



**PANASONIC APPLIANCES INDIA CO. LTD.,**  
(formerly Panasonic Home Appliances India Co. Ltd.)

Corporate Office : 21-C, South Phase, 5th Cross Street, Guindy Industrial Estate, Guindy, Chennai - 600 032.  
Phone: +91-44-22258701 Fax: +91-44-22258730 E-mail: info@panasonicindia.in  
Website: www.panasonicappliances.in, www.21timesbetter.com

March 18, 2013

The Madras Stock Exchange Limited  
Exchange Building  
#11, Second Line Beach  
Chennai - 600 001.

Dear Sir,

**Re: Approval to Scheme of Arrangement ("Scheme") of Panasonic Appliances India Co. Limited ("the Company") under clause 24(f) of the Listing Agreement**

Please refer to our letter dated February 14, 2013 informing the Bombay Stock Exchange Limited ("BSE") that Board of Directors of the Company at their meeting held on February 14, 2013 approved the Scheme of Arrangement ("Scheme") to facilitate the restructuring of the Company.

In this regard please find attached the following for approval under Clause 24(f) of the Listing Agreement

1. Certified true copy of the resolution passed by the Board of Directors approving the Scheme

The certified true copy of the board resolution passed by the Board of Directors of the Company at their meeting held on February 14, 2013 approving the Scheme is attached as Annexure 1.

2. Certified true copy of the Scheme

The certified true copy of the Scheme is attached as Annexure 2

3. Rationale of the proposed Scheme

The Scheme is being undertaken to facilitate the proposed corporate restructuring exercise, wherein a portion of the Securities Premium Account would be utilized/adjusted against the accumulated losses of the Company. The Scheme will enable the company to right size its balance sheet and the proposed restructuring along with other business measures including

For PANASONIC APPLIANCES INDIA Co. LTD.

*Tom Antony*  
Company Secretary



Received  
22/03/13

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Regd. Office & Factory : N.H. No. 5, Sholavaram Village, Ponneri Taluk, Chennai - 600 067.  
Phone: 2633 0133, 2633 0397. Fax: 91-44-2633 0132.



# PANASONIC APPLIANCES INDIA CO. LTD.,

(formerly Panasonic Home Appliances India Co. Ltd.)

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introduction of new products, reduction of fixed costs, renewal of production line up, more indigenization of imported components to reduce production cost etc is expected to improve the profitability of the company.

4. **Brief details of the Company**

The details of the Company as per the prescribed format is attached as Annexure 3

5. **Shareholding pattern of the company pre and post Scheme as per Clause-35 of the Listing Agreement**

The shareholding pattern of the Company pre and post Scheme (based on the shareholding as at December 31, 2012) in accordance with Clause 35 of the Listing Agreement is attached as Annexure 4.

6. **Net-worth Certificate (excluding Revaluation Reserve) together with related workings of the Company pre and post scheme.**

The pre and post Scheme 'Net-worth' certificate of the Company is attached as Annexure 5.

7. **Financial and capital evolution details of the Company**

The financial and capital evolution detail of the Company is attached as Annexure 6.

8. **Confirmation by the Managing Director/ Company Secretary**

The undertaking from the Company Secretary in the prescribed format is attached as Annexure 7.

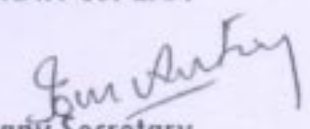
9. **Statutory Auditor's Certificate confirming the compliance of the accounting treatment**

The certificate from the Auditors of the company is attached as Annexure 8.

10. **Annual Reports of the company for last three years**

The Annual Reports of the Company for last three years attached as Annexure 9A, Annexure 9B and Annexure 9C respectively.

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary

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11. Report of the Audit Committee recommending the Scheme

The report of the Audit Committee recommending the Scheme is attached as **Annexure 10**.

12. Compliance with Clause 49 of the Listing Agreement

The statement of compliance with clause 49 of the Listing Agreement as per the prescribed format is attached as **Annexure 11**.

13. Processing fee

The necessary processing fee will be paid as soon as we receive the intimation from you on the applicable fee.

14. Details of the Compliance officer/ Company Secretary

Name : Mr Tom Antony  
Designation : Company Secretary

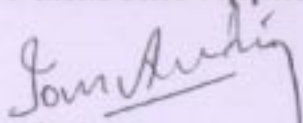
Contact details

Mobile : 9840257891  
Landline : 044 - 22258715  
Email : [tom.antony@panasonicindia.in](mailto:tom.antony@panasonicindia.in)

We trust the above addresses your requirements. In case you may require any additional information, we would be pleased to provide you with the same. Basis the above, we request you to please convey your "approval/ no objection" to the Scheme at the earliest.

Yours faithfully,

For Panasonic Appliances India Co. Limited

  
Tom Antony  
Company Secretary

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**EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF PANASONIC APPLIANCES INDIA COMPANY LIMITED HELD ON FEBRUARY 14, 2013.**

**"RESOLVED THAT** pursuant to the provisions of Section 391 read with Section 78, 100 to 104 and other applicable provisions, if any, of the Companies Act, 1956, including any statutory modification or re-enactments thereof for the time being in force, and subject to receipt of all necessary consents and approvals including the approval of shareholders or/and creditors as the case may be and the sanction of Hon'ble High Court of Judicature at Madras ("Court") or such other competent authority as may be applicable, and based on the recommendations received from the Audit Committee in its meeting held on February 13, 2013, the consent of the Board is hereby accorded to the Scheme of Arrangement ("Scheme") between the Company and its shareholders and creditors involving setting off an amount of Rs.13,50,00,000 (Thirteen Crores and Fifty Lakhs only) out of the accumulated balance of Profit and Loss Account of the Company against the Securities Premium Account and consequent reduction in Securities Premium Account with effect from the Appointed Date (ie January 1, 2013) or such other date as may be approved by the Court.

**RESOLVED FURTHER THAT** the Scheme be filed with relevant regulatory authorities, including the stock exchanges where the Company's shares are listed, and thereafter with the relevant Court for approval.

**RESOLVED FURTHER THAT** the Bombay Stock Exchange Limited will be the designated stock exchange for the purpose of coordinating with SEBI, if and wherever required.

**RESOLVED FURTHER THAT** Mr. H. Aso, Managing Director and Mr. Tom Antony, Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things which are necessary or incidental or in connection with:

- a) Filing of Scheme before the Court and/or any other information/ details with any other body or regulatory authority or agency to obtain approval or sanction to the Scheme or giving effect to any of the provisions thereto;
- b) Filing of appropriate application(s) before the Court or such other appropriate authority seeking directions as to convening/ dispensing with the meeting of shareholders/creditors of the Company and where necessary to take steps to convene and hold such meetings as per the directions of the Court or such other appropriate authority;
- c) Filing of petitions for confirmation of the Scheme by the Court or such other competent authority;

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For PANASONIC APPLIANCES INDIA Co. LTD.

*Tom Antony*  
Company Secretary



# PANASONIC APPLIANCES INDIA CO. LTD.,

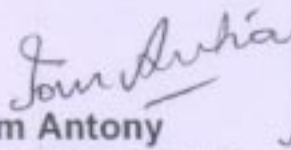
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- d) Filing of any affidavit, petitions, pleadings, applications, forms or reports before the Court or any statutory or regulatory authority including stock exchanges, the Securities and Exchange Board of India, the Registrar of Companies, Regional Director or such other authority as may be required in connection with the Scheme and/or in connection with its sanction thereof and to do all such acts deeds or things as they may deem necessary in connection therewith and incidental thereto;
- e) Signing all applications, petitions, documents, undertakings, affidavits, letters relating to the Scheme and represent the Company before any regulatory authorities and the Court in relation to any matter pertaining to the Scheme or delegate such authority to another person by a valid power of attorney;
- f) To engage Counsels, Advocates, Solicitors, Chartered Accountants and other professionals and to sign and execute vakalatnama wherever necessary and sign and issue public advertisements and notices; and
- g) To do all further acts, deeds, matters and things as may be necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto.

**RESOLVED FURTHER THAT** Mr. H. Aso, Managing Director and Mr. Tom Antony, Company Secretary be and are hereby severally authorized to do sign any copy of this resolution as a certified true copy thereof and issue the same to whomsoever concerned wherever necessary".

**For Panasonic Appliances India Company Limited**

  
**Tom Antony**  
Company Secretary

//Certified True Copy//

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## SCHEME OF ARRANGEMENT

(Under Section 391 read with Sections 78, 100 to 104 of the Companies Act, 1956)

BETWEEN

PANASONIC APPLIANCES INDIA CO. LIMITED

AND

THEIR SHAREHOLDERS &amp; CREDITORS

PART I - PREAMBLE & RATIONALE

- 1.1 Panasonic Appliances India Co. Limited (hereinafter referred to as "PAICL" or "Company"), was incorporated under the Companies Act, 1956 ("Act") on 9<sup>th</sup> September, 1988 as a public limited company in the State of Tamilnadu. The registered office of the Company is situated at N.H. No.5, Sholavaram Village, Ponneri Taluk, Chennai - 600 067. The Company is listed on the Bombay Stock Exchange Limited ("BSE") and the Madras Stock Exchange Limited ("MSE")
- 1.2 Upon incorporation, the Company was engaged in the business of manufacturing electric rice cookers and mixer - grinder (also referred to as the "Manufacturing Business") which was first introduced in the Indian market under the name and style of "National Nippo" and "National" respectively. During the year 2001, the Company expanded its scope of business operations/activities by introducing and importing various products comprising of kitchen appliances, beauty and health care products (also referred to as the "Importing Business") from Panasonic Corporation, Japan (also referred to as "Holding Company") and has been receiving sales promotion support from the Holding Company for undertaking such Importing Business. The Company has been generally profitable in its operations and has been paying consistent dividends to its shareholders since 2003-04 except in the previous financial year 2011-12 .
- 1.3 In view of the Holding Company's strategy of integration of brands and the development of the "Panasonic" brand name, the Company discontinued the usage of the brand name "National". Pursuant to such strategies of marketing and branding, the Company now functions under the name and style of "Panasonic Appliances India Co. Limited".
- 1.4 As part of its global strategy, the Holding Company has the practice of unifying all sales and marketing operations (whether for Importing Business or Manufacturing Business) in one company to ensure focused marketing efforts, increased market penetration and better customer reach. Therefore, in order to achieve a similar structure in India, the Holding Company envisaged and proposed the unification of all sales and marketing operations

For PANASONIC APPLIANCES INDIA Co. LTD.



A. Srinivasan

(whether for Importing Business or Manufacturing Business) through Panasonic India Private Limited (hereinafter referred to as "PIPL"), an Indian subsidiary of the Holding Company which was established on 14<sup>th</sup> July, 2006 with the objective of engaging itself in the business of import, sales, marketing of consumer electronic and electrical products under the brand name "Panasonic".

- 1.5 While the aforesaid unification of sales and marketing operations still needs to be fully achieved, as a first step, since April 01, 2011, the Importing Business of Company has been discontinued and subsequently been migrated to PIPL, with the overall objective of achieving the global strategy and leveraging on sales and marketing infrastructure of PIPL, its dealer and distribution network, larger advertising/ sales promotion spends etc.
- 1.6 The migration and discontinuance of the Imported Business from the beginning of the financial year 2011-2012 has resulted in underutilization of infrastructure and incurrence of continued fixed costs without full corresponding income being generated from such Importing Business to which such fixed costs and infrastructure were associated and related.
- 1.7 The Company during the financial year 2011 - 2012 laid down certain goals and landmarks wherein a sales target of 1 (One) million cookers (hereinafter referred to as "Sales Target") was proposed with a view to retain and preserve the market share. Due to competition and pricing policies adopted by other competitors, the Company was forced to reduce the selling price substantially in alignment with the pricing mechanism adopted by other competitors.
- 1.8 Due to the reduction in the pricing of the cookers (as explained and stated under clause 1.7) and the migration of the Importing Business (as explained and stated under clause 1.6) the financial position of the Company was severely affected, thus resulting in the Company recording heavy losses of Rs.12,76,97,826 (Twelve Crores Seventy Six Lakhs Ninety Seven Thousand Eight Hundred and Twenty Six Only) during the financial year 2011-2012 which has in turn impacted the net worth of the Company. The adverse financial position was further contributed due to the frequent strikes in the State of Andhra Pradesh (a major market for the Company) and the inability to effectively utilize the manufacturing capacities particularly expansions undertaken recently for the purposes of achieving the Sales Target.
- 1.9 The impact of such factors as illustrated in the above paragraphs has continued even in the present financial year 2012-2013 wherein a loss of Rs.10,34,38,348 (Ten Crores Thirty Four Lakhs Thirty Eight Thousand Three Hundred and Forty Eight Only) has already been recorded for period ended 31<sup>st</sup> December, 2012. The total consolidated/accumulated loss as on 31<sup>st</sup> December, 2012 now stands as Rs.18,59,39,400 (Eighteen Crores Fifty Nine Lakhs Thirty Nine Thousand and Four Hundred Only) ("**Accumulated Losses**").



For PANASONIC APPLIANCES INDIA Co. LTD.

*e. dubey*

- 1.10 The Company has now with a view to mitigate the effect of the above on the financial position are implementing various business strategies to improve the profitability of the Company through several measures including introduction of new products, reduction of fixed costs, renewal of production line up, more indigenization of imported components to reduce production cost etc. The Holding Company has undertaken to support the various business strategies carried out by the Company to increase the sales and profitability. The above such measures have been implemented by the Company with immediate effect and by way of this scheme of arrangement it further proposes to neutralize/reduce the losses.
- 1.11 The Board of Directors ("BOD") of the Company believe that it is necessary to neutralize/set-off the losses incurred by the Company by way of undertaking this corporate restructuring exercise wherein the Securities Premium Account (also referred to as "SPA") would be utilized/adjusted against the Profit & Loss account (also referred to as "P&L Account") under Section 391 read with Sections 78, 100 to 104 of the Act.
- 1.12 The Scheme of Arrangement does not require any shareholders, bankers, creditors or any third party to make any compromise or sacrifice with respect to their claims against the Company and hence, does not impact their interests.
- 1.13 With a view to provide greater level of transparency and openness and to secure full involvement of all the shareholders/ stakeholders, the Company has decided to present this proposal as a Scheme under Section 391 of the Companies Act, 1956.


## PART II – DEFINITIONS AND SHARE CAPITAL

### A. Definitions

In this Scheme, unless inconsistent with the subject or context, the following shall have the meanings as provided herein:

- 2.1 "Act" means the Companies Act, 1956 or any statutory modification or reenactment thereof.

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary



- 2.2 **"Board"** means the Board of Directors of the Company and includes any Committee thereof constituted by the Board of Directors for the purpose of this Scheme.
- 2.3 **"Company"** or **"PAICL"** means "Panasonic Appliances India Co. Limited", a company incorporated under the Act and having its registered office at N.H. No.5, Sholavaram Village, Ponneri Taluk, Chennai – 600 067.
- 2.4 **"Appointed date"** means the means the date from which this Scheme shall become operative viz., 01<sup>st</sup> Day of January 2013 and/or any other date as modified by the High Court of Judicature at Madras, then the same shall be the Appointed Date.
- 2.5 **"Court"** means the Hon'ble High Court of Judicature at Madras or such other Court / Tribunal empowered to sanction the Scheme as per the provisions of the Act.
- 2.6 **"Effective Date"** means the last of the dates on which the sanctions, approvals or orders specified in Clause 6 of this Scheme are obtained/ passed/ filed or completed. References in the Scheme to "upon the Scheme coming into effect" shall mean the Effective Date.
- 2.7 **"Holding Company"** or **"Panasonic Corporation, Japan"** means Panasonic Corporation, a Company registered under the laws of Japan and having its principal office at 1006, Oaza Kadoma, Kadoma City, Osaka 571 8501, Japan.
- 2.8 **"PIPL"** or **"Panasonic India Private Limited"** means the 100% owned sales and marketing company for the Holding Company, registered under the Act on 14<sup>th</sup> July 2006 and having its registered office at 6<sup>th</sup> Floor, SPIC Building Annex, 88 Mount Road, Guindy, Chennai – 600 032.
- 2.9 **"Accumulated balance of Profit & Loss Account"** or **"P&L A/c"** means the total amount appearing on the debit side of Profit and Loss Account as on December 31, 2012 as per the unaudited financial statements as on December 31, 2012 .
- 2.10 **"Scheme of"** or **"Scheme"** or **"The Scheme"** or **"This Scheme"** means this Scheme of Arrangement in its present form or with any modification(s) approved, imposed, or directed by the Court.

For PANASONIC APPLIANCES INDIA Co. LTD.

*Sunil Chhabra*  
Company Secretary



- 2.11 "Securities Premium Account" or "SPA" means the balance of Rs.17,37,21,600 (Seventeen Crores Thirty Seven Lakhs Twenty One Thousand and Six Hundred) available in the books of the Company as on 31<sup>st</sup> December, 2012.
- 2.12 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

## B. SHARE CAPITAL

- 2.13 The Capital Structure of the Company as on 31<sup>st</sup> December, 2012 is provided below:

Particulars	Amount (In Rs.)
<b>Authorised Share Capital</b>	
1,30,00,000 equity shares of Rs.10/- each	13,00,00,000/-
<b>Issued Subscribed and Paid-up Share Capital</b>	
95,43,000 equity shares of Rs.10/- each	9,54,30,000
<b>TOTAL</b>	9,54,30,000

Subsequent to 31<sup>st</sup> December 2012, there has been no change in the authorized, issued, subscribed and paid up capital of the Company. As on 31<sup>st</sup> December, 2012, 53,43,000 (Fifty Three Lakhs Fourty Three Thousand Only) shares of Rs.10/- each issued, subscribed and paid-up equity share capital of the Company amounting to 55.99 %, is held by the Holding Company. By virtue of such a shareholding pattern, the Company is a subsidiary of the Holding Company.

## PART III – THE SCHEME

- 3.1 With the Scheme coming into effect, and with effect from the Appointed Date the balances available in the Securities Premium Account shall be reduced, utilized and adjusted against an amount of Rs.13,50,00,000 (Thirteen Crores Fifty Lakhs Only) loss standing on the books of the Company as on 31<sup>st</sup> December 2012.
- 3.2 Upon the Scheme coming into effect, out of the entire balance/amount of Rs. 17,37,21,600 (Seventeen Crores Thirty Seven Lakhs Twenty One Thousand and Six Hundred) available in the Securities Premium Account of the Company as on 31<sup>st</sup> December, 2012 an amount of

For PANASONIC APPLIANCES INDIA Co. LTD.

*[Signature]*



Rs. 13,50,00,000 (Thirteen Crores Fifty Lakhs Only) shall be utilized and adjusted against the total loss amounting to Rs. 18,59,39,400 (Eighteen Crores Fifty Nine Lakhs Thirty Nine Thousand and Four Hundred Only) standing in profit & loss account of the Company.

- 3.3 Upon the Scheme coming into effect and consequent to the reduction of the Securities Premium Account, there would be a balance of Rs. 3,87,21,600 (Three Crores Eighty Seven Lakhs Twenty One Thousand Six Hundred Only) in the Securities Premium Account and the accumulated losses which shall stand in the books of the Company shall be an outstanding amount of Rs. 5,09,39,400/- (Five Crore Nine Lakhs Thirty Nine Thousand and Four Hundred Only).
- 3.4 For the purposes of clarity, the mechanism of the Scheme is explained below:

Name of Account – Balances as on 31 <sup>st</sup> December, 2012	Amount	In Rs.
Accumulated Losses in the Profit & Loss Account	Rs. 18,59,39,400	
Amount available in the Securities Premium Account	Rs. 17,37,21,600	
Amount of Accumulated Loss being adjusted against the Securities Premium Account	Rs. 13,50,00,000	
Upon the scheme coming into effect, the balance in Securities Premium Account	Rs. 3,87,21,600	
Upon the scheme coming into effect, the outstanding loss in the books of the Company	Rs. 5,09,39,400	

- 3.5 The adjustment/ reduction of the Securities Premium Account shall be effected as an integral part of the Scheme itself and shall be deemed to be in accordance with the provisions of Sections 78 and 100 to 104 of the Act. The Scheme does not involve either the diminution of any liability in respect of the unpaid share capital or payment to any shareholder of any paid-up capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under section 102 of the Act confirming the reduction.
- 3.6 The reduction of the Securities Premium Account would not have any impact on the shareholding pattern, and the capital structure of the Company. The Scheme does not involve any cash outflow and therefore would not affect the ability or liquidity of the Company to meet its obligations/commitments in the normal course of business.

For PANASONIC APPLIANCES INDIA Co. LTD.

*[Signature]*



- 3.7 Upon the scheme coming into effect, an amount of Rs.13,50,00,000 (Thirteen Crores Fifty Lakhs Only), from the amount appearing as Debit balance in Profit and Loss Account as on December 31, 2012 shall be adjusted and set off against Securities Premium Account as on December 31, 2012. For the purpose of clarity, it is hereby stated that the amount of Rs.13,50,00,000, to be adjusted and set off as above, shall consist of Rs.9,50,00,000 (Nine Crore Fifty Lakhs Only) of unabsorbed losses and Rs.4,00,00,000 ( Four Crores Only) of unabsorbed depreciation.
- 3.8 The order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction without imposing a condition on the Company to add to its name the words, "and reduced". The provisions of Section 101 of the Act shall not be applicable.
- 3.9 This Scheme as presented by the Company would result in the Company improving its financial position and "right sizing" the Balance sheet which would be for the benefit of all shareholders/stakeholders. Under the Scheme there would not be no issuance of any shares or discharge of any consideration in cash or otherwise.
- 3.10 Nothing contained in the Scheme shall affect the conduct of business of Company and/or any deeds, bonds, contracts, agreements and any other instruments to which Company is a party and/or all legal or other proceedings by or against Company.
- 3.11 Further, nothing contained in the Scheme shall affect the existing rights of the workers and employees of the Company.

#### PART IV – GENERAL TERMS AND CONDITIONS

##### **4. APPLICATION TO COURT**

- 4.1 The Company shall, with reasonable despatch, apply to Court for necessary orders or directions for holding meetings of the members and/or creditors, if required, of the Company for approving this Scheme of Arrangement under Section 391(1) of the Act or for dispensing the holding of such meeting(s) and orders under Section 391(2) of the Act, for carrying this Scheme into effect.

##### **5. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

- 5.1 The Company, through its directors or authorised persons, may in its full and absolute discretion, assent to any alteration or modification to which the Court and/or any other

For PANASONIC APPLIANCES INDIA Co. LTD.

*[Signature]*

Authority may deem fit to approve or impose and may consider necessary to settle any question or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith.

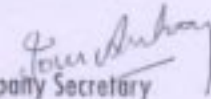
- 5.2 The Company, through its directors or authorised persons, may also in its full and absolute discretion, withdraw or abandon this Scheme at any stage of the proceedings including after sanction of the Scheme by the Court. In such an event, no rights and liabilities shall accrue in terms of or as a consequence of the Scheme.
- 5.3 If any Part of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to the Company, in which case the Company shall attempt to bring about a modification in the Scheme, as will best preserve the benefits and obligations of the Scheme, including but not limited to such Part.

## 6. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is conditional on and subject to –

- 6.1 The sanction or approval under any law of the Central Government, State Government, or any other agency, department or authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required including the stock exchange approval under clause 24(f) of the listing agreement executed by the Company and the respective stock exchange.
- 6.2 The approval of and agreement to the Scheme by the requisite majority of such classes of members or secured creditors of the Company as may be directed by the Court on the applications made for directions under Section 391 of the Act for calling meetings or for dispensing with their holding.
- 6.3 The approval of and the agreement to the Scheme by the members shall also be done through a special resolution passed through postal ballot and e-voting as prescribed in the Securities & Exchange Board of India ("SEBI") circular<sup>1</sup> dated 4<sup>th</sup> February, 2013

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary

6.4 The sanction by the Court under Section 391 read with Sections 78, 100 to 104 and other applicable provisions of the Act being obtained by the Company.

6.5 The filing by the Company with the Registrar of Companies of certified copies of the orders sanctioning the Scheme.

#### 7. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

7.1 In the event of the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid, the Scheme shall become fully null and void and in that event no rights and liabilities shall accrue in terms of or as a consequence of the Scheme.

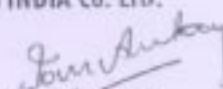
#### 8. DATE OF TAKING EFFECT

8.1 The Scheme set out herein in its present form or with any modification(s) or amendment(s) approved, imposed or directed by the Court shall be effective from the Appointed Date but shall be operative from the Effective Date.

#### 9. EXPENSES CONNECTED WITH THE SCHEME

9.1 All costs, charges, levies, fees, duties and expenses incurred in relation to, or in connection with, the negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to, or in connection with, the Scheme shall be borne and paid by the Company.

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary





# PANASONIC APPLIANCES INDIA CO. LTD.,

(formerly Panasonic Home Appliances India Co. Ltd.)

Corporate Office : 21-C, South Phase, 5th Cross Street, Guindy Industrial Estate, Guindy, Chennai - 600 032.  
 Phone: +91-44-22258701 Fax: +91-44-22258730 E-mail: info@panasonicindia.in  
 Website: www.panasonicappliances.in, www.21timesbetter.com  
**ANNEXURE 3**

## Brief particulars of the company

Particulars	Details
Name of the company	<b>Panasonic Appliances India Company Ltd</b>
Date of Incorporation & details of name changes, if any	09.09.1988  Name changed from Indo Matsushita Appliances Company Ltd to Panasonic Home Appliances India Company Ltd w.e.f 20.09.2004.  The name Panasonic Home Appliances India Company Ltd was further changed to Panasonic Appliances India Company Ltd w.e.f 29.06.2012
Registered Office	N.H.No.5, Sholavaram Village, Ponneri Taluk, Chennai – 600 067
Brief particulars of the scheme	Upon the Scheme coming into effect, out of the entire balance/amount of Rs. 17,37,21,600 (Seventeen Crores Thirty Seven Lakhs Twenty One Thousand and Six Hundred) available in the Securities Premium Account of the Company as on 31 <sup>st</sup> December, 2012 an amount of Rs. 13,50,00,000 (Thirteen Crores Fifty Lakhs Only) shall be utilized and adjusted against the total loss amounting to Rs. 18,59,39,400 (Eighteen Crores Fifty Nine Lakhs Thirty Nine Thousand and Four Hundred Only) standing in profit & loss account of the Company.
Rationale	The Scheme is being undertaken to facilitate the proposed corporate restructuring exercise, wherein a portion of the Securities Premium Account would be utilized/adjusted against the accumulated losses of the Company. The Scheme will enable the company to right size its balance sheet and the proposed restructuring along with other business measures including introduction of new products, reduction of fixed costs, renewal of production line up, more indigenization of imported components to reduce production cost etc is expected to improve the profitability of the company.
Date of resolution passed by the Board of Director of the company approving the scheme	February 14, 2013
Appointed Date	January 01, 2013
Name of Exchanges where securities of the company are listed	BSE Ltd  The Madras Stock Exchange Ltd
Nature of Business	Manufacture and Sale of Electric Cooker and Mixer Grinder under 'Panasonic' brand.
Capital before the scheme	Rs.9,54,30,000 (divided into 9543000 equity shares of Rs.10/ each)
Capital after the scheme	Rs.9,54,30,000 (divided into 9543000 equity shares of Rs.10/ each)

For PANASONIC APPLIANCES INDIA Co. LTD.

**Panasonic**  
ideas for life

*Jourishetty*  
Company Secretary

Regd. Office & Factory : N.H. No. 5, Sholavaram Village, Ponneri Taluk, Chennai - 600 067.  
 Phone: 2633 0133, 2633 0397. Fax: 91-44-2633 0132.



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Net Worth	(Rs. in crores)			
	Pre	Post	Pre	Post
Pre	8.62			
Post		8.62		
Valuation	N.A			
Name of the valuer	N.A			
Methods of valuation	N.A			
Fair value per shares	N.A			
Exchange ratio	N.A			
No. of shares to be issued	N.A			
Cancellation of shares on account of cross holding, if any	N.A			
Shareholding pattern	Pre		Post	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	70,08,106	73.44	70,08,106	73.44
Public	25,34,894	26.56	25,34,894	26.56
Custodian	-	-	-	-
TOTAL	95,43,000	100	95,43,000	100
No of shareholders	6,765			
Names of the Promoters	Panasonic Corporation, Japan (foreign Promoter) Late Mr.P.Obul Reddy M/s.P.Obul Reddy Investments P Ltd. M/s.Preetha Investments P Ltd M/s.PDR Investments P Ltd Ms.Rohini Reddy Ms.E.Vijayalakshmi Late Ms.P.Gnanamba Mr.P.Vijayakumar Reddy Mr.P Dwarakanath Reddy M/s.PPN Holdings P Ltd.			
Names of the Board of Directors	Mr.Hidenori Aos Mr.Justice S Natarajan Mr.A.Ragavendra Rao Mr.K.Subramanian Mr.Harshad Reddy Mr.Norifumi Matsui Mr.Ajit G Nambiar			
Details regarding change in management control if any	N.A			

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For PANASONIC APPLIANCES INDIA Co.

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*Signature*  
Company Secy



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Introductory sub-table (I)(a)			
Name of the Company: PANASONIC APPLIANCES INDIA CO. LTD			
Scrip Code: INDOMATAPP Name of the scrip : PANASONIC; class of security: Equity Shares			
PRE SCHEME			
Partly paid-up shares:-			
	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the company
Held by promoter/promoter group	0	0	0
Held by public	0	0	0
Total	0	0	0
Outstanding convertible securities:-			
	No. of outstanding securities	As a % of total no. of outstanding convertible securities	AS a % of total no. of shares of the company, assuming full conversion of the convertible securities
Held by promoter/promoter group	289000	100	2.94
Held by public	0	0	0
Total	289000	100	2.94
Warrants:-			
	No. of warrants	As a % of total no. of warrants	As a % of total no. of shares of the company, assuming full conversion of warrants
Held by promoter/promoter group	0	0	0
Held by public	0	0	0
Total	0	0	0
Total paid-up capital of the company, assuming full conversion of warrants and convertible securities		9832000	

For PANASONIC APPLIANCES INDIA Co. LTD.

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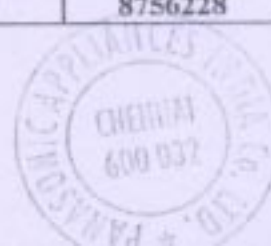
*Sourabh*  
Company Secretary

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**Statement Showing Shareholding Pattern - Pre- Scheme**

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of(A+B) <sup>1</sup>	As a percentage of (A+B+C)	Number of shares	As a percentage of (A+B+C)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)-(VIII)/(IV)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group<sup>2</sup></b>							
<b>1</b>	<b>Indian</b>							
(a)	Individuals/ Hindu Undivided Family	6	834340	562420	8.74	8.74	0	
(b)	Central Government/ State Government(s)	0	0	0	0.000	0.00	0	
(c)	Bodies Corporate	4	830766	830766	8.71	8.71	0	
(d)	Financial Institutions/ Banks	0	0	0	0.000	0.00	0	
(e)	Any Others(Specify)	0	0	0	0.000	0.00	0	
(e-i)								
(e-ii)								
	<b>Sub Total(A)(1)</b>	<b>10</b>	<b>1665106</b>	<b>1393186</b>	<b>17.45</b>	<b>17.45</b>	<b>0</b>	
<b>2</b>	<b>Foreign</b>							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	
b	Bodies Corporate	1	5343000	5343000	55.99	55.99	0	
c	Institutions	0	0	0	0.00	0.00	0	
d	Qualified Foreign Investor	0	0	0	0.00	0.00	0	
e	Any Others(Specify)	0	0	0	0.00	0.00	0	
e-i								
e-ii								
	<b>Sub Total(A)(2)</b>	<b>1</b>	<b>5343000</b>	<b>5343000</b>	<b>55.99</b>	<b>55.99</b>	<b>0</b>	
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>11</b>	<b>7008106</b>	<b>6736186</b>	<b>73.44</b>	<b>73.44</b>	<b>0</b>	
<b>(B)</b>	<b>Public shareholding</b>							
<b>1</b>	<b>Institutions</b>							
(a)	Mutual Funds/ UTI	2	1700	0	0.02	0.02	0	
(b)	Financial Institutions / Banks	8	1800	0	0.02	0.02	0	
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	
(e)	Insurance Companies	0	0	0	0.00	0.00	0	
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	
(i)	Any Other (specify)	0	0	0	0.00	0.00	0	
(i-ii)								
(i-ii)								
	<b>Sub-Total (B)(1)</b>	<b>10</b>	<b>3500</b>	<b>0</b>	<b>0.04</b>	<b>0.04</b>	<b>0</b>	
<b>B 2</b>	<b>Non-institutions</b>							
(a)	Bodies Corporate	142	1141802	1129902	11.96	11.96	0	
(b)	Individuals							
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	6558	1191819	692367	12.49	12.49	0	
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	9	172696	172696	1.81	1.81	0	
(c)	Qualified Foreign Investor	0	0	0	0.000	0.00	0	
(d)	Any Other (specify) - Clearing Members	35	25077	25077	0.26	0.26	0	
(d-i)								
(d-ii)								
	<b>Sub-Total (B)(2)</b>	<b>6744</b>	<b>2531394</b>	<b>2020042</b>	<b>26.53</b>	<b>26.53</b>	<b>0</b>	
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>6754</b>	<b>2534894</b>	<b>2020042</b>	<b>26.56</b>	<b>26.56</b>	<b>0</b>	
	<b>TOTAL (A)+(B)</b>	<b>6765</b>	<b>9543000</b>	<b>8756228</b>	<b>100.000</b>	<b>100</b>	<b>0</b>	
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>							
		0	0	0	0.000	0.00	0	
1	Promoter and Promoter Group	0	0	0	0.000	0.00	0	
2	Public	0	0	0	0.000	0.00	0	
	<b>Sub-Total (C)</b>							
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>6765</b>	<b>9543000</b>	<b>8756228</b>	<b>100.000</b>	<b>100</b>	<b>0</b>	



For PANASONIC APPLIANCES INDIA Co. LTD.

*Signature*

## (I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered Shares (*)			Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		Number of shares	As a % of grand total (A)+(B)+(C)	Number	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)	Number of warratants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same calass	
(I)	(II)	(III)	(IV)	(V)	(VI)= (V)/(III)*100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	P.Obul Reddy	271910	2.85	0	0	0	0	0	0	0	2.77
2	M/s.P.Obul Reddy Investments P Ltd	271880	2.85	0	0	0	0	0	0	0	2.77
3	M/s.Preetha Investments P Ltd	271890	2.85	0	0	0	0	0	0	0	2.77
4	M/s.PDR Investments P Ltd	272390	2.85	0	0	0	0	0	0	0	2.77
5	Rohini Reddy	288300	3.02	0	0	0	0	0	0	0	2.93
6	E.Vijayalakshmi	274100	2.87	0	0	0	0	0	0	0	2.79
7	P.Gnanamba	10	0.00	0	0	0	0	0	0	0	0.00
8	P.Vijayakumar Reddy	10	0.00	0	0	0	0	0	0	0	0.00
9	Dwarakanath Reddy	10	0.00	0	0	0	0	0	0	0	0.00
10	M/s.PPN Holdings P Ltd.	14606	0.15	0	0	0	0	0	0	0	0.15
11	Panasonic Corporation	5343000	55.99	0	0	0	0	0	289000	100	57.28
							0	0	0	0	0.00
<b>TOTAL</b>		<b>7008106</b>	<b>73.44</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>74.22</b>



For PANASONIC APPLIANCES INDIA Co. LTD.

*S. S. Srinivasan*  
Company Secretary

**(I)(c)(i) Statement showing holding of securities (including shares, warrants, convertible securities) of Persons belonging to the Category "Public" and holding more than 1% of the total number of shares**

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Mentor Capital Ltd	979053	10.26	0	0	0	0	9.96
				0	0	0	0	0
<b>TOTAL</b>		<b>979053</b>	<b>10.26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9.96</b>

**(I)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of Persons belonging to the Category "Public" and holding more than 5% of the total number of shares**

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Mentor Capital Ltd	979053	10.26	0	0	0	0	9.96
				0	0	0	0	0
<b>TOTAL</b>		<b>979053</b>	<b>10.26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9.96</b>



For PANASONIC APPLIANCES INDIA Co. LTD.

*Signature*

(I)(d) Statement showing details of locked-in shares			
Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
1	PANASONIC CORPORATION	5343000	55.99
2			0.00
3			0.00
4			0.00
5			0.00
6			0.00
7			0.00
8			0.00
9			0.00
<b>TOTAL</b>		<b>5343000</b>	<b>55.99</b>



For PANASONIC APPLIANCES INDIA Co. LTD.

*Soumya*  
Company Secretary

(II)(b) Statement showing Holding of Depository Receipts (DRs), where underlying shares held by 'promoter/promoter group' are in excess of 1% of the total number of shares.

Sr. No.	Name of the DR Holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	Not Applicable	Not Applicable	Not Applicable	0.00
2				0.00
3				0.00
4				0.00
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0.00</b>



For PANASONIC APPLIANCES INDIA Co. LTD.

*San Aubrey*  
Company Secretary

**NETWORTH CERTIFICATE**

The Net worth of Panasonic Appliances India Company Limited, pre and post Scheme, is as under:

*Rs in lacs*

Particulars	Pre Scheme	Post Scheme
	As on December 31, 2012 *	
Share Capital	954.30	954.30
Capital Reserve	26.13	26.13
Securities Premium Account	1737.22	387.22
General Reserve	3.54	3.54
Surplus/ (Deficit) in the statement of profit & loss	(1859.39)	(509.39)
<b>Net-worth</b>	<b>861.80</b>	<b>861.80</b>

\*As per Unaudited Financial Statements and subjected to Limited Review.

Date: 12<sup>th</sup> March, 2013  
Place: Chennai

For BRHAMAYYA & CO.,  
Chartered Accountants  
Firm Regn No: 203377



*R. N. Prasad*  
R.Nagendra Prasad  
Partner  
Membership No 203377



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Website: www.panasonicappliances.in, www.21timesbetter.com

## ANNEXURE 6

The financial details of the company for the previous 3 years as per the audited statement of Accounts:  
Name of the Company: **Panasonic Appliances India Co. Limited**

(Rs. in Crores)

	As per last Audited Financial Year 2011-12	1 year prior to the last Audited Financial Year	2 year prior to the last Audited Financial Year
Equity Paid up Capital	8.57	8.57	8.57
Reserves and surplus	6.48	11	10.20
Carry forward losses	8.25	0	0
Net Worth	6.80	19.57	18.77
Miscellaneous Expenditure	0	0	0
Secured Loans	37.68	17.30	5.56
Unsecured Loans	0.67	1	1
Fixed Assets	32.54	28.41	18.55
Income from Operations	179.59	186.30	135
Total Income	180.01	186.88	135.24
Total Expenditure	192.75	184.25	132.25
Profit / (Loss) before Tax	(12.74)	2.63	2.99
Profit / (Loss) after Tax	(12.77)	1.79	1.93
Cash profit	(9.59)	4.54	4.20
EPS	(14.90)	2.09	2.26
Book value	7.93	22.84	21.90

### Details of Capital evolution of the company:

Date of Issue	No. of shares issued	Issue Price (Rs.)	Type of Issue	Cumulative capital (No of shares)	Whether listed, if not listed, give reasons thereof
06.10.1988	70	10	Subscribers to MOA & AOA	70	Yes
16.05.1990	69,99,930	10	Public	70,00,000	Yes
23.12.1994	15,70,000	49.38	Preferential	85,70,000	Yes
21.05.2012	9,73,000	125	Preferential	95,43,000	Yes

For PANASONIC APPLIANCES INDIA Co. LTD.

*Govind Arora*  
Company Secretary

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## ANNEXURE 7

To,

The Madras Stock Exchange Limited,  
Exchange Building  
#11, Second Line Beach  
Chennai – 600 001.

Dear Sir,

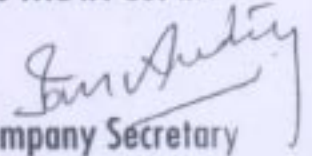
**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Panasonic Appliances India Co. Limited**

In connection with the above application, we hereby confirm that:

- a) The proposed scheme of arrangement does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions as explained in clause 24(f) of the Listing agreement or the requirements of Madras Stock Exchange Limited.
- b) In the explanatory statement to be forwarded by the company to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose the pre and post-arrangement (expected) capital structure and shareholding pattern.
- c) The documents filed by the Company with the Exchange are same/ similar/ identical in all respect, which have been filed by the Company with Registrar of Companies/SEBI/Reserve Bank of India, wherever applicable.

Date: March 18, 2013

For PANASONIC APPLIANCES INDIA Co. LTD

  
Company Secretary

**Panasonic**  
ideas for life

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Phone: 2633 0133, 2633 0397. Fax: 91-44-2633 0132.

Phone : 2813 1128, 2813 1138  
" : 2813 1148, 2813 1158  
Grams: " AUDITRICKS "  
Fax : + 91(044) - 28131158  
e-mail : mail@brahmayya.com  
48, Masilamani Road,  
Balaji Nagar, Royapettah,  
Chennai - 600 014. India.

13<sup>th</sup> February, 2013

To,  
The Secretary,  
Madras Stock Exchange Limited,  
11, II Line Beach,  
Chennai – 600 001

Dear Sir,

**Sub: Application under Clause 24(f) of the listing agreement for the proposed scheme of Panasonic Appliances India Company Limited**

**Ref: Certificate in accordance with Clause 24(i) of the listing agreement**

We have examined the proposed accounting treatment specified in the scheme of arrangement of Panasonic Appliances India Company Limited submitted to us by the Company vide their letter dated 12<sup>th</sup> February, 2013.

Based on our examination and according to the information and explanation given to us, the accounting treatment envisaged in the aforesaid scheme is to adjust accumulated losses of the company against the securities premium in terms of section 391 read with sections 78, 100 to 104 of the Companies Act, 1956 on sanction of the proposed scheme by the Hon'ble High Court of Madras. The reduction of Securities Premium Account would not have any impact on the shareholding pattern and the capital structure of the Company. The Scheme does not involve any cash outflow and therefore would not affect the ability or liquidity of the Company to meet its obligations/commitments in the normal course of business.

We state that none of the Accounting Standards specified by the Central Government in Section 211(3C) of the Companies Act, 1956 address directly the accounting treatment in relation to adjustment of accumulated losses against securities premium, as envisaged in the Scheme. Accordingly, in our view, the Scheme is not in violation of the requirements of section 211(3C) of the Act.

This certificate is issued at the request of the company in accordance with clause 24(f) of the listing agreement for onward submission to the Madras Stock Exchange Limited with a view to obtaining the no-objection as required under clause 24(f) of the listing agreement.

For BRAHMAYYA & CO.,  
Chartered Accountants  
Firm Regn No: 000511S



*R. N. Prasad*  
R. Nagendra Prasad  
Partner

Membership No: 203377

**PANASONIC APPLIANCES INDIA CO. LTD.,**  
(formerly Panasonic Home Appliances India Co. Ltd.)

Corporate Office: 21-C, South Phase, 5th Cross Street, Guindy Industrial Estate, Guindy, Chennai - 600 032.  
Phone: +91-44-22258701 Fax: +91-44-22258730 E-mail: info@panasonicindia.in  
Website: www.panasonicappliances.in, www.21timesbetter.com

## Introductory sub-table (I)(a)

Name of the Company: PANASONIC APPLIANCES INDIA CO. LTD			
Scrip Code: INDOMATAPP Name of the scrip : PANASONIC; class of security: Equity Shares			
POST SCHEME			
Partly paid-up shares:-			
	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the company
Held by promoter/promoter group	0	0	0
Held by public	0	0	0
Total	0	0	0
Outstanding convertible securities:-			
	No. of outstanding securities	As a % of total no. of outstanding convertible securities	As a % of total no. of shares of the company, assuming full conversion of the convertible securities
Held by promoter/promoter group	289000	100	2.94
Held by public	0	0	0
Total	289000	100	2.94
Warrants:-			
	No. of warrants	As a % of total no. of warrants	As a % of total no. of shares of the company, assuming full conversion of warrants
Held by promoter/promoter group	0	0	0
Held by public	0	0	0
Total	0	0	0
Total paid-up capital of the company, assuming full conversion of warrants and convertible securities	9832000		

For PANASONIC APPLIANCES INDIA Co. LTD.

**Panasonic**  
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*Janakshankar*  
Company Secretary

Regd. Office & Factory : N.H. No. 5, Sholavaram Village, Ponneri Taluk, Chennai - 600 067.  
Phone: 2633 0133, 2633 0397. Fax: 91-44-2633 0132.

**Statement Showing Shareholding Pattern - Post- Scheme**

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B) <sup>1</sup>	As a percentage of (A+B+C)	Number of shares	As a percentage of (IX) = (VIII)/(IV)*
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group<sup>2</sup></b>							
<b>1</b>	<b>Indian</b>							
(a)	Individuals/ Hindu Undivided Family	6	834340	562420	8.74	8.74	0	
(b)	Central Government/ State Government(s)	0	0	0	0.000	0.00	0	
(c)	Bodies Corporate	4	830766	830766	8.71	8.71	0	
(d)	Financial Institutions/ Banks	0	0	0	0.000	0.00	0	
(e)	Any Others(Specify)	0	0	0	0.000	0.00	0	
(e-i)								
(e-ii)								
	<b>Sub Total(A)(1)</b>	<b>10</b>	<b>1665106</b>	<b>1393186</b>	<b>17.45</b>	<b>17.45</b>	<b>0</b>	
<b>2</b>	<b>Foreign</b>							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	
b	Bodies Corporate	1	5343000	5343000	55.99	55.99	0	
c	Institutions	0	0	0	0.00	0.00	0	
d	Qualified Foreign Investor	0	0	0	0.00	0.00	0	
e	Any Others(Specify)	0	0	0	0.00	0.00	0	
e-i								
e-ii								
	<b>Sub Total(A)(2)</b>	<b>1</b>	<b>5343000</b>	<b>5343000</b>	<b>55.99</b>	<b>55.99</b>	<b>0</b>	
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>11</b>	<b>7008106</b>	<b>6736186</b>	<b>73.44</b>	<b>73.44</b>	<b>0</b>	
<b>(B)</b>	<b>Public shareholding</b>							
<b>1</b>	<b>Institutions</b>							
(a)	Mutual Funds/ UTI	2	1700	0	0.02	0.02	0	
(b)	Financial Institutions / Banks	8	1800	0	0.02	0.02	0	
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	
(e)	Insurance Companies	0	0	0	0.00	0.00	0	
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	0	
(i)	Any Other (specify)	0	0	0	0.00	0.00	0	
(i-ii)								
(i-ii)								
	<b>Sub-Total (B)(1)</b>	<b>10</b>	<b>3500</b>	<b>0</b>	<b>0.04</b>	<b>0.04</b>	<b>0</b>	
<b>B 2</b>	<b>Non-institutions</b>							
(a)	Bodies Corporate	142	1141802	1129902	11.96	11.96	0	
(b)	Individuals							
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	6558	1191819	692367	12.49	12.49	0	
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	9	172696	172696	1.81	1.81	0	
(c)	Qualified Foreign Investor	0	0	0	0.000	0.00	0	
(d)	Any Other (specify) - Clearing Members	35	25077	25077	0.26	0.26	0	
(d-i)								
(d-ii)								
	<b>Sub-Total (B)(2)</b>	<b>6744</b>	<b>2531394</b>	<b>2020042</b>	<b>26.53</b>	<b>26.53</b>	<b>0</b>	
<b>(B)</b>	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>6754</b>	<b>2534894</b>	<b>2020042</b>	<b>26.56</b>	<b>26.56</b>	<b>0</b>	
	<b>TOTAL (A)+(B)</b>	<b>6765</b>	<b>9543000</b>	<b>8756228</b>	<b>100.000</b>	<b>100</b>	<b>0</b>	
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>							
1	Promoter and Promoter Group	0	0	0	0.000	0.00	0	
2	Public	0	0	0	0.000	0.00	0	
	<b>Sub-Total (C)</b>							
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>6765</b>	<b>9543000</b>	<b>8756228</b>	<b>100.000</b>	<b>100</b>	<b>0</b>	



For PANASONIC APPLIANCES INDIA Co. LTD.

*Sourishray*  
Company Secretary

## (I)(b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered Shares (*)			Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		Number of shares	As a % of grand total (A)+(B)+(C)	Number	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)	Number of warrantants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI)= (V)/(III)*100	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	P.Obul Reddy	271910	2.85	0	0	0	0	0	0	0	2.77
2	M/s.P.Obul Reddy Investments P Ltd	271880	2.85	0	0	0	0	0	0	0	2.77
3	M/s.Preetha Investments P Ltd	271890	2.85	0	0	0	0	0	0	0	2.77
4	M/s.PDR Investments P Ltd	272390	2.85	0	0	0	0	0	0	0	2.77
5	Rohini Reddy	288300	3.02	0	0	0	0	0	0	0	2.93
6	E.Vijayalakshmi	274100	2.87	0	0	0	0	0	0	0	2.79
7	P.Gnanamba	10	0.00	0	0	0	0	0	0	0	0.00
8	P.Vijayakumar Reddy	10	0.00	0	0	0	0	0	0	0	0.00
9	Dwarakanath Reddy	10	0.00	0	0	0	0	0	0	0	0.00
10	M/s.PPN Holdings P Ltd.	14606	0.15	0	0	0	0	0	0	0	0.15
11	Panasonic Corporation	5343000	55.99	0	0	0	0	0	289000	100	57.28
							0	0	0	0	0.00
<b>TOTAL</b>		<b>7008106</b>	<b>73.44</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>74.22</b>

For PANASONIC APPLIANCES INDIA Co. LTD.



*Sanjay*  
Company Secretary

**(I)(c)(i) Statement showing holding of securities (including shares, warrants, convertible securities) of Persons belonging to the Category "Public" and holding more than 1% of the total number of shares**

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Mentor Capital Ltd	979053	10.26	0	0	0	0	9.96
				0	0	0	0	0
<b>TOTAL</b>		<b>979053</b>	<b>10.26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9.96</b>

**(I)(c)(ii) Statement showing holding of securities (including shares, warrants, convertible securities) of Persons belonging to the Category "Public" and holding more than 5% of the total number of shares**

Sr. No.	Name of the shareholder	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Mentor Capital Ltd	979053	10.26	0	0	0	0	9.96
				0	0	0	0	0
<b>TOTAL</b>		<b>979053</b>	<b>10.26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9.96</b>



For PANASONIC APPLIANCES INDIA Co. LTD.

*[Handwritten Signature]*

<b>(I)(d) Statement showing details of locked-in shares</b>			
<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>Number of locked-in shares</b>	<b>Locked-in shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)</b>
1	PANASONIC CORPORATION	5343000	55.99
2			0.00
3			0.00
4			0.00
5			0.00
6			0.00
7			0.00
8			0.00
9			0.00
<b>TOTAL</b>		<b>5343000</b>	<b>55.99</b>



For PANASONIC APPLIANCES INDIA Co. LTD.

*Soumitra*  
Company Secretary

(II)(a) Statement showing details of Depository Receipts (DRs)

Sr. No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
1	Not Applicable	Not Applicable	Not Applicable	0.00
2				0.00
3				0.00
4				0.00
5				0.00
6				0.00
7				0.00
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0.00</b>



For PANASONIC APPLIANCES INDIA Co. LTD.

*Sanjay*  
Company Secretary

(II)(b) Statement showing Holding of Depository Receipts (DRs), where underlying shares held by 'promoter/promoter group' are in excess of 1% of the total number of shares

Sr. No.	Name of the DR Holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)
1	Not Applicable	Not Applicable	Not Applicable	0.00
2				0.00
3				0.00
4				0.00
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0.00</b>

For PANASONIC APPLIANCES INDIA Co. LTD.



*Sourabh*  
Company Secretary



ANNEXURE = 10

**PANASONIC APPLIANCES INDIA CO. LTD.,**  
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**Report of the Audit Committee of the Panasonic Appliances India Co. Limited**

**Members:**

Mr. Mr. Justice S Natarajan	Chairman
Mr. A. Ragavendra Rao	Member
Mr. K. Subramanian	Member

**1. Background**

The Board of Directors of Panasonic Appliances India Co. Limited ("Company") is contemplating to undertake a Scheme of Arrangement ("Scheme") under section 391 read with section 78, 100 to 104 of the Companies Act, 1956 between the Company and its shareholders and creditors.

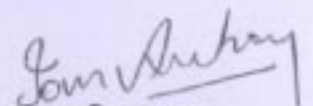
Recently, SEBI vide its circular no CIR/CFD/DIL/5/2013 ("Circular") dated February 4, 2013 has amongst other requirements sought a report from the Audit Committee of the listed company recommending the Scheme whenever a listed company makes an application under clause 24(f) of the Listing Agreement.

In view of the above Circular, members of the Audit Committee of the Company discussed and approved the draft Scheme vide a resolution passed in the meeting dated February 13, 2013, and have made this report in compliance with the aforesaid Circular, after perusing the following necessary documents:

- Draft Scheme;
- Annual Report for the financial year 2011-2012 and provisional financial statement for 9 months ending December 31, 2012;
- Draft certificate obtained from the statutory auditors of the Company on the accounting treatment prescribed in the Scheme; and
- Draft net worth certificate, pre and post Scheme, obtained from the statutory auditors of the Company.

It should be noted that no valuation report is required for undertaking the proposed Scheme as the Scheme is being undertaken for right sizing the balance sheet of the Company by adjusting the Securities Premium Account of the Company against its profit and loss account and as such no share swap arrangement is contemplated in the draft Scheme.

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary

**Panasonic**  
**ideas for life**

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## 2. Scheme

### 2.1 Transaction proposed in the Scheme

The Audit Committee noted that pursuant to the Scheme, out of the entire balance/amount of Rs 17,37,21,600 (Seventeen Crores Thirty Seven Lakhs Twenty One Thousand Six Hundred Only) available in the Securities Premium Account of the Company as on December 31, 2012, an amount of Rs 13,50,00,000 (Thirteen Crores Fifty Lakhs Only) shall be utilized and adjusted against the total loss amounting to Rs. 18,59,39,400 (Eighteen Crores Fifty Nine Lakhs Thirty Nine Thousand and Four Hundred Only) standing in the profit & loss account of the Company.

The amount of Rs.13,50,00,000, to be adjusted and set off as above, shall consist of Rs.9,50,00,000 (Nine Crores Fifty Lakhs Only) of unabsorbed losses and Rs.4,00,00,000 ( Four Crores Only) of unabsorbed depreciation.

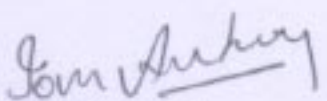
Post giving effect to the aforesaid transaction, there would be a balance of Rs.3,87,21,600 (Three Crores Eighty Seven Lakhs Twenty One Thousand Six Hundred Only) in the Securities Premium Account and the accumulated losses which shall stand in the books of the Company shall be an outstanding amount of Rs. 5,09,39,400/- (Five Crores Nine Lakhs Thirty Nine Thousand and Four Hundred Only).

### 2.2 Rationale of the Scheme

Based on the study of the documents, the Audit Committee understands that the rationale for undertaking the proposed Scheme is as under

- a. Post incorporation, the Company was engaged in the business of manufacturing electric rice cookers and mixer – grinder (i.e. Manufacturing Business). The Company expanded its scope of business by importing various products comprising of kitchen appliances, beauty and health care products (i.e. Importing Business) from its Holding Company ('Panasonic Corporation, Japan') and has been receiving sales promotion support from the Holding Company for undertaking such Importing Business.
- b. As part of global strategy, the Holding Company has the practice of unifying all sales and marketing operations (whether for Importing Business or Manufacturing Business) in one company to ensure focused marketing efforts, increased market penetration and better customer reach. Therefore, in order to achieve a similar structure in India, the Holding Company envisaged and proposed the unification of all sales and marketing operations (for both Importing Business or Manufacturing Business) through Panasonic India Private Limited, an Indian subsidiary of the Holding Company, with the objective of engaging itself in the business of import, sales, marketing of consumer electronic and electrical products under the brand name 'Panasonic'.

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary

**Panasonic**  
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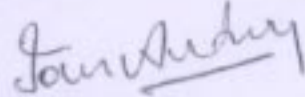
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- c. While the aforesaid unification of sales and marketing operations still needs to be fully achieved, as a first step, since April 1, 2011, the Importing Business of Company has been discontinued and subsequently been migrated to Panasonic India Private Limited, with the overall objective of achieving the global strategy and leveraging on sales and marketing infrastructure of Panasonic India Private Limited, its dealer and distribution network, larger advertising/ sales promotion spends etc.
- d. The migration and discontinuance of the Imported Business from the beginning of the financial year 2011-2012 has resulted in underutilization of infrastructure and incurrence of continued fixed costs without full corresponding income being generated from such Importing Business to which such fixed costs and infrastructure were associated and related.
- e. The Company during the financial year 2011-2012 laid down certain goals and landmarks wherein a sales target of 1 million cookers was proposed with a view to retain and preserve the market share. Due to competition and pricing policies adopted by other competitors, the Company was forced to reduce the selling price substantially in alignment with the pricing mechanism adopted by other competitors.
- f. Due to the reduction in the pricing of the cookers and the migration of the Importing Business to another company (as explained above) the financial position of the Company was severely affected, thus resulting in the Company recording heavy losses of Rs.12,76,97,826 (Twelve Crores Seventy Six Lakhs Ninety Seven Thousand Eight Hundred and Twenty Six Only) during the financial year 2011-2012 which has in turn impacted the net worth of the Company. The adverse financial position was further contributed due to the frequent strikes in the State of Andhra Pradesh (a major market for the Company) and the inability to effectively utilize the manufacturing capacities particularly expansions undertaken recently for the purposes of achieving the sales target.

The impact of aforesaid factors has continued even in the present financial year 2012-2013, wherein a loss of Rs.10,34,38,348 (Ten Crores Thirty Four Lakhs Thirty Eight Thousand Three Hundred and Forty Eight Only) has already been recorded for period ended December 31, 2012. The total consolidated/accumulated loss as on December 31, 2012 now stands as Rs. 18,59,39,400 (Eighteen Crores Fifty Nine Lakhs Thirty Nine Thousand and Four Hundred Only) ("Accumulated Losses").

- g. The Scheme is being undertaken to facilitate the proposed corporate restructuring exercise, wherein a portion of the Securities Premium Account would be utilized/adjusted against the Accumulated Losses of the Company. The Scheme will enable the company to right size its balance sheet and the proposed restructuring along with other business measures including introduction of new products, reduction of fixed costs, renewal of production line up, more indigenization of imported components to reduce production cost etc is expected to improve the profitability of the company. The Appointed Date of the Scheme is January 1, 2013.

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary

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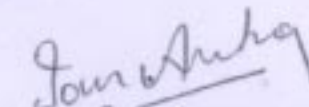
**3. Recommendation of the Audit Committee**

The Audit Committee understands that the Scheme is not prejudicial to the interest of any shareholders, bankers, creditors or any third party and no compromise or sacrifice is sought from the stakeholders with respect to their claims against the Company.

Given the current financial status of the Company, the rationale for undertaking the proposed Scheme and based on the study of the necessary documents (stated above), the Audit Committee hereby recommends the draft Scheme for favorable consideration by stock exchanges and SEBI.

Date: February 13, 2013  
Place: Chennai

For PANASONIC APPLIANCES INDIA Co. LTD.

  
Company Secretary

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ANNEXURE 11

**Compliance Report on Corporate Governance as on March 15, 2013**

Particulars	Clause of Listing Agreement	Compliance Status Yes/No	Remarks
I Board of Directors	49 I		
(A) Composition of Board	49(IA)	Yes	N.A
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	N.A
(C) Other provisions as to Board and Committees	49 (IC)	Yes	N.A
D) Code of Conduct	(49 (ID)	Yes	#
II. Audit Committee	49 (II)	Yes	N.A
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	N.A
(B) Meeting of Audit Committee			
(C) Powers of Audit Committee 49 (IIC)	49 (IIB)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
III. Subsidiary Companies	49 (III)	Not Applicable	No Subsidiary Companies
V. Disclosures	49 (IV)	Yes	
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Board Disclosures	49 (IV B)	Yes	
(C) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV C)	Yes	
(D) Remuneration of Directors	49 (IV D)	Yes	
(E) Management	49 (IV E)	Yes	
(F) Shareholders	49 (IV F)	Yes	
V. CEO/CFO Certification	49 (V)	Yes	
VI. Report on Corporate Governance	49 (VI)	Yes	
VII. Compliance	49 (VII)	Yes	

(#) Code of Conduct is available on Company's website. Confirmation from the Managing Director as CEO regarding compliance with the Code is published in the Annual Report.

For PANASONIC APPLIANCES INDIA Co. LTD.

*Jane Audrey*  
Company Secretary

**Panasonic**  
ideas for life

Regd. Office & Factory : N.H. No. 5, Sholavaram Village, Ponneri Taluk, Chennai - 600 067.  
Phone: 2633 0133, 2633 0397. Fax: 91-44-2633 0132.