

Symphony Limited

Symphony to consider final dividend

By Our Correspondent

Symphony Ltd has informed BSE that a meeting of the Board of Directors of the Company will be held on August 13, 2015, inter alia, to approve and take on record the audited financial results for the fourth quarter and the financial year ended on June 30, 2015 and to recommend final dividend on equity shares. As per the Company's internal Code for Prevention of Insider Trading, the trading window for dealing in shares of the Company has been closed upto 48 hours after announcement of the said financial result to public. Source : BSE

IT, training issues could delay GST roll out: Symphony

Nrupesh Shah, ED-Corporate Affairs, Symphony believes that the IT backbone to connect the states and lack of trained personnel will be the two main issues that could delay the roll out of the Goods & Services Tax (GST) Bill by 1 April 2016.

In an interview with CNBC-TV18, Shah said organised sector will benefit as tax evasion by unorganised sector can be controlled via GST.

"There are many industries where there is a substantial market share by unorganized players, the major difference in end prices is on account of evasion of taxes by unorganized sector can be bridged to major extent,"



Achal Bakeri, Chairman & Managing Director

he said.

Shah said 70-80 percent of the volume in the cooling segment comes from unorganised players, which needs to be reduced to give more weightage to organised sector. The sector has grown at a compounded annual rate of 20 percent in last four years. This can further be accelerated with the GST, he said.

On the issue of one percent manufacturing tax, Shah said globally, it is not included in any GST act and will be an additional liability for the companies.

Below is the transcript of Nrupesh Shah's interview with Latha Venkatesh & Reema Tendulkar on CNBC-TV18.

Latha: It looks like the GST may – there is a slim chance that it will make it for that April 2016 deadline though that will only be the amendment and there may be still time before it is introduced but in its current version, what is the sense that you are getting? Will it do you good or will it do you bad?

A: For the organized industry certainly it will be good because multiplicity of the taxes and simplicity will help

for sure.

Secondly, there is a cascading effect of the taxes, so that will also help. There are many industries where there is a substantial market share by unorganized players and due to variety of reasons the major difference in the MRP or the end prices is on account of evasion of the taxes by unorganized sector. So, to a major extent that will be bridged.

Latha: If the revenue neutral rate of GST is higher than 20 percent, the select committee apparently has advised that it should be within 20 percent but it is only an advice, it is a recommendation. If it were say 24-25 percent, do you think there will be a greater incentive to escape the tax on the part of the unbranded and unorganized sector in which case life can actually get more difficult for you?

A: Both are different issues, one is the rate of tax and second is the compliance by unorganized sector. Because of GST, many loopholes of the compliances will be really tapped and hence, unorganized sector will find it difficult to evade or avoid. As far as the rate of the taxes are concerned, globally in most of the countries the rate of GST is in the range of 15-20



Symphony Cooler

percentage.

See strong Q1-Q3 but reasonable growth in FY16: Symphony

Air cooler and conditioner manufacturer, Symphony, expects the company to perform strongly in first three quarters, but a reasonable growth 'not as per the expectations' this fiscal. Speaking to CNBC-TV18, Nrupesh Shah, ED-Corporate Affairs of Symphony says un-seasonal rains and hailstorms have affected the sales of air-conditioners this year.

"As far as price realisation is concerned, we have succeeded in taking better price realisation one on account of the increase in prices, second on account of the better mix especially in favour of high value added product," he said adding,

"despite bad summer, we did not resort and we were not required to resort to any discounts or concession."

Below is the edited transcript of Nrupesh Shah's interview with Ekta Batra and Mangalam Maloo on CNBC-TV18.

Mangalam: Earlier you had indicated that this quarter is your seasonally strongest quarter but unseasonal rains have affected the sales of air-conditioners is what we have been told by a lot of air-conditioner companies, so do you see the same thing happening for air-coolers as well?

A: Absolutely. Current summer was not a good summer. We noted unseasonal rains as well as hailstorm in many parts of the country and also weather disturbances unlike summer of 2014 when it was consistent without the disturbance.

Ekta: Can you highlight for us that same time last year how much were your sales and this time how much have your sales been in the same period?

A: In June 2014 quarter that is year before which is Q4 for us, topline was about Rs 150 crore and current year once we announce the result, we will come to know the exact figure but as I said earlier on account of unseasonal rains and weather disturbances, it has not been a good summer.

Ekta: So it is a volume decline that you are seeing at least year-on-year (Y-o-Y)?

A: Y-o-Y year as a whole, still considering the strong performance in first three quarters, year as a whole we will see a reasonable growth but not as per the expectations.

Mangalam: If the volume would be lower, what do you make of the realisations as well? Have you been able to sell the products at the premium prices that you usually charge or have the new launches been at competitive prices hurting your margins perhaps?

A: As far as volume is concerned, of course year as a whole there is a decent growth in the volume but again not as per the expectation due to bad summer. As far as price realisation is concerned, we have succeeded in taking better price realisation one on account of the increase in prices, secondly also on account of the better mix especially in favour of high value added product and despite bad summer, we did not resort and we were not required to resort to any discounts or concession.

Overview

A world leader in evaporative air coolers, Symphony focuses on innovative design to create better and eco-friendly products for domestic and industrial customers in 60 countries across the globe.

At Symphony, our design-driven innovation and green engineering is a sustainable competitive advantage. We deliver market-leading products

Message From the CMD

Design Tinking

At Symphony, We believe our design thinking has been the catalyst for innovation and helps us bring new ideas into the world

Achal Bakari
Chairman & Managing Director

with engineering and design innovation, improved energy conservation, distinctive styling and customer-centric design.

Established in 1988, Symphony leverages a unique and successful asset-light business model for its residential coolers in India and in-house lean manufacturing for its industrial coolers in Mexico to achieve sustainable and profitable growth.

Headquartered in Ahmedabad, Gujarat, India, Symphony is a global company committed to develop sustainable and responsible products. This means leading the air-cooling industry's efforts to develop breakthrough green technologies to combat climate change. A publicly traded company in India with a manufacturing base in North America offering products in over 60 countries, Symphony continuously delivers value to its stakeholders in a profitable and predictable way.