

# Panasonic Appliances India Company Limited

CIN : L30007TN1988PLC016184

Regd. Office : N.H. No. 5, Sholavaram Village, Ponneri Taluk, Chennai - 600 067, Tamil Nadu, India

Phone : +91 44 2633 0397/ 0133, Fax : +91 44 2633 0132

e-mail : secretary@panasonicindia.in; website : http://www.panasonicappliances.in

Dear Member(s),

## **NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA (DELISTING OF EQUITY SHARES) REGULATIONS, 2009**

**NOTICE** is hereby given, pursuant to Section 110 of the Companies Act, 2013 (“**Companies Act**”), and all other applicable provisions of the Companies Act read with the Companies (Management and Administration) Rules, 2014 and other applicable rules framed under the Companies Act relating to passing of resolutions by postal ballot (the “**Postal Ballot Rules**”), clause 35B of the equity listing agreement entered into with stock exchanges and Regulation 8(1)(b) of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended (the “**Delisting Regulations**”), to the equity shareholders (the “**Shareholders**”) of Panasonic Appliances India Company Limited (the “**Company**”), to consider and if thought fit, to pass the resolution appended below as a Special Resolution (“**Resolution**”) by way of a postal ballot.

The proposed Resolution along with explanatory statement setting out the material facts and reasons thereto are appended below and are being sent to you along with the Postal Ballot form and self-addressed, postage pre-paid envelope for your consideration.

You are requested to carefully read the instructions printed in the Postal Ballot form (“**Postal Ballot Form**”) and return the Postal Ballot Form (no other form or photocopy is permitted) duly completed in the attached self-addressed, postage pre-paid envelope so as to reach the Scrutinizer by no later than the close of working hours i.e. at 05:00 p.m. on December 3, 2014. Postal Ballot Forms received after this date will be strictly treated as if the reply from the concerned member has not been received. The postage will be borne and paid by the Company. It is, however, clarified that members desiring to exercise their vote from outside of India will have to arrange for postage from the country where the ballot papers are dispatched to the Scrutinizer. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions to the Form. References to Postal Ballot(s) in this notice includes votes received electronically.

**Delisting of the equity shares of the Company (the “Shares”) from the BSE Limited (the “BSE”) and the Madras Stock Exchange Limited (the “MSE”) and withdrawal of permitted to trade status from National Stock Exchange of India Limited (the “NSE”) (the BSE, MSE, together with the NSE, the “Stock Exchanges”).**

To consider and if thought fit, to pass with or without modification, the following resolution as a “**Special Resolution**”:

“**RESOLVED THAT** subject to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (“**Delisting Regulations**”), the receipt of the necessary approvals from the BSE Limited (the “**BSE**”) and the Madras Stock Exchange Limited (the “**MSE**”) and National Stock Exchange of India Limited (the “**NSE**”), the Securities Contracts

(Regulation) Act, 1956 (including the rules and regulations framed thereunder), the listing agreement entered into with the stock exchanges and all other applicable laws, rules, regulations and guidelines, if any, and subject to such approvals, consents, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority or third party, while granting such approvals, permissions and sanctions, and such other approvals as may be required under applicable law, consent of the equity shareholders of the Panasonic Appliances India Company Limited (the “**Company**”) is hereby accorded (i) for voluntary delisting of the equity shares of the Company from the BSE and MSE and withdrawal of permitted to trade status from NSE (ii) to the Board of Directors of the Company (the “**Board**”) to proceed to voluntary delist the equity shares of the Company from the Stock Exchanges pursuant to the proposed acquisition of up to 25,34,894 equity shares of the Company held by the public shareholders of the Company by Panasonic Corporation (“**Acquirer**”), in accordance with the terms of the Delisting Regulations (“**Proposed Delisting**”), and the Board shall accordingly take all necessary actions and make all necessary filings on behalf of the Company to facilitate the Proposed Delisting in accordance with applicable law.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the Proposed Delisting, Mr.A.Raghavendra Rao, Chairman of Audit Committee, Mr. Hidenori Aso, Managing Director of the Company, Mr. Tom Antony, Chief Financial Officer of the Company and Miss Tessa J.K, Company Secretary of the Company be and are hereby severally authorized, on behalf of the Company, either by themselves or through delegation to any person, as they may in their absolute discretion deem fit, to do all such acts, deeds, matters and things as they may at their discretion deem necessary for such purpose, including making applications to the BSE and the MSE for seeking the in-principle and final approval for the Proposed Delisting from the Stock Exchanges, and are also hereby further authorized on behalf of the Company to settle any questions, difficulties or doubts that may arise in this behalf or delegate the aforesaid authority to any person, as they may in their absolute discretion deem fit.”

By Order of the Board of Directors  
For Panasonic Appliances India Co. Ltd  
Sd/-  
Mr. Hidenori Aso  
MANAGING DIRECTOR

Place: Chennai  
Date: 28.10.2014

**Notes:**

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business specified above and reasons for the proposed special resolution is annexed hereto along with the Postal Ballot Form for your consideration.
2. In terms of Regulation 8(1)(b) of the Delisting Regulations read with Section 110 of the Companies Act 2013 read with applicable rules framed under the Companies Act, 2013 relating to passing of the resolution by postal ballot, the item of business set out in the Notice above is sought to be passed through Postal Ballot.

3. Mr. Rabi Narayan Pal, Practicing Company Secretary, has been appointed as the Scrutinizer (the “**Scrutinizer**”) for conducting the Postal Ballot process in a fair and transparent manner in accordance with the provisions of the Companies (Management and Administration) Rules, 2014 (“**Postal Ballot Rules**”). Further, the Board of Directors, in its meeting dated October 28, 2014, has appointed Mr. Hidenori Aso, Managing Director, and Miss Tessa J.K Company Secretary, to be responsible for the entire postal ballot process.
4. The dispatch of the postal ballot notice and the Explanatory Statement shall be announced through advertisement in at least one English newspaper and at least one Tamil newspaper, each with wide circulation in Tiruvallur District, where the registered office of the Company is situated, and published on the website of the Company.
5. The Members are requested to exercise their voting right by either using the attached postal ballot form or through e-voting.
6. The notice is being sent to all the Members, whose names appear in the register of members/record of depositories as on October 28, 2014. Only a Member who is entitled to vote is entitled to exercise his/ her vote through the postal ballot form or through e-voting. If members of the Company opt for e-voting, then they should not vote by post and *vice versa*. However, in case a member of the Company cast their vote by post and e-voting, then voting done through e-voting shall prevail and voting done by post will be treated as invalid. Voting rights of every Member shall be reckoned on the paid-up value of shares on the basis of names appearing in the 'Register of Members' or in the records of the depository, as applicable, as on October 28, 2014, and any recipient of the postal ballot notice whose name does not appear as a member in relation to the shares as on the aforesaid date should treat the same as intimation only.
7. In compliance with the provisions of section 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and the listing agreement entered into with the Stock Exchanges, the Company is pleased to offer e-voting facility as an option to all the members of the Company. The Company has entered into an agreement with NSDL for facilitating e-voting to enable the members of the Company to cast their votes electronically instead of dispatching the Postal Ballot Form. E-voting is optional.
8. The e-voting period commences on Tuesday, November 04, 2014 at 9.00 a.m. and ends on Wednesday, December 03, 2014, 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 Tuesday, October 28, 2014, 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.

9. **Instructions for 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))]

- a. Open e-mail 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 for e-voting. Please note that the password is an “Initial Password”.

- b. Open internet browser by typing the following URL: <https://www.evoting.nsdl.com>.
- c. Click on Shareholder – Login.
- d. Type user ID and password as initial password/PIN noted in step (a) above. Click Login.
- e. On Login, Change Password menu will appear. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note the new password for future reference. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. On changing the password, the home page of e-Voting will open. Click on e-Voting: Active Voting Cycles.
- g. Select “EVEN” of Panasonic Appliances India Company Limited.
- h. Now you are ready for e-Voting as Cast Vote page opens.
- i. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- j. Upon confirmation, the message “Vote cast successfully” will be displayed.
- k. Once you have voted on the resolution, you will not be allowed to modify your vote.
- l. 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 [info@csrabi.com](mailto:info@csrabi.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**10. In case of members of the Company receiving Postal Ballot Form by Post:**

- a. Initial password is provided in the Postal Ballot Form to be used to exercise your vote in respect of the proposed resolution.

EVEN (e-Voting Event Number)	USER ID	PASSWORD/PIN

- b. Please follow all steps provided in paragraph 9 above to cast your vote by electronic means.

**General Instructions:**

11. Upon completion of the scrutiny of postal ballots, the Scrutinizer will submit his report to the Managing Director or the Company Secretary of the Company.
12. The result of voting by Postal Ballot will be announced on December 05, 2014 at 05:00 pm at the Corporate Office of the Company at No.135, 1st Floor, Nagi Reddy Thottam, Thiru.Vi.Ka. Industrial Esatate, Ekkattuthangal, Chennai - 600 032, Tamil Nadu, India. Additionally, the result will be

communicated to the Stock Exchanges, where the equity shares are listed and displayed along with the Scrutinizer's report on the Company's website <http://www.panasonicappliances.in/>. The date of declaration of the result of the postal ballot voting process will be taken to be the date of passing of the special resolution.

13. For any other queries relating to the shares of the Company, you may contact the Registrar and Share Transfer Agents at the following address:

M/s. Integrated Enterprises (India) Limited

Unit: Panasonic Appliances India Co.Ltd.

"Kences Towers", 2nd Floor, #1, Ramakrishna Street,

North Usman Road, T. Nagar, Chennai - 600 017

Email: [srirams@integratedindia.in](mailto:srirams@integratedindia.in)

Tel: +91 44 2814 0812 ; Fax: +91 44 2814 2479

### **EXPLANATORY STATEMENT REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013, RELATING TO THE AFORESAID RESOLUTION**

#### **Voluntary delisting of the Equity Shares of the Company from the BSE and MSE and withdrawal of permitted to trade status from NSE.**

The equity shares of the Company are at present listed on the BSE and MSE and is permitted to trade on NSE.

The Company had received a proposal dated October 17, 2014 from Panasonic Corporation, incorporated under the laws of Japan, Promoter of the Company (the "**Acquirer**"), expressing their intention to acquire the equity shares held by the public shareholders of the Company ("**Public Shareholders**") by providing an exit opportunity in accordance with the Delisting Regulations in order to voluntarily delist the Company's equity shares from all the Stock Exchanges in India ("**Delisting Offer**"). The said proposal was placed before the Board of Directors of the Company and subject to the approval of the shareholders the said proposal was approved at the Board meeting held on October 18, 2014.

The Acquirer presently holds 72,97,106 equity shares of the Company, representing 74.22% of the paid-up equity share capital of the Company.

As per the intimation received from the Acquirer, the objective of the Delisting Offer is (i) to increase ownership in the Company, which will provide the Acquirer with increased operational flexibility to support the Company's business; and (ii) to provide an exit opportunity to the public shareholders of the Company.

In terms of Regulation 8(1)(b) of the Delisting Regulations, the Delisting Offer requires approval of the members of the Company by way of a special resolution passed through a Postal Ballot in accordance with the Delisting Regulations ("**Special Resolution**"). The Special Resolution is required to be passed by way of a postal ballot with an option of e-voting in accordance with the provisions of Section 110 of the Companies Act, 2013 and Rules framed thereunder, clause 35B of the equity listing agreement entered into by the Company with the Stock Exchanges and Delisting Regulations.

The Special Resolution mentioned above shall be declared as passed if the number of votes cast in its favor is not less than three times the number of votes cast against the said Special Resolution,

provided that in terms of the Delisting Regulations, the Special Resolution shall be acted upon only if the votes cast by the public shareholders of the Company in favor of the Special Resolution amount to at least two times the votes cast by public shareholders of the Company against the Special Resolution.

In the event that this Special Resolution is passed by the members of the Company as set out above, subject to receipt of the in-principle approval of the stock exchanges and applicable statutory approvals, a public announcement ("**Public Announcement**") of the Delisting Offer may be made by the Acquirer in accordance with the Delisting Regulations followed by dispatch of Letter of Offer to all Public Shareholders. Thereafter, the Delisting Offer will be conducted in accordance with the Delisting Regulations.

As the equity shares of the Company are frequently traded on BSE and NSE and infrequently traded on MSE, the floor price in relation to the Delisting Proposal, is to be determined in terms of Regulation 15(2)(c) and Regulation 15(3) of the Delisting Regulations. In accordance with the Delisting Regulations, the Acquirer, in consultation with ICICI Securities Limited (the "**Merchant Banker**"), has considered the floor price of ₹ 167.65 per equity share contained in the report provided by S.S. Kothari Mehta & Co, Chartered Accountants. Accordingly, the Acquirer have vide their letter dated October 24, 2014 communicated a floor price of ₹ 167.65 per equity share for the delisting Proposal ("**Floor Price**").

**The price at which shares will be acquired in the Delisting Offer is required to be determined in accordance with a reverse book building process set out in the Delisting Regulations, subject to a Floor Price (as defined above). In terms of the Delisting Regulation and the reverse book building process, the minimum price payable by the Acquirer for acquiring Shares in the Delisting Offer shall be the price at which the maximum number of Shares are tendered (the "Discovered Price") pursuant to the reverse book building process. The Discovered Price will not be lower than the Floor Price. Such price at which the Delisting offer is accepted by the Acquirer (which price shall be equal to or more than the Discovered Price) is hereinafter referred as the "Exit Price".**

Public shareholders of the Company are free to tender their shares in the reverse book building process at a price they elect, independent of the Floor Price.

The Acquirer has the right not to proceed with the Delisting Proposal:

- a unless the Acquirer accepts the Discovered Price;
- b unless the number of equity shares tendered by the public shareholders at or below the Discovered Price or the Exit Price (as the case may be) being sufficient to make the Delisting Proposal successful under the Delisting Regulations. Under the Delisting Regulations, the Delisting Proposal would be successful only if the shareholding of the Acquirer (along with persons acting in concert with the Acquirer) and the tendered equity shares of the Company accepted through eligible bids at the Discovered Price/ Exit Price pursuant to the Delisting Proposal is equal to or greater than ninety percent (90%) of the total issued equity share capital of the Company;
- c unless the necessary regulatory and other approvals as may be required, including approvals required under the Delisting Regulations are obtained;

- d if there are amendments to the Delisting Regulations or any other law or regulations relevant in connection with the delisting proposal which, in the sole opinion of the Acquirer, have an adverse effect on the Delisting Proposal or affect the rights of the Acquirer; and
- e unless such other term are met as may be set out in the 'Public Announcement' or the 'Letter of Offer', to be sent to the public shareholders of the Company.

After receiving the proposal from the Acquirer, the Board at its meeting on October 18, 2014, has agreed to recommend the Delisting Resolution for approval by shareholders.

Accordingly, approval of the members is sought for the aforesaid Special Resolution, and upon receipt of such approval, the Acquirer will proceed, at its discretion, to make an offer to the public shareholders of the Company and may acquire the Shares held by the public shareholders at the Discovered Price/ Exit Price, in accordance with the provisions of the Delisting Regulations.

The passing of the Special Resolution would be enabling in nature, and it will allow the Acquirer (if it so chooses to) to proceed with the Delisting Proposal in the twelve month period following the passing of the Special Resolution. If the Acquirer decides to proceed with their Delisting Proposal and make an offer to acquire shares from the public shareholders of the Company, it will make a 'Public Announcement' containing the terms and conditions of its offer, which will then be followed by a detailed 'Letter of Offer', that will be dispatched to the public shareholders of the Company.

The letter dated October 17, 2014 received by the Company from the Acquirer, to voluntarily delist the equity shares of the Company and the letter dated October 24, 2014 received by the Company from the Acquirer intimating the Floor Price, are available for inspection at the Registered Office of the Company between 11 AM to 1 PM on any working day, except Sunday, upto the declaration of results of postal ballot on December 5, 2014.

The Board, therefore, places the proposed resolution for your consideration and recommends that it be passed as a Special Resolution.

Except for Mr. Shigeru Dono, who may be interested in the proposed resolution by virtue of being representatives of the Acquirer and Mr. Hidenori Aso, who may be interested in the proposed resolution by virtue of being related, directly or indirectly, to the Acquirer, none of the Directors and Key Managerial Personnel of the Company are interested in the proposed resolution. Further, other than the relatives of the Directors and Key Managerial Personnel who may be interested by virtue of their shareholding in the Company, if any, none of the other relatives of the Directors and Key Managerial Personnel are interested in the proposed resolution.

By order of the Board of Directors  
**For Panasonic Appliances India Co. Ltd**

Sd/-  
Mr. Hidenori Aso  
MANAGING DIRECTOR

Place: Chennai  
Date: 28.10.2014

## INSTRUCTIONS

1. A Member entitled to vote and desirous of exercising his/her vote by Postal Ballot may complete this Postal Ballot Form ("**Form**") and send it to the Scrutinizer in the attached self-addressed envelope. Inland Postage will be borne and paid by the Company. However, any envelope containing postal ballot if deposited in person or sent by courier at the expenses of the Member will also be accepted. It is however, clarified that members desiring to exercise their vote from outside of India will have to arrange for postage from the country where the ballot papers are dispatched to the Scrutinizer.
2. A member may convey his/her/its assent/dissent in this postal ballot form. The assent or dissent received in any other form shall not be considered valid. The consent of the Member must be accorded by recording the assent in the column "FOR" and dissent in the column "AGAINST" by placing a tick mark (✓) in the appropriate column. Assent or dissent received in any other manner will not be considered valid.
3. This Form must be completed and signed by the Member. In case of Joint-holding, this Form must be completed and signed (as per the specimen signature registered with the Company) by the first named Member and in his absence, by the next named Member.
4. Unsigned, incomplete, improperly or incorrectly ticked Postal Ballot Forms shall be rejected.
5. The Postal ballot shall not be exercised by a proxy.
6. Duly completed Postal Ballot Form should reach the Scrutinizer before the close of working hours i.e. at 05:00 p.m. on December 03, 2014. All Postal Ballot Forms received after this date will be strictly treated as if reply from such Member, has not been received.
7. A member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the time specified above.
8. Voting rights shall be reckoned on the paid up value of the Equity Shares registered in the name of the Member as on October 28, 2014.
9. In case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of board resolution/authority. A member may sign the Postal Ballot Form through an attorney appointed specifically for this purpose, in which case an attested true copy of the power of attorney should be attached to the Postal Ballot Form.
10. Members are requested not to send extraneous paper along with the Postal Ballot Form in the enclosed self-addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would not be taken cognizance of and shall be destroyed by the Scrutinizer.
11. For e-voting, Initial password to exercise vote in respect of proposed Resolution is provided in postal ballot form.
12. There will be one Postal Ballot Form for every Registered Folio/ Client ID, irrespective of the number of joint holder.
13. A member neither needs to use all his/her votes nor cast his/her votes in the same way.
14. Members are requested to fill in the Postal Ballot Form with indelible ink and not by any erasable writing mode.
15. The Scrutinizer's decision on the validity of the Postal Ballot will be final.
16. The result of voting by Postal Ballot will be announced at 05:00 p.m. on December 05, 2014 at the registered office of the Company. Additionally, the result will be communicated to the BSE, MSE and the NSE and will be published in newspaper(s). The date of declaration of the result of the Postal Ballot will be taken to be the date of passing of the Special Resolution.