

Panasonic Cooking

Panasonic



MADE IN INDIA, MADE FOR INDIA
—— Annual Report 2017-18 ——

SIGNATURE BLACK TRIO



AUTOMATIC COOKER



SUPER MIXER GRINDER



ULTIMATE WET GRINDER



GIFT COMBO

Ideal For Gifting



1.8 Litre/
1 Kg of Rice

+



Extremely Durable Steaming Basket

+



2-Dish Separator Pan

+



Idli Stand

Comes with FREE Accessories worth ₹825

SR-WA18GH (CMB)
● Metallic Gold

NEWLY LAUNCHED COMBO PACKS

Ideal For Gifting



0.3 Litre/
0.16 Kg of Rice



+



Extra / Additional Cooking Pan

+



Carry bag

Comes with FREE Accessories worth ₹300



SR-3NA (CMB)
● Metallic Blue
● Metallic Pink



0.6 Litre/
0.3 Kg of Rice



+



Extra / Additional Cooking Pan



Extremely Durable Steaming Basket

Comes with FREE Accessories worth ₹400



SR-G06 (CMB)
● Metallic Blue
● Metallic Silver



1 Litre/
0.6 Kg of Rice



+



Extra / Additional Cooking Pan



Extremely Durable Steaming Basket

Comes with FREE Accessories worth ₹575

SR-WA10 (CMB)
● Metallic Burgundy

METALLIC SPECTRA RANGE COOKERS



0.3 Litre /
0.16 Kg of Rice
to
2.2 Litre /
1.25 Kg of Rice

BIG CAPACITY COOKERS



0.3 Litres to
2.2 Litres /
0.16 Kg to 1.25 Kg.
3.2 Litres to
7.2 Litres /
2 Kg to 4.5 Kg.

Panasonic

SHAREHOLDERS' PRIVILEGE DISCOUNT COUPON

Dear Shareholders,

At the outset I would like to place on record my sincere gratitude to each one of you for the continued patronage and support extended to your Company during these difficult times. I am extremely sorry to state that in the view of accumulated losses, the Company is unable to pay any dividend to the shareholders. However, we are slowly reviving and I solicit whole hearted support from all of you.

Like in the previous years, I am presenting you this Shareholders' privilege discount coupon to avail attractive discounts on the products mentioned in the overleaf. We are sure that our quality products and special offers will help strengthening our relationship further.

I strongly recommend you to avail this special price available exclusively to you as a Shareholder of the Company and benefit from it. You could also gift this special privilege discount coupon to your near and dear after signing the form.

Looking forward to your kind co-operation and support in the future years.

With Warm Regards


Hidenori Aso
Managing Director

I have read the details of the Scheme and I wish to avail this Special Privilege Discount Offer accordingly.

I am enclosing a Demand Draft No.....dated..... for ₹ only Drawn in favour of **PANASONIC APPLIANCES INDIA COMPANY LIMITED** payable at Chennai.

NAME OF THE SHAREHOLDER

SIGNATURE OF THE SHAREHOLDER

Folio No. / D.P. Account No.

Please send the products as per details given over leaf.

Name and Address to which delivery has to be made

.....

..... PIN..... Tel No.....



PANASONIC APPLIANCES INDIA COMPANY LIMITED

Regd. Office: National Highway No.5, Sholavaram Village, Ponneri Taluk, Chennai-600067
Telephone No. +91-44-26330397, 26330133 Email : papin.msdp@panasonicindia.in

Shareholders' Coupon Price List cum Order Form

DESCRIPTION OF THE PRODUCT	Model	MRP (₹)	Spl Price (₹)	Qty. (Nos.)	Amount (₹)
Ultimate Cooker (2.2L, Non Stick Pan With Pasta Maker/Idli Stand/Idiyappam Stand)	SR-W22FHS(UC)	4645	3472		
Automatic Cooker/Warmer, 2.2L, Non-Stick Pan, Steamer, Keep Warm function	SR-Y22FHS	3445	2568		
Automatic Cooker/Warmer, 1.8L, Non-Stick Pan, Steamer, Keep Warm function	SR-Y18FHS(E)	3245	2429		
Automatic Cooker/Warmer, 2.2L + Extra Cooking Pan + 2 Dish Separator Pan	SR-WA22H(YT)	3299	2429		
Automatic Cooker/Warmer, 1.8L + Extra Cooking Pan + 2 Dish Separator Pan	SR-WA18H(YT)	3099	2290		
Automatic Cooker/Warmer, 2.2L + Double Steaming Basket	SR-WA22H(SS)	2795	2082		
Automatic Cooker/Warmer, 1.8L + Double Steaming Basket	SR-WA18H(SS)	2595	1943		
Gift Pack (Automatic Cooker/Warmer 1.8L with Steaming basket + Idli Stand +2 Dish Separator Pan)	SR-WA18GH(CMB)	3245	2429		
Automatic Cooker/Warmer, 2.2L, Keep Warm function	SR-WA22H(E)	2695	2012		
Automatic Cooker/Warmer, 1.8L, Keep Warm function	SR-WA18H(E)	2495	1873		
Automatic Cooker/Warmer, 1.0L, Keep Warm function	SR-WA10H(E)	2345	1734		
Automatic Cooker, 2.2L	SR-WA22(F)	2425	1807		
Automatic Cooker, 1.8L	SR-WA18(E)	2145	1598		
Automatic Cooker, 1.0L	SR-WA10	1799	1320		
Restaurant Cooker 4.2L	SR-942D(Silver)	5145	3854		
Restaurant Cooker 3.2L	SR-932D(Silver)	4545	3368		
Automatic Jar Cooker/Warmer, 2.2L, Non-Stick Pan, Steamer, Keep Warm function	SR-KA22FA	3745	2777		
Automatic Jar Cooker/Warmer, 1.8L, Non-Stick Pan, Steamer, Keep Warm function	SR-KA18FA	3545	2638		
Automatic Jar Cooker/Warmer, 2.2L, Keep Warm function + Extra Cooking Pan	SR-KA22A(R)	3245	2429		
Automatic Jar Cooker/Warmer, 1.8L, Keep Warm function + Extra Cooking Pan	SR-KA18A(R)	3045	2290		
Micom Jar Cooker, 1.8L, Non-Stick Pan, Menu function	SR-DF181	4195	3124		
Jumbo Cooker 7.2L	SR-972D	12095	9033		
Bachelor Cooker 0.6L	SR-G06	2525	1873		
Baby Cooker 0.3L	SR-3NA(T)	2425	1804		
Super Mixer Grinder (5 Jar with Juice Extractor & Multi Jar) 1000 MLMW	MX-AC555	8095	5482		
Super Mixer Grinder (4 Jar with Juice Extractor) - White - 1000 MLMW	MX-AC400	7095	4837		
Super Mixer Grinder (4 Jar with Juice Extractor) - Black - 1000 MLMW	MX-AC400	7095	4837		
Super Mixer Grinder (3 Jar with Juice Extractor) - 1000 MLMW	MX-AC350	6095	4191		
Super Mixer Grinder (3 Jar) - 1000 MLMW	MX-AC300SB	6295	4320		
Super Mixer Grinder (3 Jar) - 1000 MLMW	MX-AC300S	5945	4062		
Super Mixer Grinder (3 Jar) - 1000 MLMW	MX-AC300H	5845	3998		
Super Mixer Grinder (3 Jar)Double Chutney Jar - 1000 MLMW	MX-AC310	5545	3804		
Super Mixer Grinder (2 Jar) - 1000 MLMW	MX-AC220	5095	3546		
Centrifugal Juicer	MJ-68M	5545	4528		
Juicer Mixer Grinder	MJ-M176P	9290	7552		
Food Processor	MK-5086	9090	7401		
Oven Toaster	NT-GT1	3145	2504		
Hand Mixer	MK-GH1	2495	1988		
Bowl Mixer	MK-GB1	3345	2651		
Sandwich Maker	NF-GW1	2675	2135		
Hand Blender With Chopper Attachment	MX-SS1	3695	2946		
Meat Grinder 1500 Watts	MK-MG1500	11140	8843		
Meat Grinder 1000 Watts	MK-MG1000	8340	6630		
Automatic Jar Cooker/Warmer, 1.8L, Non-Stick Pan, Steamer, Keep Warm function-Imported	CEZ18SSM	3495	2799		
Oven Toaster Grill	NB-H3200SSM	10590	8474		
Oven Toaster Grill	NB-H3800SSM	12990	10318		
Wet Grinder/2L	MK-GW200	7290	5468		
Wet Grinder/2L	MK-GW200(Black)	7790	5843		
Wet Grinder/2L/Timer	MK-SW200	8190	6143		
Wet Grinder/2L/Timer	MK-SW200(Black)	8590	6443		
Wet Grinder/2L/Timer/Atta Kneader	MK-SW210(Black)	8990	6743		
Wet Grinder/2L/Timer/120 Volts - For Use in USA and Canada	MK-TSW200	8990	6743		

Note:

- The Company offers shareholders Special Privilege Discount on the maximum retail price of the products.
- These models are also available without this offer at Dealer outlets.
- Shareholders can avail this offer for a maximum of 2 numbers of each model.
- To avail this special offer directly from the Company, complete this coupon by providing all details and send it to the Company, along with the demand draft payable at Chennai drawn in favour of Panasonic Appliances India Company Limited.
- Photocopy of this discount coupon can be used for subsequent orders.

THIRTIETH ANNUAL REPORT

BOARD OF DIRECTORS

Hidenori Aso, *Managing Director*

Subramanian Krishnaswamy

Ajit Gopal Nambiar

Toshihiro Sakamoto

Masayuki Sasage

CHIEF FINANCIAL OFFICER

Jayaprakash Kalappan

COMPANY SECRETARY

Subhanarayan Muduli

REGISTERED OFFICE AND FACTORY

National Highway No. 5, Sholavaram Village

Ponneri Taluk, Chennai - 600067

Tel.: +91-44-26330397; 26330133

Fax: +91-44-26330132

Email: secretary@panasonicindia.in

Website: www.panasonicappliances.in

CORPORATE IDENTITY NO. (CIN)

U30007TN1988PLC016184

AUDITORS

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd Floor

No. 1, Harrington Road

Chetpet, Chennai - 600031

BANKERS

The Bank of Tokyo Mitsubishi UFJ Limited

Sumitomo Mitsui Banking Corporation

HDFC Bank Limited

Citibank N.A.

REGISTRAR & SHARE TRANSFER AGENT

Integrated Registry Management Services Pvt. Ltd.

2nd Floor, "Kences Towers"

No. 1, Ramakrishna Street, North Usman Road

T. Nagar, Chennai - 600017

Email: srirams@integratedindia.in

Tel.: +91-44-28140812; Fax: +91-44-28142479

30TH ANNUAL GENERAL MEETING

Venue : Rajah Sir Annamalai Chettiar Memorial Trust

Rani Seethai Hall, 1st Floor, No. 603

Anna Salai, Thousand Lights

Chennai - 600006

Date : September 27, 2018

Time : 10:00 am

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Note:

1. Kindly bring your copy of Annual report along with you for the Annual General Meeting.
2. Only Members and, in their absence, duly appointed Proxies will be allowed for the Meeting. Please avoid bringing non-members and/or Children for the Meeting.
3. Members are requested to fill in the respective columns provided in the Attendance Slip/Proxy Form fully and legibly so as to facilitate smooth entry into the Meeting Hall.
4. Company is not arranging any compliments for distribution in the Meeting.
5. Shareholder's Privilege Discount Coupon is enclosed along with this Annual Report.

TEN-YEAR HIGHLIGHTS

₹ In Million

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total Revenue	998.66	1,352.43	1,868.77	1,800.12	1,482.07	1,580.02	1,929.76	2,025.49	1,899.49	2,282.67
Profit before tax	25.88	29.95	26.24	(127.41)	(114.39)	(34.37)	2.72	(13.46)	(61.46)	2.13
Profit after tax	14.17	19.34	17.92	(127.70)	(114.06)	(34.31)	4.14	1.49	(66.27)	2.13
Assets										
Fixed assets	134.40	185.47	284.15	327.70	316.86	299.34	314.65	337.73	337.02	355.57
Other Non current assets	-	-	14.54	19.69	17.10	14.98	17.20	15.67	10.34	8.94
Total Non current assets (1)	134.40	185.47	298.69	347.39	333.96	314.32	331.85	353.40	347.36	364.51
Total Current Assets (2)	287.57	376.39	451.50	508.43	384.97	381.06	495.48	594.73	426.65	536.83
Total Assets (1+2)	421.97	561.86	750.19	855.82	718.93	695.38	827.33	948.13	774.01	901.34
Liabilities										
Share capital	85.70	85.70	85.70	85.70	95.43	98.32	98.32	98.32	98.32	98.32
Reserves and surplus	92.68	102.03	109.99	(17.71)	(19.88)	(20.95)	(21.06)	(19.57)	(85.84)	(83.71)
Share holders Funds (3)	178.38	187.73	195.69	67.99	75.55	77.37	77.26	78.75	12.48	14.61
Total Non current liabilities (4)	21.62	72.68	114.52	130.25	78.01	31.99	98.62	95.13	49.48	53.66
Total Current liabilities (5)	221.96	301.45	439.98	657.57	565.36	586.02	651.45	774.25	712.05	833.07
Total Liabilities (3+4+5)	421.97	561.86	750.19	855.82	718.93	695.38	827.33	948.13	774.01	901.34
Earning per share (₹)	1.65	2.26	2.09	(14.90)	(12.12)	(3.58)	0.42	0.15	(6.74)	0.22
Dividend per share (₹)	1.20	1.00	1.00	-	-	-	-	-	-	-
Number of shares	8,570,000	8,570,000	8,570,000	8,570,000	9,543,000	9,832,000	9,832,000	9,832,000	9,832,000	9,832,000

NOTICE OF THIRTIETH ANNUAL GENERAL MEETING

Notice is hereby given that the **Thirtieth Annual General Meeting** of the Members of Panasonic Appliances India Company Limited (CIN:U30007TN1988PLC016184) will be held on Thursday, September 27, 2018 at 10:00 a.m. at Rajah Sir Annamalai Chettiar Memorial Trust, Rani Seethai Hall, First Floor, No. 603, Anna Salai, Thousand Lights, Chennai – 600006, Tamilnadu to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Toshihiro Sakamoto (DIN: 07594920) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the auditor of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution:

“**RESOLVED THAT**, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on September 29, 2015 the appointment of M/s. BSR & Co. LLP, Chartered Accountants (Firm registration No.: 101248W/W-100022) as the auditors of the Company to hold office till the conclusion of the next Annual General Meeting, be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2019 as may be determined by the audit committee in consultation with the auditors, in addition to reimbursement of all out of pocket expenses as may be incurred in connection with the audit of the accounts of the Company.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mr. Masayuki Sasage (DIN: 08107285) who was appointed as an additional Director of the Company by the Board of Directors with effect from April 1, 2018 in terms of section 161 of the Companies Act, 2013 and the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company liable to retire by rotation”.

5. To approve re-appointment of Mr. Hidenori Aso (DIN: 00158246) as Managing Director.

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provision of Section 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modifications or re-enactment(s) thereof for the time being in force), the consent of the Company be and is hereby accorded to the re-appointment of Mr. Hidenori Aso (DIN: 00158246) as Managing Director of the Company for a further period of three years effective from August 1, 2018 to July 31, 2021 on the following terms of Remuneration.

A. Salary:

Monthly Salary as may be recommended by the Nomination and Remuneration Committee of the Board and approved by the Board in the scale of ₹ 220,960

B. Perquisites:

- a) Rent-free furnished residential accommodation together with Geysers, Refrigerators, Air-conditioners, Gas and Electricity, Fuel and Water, servants, Furnishings etc., monetary value of which may be evaluated as per Income Tax Rules, 1962.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

- b) Leave Passage benefits: Passage to Japan and back once a year or once a year to any place in India including to and fro air fare.
- c) Freight on excess unaccompanied baggage.
- d) Use of Company maintained car with driver.
- e) Mobile phones, telephone and internet connectivity facility at office and residence for official use.
- f) Medical benefits for self and family; Reimbursement of expenses actually incurred including surgical and hospitalization expenses
- g) Holiday passage for children studying abroad: To and fro holiday passage once in a year to children from place of study abroad to India and to the members of the family from the place of their stay abroad to India if they are not residing with the Managing Director.

“RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) be and is hereby authorized to decide the salary payable to Mr. Hidenori Aso during his tenure as Managing Director of the Company based on the recommendation of Nomination and Remuneration Committee of the Board within the range mentioned above and also to alter and vary the terms and conditions of appointment and/or remuneration subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 197 and other applicable provisions if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 and other applicable rules, if any, the above remuneration be paid as minimum remuneration to Mr. Hidenori Aso as Managing Director in the event of absence or inadequacy of profits in any financial year during the term of his office.”

“RESOLVED FURTHER THAT during such time that Mr. Hidenori Aso holds and continues to hold the Office of Managing Director, he shall not be liable to retire by rotation.”

By Order of the Board of Directors
For **Panasonic Appliances India Company Limited**

Place : Chennai
Date : July 18, 2018

Hidenori Aso
Managing Director

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. The instrument appointing the proxy in order to be effective should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

3. Corporate shareholders/Trusts/Societies are requested to send a duly certified copy of the Board/Managing Committee Resolution authorizing their representative to attend and vote at the Meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members should bring the Attendance Slip duly filled in for attending the Meeting
6. The Register of Members and Share Transfer Books will remain closed from Saturday, September 15, 2018 to Thursday, September 27, 2018 (both days inclusive).
7. Shareholders seeking any information, with regard to accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
8. The Company transferred the unclaimed dividends pertaining to the financial years 2002 to 2010 to the Investor Education and Protection Fund of the Central Government, pursuant to Section 205C of the Companies Act, 1956 (corresponding to Section 125 of the Companies Act, 2013). Those members who have so far not encashed their Dividend Warrants for the below mentioned financial years are requested to claim the same by approaching the Company or its Share Transfer Agents for the payment thereof as the same will be transferred to the **Investor Education and Protection Fund** on the respective due dates mentioned there against.

Details of dividend declared for the Financial Years 2010-2011 is given below

Financial Year	Rate of Dividend	Date of Declaration	Last date for claiming unpaid Dividend
2010 - 2011	10%	30.09.2011	29.09.2018

9. Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on March 31, 2018 on the website of the Company (www.panasonicappliances.in under the section Investor Relations), and also on the website of IEPF www.iepf.gov.in
10. Member(s) can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to the Registrar and Share Transfer Agent of the Company, M/s. Integrated Registry Management Services Private Limited.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/Registrar & Share Transfer Agent, M/s. Integrated Registry Management Services Private Limited.
12. Electronic copy of the Notice of the 30th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent to all the members whose email IDs

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are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in permitted mode.

13. Members may also note that the Notice of the 30th Annual General Meeting and the Annual Report for 2017-18 will be available on the Company's website www.panasonicappliances.in for their download. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: secretary@panasonicindia.in.
14. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically. Members who hold shares in physical form may register their email ID by informing the same to the Company or its Registrar and Share Transfer Agent.
15. Members holding shares in physical form are requested to notify/send the following information by quoting their Folio Number to the Registrar and Share Transfer Agent of the Company to facilitate better servicing: -
 - i. Any change in their address/mandate/bank details;
 - ii. Particulars of the bank account, in case the same have not been furnished earlier;
 - iii. Share Certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account;
 - iv. Phone No., Fax No., and Email ID etc for speedy disposal of complaints/requests on various issues.

16. Voting by electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through the e-Voting Services provided by National Securities Depository Limited (NSDL).

The Companies (Management and Administration) Rules, 2014 provides that the electronic voting period shall be completed three days prior to the date of AGM. Accordingly the e-voting period commences on Monday, September 24, 2018 at 9:00 a.m. and ends on Wednesday, September 26, 2018, at 5:00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on the resolution is cast by the shareholder, the shareholder shall not be able to change it subsequently.

Members are requested to follow the instructions below to cast their vote electronically:

Procedure and manner of e-voting

A. In case a Member receives an email from NSDL [for members whose email ids are registered with the Company/ Depository Participant(s)]

- i. Open email and open PDF file viz; "Panasonic Appliances e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password provided in PDF is an 'Initial Password'.
- ii. Log on to the e-voting website by typing the following URL: <https://www.evoting.nsdl.com/>
- iii. Click on Shareholder – Login.
- iv. Type User ID and password as initial password/PIN noted in step (i) above. Click Login.

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- v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- vii. Select "EVEN" of Panasonic Appliances India Company Limited.
- viii. Cast vote page for e-voting opens.
- ix. Cast your vote by selecting the appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. 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. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to alagar@geniconsolutions.com with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant (s) or requesting physical copy:]

- (i) Initial password is provided as below/ at the bottom of the Attendance Slip for the AGM:

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN
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- (ii) Please follow all steps from Sl. No (ii) to Sl. No. (xii) above, to cast vote.

General Instructions

- a) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - b) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of September 20, 2018. Members of the Company holding shares in physical or in dematerialized form, as on the cut-off date, may cast their vote electronically.
 - c) A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off-date i.e. September 20, 2018 only shall be entitled to avail the facility of e-voting. The facility for voting through Ballot paper shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by e-voting shall be able to vote at the Meeting through Ballot paper. The Members who have cast their vote by e-voting may also attend the meeting but shall not be entitled to cast their vote again.
 - d) In case a person has become the Member of the Company after the dispatch of Notice but on or before the cut-off date may write to the Company or its Registrar and Share Transfer Agent requesting for the User ID and Password.
 - e) Mr. M. Alagar, Practicing Company Secretary (Membership No.: F7488) has been appointed as the Scrutinizer to scrutinize the e-voting process is conducted in a fair and transparent manner.
 - f) The Scrutinizer, after scrutinizing the votes cast at the meeting by Poll and e-voting will not later than two days of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman of the Meeting. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.panasonicappliances.in and on the NSDL website <https://www.evoting.nsdl.com>.
 - g) Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. September 27, 2018.
 - h) In case of any queries, you may refer the Frequently Asked Questions (FAQ) for Shareholders and e-voting user Manuel for Shareholders available in the 'downloads' section of www.evoting.nsdl.com. You can also contact NSDL via e-mail at evoting@nsdl.co.in.
17. All documents referred to in the accompanying Notice and the Statement pursuant to section 102(1) of the Companies Act, 2013 will be available for inspection at the registered office of the Company during business hours on all working days up to the date of declaration of the result of the 30th Annual General Meeting of the Company.

ANNEXURE TO THE NOTICE

Explanatory Statement as per Section 102 of the Companies Act, 2013

Item No. 4

At the Board Meeting held on April 17, 2018 Mr. Masayuki Sasage was appointed as an additional Director under the Articles of Association of the Company and pursuant to section 161 of the Companies Act, 2013. Mr. Masayuki Sasage will hold office only up to the date of this Annual General Meeting and he offers himself for re-appointment. The Company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing Mr. Masayuki Sasage as a Director liable to retire by rotation. His qualification and experience are detailed under the heading "Information about the Directors to be appointed/re-appointed" which forms part of this Notice. Mr. Masayuki Sasage represents the Promoter Director on the Board. He shall not be paid any Sitting Fee for attending the Meetings of the Board or Committee thereof. Mr. Masayuki Sasage does not hold by himself or for any other person on a beneficial basis, any shares in the Company. None of the Directors and Key Managerial Personnel (KMP) of the Company except Mr. Masayuki Sasage, being the appointee, is interested in this resolution. The Board commends passing of the Resolution set out at item No.4 of the Notice convening the Meeting.

ItemNo.5

In terms of the resolution passed by the members approving the re-appointment of Mr. Hidenori Aso as the Managing Director of the Company at the Annual General Meeting (AGM) held on September 29, 2015 the tenure of appointment which was for a period of Three years with effect from August 1, 2015 ended on July 31, 2018. Panasonic Corporation, by exercising its right conferred under the Articles of Association in respect of nomination of Managing Director, has recommended further extension of the tenure of Mr. Hidenori Aso as the Managing Director of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company had re-appointed Mr. Hidenori Aso at their meeting held on July 18, 2018 subject to the approval of the members as the Managing Director of the Company for a further period of Three Years with effect from August 1, 2018 on the terms and conditions including remuneration as detailed in the resolution. Apart from the perquisites mentioned in the resolution the Company shall reimburse expenses incurred by Mr. Hidenori Aso for travelling, boarding and lodging during business trips which shall not be considered as perquisites.

Pursuant to paragraph (B) of Section II of Part II of Schedule V read with Section 197(3) of the Companies Act, 2013 payment of remuneration to managerial personnel in the case of a Company having no profit or inadequate profit is linked to the effective capital of the Company. The limit of yearly remuneration payable by a Company, having an effective capital is negative or less than ₹ 5 crores, without Central Government approval is ₹ 60 lakhs which shall be doubled if the resolution passed by the shareholders is a Special Resolution. The aforesaid provision is applicable only if the following conditions are fulfilled.

- i) Payment of said minimum remuneration is approved by the Nomination and Remuneration Committee and the Board of Directors.
- ii) No default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon for a continuous period of 30 days in the preceding financial year before the date of appointment of such managerial person.
- iii) A Special Resolution is passed at the General Meeting of the Company for payment of remuneration for a period not exceeding three years.
- iv) A statement containing the specified information along with the notice calling the General Meeting is furnished to the shareholders.

The Company has complied with the stipulated conditions.

Accordingly, Mr. Hidenori Aso can be paid remuneration within the limit mentioned above. The Remuneration proposed to be paid to Mr. Hidenori Aso is less than and well within the limits of minimum remuneration that can be paid as per the provisions of Schedule V read with Section 197(3) of the Act.

The re-appointment of Mr. Hidenori Aso as Managing Director of the Company by the Board of Directors including the remuneration payable to him is subject to the approval of shareholders by way of a special resolution in terms of the provisions of the Companies Act, 2013.

Accordingly, the matter is placed before the Members for their approval at this Annual General Meeting.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Statement pursuant to sub-clause (iv) of Clause (1B) of Section II of Part II of Schedule V of the Companies Act, 2013 for payment of remuneration to Mr. Hidenori Aso, Managing Director

I. GENERAL INFORMATION

1.	Nature of Industry	Consumer Durables
2.	Date of Commencement of Commercial Production	October 1, 1990
3.	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in prospectus	Existing Company
4.	Financial Performance	<p>For the year ended March 31, 2018</p> <p style="text-align: right;">(₹ in Million)</p> <p>Income from Operations 2,282.67</p> <p>Profit before Tax 2.13</p> <p>Profit after Tax 2.13</p> <p>As on March 31, 2018</p> <p style="text-align: right;">(₹ in Million)</p> <p>Paid up Share Capital 98.32</p> <p>Reserves & Surplus (83.71)</p> <p>Long Term Loans 32.92</p> <p>Total 47.53</p> <p>Investments Nil</p> <p>Preliminary Expenses (to the extent not written off) Nil</p> <p>Effective Capital as on March 31, 2018 47.53</p>
5.	Export performance and Net Foreign Exchange Collaborations.	Earnings in Foreign Exchange on account of Exports Sales and reimbursement of advertisement and sales promotion expenses received from the Collaborator/ Associate Companies was ₹595.03 Million for the year ended March 31, 2018.
6.	Foreign investments or Collaborations, if any	The Company has Technical Assistance Agreement and Trademark License Agreement with Panasonic Corporation, Japan (formerly Matsushita Electric Industrial Co. Ltd), its foreign collaborator. As on March 31, 2018 foreign investment in paid-up share capital of the Company is 94.11%.

II. INFORMATION ABOUT APPOINTEE

1.	Background details	Mr. Hidenori Aso joined Matsushita Electric Industrial Co. Ltd, Japan in April 1983. He is a Graduate from Tokyo University of Foreign Studies, Japan. He has wide experience of more than 32 years mainly in the area of Marketing and Exports.
2.	Past Remuneration	A total of ₹3,016,276 was paid as salary and perquisites for the year ended March 31, 2018
3.	Recognition or awards	Not Applicable

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

4.	Job Profile and his suitability	Mr. Hidenori Aso is entrusted with substantial powers of management and is responsible for the general conduct and management of the business and affairs of the Company subject to the superintendence, control and supervision of the Board of Directors of the Company. He has wide experience in Marketing, Exports, Strategic Planning and Organization building.
5.	Remuneration proposed	Salary in the scale of ₹220,960 per month plus perquisites as per the details given in the proposed resolution.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Mr. Hidenori Aso, had been continued his service with the Company's foreign collaborator, would have been drawing significantly more salary than the remuneration proposed to be paid to him from the company.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person if any	NIL, except to the extent to remuneration proposed to be paid.

III. OTHER INFORMATION

1.	Reasons for loss or inadequate profits	As on March 31, 2018 the Company recorded a profit of ₹2.13 Million. The main reasons for the inadequacy of profit are mainly due to weak consumer market, GST effect and intense competition from cheap Chinese made Cookers.
2.	Steps taken for improvement	Company is taking steps to streamline its business to increase productivity and make its products more competitive in the market. Steps are also taken to increase the export business.
3.	Expected increase in productivity and profits in measurable terms	The Company expects that barring unforeseen circumstances, improvement in business environment coupled with the measures being taken to enhance revenue and reduce costs would enable the company to make its business more viable and bring it back to profitability.

The Board of Directors recommends the resolution set out at the Item No. 5 of the accompanying Notice for the approval of the Members of the Company.

Memorandum of Interest

Mr. Hidenori Aso, Managing Director is interested in this Resolution. Mr. Toshihiro Sakamoto and Mr. Masayuki Sasage also deemed as interested in this resolution as Mr. Hidenori Aso, as they are representatives of Panasonic Corporation. No other Director or Key Managerial Personnel of the company/their relatives are in any way concerned or interested in this resolution.

Your Directors recommend the above resolution for your approval.

By Order of the Board of Directors
For **Panasonic Appliances India Company Limited**

Place : Chennai
Date : July 18, 2018

Hidenori Aso
Managing Director

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

PROFILE OF DIRECTOR

A brief profile of the Director who is proposed to be appointed:

Mr. MASAYUKI SASAGE

Mr. Masayuki Sasage, aged 54 years, is a Graduate from Nigata University, Japan. He started his career with M/s. Matsushita Electric Company, Japan, in 1986. Mr. Masayuki Sasage is also a Director of Kitchen Appliances Business Division at Panasonic Corporation since April 1, 2018.

Mr. Masayuki Sasage does not hold any other directorships or committee membership in other Companies. He does not hold any shares in the company.

By Order of the Board of Directors
For **Panasonic Appliances India Company Limited**

Place : Chennai
Date : July 18, 2018

Hidenori Aso
Managing Director

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirtieth Annual Report together with the Company's Audited Statements for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year under review along with previous year's figures is given hereunder.

(₹ in Million)

Particulars	Current year [2017 - 2018]	Previous year [2016 - 2017]
Revenue from operations (net)	2,253.57	1,864.45
Other income	29.10	35.04
Total income	2,282.67	1,899.49
Total operating expenditure	2,192.69	1,877.03
Profit before Finance cost & depreciation	89.98	22.46
Less: Finance cost	30.24	33.58
Less: Depreciation	57.61	50.34
Profit/(loss) before extraordinary item and tax	2.13	(61.46)
Extraordinary item	-	-
Less: Provision for tax	-	4.80
Profit/(loss) after tax	2.13	(66.27)

REVIEW OF PERFORMANCE

During the year under review, your Company has reported the net revenue from operations of ₹ 2,282.67 Million in the current year as compared to ₹ 1,899.49 Million in the previous year, registering an overall growth of 21%. The Company has earned Profit after tax for the year of ₹ 2.13 Million in the current year as compared to a loss of ₹ 66.27 Million in the previous year.

The year witnessed the implementation of Goods and Service Tax (GST) across the country on July 1, 2017, followed by the second round of tax slab reductions implemented by the Government in November 15, 2017. Due to the new tax regime, the customers had a fear that they would need to pay more for the price increase. Thus the market was uncertainty in the first quarter and few weeks in the second quarter. This leads to slower sales in those periods. Despite of all this odds, your Company could achieve 22% growth in the domestic sales and 17% growth in the export sales. Your Company is continuously striving for better performance in SAARC countries, where it identifies the potential market. The Management of the Company is of the opinion that the Company will perform better in upcoming years.

DIVIDEND

Your Directors have decided not to recommend any dividend for the financial year ended March 31, 2018.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of your company had 4 Board Meetings, 4 Audit Committee Meetings, 1 Nomination and Remuneration Committee Meeting and 4 Stakeholder Relationship Committee Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under The Companies Act, 2013.

Name of the director	Board Meeting	Audit Committee Meeting	Nomination & Remuneration Committee Meeting	Stakeholder Relationship Committee Meeting
Subramanian Krishnaswamy	4	4	1	4
Ajit Gopal Nambiar	4	4	1	4
Hidenori Aso	4	4	-	4
Kiyoshi Otaki	-	-	-	-
Toshihiro Sakamoto	1	-	-	-

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to clause (c) of sub-section (3) of Section 134 of The Companies Act, 2013 as amended, the board of directors hereby confirm that

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- (b) the directors had 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 and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RELINQUISHED DURING THE YEAR

In accordance with the provisions of The Companies Act, 2013 and Article of Association of the Company, Mr. Toshihiro Sakamoto (DIN: 07594920) will retire by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

Appointments:

The following appointments were made during the year till the date of the Report:

Mr. Kiyoshi Otaki (DIN: 03155206) appointed as Non-Executive Director on July 24, 2017.

Mr. Masayuki Sasage (DIN: 08107285) appointed as Non-Executive Director on April 1, 2018.

Mr. Jayaprakash Kalappan (PAN: ALZPK6505C) appointed as Chief Financial Officer on April 1, 2018.

Mr. Subhanarayan Mudali (Membership No.: A41513) appointed as Company Secretary on October 23, 2017.

Resignations:

The following resignations were made during the year till the date of the Report:

Mr. Kiyoshi Otaki, Non-Executive Director resigned on April 1, 2018.

Mr. Ramachandran Kunnath, Chief Financial Officer resigned on January 17, 2018.

Mr. Sanjog Malhotra, Company Secretary resigned on October 3, 2017.

REMUNERATION POLICY AND APPOINTMENT TO THE BOARD / KEY MANAGERIAL PERSONNEL

On the recommendation of the Nomination and Remuneration Committee (NRC), the Board has framed a remuneration policy for all employees of the Company including senior management and Directors. The remuneration policy of the Company is designated to attract, motivate and retain suitable manpower in a competitive market. The remuneration package for each person is designated keeping a balance between fixed remuneration and performance linked incentives in order to achieve corporate performance targets. The Board affirms that the remuneration is as per the Remuneration Policy of the Company. The governance policies laid down by the Board of Directors of your company include:

- (i) Policy on appointment and removal of Directors, KMPs and Senior Management.
- (ii) Policy on remuneration to the Directors, KMPs and senior management and other employees.

The Policy for appointment and removal of Directors, KMPs and Senior Management and their Remuneration is provided in "ANNEXURE 1" to the Board's Report.

STATUTORY AUDITORS

The Company's Statutory Auditors, M/s. BSR & Co. LLP (Firm Registration No. 101248W/W-100022), Chartered Accountants issued their report on Financial Statements of the Company and the same is appended here to the report. The Auditors' Reports on Financial Statements does not contain any qualification, reservation or adverse remark.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

M/s. BSR & Co. LLP, Chartered Accountants were appointed as Statutory Auditors for a period of five years at the Annual General Meeting held on September 29, 2015. Their continuance of appointment is required to be ratified in the ensuing Annual General Meeting.

INTERNAL FINANCIAL CONTROLS

The Company is in compliance with the requirements of The Companies Act, 2013 with regard to the Internal Financial Controls which embraces adherence to Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of financial information. The Board opines that the internal controls implemented by the Company for preparation of financial statements are adequate and sufficient.

RISK MANAGEMENT

The Board of Directors of the Company has implemented the risk management policy and delegated the power to the Audit Committee to monitor the risk management plan for the Company and report to the Board of Directors. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Board of Directors is in the opinion that there were no major risks that may threaten the existence of the Company

DEPOSITS/LOANS & ADVANCES, GUARANTEES OR INVESTMENTS

Your Company has not accepted any deposits from the public during the year under review. There were no loans/advances, guarantees and investments given during the year under review coming under the purview of Section 186 of The Companies Act, 2013.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the Company for the financial year ended March 31, 2018 to the date of signing of the Boards' Report.

STATEMENT UNDER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

There are no employees drawing remuneration of more than ₹1,02,00,000 (Rupees One Crore and Two Lakhs) per annum or drawing remuneration of ₹ 8,50,000 (Rupees Eight Lakh Fifty Thousand) per month, if employed part of the year as required under Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further none of the Employees and their dependent children holds 2% or more equity shares in the Company.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of The Companies Act, 2013 and Rule 12(1) of The Companies (Management and Administration) Rules, 2014, extract of annual return is annexed as "ANNEXURE 2".

RELATED PARTY TRANSACTIONS (RPT)

All transactions entered into with Related Parties as defined under Section 2(76) of The Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of The Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated person which may have a potential conflict with the interest of the Company at large.

Pursuant to Section 134(3)(h) read with Rule 8(2) of The Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of The Companies Act, 2013, in eForm AOC 2.

Suitable disclosures as required by the Accounting Standards 18 have been made in the notes forming part of the Financial Statements.

ANTI- SEXUAL HARASSMENT POLICY

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 became effective from December 9, 2013 and is applicable to the Company. In line with the requirement of this Act, the Company had constituted an Internal Compliance Committee and also framed an Anti-sexual Harassment policy for prevention of sexual harassment at workplace. During the year under review, there was no complaint received.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

The particulars as prescribed under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are provided in “**ANNEXURE 3**” which forms part of this report.

INDUSTRIAL RELATIONS

The relations with the workmen and employees of the Company have continued to remain cordial.

CODE OF CONDUCT

The Company has already in place a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings/behaviors of any form and the Board has laid down the directives to counter such acts.

OTHERS

- Your Company does not have any subsidiary or joint venture or associate company.
- Your Company does not require to transfer any amount to reserve.

ACKNOWLEDGEMENTS

Your Directors wish to express their deep sense of appreciation for the committed services of all the employees of the Company. They also place on record their appreciation for the support and co-operation your Company has been receiving from its Bankers, Customers, Distributors, Dealers, Suppliers and other Business Partners and also the valuable assistance received from the collaborator Panasonic Corporation, Japan. Your Directors take this opportunity to thank all stakeholders, banks, regulatory and government authorities for their continued support. As we continue to grow and expand, we look forward to sharing our success in the years ahead with all our stakeholders.

For and on behalf of the Board of Directors of
Panasonic Appliances India Company Limited
CIN: U30007TN1988PLC016184

Place : Chennai
Date : July 18, 2018

Hidenori Aso
Managing Director
DIN: 00158246

Subramanian Krishnaswamy
Director
DIN: 00019088

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT AND THEIR REMUNERATION

Directors

The Nomination and Remuneration Committee (NRC) determines the criteria for appointment to the Board and is vested with the authority to identify candidates for appointment to the Board of Directors. In evaluating the suitability of individual Board member, the NRC will take into account multiple factors, including general understanding of the business, education, professional background, personal achievements, professional ethics and integrity.

Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Chairman/MD/CFO will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of The Companies Act, 2013 and Rules made there under.

Key Managerial Personnels (KMPs)

The authority to identify right candidates for the appointment of Chief Financial Officer and Company Secretary is vested with the Managing Director. The HR will facilitate in identifying the candidates internally or externally.

Senior Management Personnel

The Senior Management Personnel are appointed and removed/relieved with the authority of MD & CFO based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed/relieved during a quarter shall be presented to the board as part of the update on Corporate Governance.

Removal of Board of Directors and KMPs

If a Director or a KMP is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations hereunder or due to non-adherence to the applicable policies of the Company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director or a KMP subject to the compliances of the applicable statutory provisions.

Remuneration to Non-Executive Directors

The Non-Executive Directors are paid sitting fee within the limits prescribed under The Companies Act, 2013 for attending Board/Committee Meetings. Apart from Sitting Fee, the Company does not pay any other remuneration to the Non-Executive Directors.

Executive Directors

The remuneration to MD who is the only executive Director in the Company shall be recommended by NRC to the Board. The remuneration consists of fixed compensation and other perquisites as approved by the Board and within the overall limits specified in the Shareholders resolution.

Remuneration to Senior Management personnel and Other Employees

The Company follows an extensive performance management system to review the performance of the Employees/Senior Management and provide rewards on the basis of meritocracy. The overall remuneration to the employees includes a fixed component (Guaranteed pay) and a variable component (Performance pay). The percentage of the variable component increases with increasing hierarchy levels, as the Company believes employees at higher positions have far greater impact and influence on the overall business result. The CTC is reviewed once every year and the compensation strategy for positioning of individuals takes into consideration the following elements:

- Performance
- Potential
- Criticality
- Longevity in grade

The remuneration for KMPs - CFO and CS will be proposed by the MD and the NRC consistent with the strategy of the Company and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of Section 203 of The Companies Act, 2013 the Board shall approve the remuneration at the time of their appointment. Remuneration for the new employees other than KMPs and Senior Management Personnel will be decided by the HR, in consultation with the concerned business unit head at the time of hiring, depending upon the relevant job experience, last compensation and the skill-set of the selected candidate. The CFO shall make a presentation to the NRC on the proposed annual increments based on the performance of the Company, general trends in the industry etc. Eligible employees will be rewarded with the annual increment.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

ANNEXURE 2

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	U30007TN1988PLC016184
ii)	Registration Date:	September 9, 1988
iii)	Name of the Company:	Panasonic Appliances India Company Limited
iv)	Category / Sub – Category of the Company:	Public Limited Company/Limited by Shares
v)	Address of the Registered Office and Contact details:	National Highway, No.5, Sholavaram Village, Ponneri Taluk, Chennai - 600067. Tel: + 91-44-26330133 Email: secretary@panasonicindia.in Website: www.panasonicappliances.in
vi)	Whether listed Company:	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	M/s. Integrated Registry Management Services Private Limited 1st Floor, Kences Towers, 1, Ramakrishna Street North Usman Road, T.Nagar, Chennai- 600 017 Phone: +91-44-28140484

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

S.No	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Manufacture of domestic electric appliances such as mixers, grinders	27501	52.76%
2	Manufacture of other domestic appliances	27509	47.24%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name of the Company	Address	CIN, if any	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
1	Panasonic Corporation	No. 1006, Oaza Kadoma, Kadoma-shi, Osaka – 571-8501, Japan Phone: +81-6-6908-1121	Foreign Company	Holding Company	94.11%	Section 2(46)

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
Promoter and Promoter Group									
Individuals / HUF	-	-	-	-	-	-	-	-	-
Central Govt/State Govt	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-	-
Foreign									
Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	9217592	-	9217592	93.75	9252463	-	9252463	94.11	0.36
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	9217592	-	9217592	93.75	9252463	-	9252463	94.11	0.36
TOTAL (A)	9217592	-	9217592	93.75	9252463	-	9252463	94.11	0.36
B. Public									
1. Institutions									
a) Mutual Funds	-	1700	1700	0.02	-	1700	1700	0.02	-
b) Banks/FI	-	1800	1800	0.02	-	1800	1800	0.02	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	3500	3500	0.04	-	3500	3500	0.04	-

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	32824	10700	43524	0.44	10505	10600	21105	0.21	-0.23
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	179209	386888	566097	5.76	183348	370388	553736	5.64	-0.13
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	1287	-	1287	0.01	1196	-	1196	0.01	0.00
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies- DR -	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	213320	397588	610908	6.21	195049	380988	576037	5.85	-0.36
Total Public (B)	213320	401088	614408	6.25	195049	384488	579537	5.89	-0.36
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	9430912	401088	9832000	100	9404555	427445	9832000	100	-

(ii) Shareholding of Promoters

SN	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Panasonic Corporation	9217592	93.75	-	9252463	94.11	-	0.36
	Total	9217592	93.75	-	9252463	94.11	-	0.36

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

(iii) Changes in Promoters Shareholding (please specify, if there is no change)

SN	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	9217592	93.75	9217592	93.75
2	Transfer of shares to Panasonic Corporation	34871	0.36	-	0.36
3	At the end of the year	9252463	94.11	9252463	94.11

(iv) Shareholding of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SL.No	Shareholder's Name	No. of Shares held at the % beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1 (a)	KAMALAMMA J				
	At the beginning of the Year 01-04-2017	7,500	0.08	7,500	0.08
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	7,500	0.08	7,500	0.80
1 (b)	CHENNA REDDY J				
	At the beginning of the Year 01-04-2017	7,500	0.08	7,500	0.08
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	7,500	0.08	7,500	0.08
2	CHIRAG NAVINCHANDRA SUKHADIA				
	At the beginning of the Year 01-04-2017	6,000	0.06	6,000	0.06
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	6,000	0.06	6,000	0.06
3	S L LALITHAMMA				
	At the beginning of the Year 01-04-2017	5,762	0.06	5,762	0.06
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	5,762	0.06	5,762	0.06
4	SHINEUP FIBRES LTD				
	At the beginning of the Year 01-04-2017	5,000	0.05	5,000	0.05
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	5,000	0.05	5,000	0.05
5	ANKAL CAPITAL LIMITED				
	At the beginning of the Year 01-04-2017	3,300	0.03	3,300	0.03
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	3,300	0.03	3,300	0.03

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

(iv) Shareholding of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

SL. No	Shareholder's Name	No. of Shares held at the % beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
6	RAJENDRA JHANWAR				
	At the beginning of the year April 1, 2017	-	-	2,500	0.03
	Changes during the year				
	Date of Change Reason				
	30.03.2018 Transfer	+2,500	+0.03	2,500	0.03
	At the end of the year March 31, 2018	2,500	0.03	2,500	0.03
7a)	RAJYALAKSHMI RAMACHANDRAN				
	At the beginning of the Year 01-04-2017	2,000	0.02	2,000	0.02
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	2,000	0.02	2,000	0.02
7(b)	KIRIT MODI				
	At the beginning of the Year 01-04-2017	2,000	0.02	2,000	0.02
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	2,000	0.02	2,000	0.02
8	ANIL KUMAR PILLAI				
	At the beginning of the Year 01-04-2017	1,985	0.02	1,985	0.02
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	1,985	0.02	1,985	0.02
9(a)	RAJENDRA SINGH SINGHVI				
	At the beginning of the Year 01-04-2017	1,800	0.02	1,800	0.02
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	1,800	0.02	1,800	0.02
9(b)	DINKAR S MAHIND				
	At the beginning of the Year 01-04-2017	1,800	0.02	1,800	0.02
	Changes During the Year	Nil			
	At the end of the year 31-March-2018	1,800	0.02	1,800	0.02
10	SHREEKUMAR MAHESWARI				
	At the beginning of the year April 1, 2017	1,500	0.02	1,500	0.02
	Changes during the year	Nil			
	At the end of the year March 31, 2018	1,500	0.02	1,500	0.02

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

(v) Shareholding of Directors and Key Managerial Personnel:

Neither Directors nor Key Managerial Personnel holds any shares in the Company.

VI) Indebtedness

Amount in ₹

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	490,991,848	-	490,991,848
i) Principal Amount	-	490,991,848	-	490,991,848
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	490,991,848	-	490,991,848
Change in Indebtedness during the financial year				
Addition	-	30,000,000	-	30,000,000
Reduction	-	92,890,880	-	92,890,880
Net changes	-	(62,890,880)	-	(62,890,880)
Indebtedness at the end of the financial year				
i) Principal Amount	-	428,100,968	-	428,100,968
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	428,100,968	-	428,100,968

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in ₹

Sl.No.	Particulars of Remuneration	Name of MD/ WTD
		Mr. Hidenori Aso Managing Director
1	Gross Salary* a) Salary as per provisions contained in section 17(1) of the Income tax Act b) Value of perquisites u/s 17(2) of Income tax Act c) Profits in lieu of salary under section 17(3) of Income tax Act	2,651,520 225,554
2	Stock Option	-
3	Sweat Equity	-
4	Commission-	-
	As % of profit- As others, specify	
5	Others, specify Contribution to provident fund	139,202
	TOTAL (A)	3,016,276
	Ceiling as per the Act	6,000,000

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

B. Remuneration to other directors:
Amount in ₹

Sl.No.	Particulars of remuneration	Name of directors		Total amount
1	Independent Directors	Subramanian Krishnaswamy	Ajit Gopal Nambiar	460,000
	● Fee for attending board/ committee meetings	230,000	230,000	
	● Commission	-	-	
	● Others, please specify	-	-	
	Total (1)	230,000	230,000	460,000
2	Other Non Executive Directors	Kiyoshi Otaki	Toshihiro Sakamoto	
	● Fee for attending board/ committee meetings	-	-	
	● Commission	-	-	
	● Others, please specify	-	-	
	Total (2)	-	-	
	Total (B) = (1 +2)	-	-	
	Total Managerial Remuneration (A+B)			460,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD
Amount in ₹

Sl.No.	Particulars of Remuneration	Name of Key Managerial Personnel	Total amount
		Mr. Ramachandran Kunnath (CFO)	
1	Gross Salary	3,854,263	3,854,263
	a) Salary as per provisions contained in section 17 (1) of the Income tax Act b) Value of perquisites u/s 17 (2) of Income tax Act c) Profits in lieu of salary under section 17 (3) of Income tax Act		
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	-As % of profit -As others, specify		
5	Others, specify Contribution to provident fund	197,619	197,619
	TOTAL (A)	4,051,882	4,051,882

Penalties/Punishment/Compounding of Offences:

There are no penalties/punishment/compounding of offences against the Company and its Directors and Officers for the year ended on 31st March, 2018.

For and on behalf of the Board of Directors of
Panasonic Appliances India Company Limited
 CIN: U30007TN1988PLC016184

Place : Chennai
 Date : July 18, 2018

Hidenori Aso
Managing Director
 DIN: 00158246

Subramanian Krishnaswamy
Director
 DIN: 00019088

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014
(a) Conservation of energy

(i)	the efforts made towards technology absorption	<p>1(a) Variable Speed Drive type Compressor introduced by replacing fixed speed type compressor.</p> <table border="1" data-bbox="875 379 1491 735"> <thead> <tr> <th>Description</th> <th>Before</th> <th>Now</th> </tr> </thead> <tbody> <tr> <td>GA22PFS Compressor</td> <td>22KW</td> <td></td> </tr> <tr> <td>GA18VSD+ Compressor</td> <td></td> <td>18KW</td> </tr> <tr> <td>Electricity Units/hour</td> <td>22 Units</td> <td>18 Units</td> </tr> <tr> <td>Electricity Units/day</td> <td>(22 Units x 18 hours) = 396 Units</td> <td>18 Units x 18 (hours) = 324 Units</td> </tr> <tr> <td>Electricity Cost/day</td> <td>(396 Units x 8.68) = ₹3,437.28</td> <td>(324 Units x 8.68) = ₹2,812.32</td> </tr> <tr> <td>Electricity Cost/Month</td> <td>(3437.28 x 25 days) = ₹85,932</td> <td>(2812.32 x 25 days) = ₹70,308</td> </tr> <tr> <td>Cost Saving/Month</td> <td>₹15,624</td> <td></td> </tr> <tr> <td>Cost Saving/Year</td> <td>₹187,488</td> <td></td> </tr> </tbody> </table> <p>1(b) Introduction of Variable Speed Drive type Compressor approximately saving can be achieved by 0.18 Million per year</p> <p>2(a) By introduction of LED Lights Fittings instead of Fluorescent Lamp</p> <table border="1" data-bbox="875 864 1491 1698"> <thead> <tr> <th>Description</th> <th>Before</th> <th>Now</th> </tr> </thead> <tbody> <tr> <td>FL Lamp (80 Nos x 36W x 10 hours)</td> <td>28.80 Units</td> <td></td> </tr> <tr> <td>FL Lamp (85 Nos x 72W x 18 hours)</td> <td>110.16 Units</td> <td></td> </tr> <tr> <td>FL Lamp (23 Nos x 96W x 12/1000 hours)</td> <td>26.50 Units</td> <td></td> </tr> <tr> <td>LED Lamp at office ground floor (80 Nos x 15W x 10 hours)/1000</td> <td></td> <td>12 Units</td> </tr> <tr> <td>LED Lamp at parts stores (40W x 30 Nos x 18 hours)/ 1000</td> <td></td> <td>21.60 Units</td> </tr> <tr> <td>LED Lamp at parts stores & C/H shop (36W x 55 Nos x 18 hours)/1000</td> <td></td> <td>35.64 Units</td> </tr> <tr> <td>LED Lamp at street light (45W x 23 Nos x 12 hours)/ 1000</td> <td></td> <td>12.42 Units</td> </tr> <tr> <td>Electricity Units/day</td> <td>165.46 Units</td> <td>81.66 Units</td> </tr> <tr> <td>Electricity Units/Month</td> <td>(165.46 x 25 days) = 4136.50 Units</td> <td>(81.66 x 25 days)= 2041.50 Units</td> </tr> <tr> <td>Electricity Cost/Month</td> <td>(4136.50 x 8.68) = ₹35,904.82</td> <td>(2041.50 x 8.68) = ₹17,720.22</td> </tr> <tr> <td>Cost Saving / Month</td> <td>₹18,184</td> <td></td> </tr> <tr> <td>Cost Saving / Year</td> <td>₹218,215</td> <td></td> </tr> </tbody> </table> <p>2(b) Introduction of LED Fittings results in saving of Energy by 2095 Units per Year and saving of cost by ₹218,215</p>	Description	Before	Now	GA22PFS Compressor	22KW		GA18VSD+ Compressor		18KW	Electricity Units/hour	22 Units	18 Units	Electricity Units/day	(22 Units x 18 hours) = 396 Units	18 Units x 18 (hours) = 324 Units	Electricity Cost/day	(396 Units x 8.68) = ₹3,437.28	(324 Units x 8.68) = ₹2,812.32	Electricity Cost/Month	(3437.28 x 25 days) = ₹85,932	(2812.32 x 25 days) = ₹70,308	Cost Saving/Month	₹15,624		Cost Saving/Year	₹187,488		Description	Before	Now	FL Lamp (80 Nos x 36W x 10 hours)	28.80 Units		FL Lamp (85 Nos x 72W x 18 hours)	110.16 Units		FL Lamp (23 Nos x 96W x 12/1000 hours)	26.50 Units		LED Lamp at office ground floor (80 Nos x 15W x 10 hours)/1000		12 Units	LED Lamp at parts stores (40W x 30 Nos x 18 hours)/ 1000		21.60 Units	LED Lamp at parts stores & C/H shop (36W x 55 Nos x 18 hours)/1000		35.64 Units	LED Lamp at street light (45W x 23 Nos x 12 hours)/ 1000		12.42 Units	Electricity Units/day	165.46 Units	81.66 Units	Electricity Units/Month	(165.46 x 25 days) = 4136.50 Units	(81.66 x 25 days)= 2041.50 Units	Electricity Cost/Month	(4136.50 x 8.68) = ₹35,904.82	(2041.50 x 8.68) = ₹17,720.22	Cost Saving / Month	₹18,184		Cost Saving / Year	₹218,215	
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(ii)	Steps taken by the Company for utilising alternate sources of energy	There is no Utilization of Alternate source of Energy																																																																		
(iii)	Capital investment on energy conservation equipments	<p>1. Cost of New Variable Speed Compressor ₹615,011</p> <p>2. Cost of LED Fittings ₹284,850</p>																																																																		

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

(b) Technology Absorption

(i)	Efforts made towards technology absorption	<p>By availing technical assistance from Panasonic Corporation Japan, Development has been made towards manufacturing of new products such as:</p> <ul style="list-style-type: none"> ➤ Successfully introduced the 120V Wet Grinder Model for Indian Tourist to USA. ➤ Successfully introduced the Atta Kneader Accessory in Wet Grinder for Domestic Market. ➤ Successfully Expanded the Export Market for Wet Grinder to Malaysia and Mixer Grinder to Thailand, Kuwait, Saudi Arabia, Oman, Bahrain and Qatar. ➤ Successfully Expanded the Export Market for Rice Cooker to Singapore, Thailand, Philippines, Myanmar and Cambodia. 																
(ii)	Benefits derived from key projects like product improvement, cost reduction, product development or import substitution	Benefits: By utilizing the latest technology Company has been Developing Wet Grinder Tourist Model (120V) and with Atta Kneader Accessory for Domestic and Export Markets.																
(iii)	<p>Information regarding imported technology (last three years)</p> <p>a. Technology Imported b. The year of Import c. Whether Technology been fully absorbed d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof</p>	<p>Products imported during last three years</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 30%;">Year</th> <th style="text-align: left;">Products</th> </tr> </thead> <tbody> <tr> <td>2015-2016</td> <td>New G Series Cooker Introduction & in house manufacturing with 0.3L, 0.6L, 1.0L and 1.8L.</td> </tr> <tr> <td>2016-2017</td> <td>Nil</td> </tr> <tr> <td>2017-2018</td> <td>Nil</td> </tr> <tr> <td>—</td> <td>—</td> </tr> <tr> <td>—</td> <td>—</td> </tr> <tr> <td>Yes</td> <td>—</td> </tr> <tr> <td>—</td> <td>—</td> </tr> </tbody> </table>	Year	Products	2015-2016	New G Series Cooker Introduction & in house manufacturing with 0.3L, 0.6L, 1.0L and 1.8L.	2016-2017	Nil	2017-2018	Nil	—	—	—	—	Yes	—	—	—
Year	Products																	
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2016-2017	Nil																	
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—	—																	
—	—																	
Yes	—																	
—	—																	
(iv)	The expenditure incurred on Research and Development	₹ 13,484,656																

(c) Conservation of Energy During the year, the total foreign spent (outgo) was ₹ 490.41 Million and the total foreign exchange earned was ₹ 595.03 Million.

Independent Auditors' Report

To the Members of Panasonic Appliances India Company Limited

Report on the financial statements

We have audited the accompanying financial statements of **Panasonic Appliances India Company Limited** ("the Company"), which comprise the balance sheet as at March 31, 2018 the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the Statement of affairs, loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We are also responsible to 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 its profit and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, 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 purpose 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 and the cash flow statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) on the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 B"; and
 - (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, 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 financial statements - Refer note 28 to the 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; and
 - iv The disclosures in the financial statements regarding holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 have not been made since they do not pertain to the financial year ended March 31, 2018. However, amounts as appearing in the audited financial statements for the period ended March 31, 2017 have been disclosed. - Refer note 42 to the financial statements.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

S. Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: July 18, 2018

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Annexure A to the Independent Auditor's Report to the members of Panasonic Appliances India Company Limited for the year ended March 31, 2018 (referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified annually. In accordance with this programme, no material discrepancies were noticed on such verification during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory, except goods-in-transit, has been physically verified by the management during the period. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) The Company does not have any loan, investment, guarantees and security which requires compliance under Sections 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for sale of goods and the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have been generally deposited regularly during the year by the Company with the appropriate authorities except for few delays in the deposit of income tax deducted at source ranging from 5 to 47 days.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues set out in Appendix 1 in respect of income tax, goods and service tax, sales tax, service tax, duty of customs and duty of excise have not been deposited by the Company with the appropriate authorities on account of dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding dues to any financial institution, government or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year.
- (x) According to the information and explanations given to us, no material fraud on or by the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with such directors. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 101248W/W-100022

S. Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: July 18, 2018

Appendix 1 to the Auditor's Report

The following dues of income tax, sales tax, service tax and duty of excise have not been deposited by the Company on account of disputes:

Name of the statute/ period to which it relates	Nature of dues	Forum where the dispute is pending	Amount (₹)
Income Tax Act, 1961			
For the period April 2003 - March 2005	Income tax	High Court of Madras	3,385,568
Sales Tax			
West Bengal Sales Tax Act, 1994			
For the period April 2001 - March 2003	Sales tax	Assistant Commissioner, Commercial Taxes, West Bengal	220,582
West Bengal Value Added Tax Act, 2003			
For the period April 2010 - March 2011	Sales tax	West Bengal Sale Tax Appellate & Revisional Board	3,777,892
Uttar Pradesh Value Added Tax Act, 2008			
For the period April 2013 - March 2014	Sales tax	Additional Commissioner	289,858*
Andhra Pradesh Value Added Tax Act, 2005			
For the period April 2015 - March 2016	Sales tax	Deputy Commissioner (CT), Vijayawada	-**
Maharashtra Value Added Tax Act, 2002			
For the period April 2015 - March 2016	Sales tax	Joint Commissioner of Sales Tax	82,751***
Central Excise Act, 1944			
For the period December 2006 - July 2009	Excise duty	Additional Commissioner of Central Excise, Chennai	4,568,246
For the period August 2008 - July 2009	Excise duty	Additional Commissioner of Central Excise, Chennai	83,743
For the period February 2011 - March 2011	Excise duty	Customs, Excise and Service Tax Appellate Tribunal, Chennai	168,818 [§]
For the period February 2011 - October 2011	Excise duty	Additional Commissioner of Central Excise, Chennai	809,579
For the period March 2010 - February 2011	Excise duty	Additional Commissioner of Central Excise, Chennai	49,542
For the period April 2011 - June 2012	Excise duty	Joint Commissioner of Central Excise, Chennai	3,830,367
Finance Act, 1994			
For the period April 2006 - September 2010	Service tax	Customs, Excise and Service Tax Appellate Tribunal, Chennai	6,401,833 [#]

* Net off ₹ 289,858 paid under protest ** Net off ₹ 89,251 paid under protest *** Net of ₹ 83,377 paid under protest

§ Net off ₹ 35,000 paid under protest # Net off ₹ 1,000,000 paid under protest

Annexure B to the Independent Auditor's Report to the members of Panasonic Appliances India Company Limited for the year ended March 31, 2018 (referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Panasonic Appliances India Company Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the 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 with reference to financial statements 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 (the "Guidance note") issued by the Institute of Chartered Accountants of India ('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 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('Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial control with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, 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 with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorisation 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 with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018 based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/W-100022

S. Sethuraman

Partner

Membership No: 203491

Place: Chennai

Date: July 18, 2018

Panasonic APPLIANCES INDIA COMPANY LIMITED

BALANCE SHEET AS AT MARCH 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	Note	As at March 31, 2018	Amount in ₹ As at March 31, 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	98,320,000	98,320,000
Reserves and surplus	4	(83,708,581)	(85,836,096)
		14,611,419	12,483,904
Non-current liabilities			
Long term borrowings	5	32,916,667	29,166,667
Deferred tax liabilities (net)	6	-	-
Long term provisions	7	20,740,195	20,312,345
		53,656,862	49,479,012
Current liabilities			
Short term borrowings	8	371,788,852	411,825,181
Trade payables	9		
- total outstanding dues to micro and small enterprises		12,443,894	2,739,840
- total outstanding dues of creditors other than micro and small enterprises		377,669,846	202,876,063
Other current liabilities	10	63,068,095	83,543,895
Short term provisions	11	8,100,876	11,063,043
		833,071,563	712,048,022
TOTAL		901,339,844	774,010,938
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	12	347,734,978	323,206,528
Intangible assets	12	7,830,186	10,623,370
Capital work-in-progress	12	-	3,188,040
		355,565,164	337,017,938
Long term loans and advances	13	8,944,665	10,339,526
		364,509,829	347,357,464
Current assets			
Inventories	14	232,857,929	192,262,905
Trade receivables	15	243,917,212	191,437,399
Cash and cash equivalents	16	6,211,965	9,037,792
Short term loans and advances	17	44,639,023	20,984,420
Other current assets	18	9,203,886	12,930,958
		536,830,015	426,653,474
TOTAL		901,339,844	774,010,938

Significant accounting policies 2.1

The notes referred to the above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration No. : 101248W/ W-100022

S. Sethuraman

Partner

Membership No: 203491

for and on behalf of the Board of Directors of

Panasonic Appliances India Company Limited

CIN: U30007TN1988PLC016184

Hidenori Aso

Managing Director

DIN: 00158246

Subramanian Krishnaswamy

Director

DIN: 00019088

Subhanarayan Muduli

Company Secretary

Membership No.: A41513

Place: Chennai

Date: July 18, 2018

Ajit Gopal Nambiar

Director

DIN: 00228857

Jayaprakash Kalappan

Chief Financial Officer

PAN: ALZPK6505C

Place: Chennai

Date: July 18, 2018

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	Note	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations			
Sale of products (gross)	19	2,262,984,671	2,053,731,751
Less: Excise duty		45,788,379	219,379,721
Sale of products (net)		2,217,196,292	1,834,352,030
Other operating revenue	19	36,376,962	30,096,998
Total		2,253,573,254	1,864,449,028
Other income	20	29,099,719	35,039,098
Total revenue		2,282,672,973	1,899,488,126
EXPENSES			
Cost of material consumed	21	1,285,573,900	1,045,337,882
Purchase of stock-in-trade	22	64,131,787	22,299,058
Change in inventories of finished goods, work-in-progress and stock-in-trade	23	(28,508,116)	31,696,490
Employee benefit	24	293,934,340	278,030,059
Finance costs	25	30,243,294	33,579,319
Depreciation and amortisation	26	57,608,071	50,340,695
Other expenses	27	577,562,182	499,669,134
Total expenses		2,280,545,458	1,960,952,637
Profit/(loss) before tax		2,127,515	(61,464,511)
Income tax expenses			
Current tax		-	-
Tax expenses pertaining to earlier years		-	4,801,968
Net current tax expenses		-	4,801,968
Deferred tax	6	-	-
Total tax expenses		-	4,801,968
Profit/(loss) for the year		2,127,515	(66,266,479)
Earnings per equity share			
Face value per share	41	10	10
Weighted average number of equity shares (Nos.)		9,832,000	9,832,000
Basic and diluted earnings per share		0.22	(6.74)
Significant accounting policies	2.1		

The notes referred to the above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No. : 101248W/ W-100022

for and on behalf of the Board of Directors of
Panasonic Appliances India Company Limited
CIN: U30007TN1988PLC016184

S. Sethuraman
Partner
Membership No: 203491

Hidenori Aso
Managing Director
DIN: 00158246

Ajit Gopal Nambiar
Director
DIN: 00228857

Subramanian Krishnaswamy
Director
DIN: 00019088

Jayaprakash Kalappan
Chief Financial Officer
PAN: ALZPK6505C

Subhanarayan Muduli
Company Secretary
Membership No.: A41513

Place: Chennai
Date: July 18, 2018

Place: Chennai
Date: July 18, 2018

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Amount in ₹

(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2018	Year ended March 31, 2017
Cash Flow from Operating Activities		
Profit/(loss) before tax	2,127,515	(61,464,511)
Adjustments:		
Depreciation and amortization	57,608,071	50,340,695
Interest income	(397,937)	(449,321)
Liabilities no longer required written back	(1,056,610)	-
Provision for doubtful trade receivables	95,517	97,126
Provision for inventories	2,257,498	5,384,185
Bad debts written off	-	583,898
Inventories written off	1,060,757	2,317,313
Advances written back	(6,780)	(6,450)
Unrealized foreign exchange loss/(gain)	2,112,644	(7,442,512)
Finance costs	30,243,294	33,579,319
Loss on sale/retirement of property, plant and equipment	2,722,895	2,555,001
	94,639,349	86,959,254
Operating cash flow before working capital changes	96,766,864	25,494,743
Movements in working capital:		
(Increase)/decrease in inventories	(43,913,279)	25,178,058
(Increase)/decrease in trade receivables	(51,447,374)	141,357,262
(Increase) in other assets	(18,839,663)	(1,091,063)
Increase/(decrease) in trade payables	185,174,856	(149,083,809)
(Decrease) in other liabilities	(3,039,073)	(6,947,834)
(Decrease)/increase in long-term and short-term provisions	(2,534,317)	2,212,684
Cash generated from operating activities	162,168,014	37,120,041
Income tax (paid)/refund received (net)	(42,214)	101,119
Net cash generated from operating activities (A)	162,125,800	37,221,160
Cash flow from investing activities		
Payment towards purchase of fixed assets (including capital work-in-progress, capital creditors and capital advances)	(72,186,813)	(63,841,038)
Proceeds from sale of fixed assets	689,244	2,806,280
Interest received	301,644	524,926
Net cash used in from investing activities (B)	(71,195,925)	(60,509,832)

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

Amount in ₹

	Year ended March 31, 2018	Year ended March 31, 2017
Cash flow from financing activities		
(Repayment of)/proceeds from borrowings (net)	(62,890,882)	62,906,196
Finance costs paid	(30,687,658)	(31,943,452)
Net cash (used in)/generated from financing activities (C)	(93,578,540)	30,962,744
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2,648,665)	7,674,072
Effect of exchange differences on cash and cash equivalents held in foreign currency	324	(450,976)
Cash and cash equivalents at the beginning of the year	8,676,483	1,453,387
Cash and cash equivalents at the end of the year (see below)	6,028,142	8,676,483

Notes to cash flow statement

Components of cash and cash equivalents

Balance with banks		
- on current accounts	6,028,142	8,589,752
Cash on hand	-	86,731
Total cash and cash equivalents	6,028,142	8,676,483

Significant accounting policies (Refer note 2.1)

The notes referred to the above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm registration No. : 101248W/ W-100022

S. Sethuraman

Partner

Membership No: 203491

Place: Chennai

Date: July 18, 2018

for and on behalf of the Board of Directors of

Panasonic Appliances India Company Limited

CIN: U30007TN1988PLC016184

Hidenori Aso

Managing Director

DIN: 00158246

Subramanian Krishnaswamy

Director

DIN: 00019088

Subhanarayan Muduli

Company Secretary

Membership No.: A41513

Place: Chennai

Date: July 18, 2018

Ajit Gopal Nambiar

Director

DIN: 00228857

Jayaprakash Kalappan

Chief Financial Officer

PAN: ALZPK6505C

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

Significant Accounting Policies and Notes on Accounts

1 Company overview

Panasonic Appliances India Company Limited (“the Company”) was originally incorporated on September 9, 1988. The Company is a subsidiary of Panasonic Corporation, Japan. The Company is primarily engaged in the business of manufacture and sale of consumer durable products such as electric rice cookers, mixer grinders and wet grinders. The Company has its manufacturing facility in Shoalaram Village, Chennai.

2. Basis of preparation

These financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention using the accrual basis. GAAP comprises accounting standards as prescribed under Section 133 of The Companies Act, 2013 (‘Act’) read with Rule 7 of The Companies (Accounts) Rules, 2014, other pronouncements of The Institute of Chartered Accountants of India and the provisions of the Act (to the extent notified). Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except as otherwise stated.

2.1 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with the Indian GAAP requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

b) Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation and accumulated loss if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; and any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Property, plant and equipment assets acquired wholly or partly with specific grant/subsidy from government, are recorded at the net acquisition cost to the company.

Depreciation on fixed assets is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the asset which are prescribed under Part C of Schedule II of The Companies Act, 2013 except for certain assets, the useful life of which have been determined based on technical evaluation, which is in the opinion of the management, would result in a more appropriate presentation of the carrying value of the fixed assets and the related useful life of the assets. Based on such assessment, depreciation has been provided on the following useful life:

Asset category	Estimated useful life (in years)
Building	30-60
Plant and machinery	15
Furniture and fitting	10
Office equipment	3-6
Vehicle	8

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date, are disclosed under other non-current assets and the cost of the fixed assets not ready for their intended use before such date, are disclosed as capital work-in-progress.

c) Intangible assets

Acquired intangible assets are measured initially at cost. After initial recognition, an intangible assets is carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible fixed assets are amortised over their economic useful lives as below:

Asset category	Estimated useful life (in years)
Software	3-6
Technical know-how	3

d) Impairment

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount (higher of net selling price and value in use) of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

e) Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at the fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the period of the lease.

f) Inventories

Inventories which comprises raw materials, work-in-progress and finished goods are carried at the lower of cost and net realisable value.

Cost of inventories comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average cost method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of the production facilities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated cost necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and in estimated that the cost of the finished products will exceed their net realisable value.

g) Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The company's contribution is recognised as an expenses in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefits plans

The Company provides for gratuity, a defined benefit Plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company provides the gratuity benefit through annual contribution to a fund managed by the Life Insurance Corporation of India (LIC). The liabilities related to gratuity plan are determined by an independent actuarial valuer using projected unit credit method as at the balance sheet date.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilised wholly within twelve months after the end of such period, the benefit is classified as a long term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

h) Revenue recognition

Revenue from sale of goods is generally recognised on despatch of goods to customers which corresponds with transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of good and service tax, sales tax, value added tax, trade and quantity discounts.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

i) Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from the foreign currency borrowings to the extent that they are recorded as an adjustment to interest costs) incurred by the company in connection with the borrowing of fund. Borrowing cost directly attributable to acquisition or construction of those tangible fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

j) Foreign exchange transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss. Monetary assets and liabilities denominated in foreign currencies as at the Balance sheet date are translated at the closing exchange rates on that date. Exchange differences arising on foreign exchange transactions during the year and on restatement of monetary assets and liabilities are recognised in the statement of profit and loss.

k) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis. Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

l) Income taxes

Income-tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting that tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is a reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period attributable to equity shareholders. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

n) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

o) Segment reporting

Identification of segments

The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Segment policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The Company's business activity falls within segment namely manufacturing of electrical, electronic and other equipment.

p) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

Amount in ₹

	As at March 31, 2018	As at March 31, 2017
3. Share capital		
Authorised shares		
13,000,000 (Previous year : 13,000,000) equity shares of ₹10 each	130,000,000	130,000,000
Issued, subscribed and paid up shares		
9,832,000 (Previous year: 9,832,000) equity shares of ₹10 each fully paid	98,320,000	98,320,000
Total issued, subscribed and fully paid-up share capital	<u>98,320,000</u>	<u>98,320,000</u>

a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at March 31, 2018		As at March 31, 2017	
	No.	₹	No.	₹
At the beginning and end of the year	<u>9,832,000</u>	<u>98,320,000</u>	<u>9,832,000</u>	<u>98,320,000</u>

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with respect to dividends and share in the Company's residual assets. The voting rights of an equity shareholder on a poll are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/associates

	As at March 31, 2018		As at March 31, 2017	
	No.	₹	No.	₹
Equity shares of ₹10 each fully paid up held by Panasonic Corporation, Japan (Refer note below)	<u>9,252,463</u>	<u>92,524,630</u>	<u>9,217,592</u>	<u>92,175,920</u>

Note: During the year Panasonic Corporation, Japan had bought 34,871 equity shares of ₹10 each fully paid up, from the public shareholders.

d) Details of shareholders holding more than 5% of equity shares in the Company

	As at March 31, 2018		As at March 31, 2017	
	No.	% holding	No.	% holding
Equity shares of ₹10 each paid up and held by Panasonic Corporation, Japan	<u>9,252,463</u>	<u>94.11%</u>	<u>9,217,592</u>	<u>93.75%</u>

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018 (All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
Amount in ₹		
<hr/>		
4. Reserves and surplus		
Capital reserve		
Balance as per the last financial statements	2,613,500	2,613,500
Closing balance	<u>2,613,500</u>	<u>2,613,500</u>
Securities premium account		
Balance as per the last financial statements	71,956,600	71,956,600
Closing balance	<u>71,956,600</u>	<u>71,956,600</u>
General reserve		
Balance as per the last financial statements	354,194	354,194
Closing balance	<u>354,194</u>	<u>354,194</u>
Deficit in the statement of profit and loss		
Deficit as per last financial statements	(160,760,390)	(94,493,911)
Profit/(loss) for the year	2,127,515	(66,266,479)
Net deficit in the statement of profit and loss	<u>(158,632,875)</u>	<u>(160,760,390)</u>
Total Reserves and surplus	<u>(83,708,581)</u>	<u>(85,836,096)</u>
5. Long term borrowings		
Unsecured		
Term loan from banks (Refer note below)	59,166,667	79,166,667
Less: Current maturities of long term borrowings (Refer note 10)	(26,250,000)	(50,000,000)
	<u>32,916,667</u>	<u>29,166,667</u>
Note: Particulars and terms of repayment:		
(i)	Loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹ 30,000,000 (Previous year: ₹ 30,000,000) was availed in March 26, 2015 and is repayable in two equal annual instalment starting from March 2017. Interest is computed at rate of 10.08% and loan was fully paid and closed during the year.	
(ii)	Loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹ 10,000,000 (Previous year: ₹ 10,000,000) was availed in December 31, 2015 and is repayable in 12 equal quarterly instalment starting from March 2017. Interest is computed at rate of 9.50% per annum.	
(iii)	Loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹ 35,000,000 (Previous year: ₹ 35,000,000) was availed in January 18, 2016 and is repayable in 12 equal quarterly instalment starting from April 2017. Interest is computed at rate of 9.60% per annum.	
(iv)	Loan from Citibank N.A. amounting to ₹ 40,000,000 (Previous year: ₹ 40,000,000) availed in January 30, 2015 and February 3, 2015 and is repayable in eight quarterly instalments starting from April 2016. Interest is computed at rate of 9.75% per annum.	
(v)	Loan from Citibank N.A. amounting to ₹ 30,000,000 (Previous year: ₹ Nil) availed in June 21, 2017 and is repayable in eight quarterly instalments starting from September 2018. Interest is computed at rate of 9.00% per annum.	

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
Amount in ₹		
6. Deferred taxes liabilities (net)		
Deferred tax liabilities		
Excess depreciation as per books over depreciation as per Income Tax Act, 1961	21,874,432	32,937,888
Gross deferred tax liability	<u>21,874,432</u>	<u>32,937,888</u>
Deferred tax asset		
Provision for employees benefits	4,653,519	1,677,188
Provision for doubtful debts	459,488	516,569
Provision for inventories	2,115,056	1,816,096
Brought forward losses and unabsorbed depreciation	14,646,369	28,928,035
Gross deferred tax asset	<u>21,874,432</u>	<u>32,937,888</u>
Net deferred tax liability	<u>-</u>	<u>-</u>
Note: Deferred tax assets towards carried forward tax losses and disallowances under the Income Tax Act, 1961 has been restricted to the extent of deferred tax liabilities.		
7. Long term Provisions		
Provision for employee benefits		
Compensated absences	6,777,338	6,959,635
Other provisions		
Provision for warranties (Refer note 39)	13,962,857	13,352,710
	<u>20,740,195</u>	<u>20,312,345</u>
8. Short term borrowings		
Unsecured		
Loan repayable on demand		
Working capital demand loan	145,000,000	186,000,000
Overdraft facility from bank	-	168,437
Buyer's credit	161,648,852	96,175,502
Export packing credit facilities	65,140,000	129,481,242
	<u>371,788,852</u>	<u>411,825,181</u>

Note : Particulars and terms of repayment

- (i) Working capital demand loan from Sumitomo Mitsui Banking Corporation amounting to ₹145,000,000 (Previous year ₹60,000,000) and loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹Nil (Previous year ₹126,000,000) have been availed. These loans are repayable on demand. The interest is payable on agreed rates with the respective banks as determined in the facility agreement.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

Amount in ₹

	As at March 31, 2018	As at March 31, 2017
(ii) Buyer's credit from The Bank of Tokyo Mitsubishi UFJ of USD 2,481,561 (Previous year: USD 1,483,732) carries interest rate ranging between 2.10% per annum to 3.03% per annum (Previous year: 1.51% per annum to 2.25% per annum)		
(iii) Export packing credit facilities from The Bank of Tokyo Mitsubishi UFJ of USD 600,000 (Previous year: USD 1,000,000) carries interest rate ranging between 1.85% per annum to 2.85% per annum (Previous year: 1.72% per annum to 2.18% per annum)		
(iv) Export packing credit facilities from Citibank N.A. of USD 400,000 (Previous year: USD 997,551) carries interest rate ranging between 1.39% per annum to 2.48% per annum (Previous year: 1.18% per annum to 1.99% per annum)		
9. Trade payables		
Trade Payables		
- dues of micro enterprises and small enterprises (Refer note 36)	12,443,894	2,739,840
- dues of creditors other than micro enterprises and small enterprises	377,669,846	202,876,063
	<u>390,113,740</u>	<u>205,615,903</u>
10. Other current liabilities		
Other current liabilities		
Creditors for capital purchases	7,999,515	1,064,392
Current maturities of long term borrowings (Refer note 5)	26,250,000	50,000,000
Interest accrued but not due, on borrowings	1,384,370	1,828,734
Advance from customers	10,914,786	11,056,931
Unclaimed dividend	183,823	361,309
Deposits from customers	361,000	336,000
Employee benefits payable	6,493,323	6,794,138
Statutory dues payable	8,585,546	12,092,487
Other payable	895,732	9,904
	<u>63,068,095</u>	<u>83,543,895</u>
11. Short term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 37)	4,672,182	7,656,860
Compensated absences	1,049,426	698,150
Other provisions		
Provision for warranties (Refer note 39)	2,082,920	2,411,685
Provision for tax (net of advance tax)*	296,348	296,348
	<u>8,100,876</u>	<u>11,063,043</u>

*Advance tax ₹1,981,837 (Previous year: ₹1,981,837)

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

12. Property, plant and equipment

Amount in ₹

	Free hold land	Buildings	Plant and machinery	Furniture and fittings	Office equipments	Vehicles	Total
Gross block							
Balance as at April 1, 2016	2,116,840	74,525,098	540,776,836	14,144,251	19,705,169	7,383,532	658,651,726
Additions during the year	-	21,588,117	37,208,377	3,096,318	3,754,545	909,261	66,556,618
Disposals during the year	-	321,733	22,421,037	567,497	2,683,402	40,793	26,034,462
Balance as at March 31, 2017	2,116,840	95,791,482	555,564,176	16,673,072	20,776,312	8,252,000	699,173,882
Additions during the year	-	20,742,076	38,747,991	9,172,656	7,787,793	5,083,460	81,533,976
Disposals during the year	-	25,634	7,939,297	3,526,887	2,833,400	2,293,800	16,619,018
Balance as at March 31, 2018	2,116,840	116,507,924	586,372,870	22,318,841	25,730,705	11,041,660	764,088,840
Accumulated depreciation							
Balance as at April 1, 2016	-	25,709,250	294,260,315	8,153,083	13,322,636	5,870,200	347,315,484
Depreciation for the year	-	3,502,369	40,754,271	1,827,757	2,664,277	576,393	49,325,067
Deletions during the year	-	108,550	17,525,785	430,859	2,569,250	38,753	20,673,197
Balance as at March 31, 2017	-	29,103,069	317,488,801	9,549,981	13,417,663	6,407,840	375,967,354
Depreciation for the year	-	2,901,339	44,797,932	1,497,579	3,475,174	940,790	53,612,814
Deletions during the year	-	14,940	6,301,995	2,210,952	2,662,511	2,035,908	13,226,306
Balance as at March 31, 2018	-	31,989,468	355,984,738	8,836,608	14,230,326	5,312,722	416,353,862
Net block							
Balance as at March 31, 2017	2,116,840	66,688,413	238,075,375	7,123,091	7,358,649	1,844,160	323,206,528
Balance as at March 31, 2018	2,116,840	84,518,456	230,388,132	13,482,233	11,500,379	5,728,938	347,734,978

Panasonic *APPLIANCES INDIA Co. Ltd.*

12. Intangible assets	Amount in ₹		
	Software	Technical know-how	Total
Gross block			
Balance as at April 1, 2016	8,103,113	11,083,487	19,186,600
Additions during the year	1,460,554	9,065,554	10,526,108
Deletions during the year	586,883	-	586,883
Balance as at March 31, 2017	8,976,784	20,149,041	29,125,825
Additions during the year	1,221,500	-	1,221,500
Deletions during the year	258,245	-	258,245
Balance as at March 31, 2018	9,940,039	20,149,041	30,089,080
Accumulated depreciation			
Balance as at April 1, 2016	6,990,207	11,083,487	18,073,694
Amortisation for the year	763,832	251,796	1,015,628
Deletions during the year	586,867	-	586,867
Balance as at March 31, 2017	7,167,172	11,335,283	18,502,455
Amortisation for the year	973,708	3,021,549	3,995,257
Deletions during the year	238,818	-	238,818
Balance as at March 31, 2018	7,902,062	14,356,832	22,258,894
Net block			
Balance as at March 31, 2017	1,809,612	8,813,758	10,623,370
Balance as at March 31, 2018	2,037,977	5,792,209	7,830,186
12. Capital work-in-progress			
			Total
Capital work-in-progress			
Balance as at April 1, 2016			25,282,831
Additions during the year			2,331,221
Capitalised during the year			24,426,012
Balance as at March 31, 2017			3,188,040
Additions during the year			-
Capitalised during the year			3,188,040
Balance as at March 31, 2018			-

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2018	Amount in ₹ As at March 31, 2017
13. Long term loans and advances		
Unsecured and considered good		
To parties other than related parties		
Capital advances	-	445,500
Rental deposits	595,288	1,796,867
Security deposits	5,767,200	5,627,196
Balances with government authorities	1,105,000	1,035,000
Advance income tax (net of provisions for taxation)*	1,477,177	1,434,963
Other advances (unsecured)		
MAT credit entitlement	-	-
Considered good	-	-
Considered doubtful	4,801,968	4,801,968
Less: Provision for doubtful advances	(4,801,968)	(4,801,968)
	<u>8,944,665</u>	<u>10,339,526</u>
*Provision for tax ₹2,278,185 (Previous year: ₹2,278,185)		
14. Inventories (Valued at the lower of cost and net realisable value)		
Raw materials*	122,045,438	98,887,734
Work-in-progress	32,608,160	28,317,470
Finished goods	73,170,014	53,601,290
Stock-in-trade	11,611,806	6,963,104
Stores and spares	1,557,341	10,370,639
	<u>240,992,759</u>	<u>198,140,237</u>
Less: Provision for slow and non-moving inventories	(8,134,830)	(5,877,332)
	<u>232,857,929</u>	<u>192,262,905</u>
* Includes Goods-in-transit ₹6,172,113 (Previous year: ₹5,442,753)		
15. Trade receivables (Unsecured)		
Receivable outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	42,744	12,037,756
Unsecured, considered doubtful	1,767,261	1,671,744
Less: Provision for doubtful debts	(1,767,261)	(1,671,744)
	<u>42,744</u>	<u>12,037,756</u>
Other receivables		
Unsecured, considered good	243,874,468	179,399,643
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	<u>243,874,468</u>	<u>179,399,643</u>
	<u>243,917,212</u>	<u>191,437,399</u>

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2018	Amount in ₹ As at March 31, 2017
16. Cash and cash equivalents		
Cash and cash equivalents		
Balances with banks		
- On current accounts	6,028,142	8,589,752
Other bank balances*	183,823	361,309
Cash on hand	-	86,731
	6,211,965	9,037,792
* Other bank balances represents primarily the restricted bank balances on account of balances held in unpaid dividends bank accounts.		
Details of bank balances/deposits		
Bank balances available on demand/deposits with original maturity of 3 months or less included under "Cash and cash equivalents"	6,028,142	8,589,752
Bank deposits due to mature within 12 months of the reporting date included under "Other bank balances"	-	-
Bank deposits due to mature after 12 months of the reporting date included under "Other non-current assets"	-	-
17. Short term loans and advances		
Unsecured and considered good		
To parties other than related parties		
Rent deposits	1,714,759	2,984,980
Advance to suppliers	74,580	2,051,069
Prepaid expenses	9,189,819	9,745,354
Advance to employees	2,394,871	1,947,176
Balance with government authorities	31,054,994	4,255,841
Other advances	210,000	-
	44,639,023	20,984,420
18. Other current assets		
Unsecured and considered good		
Interest accrued on deposit	397,937	301,644
Export benefit receivable	8,805,949	6,785,773
Insurance claim receivable	-	5,843,541
	9,203,886	12,930,958

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2018	Amount in ₹ Year ended March 31, 2017
19. Revenue from operations		
Sale of products (gross)	2,262,984,671	2,053,731,751
Less: Excise duty	45,788,379	219,379,721
Sale of products (net)	2,217,196,292	1,834,352,030
Other operating revenue	36,376,962	30,096,998
	<u>2,253,573,254</u>	<u>1,864,449,028</u>
Breakup of revenue from sale of products		
Manufactured goods		
Electric rice cooker	1,042,327,870	841,880,346
Mixer and grinder	1,027,596,395	874,577,009
Service parts and accessories	67,467,566	66,359,582
	<u>2,137,391,831</u>	<u>1,782,816,937</u>
Traded goods		
Electric rice cooker	5,163,809	5,109,763
Mixer and grinder	15,068,217	9,414,482
Others	59,572,435	37,010,848
	<u>79,804,461</u>	<u>51,535,093</u>
	<u>2,217,196,292</u>	<u>1,834,352,030</u>
Breakup of other operating revenue		
Scrap sales	36,376,962	30,096,998
	<u>36,376,962</u>	<u>30,096,998</u>
20. Other income		
Interest income on deposits	397,937	449,321
Insurance claim	-	8,311,266
Export incentives	23,164,442	17,110,136
Gain on exchange fluctuation (net)	4,473,950	9,161,925
Liabilities no longer required written back	1,056,610	-
Miscellaneous income	6,780	6,450
	<u>29,099,719</u>	<u>35,039,098</u>
21. Cost of raw material consumed		
Inventories at the beginning of the year	98,887,734	95,802,504
Add: Purchases	1,308,731,604	1,048,423,112
Less: Inventories at the end of the year	122,045,438	98,887,734
	<u>1,285,573,900</u>	<u>1,045,337,882</u>
Breakup of cost of raw material consumed		
Aluminium sheets and ingots	204,809,088	173,532,441
Motors	195,065,452	151,307,178
Stainless steel	108,828,918	82,832,150
Power cord	79,533,155	54,887,284
Thermoplastic materials	78,527,023	77,486,078
CRCA sheets	61,965,119	53,616,727
Teflon circles	20,017,253	18,471,921
Others	536,827,892	433,204,103
	<u>1,285,573,900</u>	<u>1,045,337,882</u>

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2018	Amount in ₹ Year ended March 31, 2017
Details of inventories		
Aluminium sheets and ingots	21,429,625	17,383,439
Teflon circles	8,755,027	8,131,881
Stainless steel	9,624,967	4,966,743
Motors	6,480,117	2,067,113
CRCA sheets	1,193,800	1,319,230
Thermoplastic materials	1,057,508	1,424,608
Power cord	527,221	7,531,905
Others	72,977,173	56,062,815
	<u>122,045,438</u>	<u>98,887,734</u>
22. Purchase of traded goods		
Mixer and grinder	36,778,763	15,365,380
Electric rice cooker	3,745,511	999,940
Others	23,607,513	5,933,738
	<u>64,131,787</u>	<u>22,299,058</u>
23. Change in inventories of finished goods, work-in progress and stock in trade		
Inventories at the end of the year		
Finished goods	73,170,014	53,601,290
Work-in-progress	32,608,160	28,317,470
Stock-in-trade	11,611,806	6,963,104
	<u>117,389,980</u>	<u>88,881,864</u>
Add: Adjustment for excise duty on finished goods	-	556,211
Inventories at the beginning of the year		
Finished goods	53,601,290	54,646,108
Work-in-progress	28,317,470	37,296,649
Stock-in-trade	6,963,104	28,079,386
	<u>88,881,864</u>	<u>120,022,143</u>
	<u>(28,508,116)</u>	<u>31,696,490</u>
Details of inventories		
Finished goods		
Mixer and grinder	34,263,533	16,095,757
Electric rice cooker	31,004,211	34,605,524
Service parts and accessories	7,902,270	2,900,009
	<u>73,170,014</u>	<u>53,601,290</u>
Work-in-progress		
Electric rice cooker	20,621,432	18,921,594
Mixer and grinder	11,986,728	9,395,876
	<u>32,608,160</u>	<u>28,317,470</u>
Stock-in-trade		
Mixer and grinder	2,848,188	1,854,238
Electric rice cooker	12,551	516,029
Others	8,751,067	4,592,837
	<u>11,611,806</u>	<u>6,963,104</u>

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2018	Year ended March 31, 2017
Amount in ₹		
24. Employee benefit		
Salaries, wages and bonus	247,244,081	231,083,570
Contribution to provident and other fund (Refer note 37)	17,448,903	19,896,749
Compensated absences	2,160,177	3,040,355
Staff welfare expenses	27,081,179	24,009,385
	<u>293,934,340</u>	<u>278,030,059</u>
25. Finance costs		
Interest expenses	30,243,294	33,579,319
	<u>30,243,294</u>	<u>33,579,319</u>
26. Depreciation and amortisation		
Depreciation of property, plant and equipment	53,612,814	49,325,067
Amortisation of intangible assets	3,995,257	1,015,628
	<u>57,608,071</u>	<u>50,340,695</u>
27. Other expenses		
Consumption of stores and spare parts	43,175,599	39,309,676
Power and fuel	47,128,025	43,553,138
Freight, clearing and forwarding	72,056,241	62,833,939
Contract labour	76,028,939	73,478,162
Rent (Refer note 35)	8,809,932	11,247,878
Repair and maintenance		
- Building	4,663,767	9,785,515
- Machinery	2,372,318	8,637,099
- Others	12,652,746	13,561,217
Insurance	8,174,996	5,818,775
Rates and taxes	1,820,216	3,542,912
Travelling expenses	43,423,078	40,295,799
Legal and professional fees	8,691,031	10,085,276
Payment to auditor (Refer note below)	3,657,904	3,275,339
Advertising and sales promotion	156,751,454	92,379,592
Bank charges	1,667,409	1,463,692
Telephone and other communication expenses	6,416,340	7,711,568
Printing and stationery	3,506,735	2,779,581
Warranty costs (Refer note 39)	8,974,787	12,927,901
Product development expenses	13,484,656	6,469,221
Royalty	21,683,380	16,376,085
Brand license fees	12,249,311	11,456,041

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

Amount in ₹

(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2018	Year ended March 31, 2017
Directors sitting fees	460,000	680,000
Bad debts written off	-	583,898
Inventories written off	1,060,757	2,317,313
Provision for inventory	2,257,498	5,384,185
Provision for bad and doubtful debts	95,517	97,126
Loss on sale/retirement of property, plant and equipment	2,722,895	2,555,001
Miscellaneous expenses	13,576,651	11,063,205
	<u>577,562,182</u>	<u>499,669,134</u>
Details of payment to auditor (exclusive of tax)		
As auditor:		
Audit fees	2,700,000	2,700,000
Tax audit fees	200,000	200,000
Other services	550,000	150,000
Reimbursement of expenses	207,904	225,339
	<u>3,657,904</u>	<u>3,275,339</u>

28. Contingent liabilities

28.1 Claims against the Company not acknowledged as debts

	As at March 31, 2018	As at March 31, 2017
West Bengal Sales tax Act, 1994	220,582	220,582
West Bengal Value Added Tax Act, 2003	3,777,892	3,777,892
Uttar Pradesh Value Added Tax Act, 2008	579,716	579,716
Andhra Pradesh Value Added Tax Act, 2005	89,251	89,251
Finance Act, 1994	7,401,833	7,401,833
Maharashtra Value Added Tax Act, 2002	166,127	-

28.2 Capital and other commitments

	Year ended March 31, 2018	Year ended March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances*	-	2,537,099

* The above capital commitments are primarily for the purchase of tools and moulds.

29. Events occurring after the Balance Sheet date

The Board of Directors of the Company on their Board Meeting held on June 25, 2018 has approved the allotment of 2,844,712 fresh equity shares of face value of ₹10 each, for a consideration of ₹340,000,000 at a price of ₹119.52 each including a premium of ₹109.52 on a preferential basis to the Holding Company, Panasonic Corporation, Japan, after 99.98% of the Shareholders approval for the allotment through the postal ballot process concluded by the closing hour on June 5, 2018.

30. Value of import calculated on CIF basis

	Year ended March 31, 2018	Year ended March 31, 2017
Raw materials	374,075,326	310,655,117
Stock-in-trade	55,496,733	16,368,577
Capital goods	13,043,215	1,206,056
	<u>442,615,274</u>	<u>328,239,750</u>

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

31. Expenditure in foreign currency (accrual basis) Amount in ₹

	Year ended March 31, 2018	Year ended March 31, 2017
Royalty	21,683,380	16,376,085
Brand license fee	12,249,311	11,456,041
Design and consultancy charges	10,673,390	6,390,803
Travel	2,767,757	2,960,838
Others	418,500	5,045,106
	47,792,338	42,228,873

32. Imported and indigenous raw materials and components consumed

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Value	% of total consumption	Value	% of total consumption
Raw materials and packing materials				
Import	376,804,876	29%	282,886,933	27%
Indigenous	908,769,024	71%	762,450,949	73%
	1,285,573,900	100%	1,045,337,882	100%
Stores and spares				
Import	-	-	-	-
Indigenous	43,175,599	100%	39,309,676	100%
	43,175,599	100%	39,309,676	100%

33. Earnings in foreign currency (accrual basis)

	Year ended March 31, 2018	Year ended March 31, 2017
FOB value of exports	595,027,387	501,765,495

34. Un-hedged foreign currency exposure

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at March 31, 2018		As at March 31, 2017	
	Amount in Foreign Currency	Amount in Indian Rupees	Amount in Foreign Currency	Amount in Indian Rupees
Trade receivable				
USD	917,720	60,018,828	699,382	45,333,925
Trade payable				
USD	1,138,106	72,221,096	3,712,251	240,628,127
JPY	1,884,801	1,167,008	1,795,648	1,042,553

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

35. Leases

Operating lease: Company as lessee

The Company had entered into leases for office premises and godown, all of which are cancellable. The lease period is one year and renewable at the end of the lease period. The total lease rental expense recognised in the statement of profit and loss during the year is ₹ 8,809,932 (Previous year: ₹ 11,247,878).

36. Details of dues to micro and small enterprises as defined under the Micro Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006)

The management has identified the enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Such determination/identification has been done on the basis of information received and available with the Company and relied upon by the auditors. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2018 has been made in the financial statements based on information received and available with the Company.

	As at March 31, 2018	As at March 31, 2017
(a) The amounts remaining unpaid to Micro, Small and Medium Enterprises Development Act, 2006 as at the end of the period		
Principal	12,443,894	2,739,840
Interest	820,964	172,142
(b) The amount of interest paid by the buyer as per MSMED Act, 2006	172,142	137,750
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	78,287,569	27,376,143
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	787,193	172,142
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	820,964	172,142
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

37. Employee benefits

Defined contribution plans

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The company's contribution is recognised as an expenses in the Statement of Profit and Loss during the period in which the employee renders the related service. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 11,008,333 (Previous year: ₹ 10,595,997).

Defined benefit plans

The Company's gratuity benefit scheme is a defined plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past services and the fair value of any plan assets are deducted. The Calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
Amount in ₹		
A. Changes in the present value of the defined benefit obligations		
Opening defined benefit obligation	36,058,796	28,755,474
Current service cost	3,011,458	2,419,291
Interest cost	2,462,914	2,199,096
Prior period adjustments	-	-
Benefits paid	(1,748,632)	(2,533,546)
Actuarial (gain)/loss on obligation	(667,891)	5,218,481
Closing defined benefit obligation	39,116,645	36,058,796
B. Change in plan assets		
Opening fair value of plan assets	28,401,936	21,308,476
Expected return	2,668,293	2,081,774
Actuarial (loss)/gain	(2,605,267)	45,236
Contribution made in the current year	7,728,133	7,499,996
Benefits settled	(1,748,632)	(2,533,546)
Closing fair value of plan assets	34,444,463	28,401,936
C. Actual return on plan assets		
Expected return on plan assets	2,668,293	2,081,774
Actuarial (loss)/gain on plan assets	(2,605,267)	45,236
Actual return on plan assets	63,026	2,127,010
D. Reconciliation of present value of the obligation and the fair value of the plan assets		
Present value of defined benefit obligation	39,116,645	36,058,796
Fair value of plan assets	34,444,463	28,401,936
Net liability recognised in Balance sheet	4,672,182	7,656,860
	Year ended March 31, 2018	Year ended March 31, 2017
E. Expenses recognised in Statement of profit and loss		
Current service cost	3,011,458	2,419,291
Interest cost on benefit obligation	2,462,914	2,199,096
Prior period adjustments	-	-
Expected return on plan assets	(2,668,293)	(2,081,774)
Net actuarial (gain)/loss recognised in the year	1,937,376	5,173,245
Net benefit expense included in "Employees benefits"	4,743,455	7,709,858
F. Assumptions at Balance sheet date		
Discount rate	7.60%	7.00%
Salary escalation rates	5.00%	5.00%
Attrition rate	8.20%	8.20%
Expected rate of return on plan assets	8.50%	8.50%

Note:

The gratuity expenses have been recognised in "Contribution to provident and other funds" under Note 24 in the Statement of Profit and Loss.

Plan assets comprise of contribution to Group Gratuity Scheme of Life Insurance Corporation of India.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

Experience adjustment for the current and previous two financial years are as follows:

	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Defined benefit obligation	39,116,645	36,058,796	28,755,474
Plan assets	34,444,463	28,401,936	21,308,476
Surplus/(deficit)	(4,672,182)	(7,656,860)	(7,446,998)
Experience adjustments on plan liabilities gain/(loss)	(842,342)	(1,607,511)	(3,245,612)
Experience adjustments on plan assets gain/(loss)	(2,607,267)	45,236	(57,393)

Note: Experience adjustments for the year ended March 31, 2015 and March 31, 2014 are not provided as the same is not available with the Company.

38. Segment reporting

The Company consider its business segment as its primary segment. The Company is engaged in the business of manufacturing and trading of consumer durable goods and there are not more than one reportable segment as envisaged under Accounting Standard 17. Accordingly, amounts appearing in these financial statements relates to only manufacture and sale of consumer durable goods.

Secondary segment information

The company operates mainly in three geographical areas, India, SAARC countries and Rest of the world. The SAARC countries consist of Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Srilanka. Currently, the Company has expanded its business in Maldives, Nepal and Srilanka, which form part of SAARC countries. Management has reviewed those geographical areas vis-à-vis the risk and return that encompass them. While arriving at this, management has reviewed the similarity of the economic and political conditions, relationship between operations in these geographical areas, proximity of operations, and special risks if any associated with operations in these area.

Revenue	Year ended March 31, 2018	Year ended March 31, 2017
India	1,658,545,867	1,354,825,903
SAARC countries	104,541,270	92,252,992
Rest of the world	490,486,117	417,370,133
	2,253,573,254	1,864,449,028

Carrying value of Segment assets	As at March 31, 2018	As at March 31, 2017
India	841,321,016	726,080,303
SAARC countries	6,412,773	5,798,073
Rest of the world	53,606,055	42,132,562
	901,339,844	774,010,938

Other Segment information

Capital expenditure	Year ended March 31, 2018	Year ended March 31, 2017
India		
Property, plant and equipment	81,533,976	68,887,839
Intangible assets	1,221,500	10,526,108
SAARC countries	-	-
Rest of the world	-	-
	82,755,476	79,413,947

Fixed assets used in the Company's business, assets or liabilities contracted in the course of business, other than those specifically identifiable, have not been identified to any of the reportable segments, as the fixed assets are used interchangeably between segments. The Company believes that it is currently not practicable to provide segment disclosures relating to such assets and liabilities since a meaningful segregation of the available data is onerous.

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

39. Disclosure relating to certain provisions (as per Accounting Standard 29)

A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of technical evaluation and past experience regarding failure trends of products and cost of rectification and replacement.

	As at March 31, 2018	As at March 31, 2017
At the beginning of the year	15,764,395	14,927,925
Provision made during the year	8,974,787	12,927,901
Provision utilised during the year	8,693,405	12,091,431
At the end of the year	16,045,777	15,764,395

40. Related party transactions

Names of related parties and related party relationship

Related parties where control exists

Holding company Panasonic Corporation, Japan

Related parties with whom transactions have taken place

Fellow subsidiaries

Panasonic India Private Limited
 Panasonic A.P. Sales (Thailand) Co. Ltd.
 Panasonic Appliances Company of America, USA
 Panasonic Asia Pacific Pte Ltd, Singapore
 Panasonic Canada Inc., USA
 Panasonic Consumer Electronics Co., USA
 Panasonic Consumer Service Group Texas, USA
 Panasonic Corporation North America, USA
 Panasonic Corporation BC Division, PR Department, Japan
 Panasonic DE Mexico S.A & DE C.V, USA
 Panasonic (Export Division), Singapore
 Panasonic Greater Mekong Marketing and Sales, Singapore
 Panasonic Industrial Devices Automation Controls Sales Asia
 Panasonic Latin America S.A, Panama
 Panasonic Logistics Asia Pacific, Singapore
 Panasonic Logistics, USA
 Panasonic Malaysia Sdn. Bhd.
 Panasonic Manufacturing Philippines Corporation
 Panasonic Marketing Middle East & Africa FZE, Dubai
 Panasonic Marketing Sales Taiwan Co. Ltd.
 Panasonic National Parts Center, USA
 Panasonic Singapore
 Panasonic Taiwan Co. Ltd.
 Panasonic Vietnam Co. Ltd.
 PT Panasonic Gobel Indonesia

Key Management Personnel

Hidenori Aso, Managing Director
 Ramachandran Kunnath, Chief Financial Officer (till January 17, 2018)

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial years. Amount in ₹

Nature of transaction	Year ended March 31, 2018	Year ended March 31, 2017
Sale of goods		
Panasonic Logistics Asia Pacific	429,969,446	390,618,879
Panasonic India Private Limited	66,009,738	-
Panasonic Consumer Service Group Texas	587,780	-
Panasonic Malaysia Sdn. Bhd.	341,425	316,625
Panasonic Marketing Middle East & Africa FZE	253,610	427,274
Panasonic Singapore	111,353	99,851
Panasonic A.P.Sales (Thailand) Co. Ltd.	71,721	96,834
Panasonic Vietnam Co. Ltd.	36,727	56,793
Panasonic DE Mexico S.A & DE C.V	33,634	-
Panasonic Manufacturing Philippines Corporation	21,667	-
Panasonic Marketing Sales Taiwan Co. Ltd	11,342	-
Panasonic Appliances Company of America	10,069	-
Panasonic Canada Inc.	7,635	4,854
PT Panasonic Gobel Indonesia	3,272	6,719
Panasonic Corporation BC Division, PR Department	884	-
Panasonic Latin America, S.A	444	-
Panasonic Consumer Electronics Co.	-	234,106
Panasonic (Export Division), Singapore	-	40,325
Panasonic Taiwan Co. Ltd.	-	16,983
Panasonic National Parts Center	-	11,818
Panasonic Logistics	-	10,834
Purchase of goods		
Panasonic Greater Mekong Marketing and Sales	43,417,112	4,022,212
Panasonic Singapore	9,596,589	11,697,041
Panasonic Industrial Devices Automation Controls Sales Asia	313,049	362,371
Panasonic Taiwan Co. Ltd.	147,832	45,098
Panasonic Logistics Asia Pacific	139,836	78,616
Panasonic Corporation	4,901	50,525
Reimbursement of expenses received		
Panasonic Corporation	27,505,216	91,830,049
Reimbursement of expenses paid		
Panasonic Corporation	8,674,348	8,324,453
Panasonic India Private Limited	5,996,550	124,335
Panasonic Manufacturing Philippines Corporation	480,223	-
Panasonic Corporation of North America	376,762	-
Panasonic A.P.Sales (Thailand) Co. Ltd.	202,283	-
Panasonic Singapore	118,577	20,228
Panasonic Marketing Sales Taiwan Co. Ltd.	12,414	194,330
Panasonic Asia Pacific Pte Ltd.	-	62,426
Rent		
Panasonic India Private Limited	335,000	-

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

Amount in ₹

Nature of transaction	Year ended March 31, 2018	Year ended March 31, 2017
Royalty		
Panasonic Corporation	21,683,380	16,376,085
Brand license fees		
Panasonic Corporation	12,249,311	11,456,041
Remuneration paid		
Hidenori Aso	2,790,722	2,890,152
Ramachandran Kunnath (till January 17, 2018)	4,051,882	3,756,730

The following table provides the details of the balances that have been with the related parties at the end of the relevant financial years:

Nature of transaction	As at March 31, 2018	As at March 31, 2017
Trade receivables		
Panasonic Logistics Asia Pacific	36,485,307	41,884,276
Panasonic India Private Limited	2,447,754	-
Panasonic Singapore	86,571	10,562
Panasonic Marketing Middle East & Africa FZE	-	33,102
Panasonic Taiwan Co. Ltd.	-	16,983
Panasonic Malaysia Sdn. Bhd.	-	9,406
Panasonic Vietnam Co. Ltd.	-	4,517
Panasonic Consumer Electronics Co.	-	1,205
Trade payables		
Panasonic Corporation	31,642,866	28,650,200
Panasonic India Private Limited	2,919,912	2,469
Panasonic Manufacturing Philippines Corporation	384,105	-
Panasonic Corporation of North America	80,883	-

41. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Net profit/(loss) for calculation of EPS	2,127,515	(66,266,479)
Weighted average number of equity shares	9,832,000	9,832,000
Basic and diluted EPS (in ₹)	0.22	(6.74)
Face value per share (in ₹)	10	10

42. Disclosure on specified bank notes held and transacted during the period November 8, 2016 to December 30, 2016

During the previous year, as per the Notification No. G.S.R. 308(E), dated March 30, 2017 issued by the Ministry of Corporate Affairs, the Company needs to provide the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016. The term "Specified Bank Notes" shall have the same meaning as provided in the Notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs, number S.O.3407(E), dated November 8, 2016. The details are provided in the table below:

Panasonic *APPLIANCES INDIA COMPANY LIMITED*

Notes to financial statements for the year ended March 31, 2018

(All amounts in Rupees, except share data and unless otherwise stated)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	177,500	582	178,082
Add: Permitted receipts	-	547,247	547,247
Less: Permitted payments	-	505,108	505,108
Less: Amount deposited in banks	177,500	-	177,500
Closing cash in hand as on December 30, 2016	-	42,721	42,721

43. Transfer pricing

The Company has entered into international transactions with related parties. For the year ended March 31, 2017, the Company has obtained an Accountant's report from a chartered accountant in respect of international/domestic transactions with related parties as required by the relevant provisions of the Income Tax Act, 1961 and the same has been filed with tax authorities. For the current year, the Company confirms that it has maintained documents as prescribed by the Income Tax Act, 1961, to prove that these international/domestic transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

44. Prior period comparatives

Previous year's figures have been regrouped/reclassified, wherever necessary to conform to current year's classification.

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm registration No. : 101248W/ W-100022

S. Sethuraman
Partner
Membership No: 203491

Place: Chennai
Date: July 18, 2018

for and on behalf of the Board of Directors of
Panasonic Appliances India Company Limited
CIN: U30007TN1988PLC016184

Hidenori Aso
Managing Director
DIN: 00158246

Subramanian Krishnaswamy
Director
DIN: 00019088

Subhanarayan Muduli
Company Secretary
Membership No.: A41513

Place: Chennai
Date: July 18, 2018

Ajit Gopal Nambiar
Director
DIN: 00228857

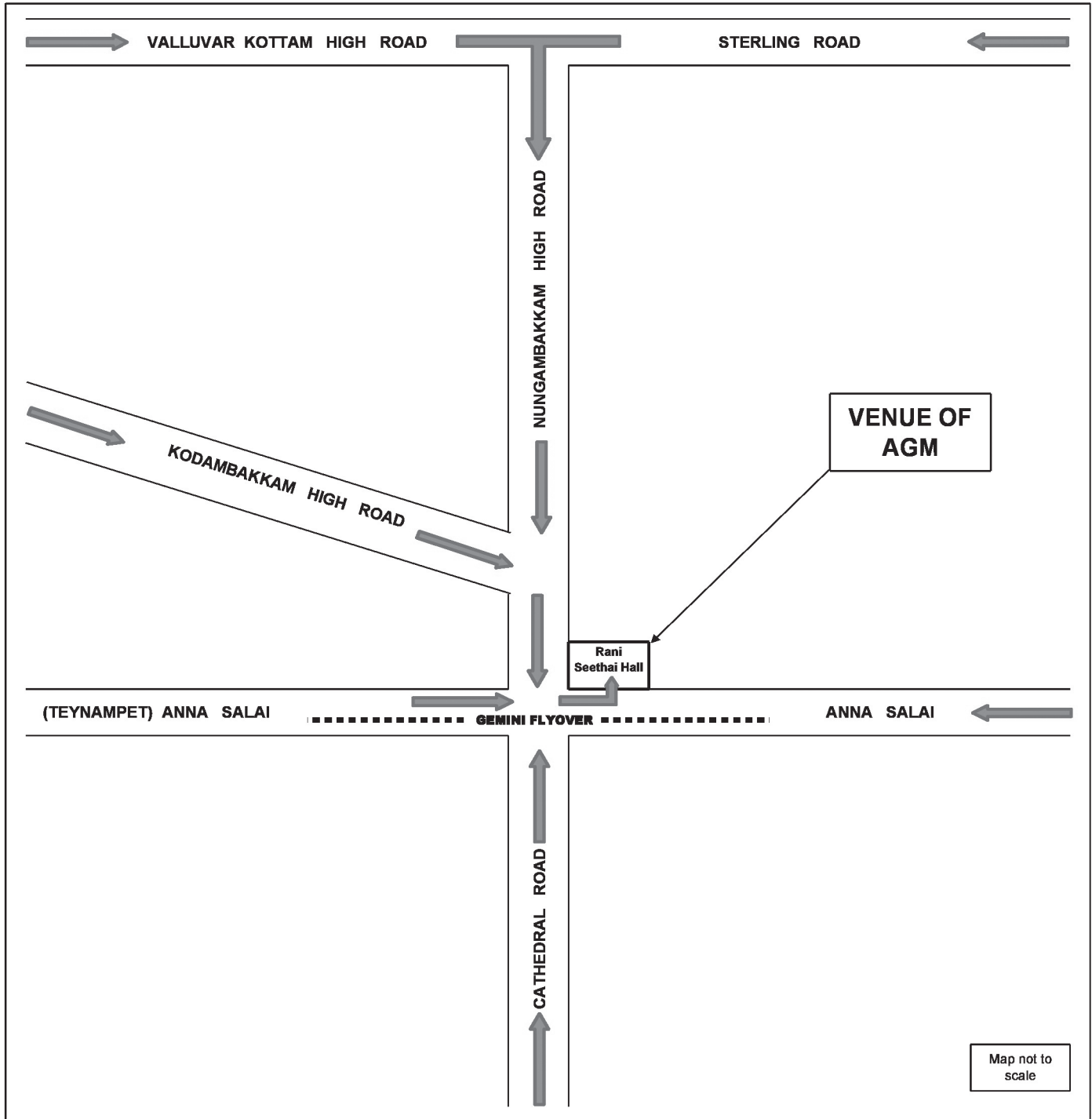
Jayaprakash Kalappan
Chief Financial Officer
PAN: ALZPK6505C

Intentionally left blank

PANASONIC APPLIANCES INDIA COMPANY LIMITED

Map showing location of the venue of 30th Annual General Meeting

Venue Address: Rajah Sir Annamalai Chettiar Memorial Trust, Rani Seethai Hall, First Floor, No. 603, Anna Salai, Thousand Lights, Chennai - 600006





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LAUNCHING SOON



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Ultimate Wet Grinder also Available in

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NT-GT1 OVEN TOASTER



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KK-GH1 HAND MIXER



MK-GB1 BOWL MIXER



MK-MG1500 MEAT GRINDER



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