

Symphony rises from ₹2.80 cr to ₹5,093 crore in 10 years

Targets 26 crore households in India that have only one fan or no fan at all

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Ahmedabad: Gujarat-based Symphony Ltd has entered into large cap segment with its market capital crossing Rs5000 crore on Friday. The company's market capital has increased from Rs2.80 to Rs5,093 crore in exactly 10 years. The company's share which closed at Rs0.80 as on September 13, 2004, touched Rs1456.30 as on September 12, 2014 on Bombay Stock Exchange (BSE). The company expects to maintain a growth rate of 34% targeting 26 crore households that have only one fan or no fan at all.

Failure in multi-product manufacturing business in 2002, forced the company to change its strategy. "We wound up manufacturing of other products and focused on manufacturing and selling of air coolers only," said Achal Bakeri, chairman and managing director of Symphony Ltd. He said that the company was debt-ridden as it adopted many product one market strategy, but after financial reconstruction the company adopted one product many market strategy. "It became a turning point for us," he said.

The company has its manufacturing facility at Sachin SEZ in Surat. The company's current manufacturing capacity stands at 12 lakh units per annum. "Majority of the capex is done by our vendors as we outsource the manufacturing," said Bakeri. It also owns a unit in Mexico, which was acquired from Impeco Air Coolers in 2008. The company's international sales is around Rs136 crore which also



includes sales from its Mexican unit.

As per an estimate, Indian air cooler market is around one crore unit, of which organised sector accounts for 15% stake. The company with more than 18,000 distributors and presence in around 1,000 modern retail outlet boasts of 40% share in organised market of air coolers in the country. It exports its products in more than 60 countries and boasts of having 90% market share in Sri Lanka, 80% in Bangladesh and 50% in Mexico.

Despite air conditioners turning out to be necessity rather than luxury, Symphony is targeting to maintain CAGR growth of 30-34%. "Only 80 lakh households in India have air conditioners, while 2.40 crore households have air coolers. Interestingly, 16 crore households do not have even a fan and 10-12 crore more households own only a fan. Thus we have huge

Growth story

- Air cooler market in Indian is around one crore unit
- The company's manufacturing capacity stands at 12 lakh units per annum
- Has plant at Sachin SEZ in Surat
- The company's international sales is around Rs136 crore

market which will propel our growth," said Bakeri.

Symphony Ltd possess largest number of trademarks and registered designs in the international air cooler industry with 108 trademarks, 49 registered designs, 7 copyrights and 8 patents.