



# Panasonic

## 34<sup>th</sup> Annual Report 2021-22



# REDEFINING COOKING STANDARDS ACROSS THE GLOBE

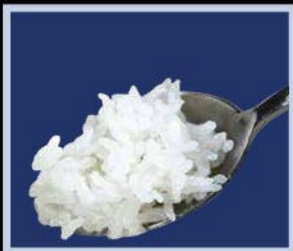


QUALITY  
SAFETY  
CONVENIENCE

**The Panasonic  
Promise**

# The Goodness of Steel in an Electric Cooker

# STEELX



Rice cooked  
using Conventional  
Cookers



Panasonic Stainless  
Steel Automatic Cooker  
produces rice that's  
longer & fluffier



**SR-G18 (SUS)**  
1.8L | 1kg of Rice

## AUTOMATIC MULTI COOKER RANGE



## ULTIMATE WET GRINDERS



MK-GW200 (White & Black)



MK-SW200 (White & Black)



MK-SW210 (Black)



MK-TSW200 (White)

120 Volts  
for US & Canada Usage

Service  
available in US  
by Inno Concepts  
Ph: 770-594-1815



## SMALL KITCHEN APPLIANCES



NB-H3801  
Oven Toaster Grill



NB-H3203  
Oven Toaster Grill



NTH-900  
Oven Toaster



MK-GH1  
Hand Mixer



MK-GB1  
Bowl Mixer



NF-GW1  
Sandwich Maker

# Panasonic

## SHAREHOLDERS' PRIVILEGE DISCOUNT COUPON

Dear Shareholders,

At the outset we would like to place on record our sincere gratitude to each one of you for the continued patronage and support extended to your Company during these difficult times. We are extremely happy to inform that your company had made a very good profit in the financial year ended March 31, 2022. Keeping in mind the fund requirements of the Company and the shareholders expectations, dividend has been declared by the Company to the shareholders in this year.

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

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

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

With Warm Regards,



**Ganesan Thiagarajan**  
Managing Director

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

I am enclosing a Demand Draft No.....dated..... for ₹ ..... only Drawn in favour of **PANASONIC APPLIANCES INDIA COMPANY LIMITED** payable at Chennai. For on-line payment, please email your Order Form along with the below details to [papin.secretary@in.panasonic.com](mailto:papin.secretary@in.panasonic.com) to enable us to provide the company's bank account details to you.

NAME OF THE SHAREHOLDER .....

SIGNATURE OF THE SHAREHOLDER .....

Folio No. / D.P. Account No. ....

Please send the products as per details given over leaf.

Name and Address to which delivery has to be made .....

.....

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



### Panasonic Appliances India Company Limited

**Registered Office:** National Highway No.5, Sholavaram Village, Ponneri Taluk, Chennai 600067  
Telephone No. : +91-44-26330133, Email: [papin.secretary@in.panasonic.com](mailto:papin.secretary@in.panasonic.com)

## Shareholders' Coupon Price List / Order Form 2022-23

Description Of The Product	Model	MRP (₹)	Spl Price (₹)	Qty. (Nos.)	Amount (₹)
Automatic Cooker/Warmer, 2.8L, Keep Warm function	SR-G28	4995	3247		
Automatic Stainless Steel Cooker/Warmer, 1.8 L, Keep Warm function	SR-G18(SUS)	6645	4319		
Automatic Cooker/Warmer, 2.2L, Non-Stick Pan, Steamer, Keep Warm function	SR-Y22FHS	5395	3507		
Automatic Cooker/Warmer, 1.8L, Non-Stick Pan, Steamer, Keep Warm function	SR-Y18FHS(E)	4995	3247		
Automatic Cooker/Warmer, 2.2L + Double Steaming Basket	SR-WA22H(SS)	4895	3182		
Automatic Cooker/Warmer, 1.8L + Double Steaming Basket	SR-WA18H(SS)	4695	3052		
Gift Pack (Automatic Cooker/Warmer 1.8L with Steaming basket + Idli Stand +2 Dish Separator Pan)	SR-WA18GH(CMB)	5495	3572		
Automatic Cooker/Warmer, 2.2L, Keep Warm function	SR-WA22H(E)	3945	2564		
Automatic Cooker/Warmer, 1.8L, Keep Warm function	SR-WA18H(E)	3695	2402		
Automatic Cooker/Warmer, 1.0L, Keep Warm function	SR-WA10H(E)	3195	2077		
Automatic Cooker, 1.8L	SR-WA18(E)	3295	2142		
Automatic Cooker, 1.0L	SR-WA10E	2495	1622		
Restaurant Cooker 4.2L	SR-942D(Silver)	7495	5247		
Restaurant Cooker 3.2L	SR-932D(Silver)	6695	4687		
Automatic Jar Cooker/Warmer, 2.2L, Keep Warm function + Extra Cooking Pan	SR-KA22A(R)	4995	3247		
Automatic Jar Cooker/Warmer, 1.8L, Keep Warm function + Extra Cooking Pan	SR-KA18A(R)	4695	3052		
Jumbo Cooker 7.2L	SR-972D	16995	11897		
Bachelor Cooker 0.6L	SR-G06	3695	2402		
Baby Cooker 0.3L	SR-3NA(T)	3995	2597		
750 W Super Mixer Grinder (3 Jar with Super Jar) Monster Series - White / Black	MX-AE375	9695	5817		
750 W Super Mixer Grinder (3 Jar with Super Jar) Monster Series - Blue	MX-AE375 BLUE	9995	5997		
750 W Super Mixer Grinder (3 Jar with Super Jar & Juice Extractor) Monster Series - Black	MX-AE390	9895	5937		
750 W Super Mixer Grinder (4 Jar with Super Jar & Juice Extractor) Monster Series - Black	MX-AE475 BLACK	11295	6777		
750 W Super Mixer Grinder (4 Jar with Super Jar & Juice Extractor) Monster Series - Red, Silver	MX-AE475	11695	7017		
600 W Super Mixer Grinder (3 Jar) Elements Series - Marble Silver / Marble Gold , Coral Blue , Topaz Yellow	MX-AV325	8495	5097		
600 W Super Mixer Grinder (4 Jar with Juice Extractor) Elements Series - Charcoal Black , Quartz Yellow	MX-AV425	9995	5997		
600 W Super Mixer Grinder (4 Jar with Juice Extractor) Elements Series - Rustic Red , Sunstone Orange	MX-AV425	10395	6237		
550 W Super Mixer Grinder (3 Jar) White + Storage Container	MX-AC360	8095	4857		
550 W Super Mixer Grinder (4 Jar with Juice Extractor) Black + Storage Container	MX-AC460	9395	5637		
550 W Super Mixer Grinder (5 Jar with Juice Extractor & Multi Jar) Bronze + Storage Container	MX-AC560	11095	6657		
550 W Super Mixer Grinder (4 Jar with Juice Extractor) - Silver	MX-AC400 SLR	9895	5937		
550 W Super Mixer Grinder (3 Jar with Juice Extractor)	MX-AC350	8295	4977		
550 W Super Mixer Grinder (3 Jar) - Metallic Blue	MX-AC300SB	8595	5157		
550 W Super Mixer Grinder (3 Jar)	MX-AC300H	7695	4617		
550 W Super Mixer Grinder (3 Jar) Double Chutney Jar	MX-AC310	7295	4377		
550 W Super Mixer Grinder (2 Jar)	MX-AC220	6895	4137		
Oven Toaster	NT-H900KSM	3995	2996		
Sandwich Maker	NF-GW1WSM	3795	2846		
Oven Toaster Grill - 32 Lit Capacity	NB-H3203KSM	12990	9743		
Oven Toaster Grill - 38 Lit Capacity	NB-H3800SSM	14990	11243		
Hand Mixer	MK-GH1	3295	2471		
Bowl Mixer	MK-GB1	4195	3146		
Wet Grinder/2L	MK-GW200	10795	7017		
Wet Grinder/2L	MK-GW200(Black)	11395	7407		
Wet Grinder/2L/Timer	MK-SW200	11895	7732		
Wet Grinder/2L/Timer	MK-SW200(Black)	12395	8057		
Wet Grinder/2L/Timer/Atta Kneader	MK-SW210(Black)	12895	8382		
Wet Grinder/2L/Timer/120 Volts - For Use in USA and Canada	MK-TSW200	15995	10397		

### Note:

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

## THIRTY FOURTH ANNUAL REPORT 2021-22

<p><b>Board of Directors</b>  T. Ganesan, <i>Managing Director</i>  K. Subramanian, <i>Independent Director</i>  Ajit Gopal Nambiar, <i>Independent Director</i>  Ken Nakayama, <i>Executive Director</i>  Masayuki Sasage, <i>Non-Executive Director</i></p> <p><b>Committee of the Board</b>  <b>Audit Committee</b>  K. Subramanian, <i>Chairman</i>  Ajit Gopal Nambiar  T. Ganesan</p> <p><b>Nomination and Remuneration Committee</b>  K. Subramanian, <i>Chairman</i>  Ajit Gopal Nambiar  Masayuki Sasage</p> <p><b>Stakeholders' Relationship Committee</b>  K. Subramanian, <i>Chairman</i>  Ajit Gopal Nambiar  T. Ganesan</p> <p><b>Corporate Social Responsibility Committee</b>  K. Subramanian, <i>Chairman</i>  Ajit Gopal Nambiar  T. Ganesan</p> <p><b>Chief Financial Officer</b>  J Satish Kumar</p> <p><b>Company Secretary</b>  Ajay Shukla</p> <p><b>Registered Office and Factory</b>  National Highway No. 5, Sholavaram Village  Ponneri Taluk, Chennai - 600067  Tel.: +91-44-26330133  Email: <a href="mailto:papin.secretary@in.panasonic.com">papin.secretary@in.panasonic.com</a>  Website: <a href="http://www.panasonicappliances.in">www.panasonicappliances.in</a></p>	<p><b>Corporate Identity No. (CIN)</b>  U30007TN1988PLC016184</p> <p><b>Statutory Auditors</b>  B S R &amp; Co. LLP, <i>Chartered Accountants</i>  KRM Tower, 1<sup>st</sup> &amp; 2<sup>nd</sup> Floor  No. 1, Harrington Road  Chetpet, Chennai - 600031</p> <p><b>Internal Auditors</b>  Venkatesh &amp; Co, <i>Chartered Accountants</i>  Sri Ranga, No. 151, Mambalam High Road  T. Nagar, Chennai - 600017</p> <p><b>Secretarial Auditors</b>  M. Alagar &amp; Associates, <i>Company Secretaries</i>  No. 21-B, 1<sup>st</sup> Floor, ARK Colony, Eldams Road  Alwarpet, Chennai - 600018</p> <p><b>Bankers</b>  The Bank of Tokyo Mitsubishi UFJ Limited  Sumitomo Mitsui Banking Corporation  Citibank N.A.  HDFC Bank Limited</p> <p><b>Registrar &amp; Share Transfer Agent</b>  <b>Integrated Registry Management Services Pvt. Ltd.</b>  2<sup>nd</sup> Floor, "Kences Towers"  No. 1, Ramakrishna Street, North Usman Road  T.Nagar, Chennai - 600017  Email: <a href="mailto:srirams@integratedindia.in">srirams@integratedindia.in</a>  Tel.: +91-44-28140812; Fax: +91-44-28142479</p> <p><b>34<sup>th</sup> Annual General Meeting</b>  Date : Thursday, September 29, 2022  Time : 10:00 am  Through Video conference/Other audio-visual means</p>
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# Panasonic Appliances India Company Limited

## FINANCIAL HIGHLIGHTS - TEN YEARS AT A GLANCE

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31

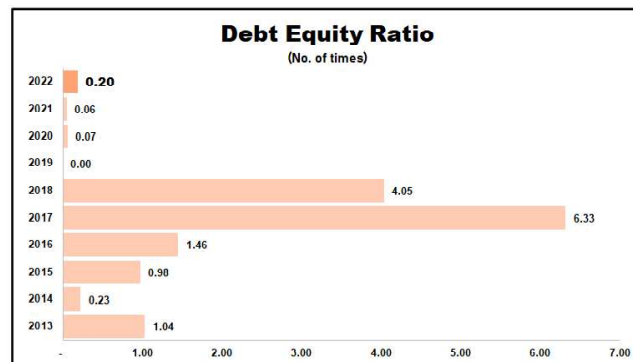
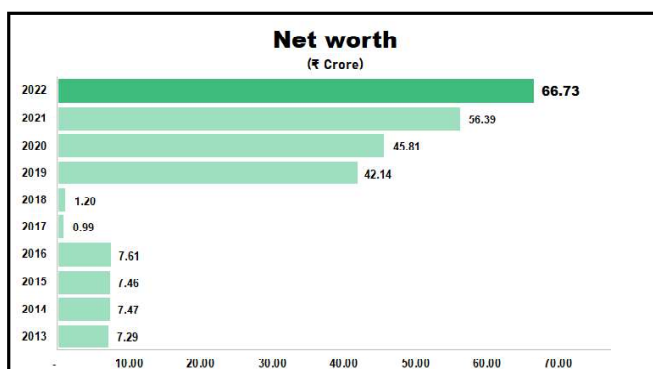
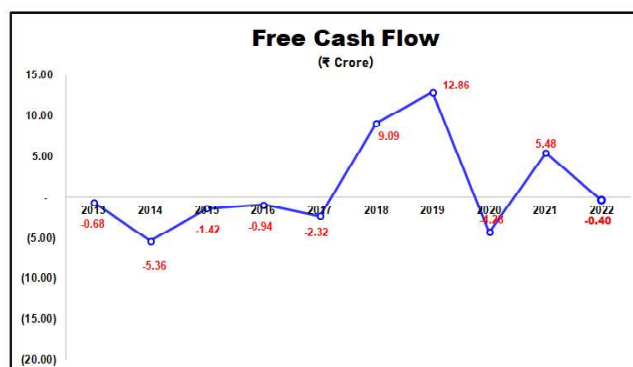
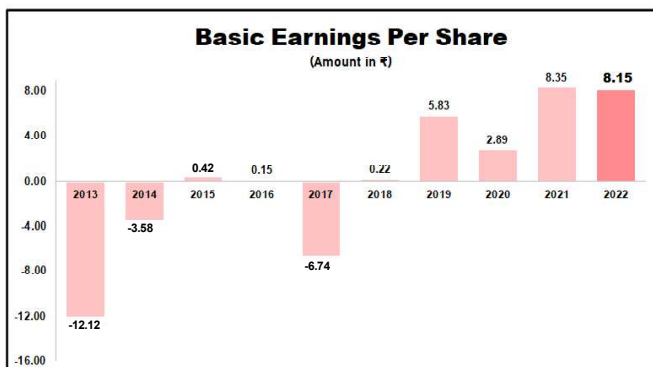
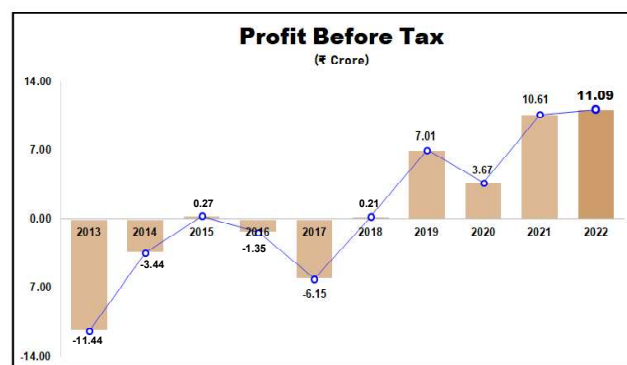
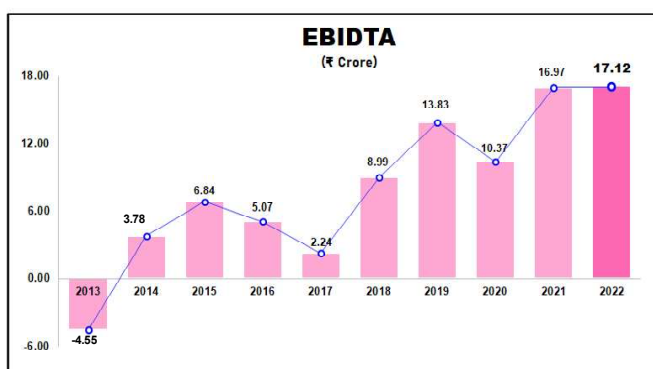
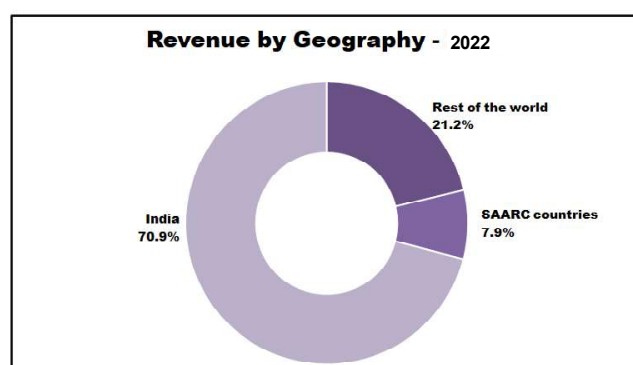
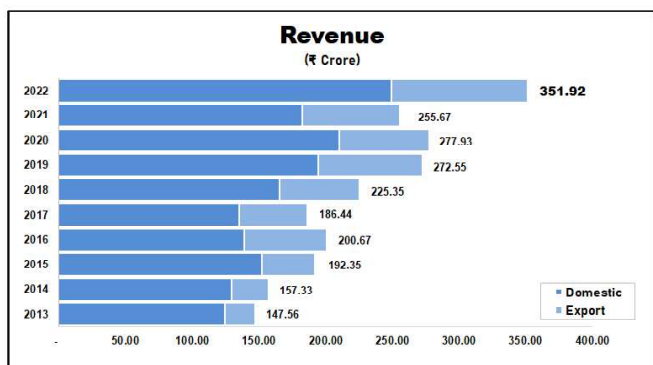
(₹ Crore)

Particulars	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue from sale of products	147.46	157.19	188.51	197.27	183.43	221.71	268.01	273.88	252.13	345.10
Other operating revenue	0.10	0.14	3.84	3.40	3.01	3.64	4.54	4.05	3.54	6.82
<b>Revenue from operations</b>	<b>147.56</b>	<b>157.33</b>	<b>192.35</b>	<b>200.67</b>	<b>186.44</b>	<b>225.35</b>	<b>272.55</b>	<b>277.93</b>	<b>255.67</b>	<b>351.92</b>
Other income	0.65	0.67	0.63	1.88	3.50	2.91	4.09	3.63	3.52	4.50
<b>Total revenue</b>	<b>148.21</b>	<b>158.00</b>	<b>192.98</b>	<b>202.55</b>	<b>189.94</b>	<b>228.26</b>	<b>276.64</b>	<b>281.56</b>	<b>259.19</b>	<b>356.42</b>
Profit before interest, depreciation and tax	(4.55)	3.78	6.84	5.07	2.24	8.99	13.83	10.37	16.97	17.12
Interest	3.41	3.83	2.87	2.42	3.36	3.02	1.66	1.19	1.04	0.73
Depreciation	3.48	3.39	3.70	4.00	5.03	5.76	5.16	5.51	5.31	5.30
Profit before tax	(11.44)	(3.44)	0.27	(1.35)	(6.15)	0.21	7.01	3.67	10.62	11.09
Tax expenses	(0.03)	(0.01)	(0.14)	(1.50)	0.48	0.00	0.00	0.00	0.03	0.75
<b>Profit after tax</b>	<b>(11.41)</b>	<b>(3.43)</b>	<b>0.41</b>	<b>0.15</b>	<b>(6.63)</b>	<b>0.21</b>	<b>7.01</b>	<b>3.67</b>	<b>10.59</b>	<b>10.34</b>
Basic earnings per share (₹)	(12.12)	(3.58)	0.42	0.15	(6.74)	0.22	5.83	2.89	8.35	8.15
Dividend per share (₹)	-	-	-	-	-	-	-	-	-	9.15

### BALANCE SHEET AS AT MARCH 31

Particulars	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Assets</b>										
Net Fixed assets	31.68	29.93	31.46	33.77	33.70	35.56	35.25	34.44	33.04	34.14
Other Non-current assets	1.71	1.50	1.72	1.57	1.03	0.89	0.95	1.73	3.99	5.34
Current assets	38.50	38.11	49.55	59.47	42.67	53.68	65.77	73.39	80.42	108.52
<b>Total</b>	<b>71.89</b>	<b>69.54</b>	<b>82.73</b>	<b>94.81</b>	<b>77.40</b>	<b>90.13</b>	<b>101.97</b>	<b>109.56</b>	<b>117.45</b>	<b>148.00</b>
<b>Liabilities</b>										
Share capital	9.54	9.83	9.83	9.83	9.83	9.83	12.68	12.68	12.68	12.68
Reserves and surplus	(1.99)	(2.10)	(2.11)	(1.96)	(8.58)	(8.37)	29.72	33.39	43.98	54.31
Non-current liabilities	7.80	3.21	9.87	9.52	4.94	5.36	1.82	4.14	2.63	2.21
Current liabilities	56.54	58.60	65.14	77.42	71.21	83.31	57.75	59.35	58.16	78.80
<b>Total</b>	<b>71.89</b>	<b>69.54</b>	<b>82.73</b>	<b>94.81</b>	<b>77.40</b>	<b>90.13</b>	<b>101.97</b>	<b>109.56</b>	<b>117.45</b>	<b>148.00</b>
Net worth	7.29	7.47	7.46	7.61	0.99	1.20	42.14	45.81	56.40	66.73
Debt equity ratio (no. of times)	1.04	0.23	0.98	1.46	6.33	4.05	0.00	0.07	0.06	0.20
Book value per share (₹)	7.91	7.86	7.85	8.00	1.27	1.48	33.45	36.34	44.70	52.84
Number of equity shares	9,543,000	9,832,000	9,832,000	9,832,000	9,832,000	9,832,000	12,676,712	12,676,712	12,676,712	12,676,712

# Panasonic Appliances India Company Limited



# Panasonic Appliances India Company Limited

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## NOTICE OF THIRTY FOURTH ANNUAL GENERAL MEETING

**Notice** is hereby given that the **Thirty Fourth Annual General Meeting** of the Members of Panasonic Appliances India Company Limited (CIN: U30007TN1988PLC016184) will be held on Thursday, September 29, 2022 at 10:00 am IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

- 1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** the Audited Balance Sheet as at March 31, 2022, Profit and Loss Account for the year ended on that date and Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

- 2. Appointment of Mr. Masayuki Sasage as a director who is liable to retire by rotation**

To appoint a Director in place of Mr. Masayuki Sasage (DIN: 08107285) who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Masayuki Sasage (DIN: 08107285), who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company."

- 3. To declare dividend for the Financial Year 2021-22.**

To declare Final Dividend on Equity Shares at the rate of 91.5% (ninety-one and a half per cent) [i.e. ₹ 9.15/- (Nine Rupees fifteen paise only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2022.

### SPECIAL BUSINESS:

- 4. To approve the Re-appointment of Mr. Ganesan Thiagarajan (DIN: 08377223) as Managing Director and also to approve the remuneration.**

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

**"RESOLVED THAT** pursuant to the provision of sections 196, 197, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modifications or re-enactment(s) thereof for the time being in force), and pursuant to the Articles of Association of the Company approval of the members of the Company be and is hereby accorded to the Re- appointment of Mr. Ganesan Thiagarajan (DIN: 08377223) as Managing Director of the Company for the further period of three years effective from April 1, 2022 to March 31, 2025 on the following terms of Remuneration.

#### A. Salary:

Monthly Salary of ₹ 863000 as recommended by the Nomination and Remuneration Committee and approved by the Board of the Company.

#### B. Perquisites:

- The Managing Director shall be entitled to use the company's car and all the expenses for maintenance and running of the same including salary of the driver to be borne by the company.
- The Managing Director shall entitle to participate in gratuity fund.
- Insurance for medical and hospitalization expenses of the Managing Director and his family in accordance with the company policy.

**"FURTHER RESOLVED THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its power, including the powers conferred by this resolution) be and is hereby authorized to decide the salary payable to Mr. Ganesan Thiagarajan during his tenure as Managing Director of the Company based on the recommendation of Nomination and Remuneration Committee of the Board within the range mentioned above and also to alter and vary the terms and conditions of appointment and/

## Panasonic Appliances India Company Limited

or remuneration in accordance with the provisions of the Companies Act, 2013 read with Schedule V (including any statutory modification(s) or re-enactment thereof for the time being in force) or any amendments made thereto from time to time.”.

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

**“FURTHER RESOLVED THAT** during such time that Mr. Ganesan Thiagarajan holds and continues to hold the Office of Managing Director, he shall be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** any one Director or Company Secretary, be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the above-said resolution”.

### 5. To approve the appointment of Mr. Ken Nakayama (DIN: 08377188) as a Director

**To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary resolution:**

**“RESOLVED THAT** pursuant to sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rule, 2014 made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ken Nakayama (DIN: 08377188) who was appointed as an additional Director on 1<sup>st</sup> July, 2022 and whose term of office expires at the ensuing Annual General Meeting in terms of section 161 of the Companies Act, 2013 and the Article of Association of the Company be and is hereby appointed as a Director of the Company .”

**“RESOLVED FURTHER THAT** any one Director or Company Secretary, be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the above-said resolution”.

### 6. To approve the appointment of Mr. Ken Nakayama (DIN: 08377188) as an Executive Director and also to approve the remuneration

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

**“RESOLVED THAT** pursuant to the provision of sections 196, 197, 198, 203 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modifications or re-enactment(s) thereof for the time being in force), pursuant to article of association of the company, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Ken Nakayama (DIN: 08377188) as an Executive Director of the Company for a period of three years effective from July 1, 2022 to June 30, 2025 on the following terms of Remuneration.

#### A. Salary:

Monthly Salary as may be recommended by the Nomination and Remuneration Committee of the Board and approved by the Board in the scale of **₹ 15,10,000 to ₹ 15,50,000**

#### B. Perquisites:

- Free Furnished residential accommodation together with Geysers, Refrigerators, Air-conditioners, Gas and Electricity, Fuel and Water, servants, Furnishings etc., etc., will be provided as per the company policy and the value of which may be evaluated as per Income Tax Rules, 1962.
- Free use of car with driver.

**“RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its power, including the powers conferred by this resolution) be and is hereby authorized to decide the salary payable to Mr. Ken Nakayama during his tenure as Executive Director of the Company based on the recommendation of Nomination and Remuneration Committee of the Board within the range mentioned above and also to alter and vary the terms and conditions of appointment and/or remuneration in accordance with the provisions of the Companies Act, 2013 read with Schedule V (including any statutory modification(s) or re-enactment thereof for the time being in force) or any amendments made thereto from time to time.”

# Panasonic Appliances India Company Limited

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**“RESOLVED FURTHER THAT** pursuant to the provisions of section 197 and other applicable provisions if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable rules, if any, the above remuneration shall be paid as minimum remuneration to Mr. Ken Nakayama as Executive Director in the event of any loss or inadequacy of profits in any financial year during the term of his office.”

**“RESOLVED FURTHER THAT** during such time that Mr. Ken Nakayama holds and continues to hold the Office of an Executive Director. he shall be liable to retire by rotation.

**“RESOLVED FURTHER THAT** any one Director or Company Secretary, be and is hereby authorised to do all such acts, deeds and things as may be considered necessary to give effect to the above-said resolution”.

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

Ganesan Thiagarajan  
Managing Director  
DIN 08377223

Chennai, August 29, 2022

## NOTES:

1. Considering the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”), vide its General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, the latest being 2/2022 dated 5th May 2022, have permitted convening the Annual General Meeting through VC or OAVM without physical presence of the Members at a common venue. In accordance with the relevant Circulars, applicable provisions of the Companies Act, 2013 (“the Act”) the 34th (Thirty-fourth) Annual General Meeting (“AGM” or “the Meeting”) of the Company is being held through VC / OAVM. The detailed procedure for participating in the Meeting through VC/OAVM is given herein below (\*Issued at the time of going to the printing).
2. The relevant details as required under Secretarial Standard on General meetings issued by the Institute of Company Secretaries of India, in respect of director seeking appointment at this AGM is annexed.
3. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, **the facility for appointment of proxies by the members will not be available for the 34<sup>th</sup> AGM** and hence the Proxy form Attendance slip and Rote map are not annexed to this Notice.
4. Corporate Shareholders are required to send a scanned copy (pdf/jpg format) of its Board Resolution authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said certified true copy of Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [alagar@geniconsolutions.com](mailto:alagar@geniconsolutions.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual report 2021-22 will also be available on the Company’s website [www.panasonicappliances.in](http://www.panasonicappliances.in), and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company in case the shares are held by them in physical form.
7. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote in the AGM.
8. National Securities Depositories Limited (“NSDL”) will be providing facility for voting through remote e-Voting, for participation in the 34th AGM through VC/OAVM Facility and e-Voting during the 34<sup>th</sup> AGM.
9. Members may join the 34<sup>th</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the members from 9:30 am. IST i.e. 30 minutes before the time scheduled to start the 34<sup>th</sup> AGM and the Company may close the window for joining the VC/OAVM facility 30 minutes after the scheduled time to start the 34<sup>th</sup> AGM.

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10. Members may note that the VC/OAVM facility, provided by NSDL, allows participation of at least 1,000 members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit committee, Nomination and remuneration committee and Stakeholders relationship committee, Auditors, etc. can attend the 34<sup>th</sup> AGM without any restriction on account of first-come-first-served principle.
11. Attendance of the members participating in the 34<sup>th</sup> AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
12. The Register of Directors and Key Managerial Personnel maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 shall be available electronically for inspection by the members at the AGM.
13. All documents referred to in the Notice will be available for inspection in the Investor section of the website of the Company.
14. Members desirous of getting any information in respect of the content of the Annual report are requested to forward the same to the Company Secretary at [paper.secretary@in.panasonic.com](mailto:paper.secretary@in.panasonic.com) at least 10 days prior to the AGM so that required information can be made available.
15. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email [corpserv@integratedindia.in](mailto:corpserv@integratedindia.in).  
However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during financial year 2022-23 does not exceed <sup>1</sup> 5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.
16. The Register of members and Share transfer books of the Company will remain closed from September 17, 2022 to September 29, 2022 (both days inclusive). September 23<sup>rd</sup>, 2022 shall be the cut-off date as on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this Notice for information purpose only.
17. In accordance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rule, 2014, the Company is providing e-voting facility and the business may be transacted through the e-voting services provided by National Securities Depository Limited (NSDL).
18. The remote e-voting period commences on September 26, 2022 (9:00 a.m. IST) and ends on September 28 (5:00 p.m. IST). During this period, members holding shares either in physical form or in dematerialized form, as on September 23, 2022 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by the NSDL for voting thereafter. Those members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
19. Any member, who has already exercised his/her vote through remote e-voting, may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
20. Under Section 124 read with Section 125 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government.

The Ministry of Corporate Affairs (MCA) on May, 10, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends for the financial years from 2008-11, as on the date of

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the 30<sup>th</sup> Annual General Meeting held on September 27, 2018 on the website of IEPF viz., [www.iepf.gov.in](http://www.iepf.gov.in) and under “investor section” on the website of the Company viz., [www.panasonicappliances.in](http://www.panasonicappliances.in). A separate reminder was also sent to those members having unclaimed dividends since 2008-11.

The Company transferred the unclaimed dividends pertaining to the financial years 2008 to 2011 to the Investor Education and Protection Fund of the Central Government, pursuant to section 124 and 125 of the Companies Act, 2013.

Section 124(6) was notified on September 5, 2016 along with the relevant rules therein on September 5, 2016 which mandates that all shares in respect of which dividend is remaining unpaid or unclaimed by the shareholder for a continuous period of seven years shall be transferred by the Company to the Investor Education & Protection fund in the manner prescribed. In this regard the Company had sent reminders to these shareholders as prescribed in the rules. Subsequently, transfer of 943 eligible folios constituting 122071 shares to the IEPF account was done in March 2019 as per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2016 issued on October 13, 2017. Shareholders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account through filing the e-form IEPF 5 and submitting the same along with relevant documents to the Company. Required instructions in this regard for claiming the shares are available on the website [www.iepf.gov.in](http://www.iepf.gov.in)

21. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding/trading.
22. Member(s) can avail the facility of nomination in respect of shares held by them in physical form in accordance with the provisions of section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form SH-13 duly filled in to the Registrar and Share transfer agent of the Company, M/s. Integrated Registry Management Services Private Limited.
23. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned depository participants for receiving all communications including Annual report, Notices, Circulars, etc. from the Company electronically. Members who hold shares in physical form may register their email ID by informing the same to the Company or its Register and Share transfer agent.
24. Members holding shares in physical form are requested to notify/send the following information by quoting their folio number to the Registrar and Share transfer agent of the Company to facilitate better servicing:
  - i. Any change in their address/mandate/bank details;
  - ii. Particulars of the bank account, in case the same have not been furnished earlier;
  - iii. Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account;
  - iv. Phone No., Fax No., and Email ID etc. for speedy disposal of complaints/requests on various issues.

## Procedure and manner of e-voting

- a) **In case a member receives an email from NSDL [(for members whose email ids are registered with the Company/Depository Participant(s))]**
  - i. Open email and open PDF file viz: “Panasonic Appliances e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password provided in pdf is an ‘Initial Password’.
  - ii. Log on to the e-voting website by typing the following URL: [www.evoting.nsdl.com/](http://www.evoting.nsdl.com/)
  - iii. Click on Shareholder - Login
  - iv. Type User ID and password as initial password/PIN noted in step (i) above. Click Login.
  - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - vi. Home page of e-voting opens. Click on e-voting: Active Voting Cycles.

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- vii. Select “EVEN” of Panasonic Appliances India Company Limited
- viii. Cast vote page for e-voting opens
- ix. Cast your vote by selecting the appropriate option and click on “Submit” and also “Confirm” when prompted
- x. Upon confirmation, the message “Vote cast successfully” will be displayed
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (pdf/jpg format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to [alagar@geniconsolutions.com](mailto:alagar@geniconsolutions.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

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

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

### General Instructions

- a) If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- b) The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of September 23 ,2022.
- c) A person, whose name is recorded in the Register of members or in the Register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.
- d) In case a person has become the member of the Company after the dispatch of Notice but on or before the cut-off date may write to the Company or its Registrar and Share transfer agents requesting for the User ID and Password.
- e) The Board of Directors has appointed M/s. M. Alagar and Associates, Practicing Company Secretaries (Firm Registration No. P2011TN078800), as the Scrutinizer for scrutinizing the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.
- f) During the 34<sup>th</sup> AGM, the Chairman shall, after response to the questions raised by the members in advance or as a speaker at the 34<sup>th</sup> AGM, formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 34<sup>th</sup> AGM and announce the start of the casting of vote through the e-Voting system. After the members participating through VC/OAVM facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 34<sup>th</sup> AGM.
- g) The Scrutinizer shall after the conclusion of e-Voting at the 34<sup>th</sup> AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report and submit the same to the Chairman of the meeting. The results declared along with the Scrutinizer's report shall be placed on the website of the Company [www.panasonicappliances.in](http://www.panasonicappliances.in) and on the NSDL website [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- h) Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting i.e. September 29, 2022.
- i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available in the 'downloads' section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com). You can also contact NSDL via e-mail at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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

Ganesan Thiagarajan  
Managing Director  
DIN 08377223

Chennai, August 29, 2022

# Panasonic Appliances India Company Limited

## ANNEXURE TO THE NOTICE

### Explanatory Statement as per section 102 of the Companies Act, 2013

#### Item No. 4

The Board of Directors has co-opted Mr. Ganesan Thiagarajan (DIN: 08377223) as Managing Director with effect from April 1, 2022 in their meeting held on March 28, 2022 on the recommendation of our Parent Company M/s. Panasonic Corporation, Japan and also on recommendation of the Nomination and Remuneration Committee of the Company in terms of the provisions of the Companies Act, 2013 and Article of Association of the Company. Mr. T. Ganesan is a Mechanical Engineer and Master in Business Administration (Marketing and Operation) from the University of Madras. He has an illustrious career spanning over three decades in the home appliances manufacturing industry with wide area of experience and knowledge in manufacturing engineering and R&D. The Board considers that the Company would benefit immensely with his association and recommends resolution for your approval.

His qualification and experience are detailed under the heading "Information about the Directors to be re-appointed" which forms part of this Notice.

None of the Directors and Key Managerial Personnel (KMP) of the Company except Mr. Ganesan Thiagarajan, being the appointee, is interested in this resolution. The Board commends passing of the Resolution set out at item No.4 of the Notice convening the Meeting.

Pursuant to Section II of Part II of Schedule V read with section 197(3) of the Companies Act, 2013, payment of remuneration to managerial personnel in the case of a Company having no profit or inadequate profit is linked to the effective capital of the Company. The limit of yearly remuneration payable by a Company without Central Government approval as follows:

Where the effective capital is	Limit of yearly remuneration payable shall not exceed (₹)
Negative or less than ₹ 5 crores	60 lakhs
₹ 5 crores and above but less than ₹ 100 crores	84 lakhs
₹ 100 crores and above but less than ₹ 250 crores	120 lakhs
₹ 250 crores and above	120 lakhs <i>plus</i> 0.01% of the effective capital in excess of ₹ 250 crores:

Provided that the remuneration in excess of above limit may be paid if the resolution passed by the shareholders is a Special Resolution. The aforesaid provision is applicable only if the following conditions are fulfilled.

- Payment of said minimum remuneration is approved by the Nomination and Remuneration Committee and the Board of Directors.
- the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting.
- A Special Resolution is passed at the General Meeting of the Company for payment of remuneration for a period not exceeding three years.
- A statement containing the specified information along with the notice calling the General Meeting is furnished to the shareholders.

The Company has complied with the stipulated conditions.

Accordingly, Mr. Ganesan Thiagarajan can be paid excess remuneration as per the limit mentioned above provided that if the resolution is passed by the shareholders is a Special Resolution. The Remuneration proposed to be paid to Mr. Ganesan Thiagarajan is excess than the limits of minimum remuneration that can be paid as per the provisions of Schedule V read with section 197(3) of the Act.

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

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

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

### I. GENERAL INFORMATION

1	Nature of Industry	Consumer Durables
2	Date of Commencement of Commercial Production	October 1, 1990
3	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in prospectus	Existing Company
4	Financial Performance	<p><b>For the year ended March 31, 2022</b> (₹ Crore)</p> <p>Income from operations 351.92</p> <p>Profit before tax 11.09</p> <p>Profit after tax 10.34</p> <p><b>As on March 31, 2022</b> (₹ Crore)</p> <p>Paid up share capital 12.67</p> <p>Reserves &amp; surplus 54.31</p> <p>Long-term loans 2.25</p> <p><b>Total 68.24</b></p> <p>Investments -</p> <p>Preliminary expenses -</p> <p>(to the extent not written off)</p> <p><b>Effective capital as on March 31, 2022 68.24</b></p>
5	Export performance and Net Foreign Exchange Collaborations	Earnings in Foreign Exchange on account of Exports Sales and reimbursement of advertisement and sales promotion expenses received from the Collaborator/ Associate Companies was ₹ 101.40 Crores for the year ended March 31, 2022
6	Foreign investments or Collaborations, if any	The Company has Technical Assistance Agreement and Trademark License Agreement with Panasonic Corporation, Japan (formerly Matsushita Electric Industrial Co. Ltd.), its foreign collaborator. As on March 31, 2022 foreign investment in paid-up share capital of the Company is 95.43%.

### II. INFORMATION ABOUT THE DIRECTOR

1	Background details	Mr. T. Ganesan is a Mechanical Engineer and Master in Business Administration (Marketing and Operation). He has an illustrious career spanning over three decades in the home appliances manufacturing industry with wide area of experience and knowledge in manufacturing engineering and R&D.
2	Past Remuneration	Salary ₹ 8,05,000 per month <i>plus</i> perquisites
3	Recognition or awards	Not Applicable
4	Job Profile and his suitability	Mr. T. Ganesan is entrusted with substantial powers of management and is responsible for the general conduct and management of the business and affairs of the Company subject to the superintendence, control and supervision of the Board of Directors of the Company.
5	Remuneration proposed	Salary ₹ 8,63,000 per month <i>plus</i> perquisites as per the details given in the proposed resolution.

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6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Not Applicable
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person if any	NIL, except to the extent to remuneration proposed to be paid

### III. OTHER INFORMATION

1	Reasons for loss or inadequate profits	As on March 31, 2022 the Company recorded a profit of ₹10.34 crores. The main reasons for the inadequacy of profit are mainly due to a host of factors and impact of COVID-19, weak consumer market, Significantly increase of Raw material price in Global market and intense competition from cheap Chinese made cookers.
2	Steps taken for improvement	Company is taking steps to streamline its business to increase productivity and make its products more competitive in the market. Steps are also taken to increase the export business.
3	Expected increase in productivity and profits in measurable terms	The Company expects that barring unforeseen circumstances, improvement in business environment coupled with the measures being taken to enhance revenue and reduce costs would enable the company to make its business more viable and bring it back to profitability.

The Board recommends passing the Special Resolution set out in Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Ganesan Thiagarajan is, concerned or interested in Item No.4 of the Notice.

#### Item No. 5 & 6

The Board of Directors has co-opted Mr. Ken Nakayama (DIN: 08377188) as an Executive Director with effect from July 1<sup>st</sup> 2022 in their meeting held on June 30<sup>th</sup>, 2022 on the recommendation of our Parent Company M/s. Panasonic Corporation, Japan and also on recommendation of the Nomination and Remuneration Committee of the Company in terms of the provisions of the Companies Act, 2013 and Article of Association of the Company. Mr. Ken Nakayama aged 49 years is a Graduate in BA from Kansai University, Osaka, Japan and joined M/s. Panasonic Corporation, Japan in January 2016. Ken Nakayama has wide experience in the area of Accounting, Business Development & Corporate Planning. The Board considers that the Company would benefit immensely with his association and recommends resolution for your approval.

His qualification and experience are detailed under the heading "Information about the Directors to be appointed/re-appointed" which forms part of this Notice.

None of the Directors and Key Managerial Personnel (KMP) of the Company except Mr. Ken Nakayama, being the appointee, is interested in this resolution. The Board commends passing of the Resolution set out at item No.5 & 6 of the Notice convening the Meeting.

Pursuant to Section II of Part II of Schedule V read with section 197(3) of the Companies Act, 2013, payment of remuneration to managerial personnel in the case of a Company having no profit or inadequate profit is linked to the effective capital of the Company. The limit of yearly remuneration payable by a Company without Central Government approval as follows:

Where the effective capital is	Limit of yearly remuneration payable shall not exceed ( <sup>1</sup> )
Negative or less than ₹ 5 crores	60 lakhs
₹ 5 crores and above but less than ₹ 100 crores	84 lakhs
₹ 100 crores and above but less than ₹ 250 crores	120 lakhs
₹ 250 crores and above	120 lakhs <i>plus</i> 0.01% of the effective capital in excess of ₹ 250 crores:

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Provided that the remuneration in excess of above limit may be paid if the resolution passed by the shareholders is a Special Resolution. The aforesaid provision is applicable only if the following conditions are fulfilled.

- a. Payment of said minimum remuneration is approved by the Nomination and Remuneration Committee and the Board of Directors.
- b. the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, and in case of default, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting.
- c. A Special Resolution is passed at the General Meeting of the Company for payment of remuneration for a period not exceeding three years.
- d. A statement containing the specified information along with the notice calling the General Meeting is furnished to the shareholders.

The Company has complied with the stipulated conditions.

Accordingly, Mr. Ken Nakayama can be paid excess remuneration as per the limit mentioned above provided that if the resolution is passed by the shareholders, is a Special Resolution. The Remuneration proposed to be paid to Mr. Ken Nakayama is excess than the limits of minimum remuneration that can be paid as per the provisions of Schedule V read with section 197(3) of the Act.

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

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

### Statement pursuant to sub-clause (iv) of Clause (B) of Section II of Part II of Schedule V of the Companies Act, 2013 for payment of remuneration to Mr. Ken Nakayama Executive Director

#### I. GENERAL INFORMATION

1	Nature of Industry	Consumer Durables
2	Date of Commencement of Commercial Production	October 1, 1990
3	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in prospectus	Existing Company
4	Financial Performance	<p><b>For the year ended March 31, 2022</b> (₹ Crore)</p> <p>Income from operations 351.92</p> <p>Profit before tax 11.09</p> <p>Profit after tax 10.34</p> <p><b>As on March 31, 2022</b> (₹ Crore)</p> <p>Paid up share capital 12.67</p> <p>Reserves &amp; surplus 54.31</p> <p>Long-term loans 2.25</p> <p><b>Total 68.24</b></p> <p>Investments -</p> <p>Preliminary expenses -</p> <p>(to the extent not written off)</p> <p><b>Effective capital as on March 31, 2022 68.24</b></p>
5	Export performance and Net Foreign Exchange Collaborations	Earnings in Foreign Exchange on account of Exports Sales and reimbursement of advertisement and sales promotion expenses received from the Collaborator/ Associate Companies was ₹ 101.40 Crores for the year ended March 31, 2022

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6	Foreign investments or Collaborations, if any	The Company has Technical Assistance Agreement and Trademark License Agreement with Panasonic Corporation, Japan (formerly Matsushita Electric Industrial Co. Ltd.), its foreign collaborator. As on March 31, 2022 foreign investment in paid-up share capital of the Company is 95.43%.
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### II. INFORMATION ABOUT THE DIRECTOR

1	Background details	Mr. Ken Nakayama joined Panasonic Corporation, Japan in January 2016. He is a Graduate BA from Kansai University, Osaka, Japan in 1997. He has wide experience Accounting, Business Development & Corporate Planning.
2	Past Remuneration	Not Applicable
3	Recognition or awards	Not Applicable
4	Job Profile and his suitability	Mr. Ken Nakayama is entrusted with substantial powers of management and is responsible for the general conduct and management of the business and affairs of the Company subject to the superintendence, control and supervision of the Board of Directors of the Company.
5	Remuneration proposed	Salary in the scale of ₹15,10,000 to ₹15,50,000 per month plus perquisites as per the details given in the proposed resolution.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Not Applicable
7	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person if any	NIL, except to the extent to remuneration proposed to be paid

### III. OTHER INFORMATION

1	Reasons for loss or inadequate profits	As on March 31, 2022 the Company recorded a profit of ₹ 10.34 crores. The main reasons for the inadequacy of profit are mainly due to a host of factors and impact of COVID-19 , weak consumer market, Significantly increase of Raw material price in Global market and intense competition from cheap Chinese made cookers.
2	Steps taken for improvement	Company is taking steps to streamline its business to increase productivity and make it products more competitive in the market. Steps are also taken to increase the export business.
3	Expected increase in productivity and profits in measurable terms	The Company expects that barring unforeseen circumstances, improvement in business environment coupled with the measures being taken to enhance revenue and reduce costs would enable the company to make its business more viable and bring it back to profitability.

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

**Ganesan Thiagarajan**  
Managing Director  
DIN 08377223

Chennai, August 29, 2022

## Panasonic Appliances India Company Limited

### ANNEXURE TO NOTICE

**Details of Directors seeking appointment/re-appointment at the 34<sup>th</sup> Annual General Meeting of the Company as per Secretarial Standards – 2 issued by the Institute of Company Secretaries of India**

DETAILS	Mr. Masayuki Sasage	Mr. Ganesan Thiagarajan	Mr. Ken Nakayama
<b>Age</b>	<b>58</b>	<b>56</b>	<b>49</b>
<b>Qualifications</b>	Graduate from Nigata University, Japan.	Mechanical Engineer and Master in Business Administration (Marketing & Operation)	Graduate in BA from Kansai University, Osaka, Japan
<b>Experience</b>	Kitchen Appliances Business Division	Manufacturing, Engineering and R&D	Accounting, Business Development & Corporate Planning.
<b>Terms and conditions of appointment or re-appointment</b>	As per Company policy for Appointment and Removal of Directors KMP and Senior Managers.	As per Company policy for Appointment and Removal of Directors KMP and Senior Managers.	As per Company policy for Appointment and Removal of Directors KMP and Senior Managers.
<b>Details of remuneration sought to be paid</b>	Not applicable	Salary ₹ 8,63,000 per month <i>plus</i> perquisites	Salary in the scale of ₹ 15,10,000 to ₹ 15,50,000 per month <i>plus</i> perquisites
<b>Remuneration last drawn</b>	Not applicable	Salary ₹ 8,05,000 per month <i>plus</i> perquisites	Not Applicable
<b>Date of first appointment on the Board</b>	April 1, 2018	April 1, 2019	April 1, 2019
<b>Shareholding in the company</b>	None	One	None
<b>Relationship with other Directors, Manager and other Key Managerial Personnel</b>	None	None	None
<b>Number of Meetings of the Board attended during the year</b>	5	7	Nil
<b>Other Directorships, Membership/ Chairmanship of Committees of other Boards</b>	None	None	None

# Panasonic Appliances India Company Limited

## BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Fourth Annual Report together with the Company's Audited Financial Statements for the financial year ended March 31, 2022.

### FINANCIAL HIGHLIGHTS

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

(₹ Crores)

Particulars	Current year [2021 - 2022]	Previous year [2020 - 2021]
Sale of products	345.10	252.13
Other operating revenue (scrap sales)	6.82	3.54
<b>Revenue from operations</b>	<b>351.92</b>	<b>255.67</b>
Other income	4.50	3.52
<b>Total income</b>	<b>356.42</b>	<b>259.19</b>
<b>Expenses</b>		
Operating expenditure	339.29	242.2
Depreciation and amortization	5.31	5.31
<b>Total expenses</b>	<b>344.60</b>	<b>247.53</b>
<b>Profit before Finance costs and tax</b>	<b>11.82</b>	<b>11.66</b>
Finance costs	0.73	1.04
<b>Profit before tax (PBT)</b>	<b>11.09</b>	<b>10.62</b>
Tax expenses	0.75	0.03
<b>Profit after tax for the year</b>	<b>10.34</b>	<b>10.59</b>

### REVIEW OF PERFORMANCE

During the year under review, your Company has reported the net revenue from operations of ₹ 351.92 crore in the current year as against ₹ 255.67 crore in the previous year. registering an overall growth of 36.9% {Previous year:(7.9) %}. This year, the Company has achieved 36.2.% growth in domestic sales, 3.1.% growth in SAARC countries and 59.2 % growth in Rest of the world. The Company has earned Profit after tax of ₹ 10.34 Crores in the current year as compared to ₹ 10.59 Crores in the previous year.

Your Company was able to record a better-than-expected performance considering the adverse external factors that prevailed during the financial year 2021-22. During the year the Company successfully achieved 1 million cooker production and sales. Now PAPIN becomes the Global Hub for the Conventional Cooker from March 2022 and Successfully launched New products in India and SAARC Countries as below:

- 750 W Mixer Grinder in India.
- 600 W AV Series Mixer Grinder in SAARC Countries.
- GB series Malaysia Model commercial cooker to USA and Australia.

However, in spite of the aggressive efforts taken by the Company for cost reduction, there was a ₹ 31.2 crore price increase for key raw materials particularly Ingot, AL circles, Copper and paper, PC, which was also a major factor affecting the Company financial Profitability.

Considering that, the overall consumer sentiment and business confidence which prevailed during the financial year 2021-22 was not conducive due to a host of factors, the fact that your Company was able to increase its sales compared to previous financial year with an improvement in the bottom line shows a sign of revival. The management of the Company strongly believes that the strategic initiatives which were implemented during the previous financial years are far-reaching and will definitely materialize in the long-term and deliver a sustainable and profitable growth.

# Panasonic Appliances India Company Limited

## DIVIDEND

Subject to the approval of the Members at the ensuing Annual General Meeting, the Board of Directors of your company recommends payment of Final Dividend of 91.5% (ninety one and a half per cent) [i.e. ₹ 9.15/- (Nine Rupees fifteen paise only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2022.

## SHARE CAPITAL

During the year, there was no change in the Authorized share capital of the Company. As on March 31, 2022 the Authorized share capital of the Company is ₹ 130,000,000 (Rupees Thirteen crore) divided into 13,000,000 (One crore and thirty lakh) equity shares of ₹ 10 (Rupees Ten) each.

As on March 31, 2022 the Paid-up share capital of the Company is ₹ 126,767,120 (Rupees Twelve crore sixty seven lakh sixty seven thousand one hundred and twenty) divided into 12,676,712 (One crore twenty six lakh seventy six thousand seven hundred and twelve) equity shares of ₹ 10 (Rupees Ten) each.

## TRANSFERS TO RESERVES

During the financial year, the Company did not transfer any amount to the General reserve. The total amount of General reserve as on March 31, 2022 was ₹ 354,194 being the same as reported in the previous year.

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company does not have any subsidiary or joint venture or associate company.

## CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL DURING THE FINANCIAL YEAR

1. In accordance with the provisions of The Companies Act, 2013, Mr. Masayuki Sasage (DIN: 08107285) will retire by rotation at the forthcoming Annual General Meeting and he is eligible for re-appointment.
2. Mr. Jayaprakash Kalappan Resigned from the post CFO & Company Secretary with effect from February 8, 2022 approved at the Board Meeting dated February 28, 2022

## BOARD MEETINGS

The Board functions as a full Board and meets at regular intervals to decide on the Company/business policy and strategy apart from other Board businesses. The meetings of the Board of Directors are normally held at Chennai. Meetings are scheduled well in advance and after serving adequate notice. The Board meets at least once in a quarter to review the quarterly performance and the financial results. The Agenda for the Board/Committee Meetings along with explanatory notes is set by the Company Secretary in consultation with the Managing Director of the Company and circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. The Members of the Board are also free to recommend inclusion of any matter in the agenda for discussion.

Seven Board Meetings were held during the financial year ended March 31, 2022 as against the minimum requirement of four meetings and the gap between two meetings was within the period prescribed under the Companies Act, 2013. The dates on which the said meetings were held on April 19, 2021; June 10, 2021; August 19, 2021; December 06, 2021; December 22, 2021; February 28, 2022; March 28, 2022.

The Last Annual General Meeting of the Company was held on December 29, 2021.

**Table 1: Composition, Attendance at Board meetings and last Annual General Meeting (AGM) and details of memberships of Directors in other Boards and Board Committees**

Name of the Director	Designation and Category	Number of Meetings		Attendance at the last AGM
		Held	Attended	
Mr. K. Subramanian	Chairperson; Director; Non-Executive; Independent	7	7	Yes
Mr. T. Ganesan	Managing Director; Executive	7	7	Yes
Mr. Ajit Gopal Nambiar	Director; Non-Executive; Independent	7	7	Yes
Mr. Masayuki Sasage	Director; Non-Executive; Non-Independent	7	5	No
Mr. Yoshiteru Oshima	Director; Non-Executive; Non-Independent	7	7	No

# Panasonic Appliances India Company Limited

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## COMMITTEE OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. The Board has currently established the following statutory and non-statutory Committees.

## AUDIT COMMITTEE

The Audit Committee of the Board is constituted in accordance with the applicable provisions of the Companies Act, 2013.

## TERMS OF REFERENCE

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information.
- 2) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment of any other services.
- 3) Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 4) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Director's report
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- 5) Reviewing with the management, the quarterly and half-yearly financial statements before submission to the Board for approval.
- 6) Reviewing with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
- 7) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- 8) Discussion with internal auditors of any significant findings and follow up there on.
- 9) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 10) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 11) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- 12) Reviewing the functioning of the whistle blower mechanism.
- 13) Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the Internal auditors.
- 14) Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

# Panasonic Appliances India Company Limited

## COMPOSITION

The Company's Audit Committee for the financial year 2021-22 comprised of two Independent Directors and one Executive Director. The Chairperson of the Committee is an Independent Director. All the members of the Audit Committee are financially literate with knowledge in accounts and having financial management expertise.

The Audit Committee invites such number of the executives as it considers appropriate, particularly senior officers from the finance and accounts department, representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

## MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2022 Eight Audit Committee Meetings were held on April 19, 2021; June 10, 2021; August 19, 2021; November 25, 2021; December 06, 2021; December 22, 2021; February 28, 2022 and March 28, 2022. The necessary quorum was present for all the meetings.

**Table 2: The details of the Composition of the Committee, Names of Members and Chairperson and attendance at its Meetings are as follows:**

Name of the Director	Category	Number of Meetings	
		Held	Attended
Mr. K. Subramanian	Chairperson; Non-Executive; Independent	8	8
Mr. Ajit Gopal Nambiar	Member; Non-Executive; Independent	8	8
Mr. T. Ganesan	Member; Executive; Non-Independent	8	8

## NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee in accordance with the requirements specified under Section 178 of the Companies Act, 2013.

## TERMS OF REFERENCE

The broad terms of reference of the Remuneration Committee are as under

- 1) To identify persons who qualify to become the directors and who may be appointed in senior management in accordance with the criteria laid down
- 2) To recommend to the Board their appointment and removal
- 3) To evaluate the performance of every Director
- 4) To formulate the criteria for determining the qualifications, positive attributes and independence of the directors
- 5) Recommend to the Board a policy, relating to the remuneration for the Directors, Key Management Personnel and other employees

## COMPOSITION

The Company's Remuneration Committee for the financial year 2021-22 comprised of two Independent Directors and one Non-Executive Director. The Chairperson of the Committee is an Independent Director.

## MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2022, Four Nomination and Remuneration Committee Meetings were held on April 19, 2021; June 10, 2021; December 22, 2021;; March 28, 2022. The necessary quorum was present for all the meetings.

**Table 3: The details of the Composition of the Committee, Names of Members and Chairperson and attendance at its Meetings are as follows:**

Name of the Director	Category	Number of Meetings	
		Held	Attended
Mr. K. Subramanian	Chairperson; Non-Executive; Independent	4	4
Mr. Ajit Gopal Nambiar	Member; Non-Executive; Independent	4	4
Mr. Masayuki Sasage	Member; Non-Executive; Non-Independent	4	3

# Panasonic Appliances India Company Limited

## CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has constituted a Corporate Social Responsibility Committee in accordance with the requirements specified under Section 135 of the Companies Act, 2013.

### TERMS OF REFERENCE

The broad terms of reference of the Corporate Social Responsibility Committee are as under

- 1) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013
- 2) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company
- 3) To monitor the CSR policy of the Company from time to time
- 4) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time

### COMPOSITION

The Company's Corporate Social Responsibility Committee for the financial year 2021-22 comprised of two Independent Director and one Executive Directors. The Chairperson of the Committee is an Independent Director.

### MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2022, Two Corporate Social Responsibility Committee Meeting was held on June 10, 2021; February 28, 2022. The necessary quorum was present for all the meetings.

**Table 4: The details of the Composition of the Committee, Names of Members and Chairperson and attendance at its Meetings are as follows:**

Name of the Director	Category	Number of Meetings	
		Held	Attended
Mr. K. Subramanian	Chairperson; Non-Executive; Independent	2	2
Mr. T. Ganesan	Member; Executive; Non-Independent	2	2
Mr. Ajit Gopal Nambiar	Member; Non-Executive; Independent*	2	2

\*The Committee has reconstituted for appointment of Mr. Ajit Gopal Nambiar as a member with effect from 01.04.2021

## STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted a Stakeholders Relationship Committee in accordance with the requirements specified under Section 178 of the Companies Act, 2013.

### TERMS OF REFERENCE

The broad terms of reference of the Stakeholders Relationship Committee are as under

- 1) To oversee and review all matters connected with the transfer of the Company's securities (physical and demat), non-receipt of annual reports, non-receipt of declared dividend, etc.,
- 2) To approve issue of the Company's duplicate share certificates
- 3) To monitor redressal of investors'/shareholders'/security holders' grievance and reviewing any other related matter which the Committee may deem fit in the circumstances of the case including the following:
  - change of name(s) of the members on share certificates
  - consolidate share certificates
  - delete name(s) from the share certificates
  - dematerialise and rematerialise shares
  - issue of duplicate share certificates
  - replacement of shares
  - split-up of shares
  - transfer and transmission of shares
  - transpose of shares

## Panasonic Appliances India Company Limited

- 4) To oversee the performance of the company's registrars and transfer agents
- 5) To recommend methods to upgrade the standard of services to investors
- 6) To monitor implementation of the company's code of conduct for prohibition of insider trading
- 7) Any other matter as the Stakeholders Relationship Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time

### COMPOSITION

The Company's Stakeholders Relationship Committee for the financial year 2021-22 comprised of Two Independent Directors and One Executive Director. The Chairperson of the Committee is an Independent Director.

### MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2022, Two Stakeholders Relationship Committee Meeting was held ;October 19,2021;December 6,2021. The necessary quorum was present for all the meetings.

**Table 5: The details of the Composition of the Committee, Names of Members and Chairperson and attendance at its Meetings are as follows:**

Name of the Director	Category	Number of Meetings	
		Held	Attended
Mr. K. Subramanian	Chairperson; Non-Executive; Independent	2	2
Mr. Ajit Gopal Nambiar	Member; Non-Executive; Independent	2	2
Mr. T. Ganesan	Member; Executive; Non-Independent	2	2

### BOARD EVALUATION

The Nomination and Remuneration Committee in their meetings held on April 19, 2021 and March 28, 2022 evaluated the performance of the Board, that of its committees and individual directors including Independent Directors. No Director participated in his own evaluation.

The Independent Directors reviewed the performance of the Non-Independent Directors, and the Board at a separate meeting of Independent Directors held on June 01,2021. The Board of Directors were evaluated on various criteria including attendance, participation in board meetings, their involvement by way of providing advice, guidance, suggestions on the business front and the willingness and commitment to devote their extensive time necessary to fulfill their duties.

The Independent Directors were also evaluated based on the performance, professional conduct, roles and duties as specified in Schedule IV to the Companies Act, 2013.

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

# Panasonic Appliances India Company Limited

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## DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Companies Act, 2013, all the Independent Directors have given declaration that they meet the criteria of independence as set out in Section 149(6).

## POLICY ON DIRECTORS'/KMPs' APPOINTMENT AND REMUNERATION

Policy on appointment and removal of Directors, KMPs and Senior Management and their Remuneration attached herewith as **"ANNEXURE 1"**, shall act as a guideline for determining qualifications, positive attributes, independence of a Director and matter relating to the appointment and removal of Directors.

The remuneration policy of the Company was formulated considering the following factors:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## AUDITORS

### 1) STATUTORY AUDITORS

M/s. B S R & Co. LLP. (Firm Registration No.: 101248W/W-100022), Chartered Accountants, Chennai, Statutory auditors of the Company were re-appointed at the 32<sup>nd</sup> Annual General Meeting held on September 25, 2020 to hold their office. A necessary certificate under Section 139(1) of the Companies Act, 2013 has been received from them.

### 2) INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions of the Act, the Company had appointed M/s. Venkatesh & Co. (Firm Registration No.: 004636S) Chartered Accountants, Chennai as Internal auditors of the Company for the financial year 2021-22.

### 3) SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. M. Alagar & Associates (Firm Registration No.: P2011TN078800), a firm of Company Secretaries in Practice, Chennai to undertake the secretarial audit of the Company for the financial year 2021-22. The Secretarial Audit Report does not contain any reservation or adverse remark for the year under review.

The Report on the Secretarial Audit is annexed herewith as **"ANNEXURE 2"**.

## AUDIT REPORT

The Statutory Auditors Report on Financial Statements for the financial year ended March 31, 2022 contains no qualification.

## INTERNAL FINANCIAL CONTROLS

The Company is in compliance with the requirements of The Companies Act, 2013 with regard to the Internal Financial Controls which embraces adherence to Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of financial information.

During the year, based on the management's commitment towards continuous improvement in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022. The company considered the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Further, the Statutory Auditors in their Report on Internal control has observed the below material weakness, without qualifying their opinion on the financial statements for the financial year ended March 31, 2022.

# Panasonic Appliances India Company Limited

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1. the Company did not have an appropriate internal control system surrounding pricing for purchase of materials and moulding parts, and vendor evaluation at frequent intervals; and
2. the Company did not have an appropriate internal control system for marketing schemes to be applied to each customer, factors considered for its basis and business case.

The management has evaluated the implications of the hereinabove mentioned observations in the Auditor's report and concluded that there are no material misstatements in the financial statements of the current or past years in this regard. Further the management is in the process of strengthening these controls related to the aforesaid processes.

## **RISK MANAGEMENT**

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

## **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETING**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meeting and General Meetings.

## **DEPOSITS/LOANS & ADVANCES, GUARANTEES OR INVESTMENTS**

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

## **CHANGE IN THE NATURE OF BUSINESS**

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

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

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

## **DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS UNDER SECTION 143(12)**

Pursuant to Section 143(12) of the Companies Act, 2013, the Company has not received any report from the auditors in respect of fraud committed by its officers or employees.

## **MATERIAL CHANGES AND COMMITMENTS**

There are no material changes and commitments in the business operations of the Company for the financial year ended March 31, 2022 to the date of signing of the Board's Report.

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

There is no employee drawing remuneration of more than ₹ 10,200,000 (Rupees One crore and two lakh) per annum or drawing remuneration of ₹ 850,000 (Rupees Eight lakh fifty thousand) per month, if employed part of the year as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **CORPORATE SOCIAL RESPONSIBILITY**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board are set out in "**ANNEXURE 3**" of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR policy is also available on the link: <http://www.panasonicappliances.in/Home/investor>.

As per Section 135(5) of the Companies Act, 2013, every Company having net worth of rupees five hundred crore or more or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year, shall ensure to spend in every financial year, at least two percent of the average net profits of the Company during the three immediately preceding financial year.

# Panasonic Appliances India Company Limited

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Your Company, during the immediately preceding financial year (i.e. Financial year 2020-21), had earned the net profit of ₹ 10.59 crore only, which is under the threshold limit as prescribed in the Act. Since, the company met the net profit of rupees five crore or more during the immediately preceding financial year criteria as per Act in this current financial year. Section 135 reporting requirements at present apply to us.

## ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return in Form MGT-7 for the Company for the financial year 2021-22 is available on the Company's website at <http://www.panasonicappliances.in/Home/investor>.

## RELATED PARTY TRANSACTIONS (RPT)

All transactions entered with related parties as defined under Section 2(76) of the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length and do not attract the provisions of Section 188 of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with promoter, directors, key managerial personnel or other designated person which may have a potential conflict with the interest of the Company at large.

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

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

## ANTI- SEXUAL HARASSMENT POLICY

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

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism through "PAPIN Whistle Blower Policy" to enable employees and directors to report genuine concerns dealing with instances of fraud and mismanagement, if any. The mechanism provides for adequate safeguard against victimization of the whistle blower and also provides for direct access to the Chairperson of the audit committee in appropriate or exceptional cases or Chief Financial Officer or Company Secretary of the Company as the case may be to report any concern or unethical activities.

## PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are provided in "ANNEXURE 4" which forms part of this report.

## INDUSTRIAL RELATIONS

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

## CODE OF CONDUCT

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

## MAINTENANCE OF COST RECORDS

The Company is not mandated to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly no such accounts and records are made and maintained.

# Panasonic Appliances India Company Limited

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## ACKNOWLEDGEMENTS

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

As we continue to grow and expand, we look forward to sharing our success in the years ahead with all our stakeholders

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

**T. Ganesan**  
*Managing Director*  
DIN: 08377223

**K. Subramanian**  
*Director*  
DIN: 00019088

Chennai, August 29, 2022

# Panasonic Appliances India Company Limited

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## ANNEXURE 1

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

#### **DIRECTORS**

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

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

#### **KEY MANAGERIAL PERSONS (KMPs)**

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

#### **SENIOR MANAGEMENT PERSONNEL**

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

#### **REMOVAL OF BOARD OF DIRECTORS AND KMPs**

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

#### **REMUNERATION TO NON-EXECUTIVE DIRECTORS**

The Non-Executive Independent Directors are paid sitting fees within the limits prescribed under The Companies Act, 2013 for attending Board and Committee Meetings. They are also paid commission not exceeding 1% of the net profits of the Company in each Financial Year subject to a ceiling of Rs.7,50,000/- per Independent Director.

#### **EXECUTIVE DIRECTORS**

The remuneration to Managing Director and Whole-Time Director shall be recommended by NRC to the Board. The remuneration consists of fixed compensation and other perquisites as approved by the Board and within the overall limits specified in the Shareholders resolution.

#### **REMUNERATION TO SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES**

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

- Performance
- Potential
- Criticality
- Longevity in grade

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

# Panasonic Appliances India Company Limited

ANNEXURE 2

## FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2021-22

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members,**  
**Panasonic Appliances India Company Limited,**  
National Highway No. 5, Sholavaram Village,  
Chennai 600067

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Panasonic Appliances India Company Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended March 31, 2022 ("**Audit Period**") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "**the Company**" for the financial year ended March 31, 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder, as amended from time to time;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - Not Applicable during the period under review
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as amended from time to time;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as amended from time to time;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): - Not Applicable during the period under review
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2021;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

# Panasonic Appliances India Company Limited

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We have also examined compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') as mandated by the Companies Act, 2013.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc., mentioned above.

**We report that** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check-basis, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as listed below;

1. Acts relating to Prevention and Control of Pollution
2. The Factories Act, 1948
3. The Legal Metrology Act, 2009
4. The Contract Labour (Regulation and Abolition) Act, 1970
5. The Employees' Provident Funds & Miscellaneous Provisions Act, 1952
6. The Employees' State Insurance Act, 1948
7. The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
8. The Industrial Disputes Act, 1949
9. The Maternity Benefit Act, 1961
10. The Minimum Wages Act, 1948
11. The Payment of Bonus Act, 1965
12. The Payment of Gratuity Act, 1972
13. The Payment of Wages Act, 1936
14. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
15. The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
16. The Tamil Nadu Labour Welfare Fund Act, 1972
17. The Tamil Nadu Payment of Subsistence Allowance Act, 1981
18. The Tamil Nadu Tax on Professions, Trades & Callings and Employments Act, 1992

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

**We further report that** adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to them at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

**We further report that** during the audit period of the Company no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For M.Alagar& Associates**  
**Practising Company Secretaries**

**D. Saravanan**  
**Partner**

**Membership No: 60177**

**CoP No: 22608**

**UDIN: A060177D000868226**

**Place:** Chennai

**Date:** August 29, 2022

*This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.*

# Panasonic Appliances India Company Limited

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## ‘Annexure A’

To

The Members,

1. Our report of event date is to be read along with this letter.
2. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
3. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M.Alagar& Associates**  
**Practising Company Secretaries**

**D. Saravanan**  
**Partner**

**Membership No: 60177**

**CoP No: 22608**

**UDIN: A060177D000868226**

**Place:** Chennai

**Date:** August 29, 2022

# Panasonic Appliances India Company Limited

ANNEXURE 3

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY FOR THE YEAR ENDED MARCH 31, 2022

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The Company has the CSR policy in line with the provision of section 135 of the Companies Act, 2013. The Corporate Social Responsibility Policy of the Company, as approved by the Board of the Directors is available with the Company. The Company's CSR policy is in-alignment with their primary focus viz. "Promoting Education for/among the Under Privileged". Besides this, it also undertakes interventions in the areas of health, livelihood and it is ethically aimed at improving the quality of life of the community through welfare projects.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR policy and projects or programs undertaken by the Company are available on the link: <http://www.panasonicappliances.in/Home/investor>

**2. The Composition of the CSR Committee:**

The Composition of the CSR Committee as on March 31, 2022 is as follows:

Name of the Director	Designation and Position in the Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. K. Subramanian	Independent Director; Chairperson of the Committee	2	2
Mr. T. Ganesan	Managing Director; Member	2	2
Mr. Ajit Gopal Nambiar**	Independent Director; Member	2	2

\*\*Mr. Ajit Gopal Nambiar Independent Director, Member of the committee w.e.f 01.04.2021

**3. Details of the web link where Composition of the CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:**

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR policy and projects or programs undertaken by the Company are available on the link: <http://www.panasonicappliances.in/Home/investor>

**4. Details of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

S.No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2021-2022	Nil	Nil

**6. Average net profit of the Company for last three financial years:**

S.No	Financial Year	Annual Net Profit (₹)
1	2020-21	107,057,548
2	2019-20	37,436,250
3	2018-19	70,909,901
<b>Total</b>		<b>215,403,699</b>
<b>Average Annual Net Profit</b>		<b>71,801,233</b>

## Panasonic Appliances India Company Limited

7. (a) Two percent of average net profit of the company as per section 135(5): The prescribed CSR expenditure rate of two percent on the average net profit of INR. **71,801,233** amounts to INR **1,436,025** /- (Indian Rupees Fourteen Lakh Thirty Six Thousand Twenty Five Only)
- (b) **Surplus arising out of CSR projects or programs or activities of the previous financial years:**  
Nil
- (c) **Amount required to be set off for the financial year, if any:**  
Nil
- (d) **Total CSR obligation for the financial year (7(a)+7(b)-7(c)):**  
Rs 14,36,025
8. (a) **CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year (Amount in ₹)	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
14,36,025	Nil		Nil		

- (b) **Details of CSR amount spent against ongoing projects for the financial year:**

S.No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent in the current financial Year (in ₹)	Mode of Implementation	Mode of Implementation through Implementing Agency	
				State	District		Direct (Yes/No)	Name	CSR Registration number
Not Applicable									

- (c) **Details of CSR amount spent against ongoing projects for the financial year:**

S.No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent in the current financial Year (in ₹)	Mode of Implementation Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration number
1	Covid 19 relief Fund,Tiruvallur ,District,collector	(xii) disaster management, including relief, rehabilitation and reconstruction activities.	yes	Tamilnadu	Tiruvallur	5,00,000	yes	-	-
2	TN Govt.Namakku Naame Thittam	rural development projects	yes	Tamilnadu	Tiruvallur	5,00,000	yes	-	-

# Panasonic Appliances India Company Limited

S.No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent in the current financial Year (in ₹)	Mode of Implementation	Mode of Implementation through Implementing Agency	
				State	District			Direct (Yes/No)	CSR Registration number
3	Government Girls Higher Secondary School, Sholavaram, Chennai 600067 (3 seater Students Desk 25 No's)	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	yes	Tamilnadu	Tiruvallur	1,88,859	yes	–	–
4	Government Girls Higher Secondary School, Sholavaram, Chennai 600067 (5 No's steel Almirah)	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	yes	Tamilnadu	Tiruvallur	87,084	yes	–	–
5	Government PKS Boys High School, Sholavaram, Chennai ( 5 No's steel Almirah))	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	yes	Tamilnadu	Tiruvallur	82,600	yes	–	–
6	Government PKS Boys High School, Sholavaram, Chennai( PC Printers and UPS)	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	yes	Tamilnadu	Tiruvallur	80594	yes	–	–
						<b>14,39,137</b>			

d) Amount spent in administrative overheads: Nil

(e) Amount spent on impact assessment, if applicable: Nil

(f) Total amount spent for the financial year (8(b)+(8(c))+8(d)+8(e)): Rs. 14,39,137/-

(g) Excess amount for set off, if any:

S. No	Particulars	Amount (In Rs.)
i.	Two percent of average net profit of the Company as per Section 135(5)	1,436,025
ii.	Total amount spent for the financial year	1,439,137
iii.	Excess Amount spent for the Financial Year (ii – i)	3,112
iv.	Surplus arising out of CSR projects or programs or activities of the previous financial years, if any	NIL
v.	Amount available for set off in the succeeding financial years (iii – iv)	3,112

9. (a) Details of unspent CSR amount for the preceding three financial years:

S.No.	Preceding financial years	Amount spent in the reporting Financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
			Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable						

## Panasonic Appliances India Company Limited

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

S.No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting financial year	Status of the Project completed/ ongoing
No ongoing project was undertaken during last three financial years								

10. Detail relating to creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

- (a) Date of creation or acquisition of the capital asset(s): Nil
- (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Nil
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Nil

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): Not applicable

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

**T. Ganesan**  
*Managing Director*  
 DIN: 08377223

**K. Subramanian**  
*Director*  
 DIN: 00019088

Chennai, August 29, 2022

# Panasonic Appliances India Company Limited

## ANNEXURE 4

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

#### (a) CONSERVATION OF ENERGY

(i)	the steps taken or impact on conservation of energy	<p>1. Introduction of LED light fittings instead of Fluorescent lamp for the FY-21-22</p> <table border="1"> <thead> <tr> <th>Description</th><th>Before</th><th>Now</th></tr> </thead> <tbody> <tr> <td>Fluorescent lamp (72W X 140Nos. X 18hrs)/1000</td><td>181.44 Units</td><td></td></tr> <tr> <td>Fluorescent lamp (96W X 30 Nos. X 12hrs)/1000</td><td>34.6 Units</td><td></td></tr> <tr> <td>Fluorescent lamp (14W X 55Nos. X 9hrs)/1000</td><td>7 Units</td><td></td></tr> <tr> <td>LED lamp at Shop floor (36W X 110Nos. X 18hrs)/1000</td><td></td><td>71.3 Units</td></tr> <tr> <td>LED batten lamp at Shop floor (20W X 30Nos. X 18hrs)/1000</td><td></td><td>10.8 Units</td></tr> <tr> <td>LED down lamp at Shop floor (10W X 55Nos. X 9hrs)/1000</td><td></td><td>4.95 Units</td></tr> <tr> <td>LED lamp at Street light (45W X 30Nos. X 12hrs)/1000</td><td></td><td>16.2 Units</td></tr> <tr> <td>Electricity units/day</td><td>223 Units</td><td>103.3 Units</td></tr> <tr> <td>Electricity units/month</td><td>5575 Units (223 X 25 days)</td><td>2582.5 Units (103.3 X 25 days)</td></tr> <tr> <td>Electricity cost/month</td><td>₹ 47,387 (5575 X ₹ 8.50)</td><td>₹ 21,951 (2582.5 X ₹ 8.50)</td></tr> <tr> <td>Cost saving/month</td><td>₹ 25,436</td><td></td></tr> <tr> <td>Cost saving/year in INR</td><td>₹ 305,232</td><td></td></tr> </tbody> </table> <p>2. Introduction of LED fittings results in saving of energy by 35910 Units per annual and saving of cost by ₹ 305,232 per year</p>	Description	Before	Now	Fluorescent lamp (72W X 140Nos. X 18hrs)/1000	181.44 Units		Fluorescent lamp (96W X 30 Nos. X 12hrs)/1000	34.6 Units		Fluorescent lamp (14W X 55Nos. X 9hrs)/1000	7 Units		LED lamp at Shop floor (36W X 110Nos. X 18hrs)/1000		71.3 Units	LED batten lamp at Shop floor (20W X 30Nos. X 18hrs)/1000		10.8 Units	LED down lamp at Shop floor (10W X 55Nos. X 9hrs)/1000		4.95 Units	LED lamp at Street light (45W X 30Nos. X 12hrs)/1000		16.2 Units	Electricity units/day	223 Units	103.3 Units	Electricity units/month	5575 Units (223 X 25 days)	2582.5 Units (103.3 X 25 days)	Electricity cost/month	₹ 47,387 (5575 X ₹ 8.50)	₹ 21,951 (2582.5 X ₹ 8.50)	Cost saving/month	₹ 25,436		Cost saving/year in INR	₹ 305,232	
Description	Before	Now																																							
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Cost saving/year in INR	₹ 305,232																																								
(ii)	Steps taken by the Company for utilising alternate sources of energy	There is no utilization of alternate source of energy																																							
(iii)	Capital investment on energy conservation equipments	Cost of LED fittings ₹ 136,375																																							

#### (B) TECHNOLOGY ABSORPTION

(i)	Efforts made towards technology absorption	<p>By availing technical assistance from Panasonic Corporation Japan, Development has been made towards manufacturing of new products such as:</p> <ul style="list-style-type: none"> <li>➤ By utilizing the design collaboration with local design company for Mixer new body shape, the Company has successfully developed the AE series Mixer Grinder (with body new shape <i>plus</i> 750W motor) for domestic market.</li> <li>➤ Successfully developed 1.8L(SUS) Stainless Steel Rice Cooker in G Series for domestic market</li> </ul>
(ii)	Benefits derived from key projects like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> <li>➤ Successfully transferred the WN36 &amp; E28 Rice Cooker models by manufacturing location change from PMMA, Malaysia to PAPIN for Enhancement of Global Competition and Started sales to Malaysia and Singapore.</li> <li>➤ Successfully expanded the export market of Rice cooker to Malaysia, Singapore, USA and Canada..</li> <li>➤ Successfully expanded the export market of AV Series Mixer Grinder to Srilanka and Bangladesh</li> </ul> <p>Value engineering activities in materials, resulted the benefit of Material localization activities, resulted the benefit of</p>

## Panasonic Appliances India Company Limited

### (B) TECHNOLOGY ABSORPTION

(iii)	Information regarding imported technology (last three years)  a. Technology Imported b. The year of Import c. Whether Technology been fully absorbed d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof	Products imported during last three years	
		Year	Products
		2019-20	UH36 series cooker introduced for Japan, Hong Kong and India
		2020-21	NIL
		2021-22	WN36 Rice Cooker introduced for Malaysia and Singapore. 2363Z Rice Cooker introduced for USA and Canada
		— — — —	
(iv)	The expenditure incurred on Research and Development	₹ 15,789,883.70	

### (C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ Crore)

Particulars	Current year [2021 - 2022]	Previous year [2020 - 2021]
Foreign exchange earned	101.40	73.01
Foreign exchange used (outgo)	82.82	48.66

# Panasonic Appliances India Company Limited

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## Independent Auditor's Report

### To the Members of Panasonic Appliances India Company Limited

Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Panasonic Appliances India Company Limited (the "Company") which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

## Panasonic Appliances India Company Limited

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e. The matter described in the Basis for Qualified Opinion paragraph in "Annexure B" with respect to adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the Company, in our opinion, may have an adverse effect on the functioning of the Company.
  - f. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

## Panasonic Appliances India Company Limited

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- a. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 29 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 47 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 47 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No.:101248W/W-100022

Place: Chennai  
Date: 29 August 2022

**Nachiappan Subramanian**  
*Partner*  
Membership No.: 218727  
ICAI UDIN:22218727AQFDRO9186

# Panasonic Appliances India Company Limited

## Annexure A to the Independent Auditor's Report on the Financial Statements of Panasonic Appliances India Company Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it and the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

## Panasonic Appliances India Company Limited

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According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are set out in Appendix 1.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix)
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
  - (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
  - (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
  - (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.
  - (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(f) is not applicable.
- (x)
  - (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi)
  - (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
  - (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are

## Panasonic Appliances India Company Limited

in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

*Chartered Accountants*

Firm's Registration No.:101248W/W-100022

**Nachiappan Subramanian**

*Partner*

Membership No.: 218727

ICAI UDIN:22218727AQFDRO9186

Place: Chennai

Date: 29 August 2022

## Panasonic Appliances India Company Limited

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### Appendix I

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

Name of statute	Period to which it relates	Nature of dues	Forum where the dispute is pending	Amount (INR lakhs)
West Bengal Sales tax Act, 1994	FY 2001-2003	Sales tax	Assistant Commissioner, SalesTax (Appeals)	2.21
West Bengal Value Added Tax Act, 2003	FY 2010-2011	Sales tax	West Bengal Sale Tax Appellate and Revisionary Board	2.18
Finance Act, 1994	April 2006 - September 2010	Service tax	Customs, Excise and Service Tax Appellate Tribunal, Chennai	64.02

\*Net off INR 1,000,000 paid under protest

# **Panasonic Appliances India Company Limited**

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## **Annexure B to the Independent Auditor's Report on the financial statements of Panasonic Appliances India Company Limited for the year ended 31 March 2022**

### **Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

#### **Qualified Opinion**

We have audited the internal financial controls with reference to financial statements of Panasonic Appliances India Company Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, except for the possible effects of the material weaknesses described below on the achievement of the objectives of the control criteria, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

We have considered the material weaknesses identified and reported below in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended 31 March 2022 and the material weaknesses do not affect our opinion on the said financial statements.

#### **Basis for Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31 March 2022:

1. the Company did not have an appropriate internal control system surrounding pricing for purchase of materials and moulding parts, and vendor evaluation at frequent intervals; and
2. the Company did not have an appropriate internal control system for marketing schemes to be applied to each customer, factors considered for its basis and business case which could potentially result in misstatements in the financial statements.

#### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of

## **Panasonic Appliances India Company Limited**

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internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

*Chartered Accountants*

Firm's Registration No.: 101248W/W-100022

**Nachiappan Subramanian**

*Partner*

Membership No.: 218727

ICAI UDIN: 22218727AQFDRO9186

Place: Chennai

Date: 29 August 2022

# Panasonic Appliances India Company Limited

## BALANCE SHEET AS AT MARCH 31, 2022

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

	Note	As at March 31, 2022	As at March 31, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	1,267.67	1,267.67
Reserves and surplus	4	5,431.19	4,397.77
		<b>6,698.86</b>	<b>5,665.44</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	17.70	100.00
Deferred tax liabilities (net)	6	63.73	-
Long-term provisions	7	139.63	163.83
		<b>221.06</b>	<b>263.83</b>
<b>Current liabilities</b>			
Short-term borrowings	8	1,307.50	250.00
Trade payables	9		
- total outstanding dues to micro enterprises and small enterprises; and		191.63	330.37
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,486.92	4,340.06
Other current liabilities	10	497.46	503.14
Short-term provisions	11	397.42	392.32
		<b>7,880.93</b>	<b>5,815.89</b>
<b>TOTAL</b>		<b>14,800.85</b>	<b>11,745.16</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12A	3,377.60	3,281.56
Intangible assets	12B	10.98	10.56
Capital work in progress	12C	25.64	11.80
		<b>3,414.22</b>	<b>3,303.92</b>
Long-term loans and advances	13	466.36	324.33
Other non-current assets	14	68.01	74.58
		<b>3,948.59</b>	<b>3,702.83</b>
<b>Current assets</b>			
Inventories	15	4,662.52	3,231.07
Trade receivables	16	4,247.66	3,201.29
Cash and cash equivalents	17	98.02	496.88
Short-term loans and advances	18	1,602.74	953.91
Other current assets	19	241.32	159.18
		<b>10,852.26</b>	<b>8,042.33</b>
<b>TOTAL</b>		<b>14,800.85</b>	<b>11,745.16</b>

Significant accounting policies

2.1

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

As per our report of even date attached

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

Chartered Accountants

Firm registration No. : 101248W/W-100022

**Nachiappan Subramanian**

Partner

Membership No.: 218727

for and on behalf of the Board of Directors of

**Panasonic Appliances India Company Limited**

CIN: U30007TN1988PLC016184

**T. Ganesan**

Managing Director

DIN: 08377223

**Ajit Gopal Nambiar**

Director

DIN: 00228857

**Ajay Shukla**

Company Secretary

Membership No. ACS 36992

**K. Subramanian**

Director

DIN: 00019088

**Ken Nakayama**

Executive Director

DIN: 08377188

**J. Satish Kumar**

Chief Financial Officer

Chennai, August 29, 2022

Chennai, August 29, 2022

# Panasonic Appliances India Company Limited

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

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

	Note	Year ended March 31, 2022	Year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	20	35,192.15	25,567.64
Other income	21	449.81	351.61
<b>Total income</b>		<b>35,641.96</b>	<b>25,919.25</b>
<b>EXPENSES</b>			
Cost of material consumed	22	22,049.31	14,052.91
Purchases of stock-in-trade	23	452.59	440.16
Change in inventories of finished goods, work-in-progress and stock-in-trade	24	(480.20)	370.96
Employee benefits expense	25	3,984.72	3,514.37
Finance costs	26	72.81	104.03
Depreciation and amortization expense	27	530.90	531.45
Other expenses	28	7,923.01	5,843.49
<b>Total expenses</b>		<b>34,533.14</b>	<b>24,857.37</b>
<b>Profit before tax</b>		<b>1,108.82</b>	<b>1,061.88</b>
<b>Income tax expenses</b>			
Current tax		203.15	188.02
Adjustment relating to earlier period		-	3.38
Less: Minimum Alternate Tax ('MAT') credit entitlement		(191.48)	(188.02)
Less: MAT credit entitlement relating to earlier period		-	(0.37)
Net current tax expense		11.67	3.01
Deferred tax		63.73	-
<b>Total tax expenses</b>		<b>75.40</b>	<b>3.01</b>
<b>Profit for the year</b>		<b>1,033.42</b>	<b>1,058.87</b>
<b>Earnings per equity share</b>	41		
Face value per share		10.00	10.00
Weighted average number of equity shares (Nos.)		12,676,700	12,676,712
Basic earnings per share		8.15	8.35
Diluted earnings per share		8.15	8.35

Significant accounting policies 2.1

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

As per our report of even date attached

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

**Nachiappan Subramanian**  
Partner  
Membership No.: 218727

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

**T. Ganesan**  
Managing Director  
DIN: 08377223

**Ajit Gopal Nambiar**  
Director  
DIN: 00228857

**Ajay Shukla**  
Company Secretary  
Membership No. ACS 36992

**K. Subramanian**  
Director  
DIN: 00019088

**Ken Nakayama**  
Executive Director  
DIN: 08377188

**J. Satish Kumar**  
Chief Financial Officer

Chennai, August 29, 2022

Chennai, August 29, 2022

# Panasonic Appliances India Company Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

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

	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>1,108.82</b>	<b>1,061.88</b>
Adjustments:		
Depreciation and amortization	530.90	531.45
Interest income	(4.00)	(2.41)
Liabilities no longer required written back	(6.51)	(4.58)
Provision/(write back of provision) for inventories	-	1.84
Provision for doubtful trade receivables	4.02	11.58
Bad debts written off	-	1.10
Inventory written off	41.56	3.86
Unrealised foreign exchange loss	(2.71)	6.24
Finance costs	72.81	104.03
(Profit) / Loss on sale/retirement of property, plant and equipment	(0.10)	8.70
	<b>635.97</b>	<b>661.81</b>
<b>Operating cash flow before working capital changes</b>	<b>1,744.79</b>	<b>1,723.69</b>
<b>Movements in working capital:</b>		
Decrease/(increase) in inventories	(1,473.01)	22.53
(Increase)/Decrease in trade receivables	(1,038.57)	(72.14)
Increase in other assets	(724.56)	(187.95)
Increase in trade payables	992.50	790.13
Increase/(decrease) in other current liabilities	34.90	(1,177.01)
(Decrease)/increase in long-term and short-term provisions	39.15	(64.99)
<b>Cash generated from operating activities</b>	<b>(424.80)</b>	<b>1,034.26</b>
Income tax (paid)/refund received, (net)	(206.00)	(57.20)
<b>Net cash generated from operating activities (A)</b>	<b>(630.80)</b>	<b>977.06</b>
<b>Cash flow from investing activities</b>		
Payment towards purchase of Property, plant and equipment (including capital work-in-progress, capital advances and capital creditors)	(687.31)	(435.35)
Proceeds from sale of Property, plant and equipment	12.56	2.43
Interest received	4.34	3.77
<b>Net cash used in investing activities (B)</b>	<b>(670.41)</b>	<b>(429.15)</b>

# Panasonic Appliances India Company Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

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

	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flow from financing activities</b>		
Proceeds from borrowings	1,129.52	100.00
Repayments of borrowings	(154.32)	(50.00)
Finance costs paid	(72.85)	(104.01)
<b>Net cash generated/(used in) from financing activities (C)</b>	<b>902.35</b>	<b>(54.01)</b>
<b>Net (Decrease)/increase in cash and cash equivalents (A + B + C)</b>	<b>(398.86)</b>	<b>493.90</b>
Cash and cash equivalents at the beginning of the year	496.88	2.98
<b>Cash and cash equivalents at the end of the year (see below)</b>	<b>98.02</b>	<b>496.88</b>
<b>Notes to cash flow statement</b>		
<b>Components of cash and cash equivalents</b>		
Balances with banks		
- in current account	97.02	96.88
- in deposit account	1.00	400.00
<b>Total cash and cash equivalents (Refer note 17)</b>	<b>98.02</b>	<b>496.88</b>

Significant accounting policies (Refer note 2.1)

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

As per our report of even date attached

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

Chartered Accountants

Firm registration No. : 101248W/W-100022

**Nachiappan Subramanian**

Partner

Membership No.: 218727

*for* and on behalf of the Board of Directors of

**Panasonic Appliances India Company Limited**

CIN: U30007TN1988PLC016184

**T. Ganesan**

Managing Director

DIN: 08377223

**Ajit Gopal Nambiar**

Director

DIN: 00228857

**Ajay Shukla**

Company Secretary

Membership No. ACS 36992

Chennai, August 29, 2022

**K. Subramanian**

Director

DIN: 00019088

**Ken Nakayama**

Executive Director

DIN: 08377188

**J. Satish Kumar**

Chief Financial Officer

Chennai, August 29, 2022

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

### Significant accounting policies and notes on accounts

#### 1 Company overview

Panasonic Appliances India Company Limited ("the Company") was incorporated on September 9, 1988 under The Companies Act, 1956. The Company is a subsidiary of Panasonic Corporation, Japan. The Company is primarily engaged in the business of manufacture and sale of consumer durable products such as electric rice cookers, mixer grinders and wet grinders. The Company has its manufacturing facility in Shoalaram Village, Chennai.

#### 2 Basis of preparation

These financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention using the accrual basis. GAAP comprises accounting standards as prescribed under Section 133 of The Companies Act, 2013 ('Act'), other pronouncements of The Institute of Chartered Accountants of India and the provisions of the Act.

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

#### 2.1 Summary of significant accounting policies

##### a) Use of estimates

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

##### b) Property, plant and equipment

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

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

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

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

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

## Panasonic Appliances India Company Limited

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### c) Intangible assets

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

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

### d) Impairment

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

### e) Leases

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

### f) Inventories

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

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

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

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

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

### g) Employee benefits

#### Short term employee benefits

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

# Panasonic Appliances India Company Limited

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## Post-employment benefits

### Defined contribution plans

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

### Defined benefits plans

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

### Compensated absences

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

## h) Revenue recognition

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

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

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

## i) Borrowing costs

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

## j) Foreign exchange transactions

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

## k) Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis. Provision in respect of loss

# Panasonic Appliances India Company Limited

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contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.

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

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

## **l) Income taxes**

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

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

## **m) Earnings per share**

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

## **n) Cash and cash equivalents**

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

## **o) Segment reporting**

### **Identification of segments**

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

### **Segment policies**

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

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

## **p) Cash flow statement**

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

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>3. Share capital</b>		
<b>Authorised shares</b>		
13,000,000 (Previous year: 13,000,000) equity shares of ₹10 each	<u>1,300.00</u>	<u>1,300.00</u>
<b>Issued, subscribed and fully paid up shares</b>		
12,676,712 (Previous year: 12,676,712) equity shares of ₹10 each fully paid	1,267.67	1,267.67
<b>Total issued, subscribed and fully paidup share capital</b>	<u><b>1,267.67</b></u>	<u><b>1,267.67</b></u>

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

	As at March 31, 2022		As at March 31, 2021	
	No.	₹	No.	₹
At the beginning of the year	12,676,712	1,267.67	12,676,712	1,267.67
Add: Shares issued during the year	-	-	-	-
At the end of the year	<b>12,676,712</b>	<b>1,267.67</b>	<b>12,676,712</b>	<b>1,267.67</b>

### b) Rights, preferences and restrictions attached to equity shares

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

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

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

	As at March 31, 2022		As at March 31, 2021	
	No.	₹	No.	₹
Equity shares of ₹10 each fully paid up held by Panasonic Corporation (Refer note below)	12,097,175	95.43%	12,097,175	95.43%

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

	As at March 31, 2022		As at March 31, 2021	
	No.	% of holding	No.	% of holding
Equity shares of ₹10 each fully paid up held by Panasonic Corporation, Japan	12,097,175	95.43%	12,097,175	95.43%

### e) There were no bonus shares or buy-back of shares or shares issued for consideration other than cash during a period of five years immediately preceding financial year ended March 31, 2022

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

			As at March 31, 2022	As at March 31, 2021
<b>(f) Shareholding of promoters</b>				
<b>Name of Promoter</b>	<b>As at March 31, 2022</b>			
	<b>No. of shares at the beginning of the year</b>	<b>Movement during the year</b>	<b>No. of shares at the end of the year</b>	<b>% of total shares</b>
Panasonic Corporation Japan	1,20,97,175	-	1,20,97,175	95.43%
Others	5,79,537	-	5,79,537	4.57%
<b>Total</b>	<b>1,26,76,712</b>	<b>-</b>	<b>1,26,76,712</b>	<b>100.00%</b>
<b>Name of Promoter</b>	<b>As at March 31, 2021</b>			
	<b>No. of shares at the beginning of the year</b>	<b>Movement during the year</b>	<b>No. of shares at the end of the year</b>	<b>% of total shares</b>
Panasonic Corporation Japan	1,20,97,175	-	1,20,97,175	95.43%
Others	5,79,537	-	5,79,537	4.57%
<b>Total</b>	<b>1,26,76,712</b>	<b>-</b>	<b>1,26,76,712</b>	<b>100.00%</b>
<b>4. Reserves and surplus</b>				
<b>Capital reserve</b>				
At the commencement and at the end of the year			26.14	26.14
<b>Closing balance</b>			<b>26.14</b>	<b>26.14</b>
<b>Securities premium account</b>				
At the commencement and at the end of the year			3,828.01	3,828.01
<b>Closing balance</b>			<b>3,828.01</b>	<b>3,828.01</b>
<b>General reserve</b>				
At the commencement and at the end of the year			3.54	3.54
<b>Closing balance</b>			<b>3.54</b>	<b>3.54</b>
<b>Surplus/(deficit) in the statement of profit and loss</b>				
Surplus/(deficit) at the commencement of the year			540.08	(518.78)
Profit for the year			1,033.42	1,058.86
<b>Net surplus in the statement of profit and loss</b>			<b>1,573.50</b>	<b>540.08</b>
<b>Total reserves and surplus</b>			<b>5,431.19</b>	<b>4,397.77</b>
<b>5 Long term borrowings</b>				
Term loan from banks (Unsecured) (Refer note below)			200.00	350.00
Vehicle loan from banks (Secured) (Refer note below)			25.20	-
Less: Current maturities of long term borrowings (Refer note 8)			(207.50)	(250.00)
			<b>17.70</b>	<b>100.00</b>

### Note

#### a) Particulars and terms of repayment:

- Loan from The Bank of Tokyo Mitsubishi UFJ amounting to Nil (Previous year: ₹ 200.00 lakhs) was availed in May 2019 and was repayable on May 24, 2021. Interest is computed at rate of 9.10% per annum.
  - Loan from The Bank of Tokyo Mitsubishi UFJ amounting to Nil (Previous year: ₹ 25.00 lakhs) was availed in July 2019 and was repayable in 2 equal annual instalments starting from July 2020. Interest is computed at rate of 9.00% per annum.
  - Loan from The Bank of Tokyo Mitsubishi UFJ amounting to Nil (Previous year: ₹ 25.00 lakhs) was availed in September 2019 and was repayable in 2 equal annual instalments starting from September 2020. Interest is computed at rate of 9.00% per annum.
  - Loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹ 200.00 lakhs (Previous year: ₹ 100.00 lakhs) were availed in February 25, 2021 and April 20, 2021 and are repayable in 4 equal quarterly instalments starting from May 2022. Interest is computed at rate of 7.00% per annum.
  - Vehicle loan from HDFC Bank amounting to ₹ 29.52 lakhs (Previous year: Nil) was availed in July 2021 and is repayable in 48 equal monthly instalments starting from August 2021. Interest is computed at rate of 7.65% per annum.
- b) The Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date. Further, short term loans availed have not been utilised for long term purposes by the Company.

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>6. Deferred taxes liabilities (net)</b>		
<b>Deferred tax liabilities</b>		
Excess Depreciation as per books over Depreciation as per Income tax act, 1961	178.85	180.43
<b>Gross deferred tax liability</b>	<b>178.85</b>	<b>180.43</b>
<b>Deferred tax asset</b>		
Provision for employees benefits	69.18	62.89
Provision for doubtful debts	8.21	8.24
Provision for inventory	20.62	11.41
Provision for warranty	1.25	-
Brought forward losses and unabsorbed depreciation	15.86	97.89
<b>Gross deferred tax asset</b>	<b>115.12</b>	<b>180.43</b>
<b>Net deferred tax liability</b>	<b>63.73</b>	<b>-</b>
<b>7 Long term provisions</b>		
<b>Provision for employees benefits</b>		
Compensated absences	114.05	110.02
<b>Other provisions</b>		
Provision for warranties (Refer note 39)	25.58	53.81
	<b>139.63</b>	<b>163.83</b>
<b>8 Short-term borrowings</b>		
Working capital loan (unsecured)	1,100.00	-
Current maturities of long term borrowings (Refer note 5)	207.50	250.00
	<b>1,307.50</b>	<b>250.00</b>

### Note: Particulars and terms of repayment:

(i) Working capital loan from The Bank of Tokyo Mitsubishi UFJ is unsecured and are repayable in 7-14 days.

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>9. Trade payables</b>		
-dues of micro enterprises and small enterprises (Refer note 36)	191.63	330.37
-dues of creditors other than micro enterprises and small enterprises	5,486.92	4,340.06
	<b><u>5,678.55</u></b>	<b><u>4,670.43</u></b>
Also refer note 43 for ageing of trade payables		
<b>10 Other current liabilities</b>		
Employee benefits payable	103.25	174.39
Statutory dues payable	228.40	122.15
Advances from customers	95.64	91.42
Payable towards purchase of fixed assets	48.18	88.72
Deposits from customers	5.99	5.49
Interest accrued but not due on borrowings	0.66	0.70
Other payable	15.34	20.27
	<b><u>497.46</u></b>	<b><u>503.14</u></b>
<b>11 Short term provisions</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (Refer note 37)	54.11	28.18
Compensated absences	15.88	11.19
<b>Other provision</b>		
Provision for warranties (Refer note 39)	141.63	108.90
Provision for tax (net of advance tax)*	185.80	244.05
	<b><u>397.42</u></b>	<b><u>392.32</u></b>

\* Advance tax ₹ 58.25 lakhs (Previous year: ₹ 20.88 lakhs)

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

### 12A. Property, plant and equipment

	Free hold land	Building	Plant and machinery	Furniture and fitting	Office equipment	Vehicles	Total
<b>Gross block</b>							
Balance as at April 1, 2020	21.17	1,226.38	6,438.60	232.49	317.75	117.98	8,354.37
Additions during the year	-	-	411.12	12.12	47.33	-	470.57
Disposals during the year	-	-	62.21	2.47	2.89	-	67.57
<b>Balance as at March 31, 2021</b>	<b>21.17</b>	<b>1,226.38</b>	<b>6,787.51</b>	<b>242.14</b>	<b>362.19</b>	<b>117.98</b>	<b>8,757.37</b>
Additions during the year	-	41.70	472.80	45.28	42.20	31.69	633.67
Disposals during the year	-	1.01	94.85	1.67	50.97	9.89	158.39
<b>Balance as at March 31, 2022</b>	<b>21.17</b>	<b>1,267.07</b>	<b>7,165.46</b>	<b>285.75</b>	<b>353.42</b>	<b>139.78</b>	<b>9,232.65</b>
<b>Accumulated depreciation</b>							
Balance as at April 1, 2020	-	380.88	4,222.53	122.11	221.96	62.43	5,009.91
Depreciation for the year	-	30.87	423.57	16.73	42.03	9.13	522.33
Accumulated depreciation on disposal during the year	-	-	52.14	1.56	2.73	-	56.43
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>411.75</b>	<b>4,593.96</b>	<b>137.28</b>	<b>261.26</b>	<b>71.56</b>	<b>5,475.81</b>
Depreciation for the year	-	29.10	423.84	17.22	43.07	11.95	525.18
Accumulated depreciation on disposal during the year	-	0.39	84.13	1.62	50.40	9.40	145.94
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>440.46</b>	<b>4,933.67</b>	<b>152.88</b>	<b>253.93</b>	<b>74.11</b>	<b>5,855.05</b>
<b>Net block</b>							
<b>Balance as at March 31, 2021</b>	<b>21.17</b>	<b>814.63</b>	<b>2,193.55</b>	<b>104.86</b>	<b>100.93</b>	<b>46.42</b>	<b>3,281.56</b>
<b>Balance as at March 31, 2022</b>	<b>21.17</b>	<b>826.61</b>	<b>2,231.79</b>	<b>132.87</b>	<b>99.49</b>	<b>65.67</b>	<b>3,377.60</b>

#### Note:

- The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- The Company has not revalued its Property, Plant and Equipment during the year.

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

### 12B. Intangible assets

	Software	Technical know-how	Total
<b>Gross block</b>			
Balance as at April 1, 2020	117.45	201.49	318.94
Additions during the year	3.74	-	3.74
Disposals during the year	-	-	-
<b>Balance as at March 31, 2021</b>	<b>121.19</b>	<b>201.49</b>	<b>322.68</b>
Additions during the year	6.14	-	6.14
Disposals during the year	-	-	-
<b>Balance as at March 31, 2022</b>	<b>127.33</b>	<b>201.49</b>	<b>328.82</b>
<b>Accumulated amortisation</b>			
Balance as at April 1, 2020	101.51	201.49	303.00
Amortisation during the year	9.12	-	9.12
Accumulated amortisation on disposal during the year	-	-	-
<b>Balance as at March 31, 2021</b>	<b>110.63</b>	<b>201.49</b>	<b>312.12</b>
Amortisation during the year	5.72	-	5.72
Deletions during the year	-	-	-
<b>Balance as at March 31, 2022</b>	<b>116.35</b>	<b>201.49</b>	<b>317.84</b>
<b>Net block</b>			
<b>Balance as at March 31, 2021</b>	<b>10.56</b>	<b>-</b>	<b>10.56</b>
<b>Balance as at March 31, 2022</b>	<b>10.98</b>	<b>-</b>	<b>10.98</b>

**Note:** The Company does not have any Intangible assets under development as on March 31, 2022.

### 12C Capital work-in-progress ("CWIP")

Balance as at April 1, 2020	83.13
Addition during the year	11.80
Capitalised during the year	83.13
<b>Balance as at March 31, 2021</b>	<b>11.80</b>
Addition during the year	647.51
Capitalised during the year	633.67
<b>Balance as at March 31, 2022</b>	<b>25.64</b>

**Note:** The Company does not have any capital-work-in progress which is overdue or has exceeded its cost compared to its original plan.

Also refer note 45 for ageing of capital work-in-progress

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>13 Long-term loans and advances</b>		
<b>Unsecured and considered good</b>		
<b>To parties other than related parties</b>		
Capital advances	8.41	2.91
Balances with government authorities	11.63	11.19
Advance income tax (net of provision of tax)*	19.50	72.16
<b>Other advances</b>		
MAT credit entitlement	426.82	238.07
Considered good	-	-
Considered doubtful	48.02	48.02
Less: Provision for doubtful advances	(48.02)	(48.02)
	<b><u>466.36</u></b>	<b><u>324.33</u></b>
*Provision for tax ₹ 191.48 lakhs (Previous year ₹ 11.72 lakhs)		
<b>Note:</b> The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.		
<b>14 Other non-current assets</b>		
Rental deposit	8.27	5.52
Security deposits	59.74	69.06
	<b><u>68.01</u></b>	<b><u>74.58</u></b>
<b>15 Inventories(valued at lower of cost and net realizable value)</b>		
Raw materials*	2,725.92	1,756.44
Work-in-progress	723.69	529.76
Finished goods	898.23	705.55
Stock-in-trade	257.78	164.19
Stores and spares	131.02	116.13
	<b><u>4,736.64</u></b>	<b><u>3,272.07</u></b>
Less: Provision for slow and non moving inventories	(74.12)	(41.00)
	<b><u>4,662.52</u></b>	<b><u>3,231.07</u></b>
* Includes goods-in-transit ₹ 377.79 lakhs (Previous year ₹ 197.98 lakhs)		

**Note:** The Company has physically verified the inventories at reasonable intervals and there are no discrepancies of 10% or more in the aggregate for each class of inventory upon such verification.

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>16 Trade receivables</b> (Refer note 44 for ageing schedule of Trade receivables)		
<b>Unsecured</b>		
<b>Receivable outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	-	5.04
Unsecured, considered doubtful	29.51	29.60
Less: Provision for doubtful debts	(29.51)	(29.60)
	<u>-</u>	<u>5.04</u>
<b>Other receivables</b>		
Unsecured, considered good	4,247.66	3,196.25
	<u>4,247.66</u>	<u>3,196.25</u>
	<u>4,247.66</u>	<u>3,201.29</u>
<b>17 Cash and cash equivalents</b>		
Balances with banks		
- in current account	97.02	96.88
- in deposit account	1.00	400.00
	<u>98.02</u>	<u>496.88</u>
<b>Details of bank balances / deposits</b>		
Bank balances available on demand/deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	98.02	496.88
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	-	-
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets'	-	-
<b>18 Short-term loans and advances</b>		
<b>Unsecured and considered good</b>		
<b>To parties other than related parties</b>		
Rental deposits	16.97	18.46
Prepaid expenses	109.09	92.20
Advances to suppliers	31.01	24.13
Advances to employees	4.40	8.06
Balances with government authorities	1,431.10	800.89
Other advances	5.67	5.67
	<u>1,598.24</u>	<u>949.41</u>
<b>To related parties (Refer note 40)</b>		
Rental deposits	4.50	4.50
	<u>4.50</u>	<u>4.50</u>
	<u>1,602.74</u>	<u>953.91</u>
<b>19 Other current assets</b>		
<b>Unsecured and considered good</b>		
Interest accrued on deposit	2.57	2.91
Export benefit receivable	238.75	156.27
	<u>241.32</u>	<u>159.18</u>

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	Year ended March 31, 2022	Year ended March 31, 2021
<b>20 Revenue from operations</b>		
Sale of products	34,509.99	25,213.32
Other operating revenue (scrap sales)	682.16	354.32
	<u>35,192.15</u>	<u>25,567.64</u>
<b>Breakup of revenue from sale of products</b>		
<b>Manufactured goods</b>		
Mixer and wet grinders	16,125.35	12,858.22
Electric rice cookers	16,640.74	10,775.88
Service parts and accessories	1,274.10	991.94
	<u>34,040.19</u>	<u>24,626.04</u>
<b>Traded goods</b>		
Mixer and grinders	155.37	23.72
Electric rice cookers	-	37.53
Others	314.43	526.03
	<u>469.80</u>	<u>587.28</u>
	<u>34,509.99</u>	<u>25,213.32</u>
<b>21 Other income</b>		
Interest income on deposits	4.00	2.41
Export incentives	255.90	245.22
Profit on sale of property, plant and equipment	0.10	-
Gain on exchange fluctuation (net)	169.71	87.24
Liabilities no longer required written back	6.51	4.58
Miscellaneous income	13.59	12.16
	<u>449.81</u>	<u>351.61</u>
<b>22 Cost of material consumed</b>		
Inventories at the beginning of the year	1,756.44	1,402.30
Add: Purchases	23,018.79	14,407.05
Less: Inventories at the end of the year	(2,725.92)	(1,756.44)
	<u>22,049.31</u>	<u>14,052.91</u>

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	Year ended March 31, 2022	Year ended March 31, 2021
<b>22 Cost of raw material consumed (continued)</b>		
<b>Details of raw material consumed</b>		
Aluminium sheets and ingots	3,139.76	1,863.29
Motors	2,356.48	1,843.35
Stainless steel	1,496.41	1,146.31
Thermoplastic materials	1,705.63	968.08
Power cord	1,274.76	784.31
CRCA sheets	1,679.80	856.38
Teflon circles	123.53	238.75
Thermostat	265.30	184.05
Wetgrinder Drums	203.36	121.57
Paint	202.88	127.11
Others	9,601.40	5,919.71
	<b><u>22,049.31</u></b>	<b><u>14,052.91</u></b>
<b>Details of inventories</b>		
Aluminium sheets and ingots	299.13	238.88
Stainless steel	158.48	103.98
Motors	70.02	103.33
Power cord	209.29	82.87
Teflon circles	150.98	38.55
Thermoplastic materials	33.01	32.22
CRCA sheets	41.03	16.30
Others	1,763.98	1,140.31
	<b><u>2,725.92</u></b>	<b><u>1,756.44</u></b>
<b>23 Purchases of traded goods</b>		
Electric rice cookers	-	32.63
Mixer and grinder	230.11	-
Others	222.48	407.53
	<b><u>452.59</u></b>	<b><u>440.16</u></b>

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	Year ended March 31, 2022	Year ended March 31, 2021
<b>24 Change in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Inventories at the beginning of the year</b>		
Finished goods	705.55	1,094.94
Work-in-progress	529.76	502.85
Stock-in-trade	164.19	172.67
	<b>1,399.50</b>	<b>1,770.46</b>
<b>Inventories at the end of the year</b>		
Finished goods	898.23	705.55
Work-in-progress	723.69	529.76
Stock-in-trade	257.78	164.19
	<b>1,879.70</b>	<b>1,399.50</b>
	<b>(480.20)</b>	<b>370.96</b>
<b>Details of inventories</b>		
<b>Finished goods</b>		
Mixer and grinder	570.28	340.70
Electric rice cookers	306.92	336.77
Service parts and accessories	21.03	28.09
	<b>898.23</b>	<b>705.56</b>
<b>Work-in-progress</b>		
Electric rice cookers	447.79	298.67
Mixer and grinder	275.90	231.09
	<b>723.69</b>	<b>529.76</b>
<b>Stock-in-trade</b>		
Electric rice cooker	0.05	0.17
Mixer and grinder	125.24	-
Others	132.49	164.02
	<b>257.78</b>	<b>164.19</b>
<b>25 Employee benefits expense</b>		
Salaries, wages and bonus	3,329.60	2,951.55
Contribution to provident and other fund (Refer note 37)	211.16	175.50
Staff welfare expenses	443.96	387.32
	<b>3,984.72</b>	<b>3,514.37</b>

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	Year ended March 31, 2022	Year ended March 31, 2021
<b>26 Finance costs</b>		
Interest expenses	72.81	104.03
	<b>72.81</b>	<b>104.03</b>
<b>27 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	525.18	522.33
Amortization of intangible assets	5.72	9.12
	<b>530.90</b>	<b>531.45</b>
<b>28 Other expenses</b>		
Consumption of stores and spare parts	504.97	356.82
Power and fuel	567.54	439.46
Freight, clearing and forwarding	1,119.38	834.73
Sub-contractors charges	1,101.79	826.44
Rent (Refer note 35)	92.79	78.72
Repairs and maintenance		
-Building	24.29	25.57
-Machinery	73.13	56.79
-Others	182.91	166.78
Insurance	85.42	77.61
Rates and taxes	24.67	35.63
Travelling expenses	374.76	278.79
Legal and professional fees (Refer note below)	269.85	160.00
Advertising and sales promotion	2,343.67	1,553.84
Bank charges	11.96	7.56
Telephone and other communication expenses	164.38	125.76
Printing and stationery	21.21	19.29
Warranty costs (Refer note 39)	137.68	99.31
Product development expenses	118.98	143.67
Royalty	340.07	270.57
Brand license fees	174.43	131.43
Director sitting fees	15.73	14.60
CSR Expenditure (Refer note 46)	14.39	-
Stock written off	41.56	3.86
Bad debts written off	-	1.10
Provision for inventory (net)	-	1.84
Provision for bad and doubtful debts (net)	4.02	11.58
Loss on sale/retirement of property, plant and equipment	-	8.70
Miscellaneous expenses	113.43	113.04
	<b>7,923.01</b>	<b>5,843.49</b>
<b>Details of Payment to auditor (exclusive of tax)</b>		
<b>As auditor:</b>		
Audit fees	34.00	27.00
Tax audit fees	2.00	2.00
Reimbursement of expenses	3.10	1.94
	<b>39.10</b>	<b>30.94</b>

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>29 Contingent liabilities</b>		
<b>29.1 Claims against the Company not acknowledged as debts</b>		
Finance Act, 1994	74.02	74.02
West Bengal Value Added Tax Act, 2003	2.18	37.78
West Bengal Sales tax Act, 1994	2.21	2.21
Central Excise Act, 1944	-	99.56
<b>29.2 Capital and other commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	232.08	42.00
<b>30 Value of imports calculated on CIF basis</b>		
	Year ended March 31, 2022	Year ended March 31, 2021
Raw materials	7,498.92	3,939.28
Stock-in-trade	343.85	322.58
Capital goods	83.77	-
<b>31 Expenditure in foreign currency (accrual basis)</b>		
	Year ended March 31, 2022	Year ended March 31, 2021
Royalty	340.07	270.57
Brand license fee	174.43	131.43
Design and consultancy charges	348.59	243.54
Travel	1.13	-
Others	29.87	41.36
	<b>894.09</b>	<b>686.90</b>

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

### 32 Imported and indigenous raw materials and components consumed

	Year ended March 31, 2022		Year ended March 31, 2021	
	Value	% of total consumption	Value	% of total consumption
<b>Raw materials and packing materials</b>				
Import	6,576.80	30%	3,926.15	28%
Indigenous	15,472.51	70%	10,126.76	72%
	<b>22,049.31</b>	<b>100%</b>	<b>14,052.91</b>	<b>100%</b>
<b>Stores and spares</b>				
Import	-	-	-	-
Indigenous	504.97	100%	356.82	100%
	<b>504.97</b>	<b>100%</b>	<b>356.82</b>	<b>100%</b>

### 33 Earnings in foreign currency (accrual basis)

	Year ended March 31, 2022	Year ended March 31, 2021
FOB value of exports	10,140.83	7,300.93

### 34 Derivative Instruments and Unhedged foreign currency exposure

#### 34.1 Derivatives outstanding as at the end of the year

During the year, a forward exchange contract of NIL (equivalent to ₹ NIL) (Previous year: USD 3.61 lakhs (equivalent to ₹ 267.24 lakhs)) was entered into by the Company to cover the forecasted imported payable transactions.

#### 34.2 Un-hedged foreign currency exposure as at the end of the year

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

	As at March 31, 2022		As at March 31, 2021	
	Amount in Foreign Currency	Amount in Indian Rupees	Amount in Foreign Currency	Amount in Indian Rupees
<b>Trade receivable</b>				
USD	22.24	1,711.25	21.21	1,503.59
EUR	0.77	63.34	0.13	9.86
<b>Trade payable</b>				
USD	24.87	1,878.92	16.66	1,221.99
JPY	101.88	49.62	40.95	27.76

### 35 Leases

#### Operating lease: Company as lessee

The Company had entered into leases for office premises and godown, all of which are cancellable. The lease period is one year and renewable at the end of the lease period. The total lease rental expense recognised in the statement of profit and loss during the year is ₹ 92.79 lakhs (Previous year: ₹ 78.72 lakhs).

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

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

The management has identified the enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Such determination/identification has been done on the basis of information received and available with the Company and relied upon by the auditors. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company.

	As at March 31, 2022	As at March 31, 2021
(a) The amounts remaining unpaid to Micro, Small and Medium Enterprises Development Act, 2006 as at the end of the period		
Principal	191.63	330.37
Interest	5.07	1.58
(b) The amount of interest paid by the buyer as per MSMED Act, 2006	1.58	4.79
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	853.24	749.56
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	4.91	1.58
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	5.07	1.58
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

### 37 Employee benefits

#### Defined contribution plans

The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The company's contribution is recognised as an expenses in the Statement of Profit and Loss during the period in which the employee renders the related service. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to ₹ 149.91 (Previous year: ₹ 130.66).

#### Defined benefit plans

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

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>A. Changes in the present value of the defined benefit obligations</b>		
Opening defined benefit obligation	627.45	577.21
Current service cost	44.70	42.91
Interest cost	39.65	37.68
Benefits paid	(23.54)	(14.18)
Actuarial (gain)/loss on obligation	10.99	(16.18)
<b>Closing defined benefit obligation</b>	<b>699.25</b>	<b>627.45</b>
<b>B. Change in plan assets</b>		
Opening fair value of plan assets	599.27	486.58
Expected return	48.13	41.98
Actuarial (loss)/gain	(6.90)	(5.75)
Contribution made in the current year	28.18	90.63
Benefits settled	(23.54)	(14.18)
<b>Closing fair value of plan assets</b>	<b>645.14</b>	<b>599.27</b>
<b>C. Actual return on plan assets</b>		
Expected return on plan assets	48.13	41.98
Actuarial (loss)/gain on plan assets	(6.90)	(5.75)
<b>Actual return on plan assets</b>	<b>41.23</b>	<b>36.23</b>
<b>D. Reconciliation of present value of the obligation and the fair value of the plan assets</b>		
Present value of defined benefit obligation	699.25	627.45
Fair value of plan assets	(645.14)	(599.27)
<b>Net liability recognised in Balance sheet</b>	<b>54.11</b>	<b>28.18</b>
<b>E. Expenses recognised in Statement of profit and loss</b>		
Current service cost	44.70	42.91
Interest cost on benefit obligation	39.65	37.68
Expected return on plan assets	(48.13)	(41.98)
Net actuarial loss/(gain) recognised in the year	17.89	(10.43)
<b>Net benefit expense included in "Employees benefits"</b>	<b>54.11</b>	<b>28.18</b>
<b>F. Assumptions at Balance sheet date</b>		
	<b>Year ended March 31, 2022</b>	<b>Year ended March 31, 2021</b>
Discount rate	6.94%	6.44%
Salary escalation rates	5.20%	5.00%
Attrition rate	5.77%	3.90%
Expected rate of return on plan assets	6.91%	8.00%

### Note:

The gratuity expenses have been recognised in "Contribution to provident and other funds" under Note 25 in the Statement of Profit and Loss.

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

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

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

	Yearended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Yearended March 31, 2019	Yearended March 31, 2018
Defined benefit obligation	699.25	627.45	577.21	456.95	391.17
Plan assets	645.14	599.27	486.58	440.98	394.44
Deficit	(54.11)	(28.18)	(90.63)	(15.97)	(46.72)
Experience adjustments on plan liabilities (loss)/gain	(14.98)	17.76	(41.34)	(7.71)	(8.42)
Experience adjustments on plan assets (loss)/gain	(6.90)	(5.75)	(2.98)	25.18	(26.07)

## 38 Segment reporting

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

### Secondary segment information

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

### Revenue

	Year ended March 31, 2022	Year ended March 31, 2021
India	25,052.18	18,266.71
Singapore	7,140.07	4,268.63
SAARC countries	2,755.40	2,676.52
Rest of the world	244.50	355.78
	<b>35,192.15</b>	<b>25,567.64</b>

### Carrying value of Segment assets

	As at March 31, 2022	As at March 31, 2021
India	12,932.90	10,231.32
Singapore	1,118.98	666.16
SAARC countries	601.83	797.75
Rest of the world	147.14	49.93
	<b>14,800.85</b>	<b>11,745.16</b>

### Other Segment information - Capital expenditure

	Year ended March 31, 2022	Year ended March 31, 2021
India		
Property, plant and equipment	633.67	470.56
Intangible assets	6.14	3.74
Capital work-in-progress	13.84	71.33
SAARC countries	-	-
Rest of the world	-	-
	<b>653.65</b>	<b>545.63</b>

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

### Segment reporting (continued)

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

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

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

	As at March 31, 2022	As at March 31, 2020
At the beginning of the year	162.71	177.56
Provision made during the year	137.68	99.31
Provision utilised during the year	(133.18)	(114.16)
<b>At the end of the year</b>	<b>167.21</b>	<b>162.71</b>
Short-term	141.63	108.90
Long-term	25.58	53.81

### 40. Related party transactions

#### A. Names of related parties and related party relationship

##### Related parties where control exists

**Holding company** Panasonic Corporation, Japan

##### Related parties with whom transactions have taken place

**Fellow subsidiaries**

- Branch of Panasonic Asia Pacific Pte. Ltd, Cambodia
- Panasonic India Private Limited
- Panasonic A.P. Sales (Thailand) Co. Ltd.
- Panasonic Asia Pacific Pte. Ltd, Myanmar
- Panasonic Australia Pty. Ltd.
- Panasonic Business Support Europe GmbH, Germany
- Panasonic Canada Inc., USA
- Panasonic Consumer Electronics Co., USA
- Panasonic Consumer Service Group Texas, USA
- Panasonic Corporation Home Appliances Company, Japan
- Panasonic Corporation of North America, USA
- Panasonic Customer Services Europe, Germany
- Panasonic DE Mexico S.A & DE C.V, USA
- Panasonic Industrial Devices Automation Controls Sales Asia Pacific, Singapore
- Panasonic Logistics Asia Pacific, Singapore
- Panasonic Malaysia Sdn. Bhd.
- Panasonic Manufacturing Philippines Corporation
- Panasonic Marketing Middle East & Africa FZE, Dubai
- Panasonic Procurement Malaysia Sdn. Bhd.
- Panasonic R&D Company of America
- Panasonic Singapore
- Panasonic Taiwan Co. Ltd.
- Panasonic UK, a branch of Panasonic Marketing Europe GmbH
- Panasonic Vietnam Co. Ltd.
- Pana Care Service Centre Co. Ltd, Myanmar

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

Panasonic Corporation Global Procurement company Ltd  
Panasonic Manufacturing Malaysia Berhad  
Panasonic Appliances R&D centre Asia Pacific SDN BHD  
PT Panasonic Gobel Indonesia  
Relo Panasonic Excel International Co. Ltd, Japan

### Key Management Personnel

T. Ganesan, Managing Director  
Jayaprakash Kalappan, Chief Financial Officer and Company Secretary  
(until February 8, 2022)  
J. Satish Kumar, Chief Financial Officer (with effect from April 26, 2022)  
Ajay Shukla, Company Secretary (with effect from August 12, 2022)

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

	Year ended March 31, 2022	Year ended March 31, 2021
<b>Sale of goods</b>		
Panasonic Logistics Asia Pacific	7,139.37	4,268.53
Panasonic Corporation Home Appliances Company	173.42	316.34
Panasonic India Private Limited	44.75	290.72
Panasonic Consumer Service Group Texas	1.01	8.33
Panasonic Marketing Middle East & Africa FZE	10.92	7.32
Panasonic Malaysia Sdn. Bhd.	8.17	6.51
Panasonic Procurement Malaysia Sdn. Bhd.	-	2.95
Panasonic Customer Services Europe	1.63	1.95
Panasonic Australia Pty. Ltd.	1.46	1.09
Panasonic A.P.Sales (Thailand) Co. Ltd.	1.13	0.81
Panasonic Manufacturing Philippines Corporation	0.40	0.41
Panasonic Vietnam Co. Ltd.	0.61	0.25
Panasonic Asia Pacific Pte. Ltd.	-	0.25
Panasonic Singapore	0.70	0.10
PT Panasonic Gobel Indonesia	0.05	0.07
Panasonic Canada Inc.	-	0.02
Panasonic DE Mexico S.A & DE C.V.	-	0.01
Pana Care Service Centre Co. Ltd.	0.10	0.00
Branch of Panasonic Asia Pacific Pte. Ltd.	0.02	-
Panasonic Corporation Global Procurement company Ltd	5.65	-
<b>Purchase of goods</b>		
Panasonic Singapore	26.35	230.44
Panasonic India Private Limited	40.79	56.37
Panasonic UK, a branch of Panasonic Marketing Europe GmbH	-	39.98
Panasonic Industrial Devices Automation Controls Sales Asia Pacific	2.02	4.04
Panasonic Corporation	0.31	1.13
Panasonic Taiwan Co. Ltd.	282.03	0.80
Panasonic Logistics Asia Pacific	-	0.09
<b>Purchase of fixed assets</b>		
Panasonic India Private Limited	-	21.70
<b>Reimbursement of expenses paid</b>		
Panasonic India Private Limited	197.22	169.75
Panasonic Corporation	182.11	85.06

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	Year ended March 31, 2022	Year ended March 31, 2021
Panasonic Manufacturing Philippines Corporation	3.40	9.39
Panasonic Corporation of North America	1.88	2.72
Panasonic Singapore	1.52	1.89
Panasonic Australia Pty. Ltd.	0.46	1.68
Panasonic Business Support Europe GmbH	1.59	0.51
Panasonic A.P. Sales (Thailand) Co. Ltd.	0.84	-
Panasonic Manufacturing Malaysia Berhad	1.44	-
Panasonic Malaysia Sdn. Bhd.	0.37	-
Panasonic Appliances R&D centre Asia Pacific SDN BHD	8.85	-
<b>Rental expense</b>		
Panasonic India Private Limited	12.21	12.21
<b>Royalty expense</b>		
Panasonic Corporation	340.07	270.57
<b>Brand license fees</b>		
Panasonic Corporation	174.43	131.43
<b>Remuneration</b>		
T. Ganesan	98.65	87.58
Jayaprakash Kalappan	59.57	51.73
Ken Nakayama	-	26.04

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

	As at March 31, 2022	As at March 31, 2021
<b>Trade receivables</b>		
Panasonic Logistics Asia Pacific	1,118.96	666.16
Panasonic India Private Limited	-	77.41
Panasonic Corporation Home Appliances Company	36.61	44.63
Panasonic Marketing Middle East & Africa FZE	3.01	1.76
Panasonic Malaysia Sdn. Bhd.	3.03	1.55
Panasonic Consumer Service Group Texas	0.08	0.62
Panasonic Asia Pacific Pte. Ltd.	-	0.09
Pana Care Service Centre Co. Ltd.	0.06	0.00
Panasonic A.P.Sales (Thailand) Co. Ltd.	0.03	-
Panasonic Manufacturing Philippines Corporation	0.02	-
Panasonic Singapore	0.02	-
Panasonic Corporation Global Procurement company Ltd	0.18	-
Panasonic Customer Services Europe	0.19	-
<b>Trade payables</b>		
Panasonic Corporation	422.94	337.10
Panasonic India Private Limited	32.50	38.81
Panasonic Corporation of North America	1.49	1.45
Panasonic Appliances R&D centre Asia Pacific SDN BHD	7.01	-

# Panasonic Appliances India Company Limited

## Notes to financial statements for the year ended March 31, 2022

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

	As at March 31, 2022	As at March 31, 2021
<b>Rent deposit paid</b>		
Panasonic India Private Limited	4.50	4.50

### 41 Earnings per share (EPS)

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

	Year ended March 31, 2022	Year ended March 31, 2021
Net profit for calculation of EPS	1,033.42	1,058.86
Weighted average number of equity shares	12,676,712	12,676,712
Basic EPS (in ₹)	8.15	8.35
Diluted EPS (in ₹)	8.15	8.35
Face value per share (in ₹)	10	10

### 42 Analytical Ratios

	Numerator	Denominator	March 31, 2022	March 31, 2021	% Vari- ance	Reason for variance
Current ratio	Current assets	Current liabilities	1.38	1.38	(0.42%)	
Debt-equity ratio	Total debt	Shareholder's equity	0.20	0.06	220.22%	As at year end, the Company had availed certain working capital facilities which has resulted in variance.
Debt service coverage ratio	Earning for debt Service <sup>1</sup>	Debt service <sup>2</sup>	1.17	3.71	(68.46%)	As at year end, the Company has availed certain short-term working capital facilities which has resulted in increase in the debt service.
Return on equity ratio	Net profits after taxes	Average share holder's equity	16.72%	20.62%	(18.92%)	
Inventory turnover ratio	Net sales	Average inventory	8.92	7.88	13.17%	
Trade receivables turnover ratio	Net sales	Average trade receivable	9.45	8.05	17.41%	
Trade payables turnover ratio	Net purchases	Average trade payables	4.54	3.47	30.76%	The Company has improved its turnover ratio due to prompt payment made to vendors.
Net capital turnover ratio	Net sales	Working capital*	11.07	10.32	7.24%	
Net profit ratio	Net profits after taxes	Net sales	2.94%	4.14%	(29.09%)	There has been an increase in the material cost during the year which has affected the margins of the Company
Return on capital employed	EBIT <sup>^</sup>	Capital employed <sup>^^</sup>	14.61%	19.38%	(24.62%)	There has been an increase in the material cost during the year which has affected the margins of the Company
Return on investment	Net Profits after taxes	Average total assets	7.79%	9.33%	(16.54%)	

# Panasonic Appliances India Company Limited

## Note:

<sup>1</sup>Earning for Debt Service = Net profit after taxes + non-cash operating expenses like depreciation and other amortizations + interest + other adjustments like loss on sale of fixed assets etc.

<sup>2</sup>Debt service = interest and lease payments + principal repayments

\*Working capital shall be calculated as current assets minus current liabilities(excluding current maturities of long term debt, lease liability and interest accrued on borrowings)

^EBIT = Earning before interest and taxes

^^Capital Employed = Tangible net worth + total debt + deferred tax liability

## 43 Trade Payables ageing schedule

	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2022</b>							
(i) MSME	-	131.25	60.38	-	-	-	<b>191.63</b>
(ii) Others	1,086.32	3,655.74	743.27	-	-	-	<b>5,485.34</b>
(iii) MSME Disputed dues	-	-	-	-	-	-	-
(iv) Others Disputed dues	-	-	1.59	-	-	-	<b>1.59</b>
<b>Total</b>	<b>1,086.32</b>	<b>3,786.99</b>	<b>805.24</b>	-	-	-	<b>5,678.55</b>
<b>March 31, 2021</b>							
(i) MSME	-	319.04	11.33	-	-	-	<b>330.37</b>
(ii) Others	582.21	2,593.81	1,161.20	-	-	-	<b>4,337.22</b>
(iii) MSME Disputed dues	-	-	-	-	-	-	-
(iv) Others Disputed dues	-	-	2.83	-	-	-	<b>2.83</b>
<b>Total</b>	<b>582.21</b>	<b>2,912.85</b>	<b>1,175.37</b>	-	-	-	<b>4,670.43</b>

## 44 Trade Receivables ageing schedule

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2022</b>							
Undisputed Trade receivables							
(i) considered good	3,442.24	804.36	1.07	-	-	-	<b>4,247.66</b>
(ii) considered doubtful	-	-	-	2.68	9.17	-	<b>11.85</b>
Disputed Trade receivables							
(iii) considered good	-	-	-	-	-	-	-
(iv) considered doubtful	-	-	-	1.33	16.33	-	<b>17.66</b>
<b>Total</b>	<b>3,442.24</b>	<b>804.36</b>	<b>1.07</b>	<b>4.01</b>	<b>25.50</b>	-	<b>4,277.17</b>
Less: Provision for doubtful debts	-	-	-	(4.01)	(25.50)	-	(29.51)
<b>Total trade receivable</b>	<b>3,442.24</b>	<b>804.36</b>	<b>1.07</b>	-	-	-	<b>4,247.66</b>

## Panasonic Appliances India Company Limited

		Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
<b>March 31, 2021</b>							
Undisputed Trade receivables							
(i) considered good	1,979.43	1,216.92	4.94	-	-	-	<b>3,201.29</b>
(ii) considered doubtful	-	-	-	11.94	-	-	<b>11.94</b>
Disputed Trade receivables							
(iii) considered good	-	-	-	-	-	-	-
(iv) considered doubtful	-	-	1.33	16.33	-	-	<b>17.66</b>
<b>Total</b>	<b>1,979.43</b>	<b>1,216.92</b>	<b>6.27</b>	<b>28.27</b>	-	-	<b>3,230.89</b>
Less: Provision for doubtful debts	-	-	(1.33)	(28.27)	-	-	(29.60)
<b>Total trade receivable</b>	<b>1,979.43</b>	<b>1,216.92</b>	<b>4.94</b>	-	-	-	<b>3,201.29</b>

### 45 Capital work-in-progress ageing schedule

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>March 31, 2022</b>					
Projects in Progress	22.10	3.54	-	-	<b>25.64</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total capital work-in-progress</b>	<b>22.10</b>	<b>3.54</b>	-	-	<b>25.64</b>
<b>March 31, 2021</b>					
Projects in Progress	11.80	-	-	-	<b>11.80</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total capital work-in-progress</b>	<b>11.80</b>	-	-	-	<b>11.80</b>

### 46 Corporate Social Responsibility

		Year ended March 31, 2022	Year ended March 31, 2021
(a)	amount required to be spent by the company during the year,	14.20	Not applicable
(b)	amount of expenditure incurred,	14.39	Not applicable
(c)	shortfall at the end of the year,	-	Not applicable
(d)	total of previous years shortfall,	-	Not applicable
(e)	reason for shortfall,	Not applicable	Not applicable
(f)	nature of CSR activities,	Promoting education	Not applicable
(g)	details of related party transactions,	Not applicable	Not applicable
(h)	where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not applicable	Not applicable

### 47 Other statutory information

- (i) The Company does not hold any Benami property and accordingly there are no proceeding that have been initiated

## Panasonic Appliances India Company Limited

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or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

- (ii) The Company has no borrowings from banks and Financial Institution on the basis of security of current asset.
- (iii) The Company has not been declared wilful defaulter by any bank or financial institutional or government or any government authority.
- (iv) The Company has no transaction with the Companies Struck off under Companies Act, 2013 or Companies Act, 1956
- (v) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.
- (vi) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (ix) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

### 48 Transfer pricing

The Company has entered into international transactions with related parties. For the year ended March 31, 2021 the Company has obtained an Accountant's report from a Chartered Accountant in respect of international/domestic transactions with related parties as required by the relevant provisions of the Income Tax Act, 1961 and the same has been filed with tax authorities. For the current year, the Company confirms that it has maintained documents as prescribed by the Income Tax Act, 1961, to prove that these international/domestic transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

- 49 During the year ended March 31, 2021 based on the Management's commitment towards continuous improvement of the business and operational efficiency, and strengthening of internal controls, the management initiated an examination and assessment of the marketing and procurement expenditure by engaging an independent external expert. The report of the independent external expert did not identify the occurrence of any financial irregularities. The management had evaluated the implications of the observations in the report and concluded that there are no material misstatements in the financial statements in the past years in this regard. However, such evaluation identified certain material weaknesses in the internal controls related to the marketing and procurement expenditure which may potentially result in misstatements. The management has initiated the process of strengthening the controls related to the aforesaid processes and estimates that the necessary changes would be effected before end of the financial year ended March 31, 2023.

- 50 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets including trade receivables, inventories and other current/noncurrent assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has used internal and external sources of information on the expected future performance of the Company.

## Panasonic Appliances India Company Limited

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The Company has performed sensitivity analysis (wherever applicable) on the assumptions used and based on current estimates expects that the carrying amount of these assets will be recovered. The Company will continue to closely monitor any material changes to future economic conditions.

### 51 Prior period comparatives

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

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As per our report of even date attached

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

*Chartered Accountants*

Firm registration No. : 101248W/W-100022

**Nachiappan Subramanian**

*Partner*

Membership No.: 218727

*for* and on behalf of the Board of Directors of

**Panasonic Appliances India Company Limited**

CIN: U30007TN1988PLC016184

**T. Ganesan**

*Managing Director*

DIN: 08377223

**Ajit Gopal Nambiar**

*Director*

DIN: 00228857

**Ajay Shukla**

*Company Secretary*

Membership No. ACS 36992

**K. Subramanian**

*Director*

DIN: 00019088

**Ken Nakayama**

*Executive Director*

DIN: 08377188

**J. Satish Kumar**

*Chief Financial Officer*

Chennai, August 29, 2022

Chennai, August 29, 2022

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POWER AND CONVENIENCE AT ITS BEST

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A SINGLE  
PEPPER



1 JAR - 3 LIDS MULTIPLE USES

750 W



MX-AE475 (4 Jars) | • Red



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FOR CHUTNEY  
GRINDING



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FOR BLENDING &  
BATTER GRINDING



SPICE GRINDING LID



FOR DRY GRINDING

## SUPER MIXER GRINDERS



MX-AE475 (4 Jars) | • Silver • Black



MX-AE375 (3 Jars) | • Blue



MX-AE375 (3 Jars) | • White • Black



MX-AE390 (3 Jars) | • Black

elements  
SERIES  
SUPER MIXER GRINDER

600 W



MX-AV425 (4 Jars)  
• Sunstone Orange



MX-AV425 (4 Jars)  
• Rustic Red



MX-AV425 (4 Jars)  
• Charcoal Black



MX-AV425 (4 Jars)  
• Quartz Yellow



MX-AV325 (3 Jars)  
• Coral Blue



MX-AV325 (3 Jars)  
• Marble Gold



MX-AV325 (3 Jars)  
• Marble Silver

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550 W



Comes with  
Multi Utility  
All Purpose  
Storage Container



MX-AC560 (5 Jars) | • Metallic Bronze



MX-AC460 (4 Jars) | • Black



MX-AC360S (3 Jars) | • White



MX-AC220 (2 Jars) | • White

COMMON  
FEATURES





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## **Panasonic Appliances India Company Limited**

Registered Office & Factory: National Highway No.5, Sholavaram Village, Ponneri Taluk,  
Chennai – 600 067, Tamil Nadu. Tel: +91 44 2633 0133

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