g) of the Act. Members are requested to approve their appointment as the Statutory Auditors of the Company and to fix their remuneration.

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

11] Cost Auditors

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

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

12] Corporate Social Responsibility

As required under Section 135 of the Companies Act 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.

13] Secretarial Audit Report

As required under the provisions of section 204 of the Companies Act, 2013, the Board of Directors of your Company had appointed M/s. SPANJ & Associates, Practicing Company Secretaries, to conduct Secretarial Audit. The Secretarial Audit Report for the financial year ended on March 31, 2020, is annexed to Board's Report as **Annexure 2**.

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

As part of good corporate governance practices adopted by the Company, the Company has voluntarily carried out audit of KFin Technologies Private Limited (KFin), Registrar and Transfer Agent of the Company in respect of various activities related to transfer, transmission, issue of duplicate share certificates, name corrections, additions, demat/ remat of shares etc. executed by KFin to strengthen the verification and approval process and make the system better controlled, robust and full-proof.

14] Directors and Key Managerial Personnel

Mr. Naishadh Parikh was appointed as an Independent Director of the Company pursuant to Section 149 of the Companies Act, 2013 for the first term of 5 (five) years and will hold office upto August 12, 2020. Considering his knowledge, expertise and experience and the substantial contribution made by him during his tenure as an Independent Director, the Nomination & Remuneration Committee and the Board has recommended the re-appointment of Mr. Parikh as an Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from August 13, 2020 upto August 12, 2025 and not liable to retire by rotation.

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. Naishadh Parikh 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 33rd Annual General Meeting, which forms part of this Annual Report. Your directors recommend their appointment.

The members of the Company in their annual general meeting held on July 31, 2019, had appointed Mr. Santosh Nema as an Independent Director of the Company for a period of five years effective from July 31, 2019.

During the year under review, Mr. Dipak Palkar had conveyed his desire not to seek re-appointment as an Independent Director

of the Company for another term due to his frequent and extensive overseas travel. Accordingly, Mr. Dipak Palkar had ceased to be a director of the Company on expiry of his first term on August 19, 2019. The Board has placed on record its appreciation for valuable contribution received from Mr. Dipak Palkar during his tenure as an Independent Director of the company.

15] Extract of Annual Return

In accordance with Section 134 (3) (a) and Section 92 (3) of the Companies Act, 2013, the extract of Annual Return in prescribed Form No. MGT - 9 is annexed herewith as **Annexure 3**.

The Annual Return of the Company has been placed on the website of the Company and can be accessed at <https://www.symphonylimited.com/investor-annual-reports-documents.aspx>

16] Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts for the financial year ended on March 31, 2020, 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.

17] Meetings of the Board

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

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

18] Audit Committee

The Committee comprises Mr. Naishadh Parikh, Chairman, Mr. Ashish Deshpande, Ms. Reena Bhagwati and Mr. Santosh Nema as members. In accordance with the provisions of section 177(8) of the Companies

Act, 2013 and Listing Regulations, the Board has accepted all the recommendations of the Audit Committee during the financial year 2019-20.

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

19] 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 details of the said policy is forming part of Corporate Governance Report.

20] Particulars of loans, guarantees or investments

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

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

Details of loans, guarantees and investments under the provisions of Section 186 of the Act as on March 31, 2020, are set out in Note nos. 4, 9, 33 and 35 to the Standalone Financial Statements of the Company.

21] Particulars of contracts or arrangements with related parties

The particulars of contracts or arrangements entered with related parties as per Section 188 (1) of the Companies Act,

2013, in prescribed Form No. AOC-2 are given in **Annexure 4** to the Board's Report.

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

There are no materially significant related party transactions that may have potential conflict with interest of the Company at large.

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.

22] Risk Management

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

The Company is aware of the risks associated with its business. It regularly analyses and takes corrective actions for managing / mitigating the same. The Board of Directors of the Company have framed a risk management policy and the same is being adhered to by the Company. There are no risks which, in the opinion of the Board, threaten the existence of the Company. However, some of the risks which may pose

challenges are set out in the Management Discussion and Analysis which forms part of this Report.

23] Annual Performance Evaluation

Pursuant to 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 the Board, Committee and all directors of the Company as required under the Companies Act, 2013 and the Listing Regulations.

i. Criteria for evaluation of Board

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

ii. Criteria for evaluation of Committee

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

iii. Criteria for evaluation of Directors

These broadly cover qualification, experience, knowledge and competency, ability to function as a team, initiative,

attendance, commitment, contribution, integrity, independence, participation at meetings, knowledge & skills, personal attributes, leadership, impartiality etc.

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

24] 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.

25] 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.

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

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

27] Particulars of Employees

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 5** 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 first 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.

28] Internal Financial Controls and its adequacy

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

29] Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention,

Prohibition and Redressal) Act, 2013. An internal Complaints Committee has been set up to redress complaints regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

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

30] Deposit

The Company has not accepted any deposit during the year under review and no unclaimed deposits or interest was outstanding as on March 31, 2020.

31] Insurance

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

32] 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 6**.

33] Business Responsibility Report

The Business Responsibility Report for the financial year 2019-20, as stipulated under Regulation 34 of the Listing Regulations is annexed to this Report as **Annexure - 7**.

34] Impact of COVID 19 Pandemic

In 2019 the company had taken several measures to scale up sales in the summer of 2020. It introduced several new, cutting-edge models in the household, commercial and industrial categories, it developed a brand-new marketing campaign, it enhanced its trade network, and was all set to reap the harvest in the summer of 2020.

But the pandemic hit India at the beginning of summer when consumers buy air coolers and could not have come at a worse time for Symphony. Up until the middle of March sales of air coolers were very robust, but the countrywide lock down in the second fortnight of March resulted in a loss of about 15%-17% of sales for the quarter that ended in March, 2020. Despite the company having firm orders from both domestic and international customers, it was unable to

deliver the goods towards the end of March, leading to several orders being cancelled.

The Company strictly followed the guidelines issued by the local, state and central governments and beyond to protect the health and well-being of its workforce and ensured minimum disruption to its customers.

35] 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

For Symphony Limited

Achal Bakeri

Chairman & Managing Director

DIN - 00397573

Place : Ahmedabad

Date : August 11, 2020