Panasonic Cooking

Panasonic®

32nd Annual Report 2019-20

MADE IN INDIA

NOW EXPORTING TO OVER 50 COUNTRIES

JAPAN QUALITY

UNCOMPROMISING PANASONIC QUALITY CONTROL WORLDWIDE

鮮 EXPERIENCE FRESH

The Next-Gen Cooker

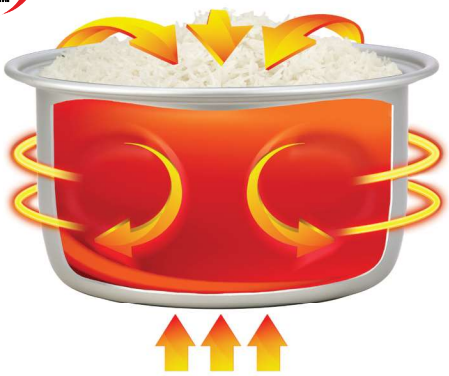
NEWLY LAUNCHED

3.6ℓ COOKS UP TO 2 kg OF RICE

5 YEARS WARRANTY FOR HEATER

360° DOUBLE KEEP WARM

With Absolute Cooking Control &
360° Double Keep Warm Now Every Meal
Will Have Story Of New Experience.



ELECTRIC RICE COOKER / WARM JAR
SR-UH36N

- DOUBLE SWITCH COOKING CONTROL
- ~TRS~ 90° 40° AUTOMATIC TEMPERATURE CONTROL
- 12 HOURS KEEP WARM
- TRIPLE MICRO SWITCH FOR SAFETY
- UNIFORM COOKING WITH DOUBLE HEATING COIL
- THERMAL FUSE

AUTOMATIC COOKER RANGE

ULTIMATE WET GRINDERS

ULTIMATE

MK-SW210 (Black)

MK-SW200 (Black)

MK-TSW200 (White)

120 Volts for US & Canada Usage

Service available in US by Inno Concepts
www.innoconcepts.com
Ph: 770-594-1815

MK-GW200 (White)

- Unique Spatula Slot
- 3D ALPHA FLOW
- Anti Slip HTD Belt
- Extremely Durable Polycarbonate Transparent Lid

SMALL KITCHEN APPLIANCES

NB-H3200
Oven Toaster Grill

NB-H3800
Oven Toaster Grill

NC-EG3000
Thermo Pot

NF-GW1
Sandwich Maker

NT-GT1
Oven Toaster

MX-ZX 1800
High Power Blender

Panasonic

SHAREHOLDERS' PRIVILEGE DISCOUNT COUPON

Dear Shareholders,

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

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

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

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

With Warm Regards,

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 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.....

Valid upto 31-03-2021

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

Shareholders' Coupon Price List *cum* Order Form

Description Of The Product	Model	MRP (₹)	Spl Price (₹)	Qty. (Nos.)	Amount (₹)
Ultimate Cooker (2.2L, Non Stick Pan With Pasta Maker/Idli Stand/Idiyappam Stand)	SR-W22FHS(UC)	4,645	3,472		
Automatic Cooker/Warmer, 2.2L, Non-Stick Pan, Steamer, Keep Warm function	SR-Y22FHS	3,445	2,568		
Automatic Cooker/Warmer, 1.8L, Non-Stick Pan, Steamer, Keep Warm function	SR-Y18FHS(E)	3,245	2,429		
Automatic Cooker/Warmer, 2.2L + Extra Cooking Pan + 2 Dish Separator Pan	SR-WA22H(YT)	3,299	2,429		
Automatic Cooker/Warmer, 1.8L + Extra Cooking Pan + 2 Dish Separator Pan	SR-WA18H(YT)	3,099	2,290		
Automatic Cooker/Warmer, 2.2L + Double Steaming Basket	SR-WA22H(SS)	3,095	2,305		
Automatic Cooker/Warmer, 1.8L + Double Steaming Basket	SR-WA18H(SS)	2,895	2,167		
Gift Pack (Automatic Cooker/Warmer 1.8L with Steaming basket + Idli Stand +2 Dish Separator Pan)	SR-WA18GH(CMB)	3,695	2,766		
Automatic Cooker/Warmer, 2.2L, Keep Warm function	SR-WA22H(E)	2,695	2,012		
Automatic Cooker/Warmer, 1.8L, Keep Warm function	SR-WA18H(E)	2,495	1,873		
Automatic Cooker/Warmer, 1.0L, Keep Warm function	SR-WA10H(E)	2,345	1,734		
Automatic Cooker, 2.2L	SR-WA22(F)	2,425	1,807		
Automatic Cooker, 1.8L	SR-WA18(E)	2,145	1,598		
Automatic Cooker, 1.0L	SR-WA10	1,899	1,379		
Restaurant Cooker, 4.2L	SR-942D(Silver)	5,695	4,266		
Restaurant Cooker, 3.2L	SR-932D(Silver)	5,095	3,775		
Automatic Jar Cooker/Warmer, 2.2L, Non-Stick Pan, Steamer, Keep Warm function	SR-KA22FA	3,745	2,777		
Automatic Jar Cooker/Warmer, 1.8L, Non-Stick Pan, Steamer, Keep Warm function	SR-KA18FA	3,545	2,638		
Automatic Jar Cooker/Warmer, 2.2L, Keep Warm function + Extra Cooking Pan	SR-KA22A(R)	3,245	2,429		
Automatic Jar Cooker/Warmer, 1.8L, Keep Warm function + Extra Cooking Pan	SR-KA18A(R)	3,045	2,290		
Micom Jar Cooker, 1.8L, Non-Stick Pan, Menu function	SR-DF181	4,195	3,124		
Jumbo Cooker, 7.2L	SR-972D	12,995	9,705		
Bachelor Cooker, 0.6L	SR-G06	2,795	2,073		
Baby Cooker, 0.3L	SR-3NA(T)	2,895	2,153		
600 W Super Mixer Grinder (3 Jar) Elements Series - Marble Silver/Marble Gold, Coral Blue, Topaz Yellow	MX-AV325	6,595	4,287		
600 W Super Mixer Grinder (4 Jar with Juice Extractor) Elements Series - Charcoal Black, Quartz Yellow	MX-AV425	7,795	5,067		
600 W Super Mixer Grinder (4 Jar with Juice Extractor) Elements Series - Rustic Red, Sunstone Orange	MX-AV425	8,095	5,262		
600 W Super Mixer Grinder (6 Jar with Juice Extractor) Elements Series - Rose Gold , Earthy Silver	MX-AV625	9,595	6,237		
500 W Super Mixer Grinder (3 Jar) + Storage Container - White	MX-AC360	6,395	4,133		
550 W Super Mixer Grinder (4 Jar with Juice Extractor) + Storage Container - Black	MX-AC460	7,595	4,907		
550 W Super Mixer Grinder (5 Jar with Juice Extractor & Multi Jar) + Storage Container - Bronze	MX-AC560	8,595	5,553		
550 W Super Mixer Grinder (4 Jar with Juice Extractor) - Silver	MX-AC400 SLR	7,795	5,030		
550 W Super Mixer Grinder (3 Jar with Juice Extractor)	MX-AC350	6,495	4,191		
550 W Super Mixer Grinder (3 Jar) - Metallic Blue	MX-AC300SB	6,695	4,320		
550 W Super Mixer Grinder (3 Jar)	MX-AC300H	6,195	3,998		
550 W Super Mixer Grinder (3 Jar) Double Chutney Jar	MX-AC310	5,895	3,804		
550 W Super Mixer Grinder (2 Jar)	MX-AC220	5,495	3,546		
Oven Toaster	NT-GT1	3,295	2,624		
Sandwich Maker	NF-GW1	2,795	2,231		
Automatic Jar Cooker/Warmer, 1.8L, Non-Stick Pan, Steamer, Keep Warm function-Imported	CEZ18SSM	3,695	2,959		
Oven Toaster Grill - 32 Lit Capacity	NB-H3200SSM	11,090	8,874		
Oven Toaster Grill - 38 Lit Capacity	NB-H3800SSM	13,690	10,873		
Wet Grinder, 2L	MK-GW200	7,290	5,126		
Wet Grinder, 2L	MK-GW200(Black)	7,790	5,478		
Wet Grinder, 2L, Timer	MK-SW200	8,190	5,759		
Wet Grinder, 2L, Timer	MK-SW200(Black)	8,590	6,040		
Wet Grinder, 2L, Timer, Atta Kneader	MK-SW210(Black)	8,990	6,322		
Wet Grinder, 2L, Timer, 120 Volts - For Use in USA and Canada	MK-TSW200	8,990	6,322		

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 two 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 drawn in favour of Panasonic Appliances India Company Limited payable at Chennai. For on-line payment, please email to papin.secretary@in.panasonic.com
- Photocopy of this discount coupon can be used for subsequent orders

THIRTY SECOND ANNUAL REPORT 2019-20

Board of Directors
Ganesan Thiagarajan, *Managing Director*
Ken Nakayama, *Executive Director*
Subramanian Krishnaswamy, *Independent Director*
Ajit Gopal Nambiar, *Independent Director*
Masayuki Sasage, *Non-Executive Director*

Committee of the Board
Audit Committee
Subramanian Krishnaswamy, *Chairman*
Ajit Gopal Nambiar
Ganesan Thiagarajan

Nomination and Remuneration Committee
Subramanian Krishnaswamy, *Chairman*
Ajit Gopal Nambiar
Masayuki Sasage

Stakeholders' Relationship Committee
Subramanian Krishnaswamy, *Chairman*
Ajit Gopal Nambiar
Ganesan Thiagarajan

Corporate Social Responsibility Committee
Subramanian Krishnaswamy, *Chairman*
Ganesan Thiagarajan
Ken Nakayama

Chief Financial Officer and Company Secretary
Jayaprakash Kalappan

Registered Office and Factory
National Highway No. 5, Sholavaram Village
Ponneri Taluk, Chennai - 600067
Tel.: +91-44-26330133; Fax: +91-44-26330132
Email: papin.secretary@in.panasonic.com
Website: www.panasonicappliances.in

Corporate Identity No. (CIN)
U30007TN1988PLC016184

Statutory Auditors
B S R & Co. LLP, *Chartered Accountants*
KRM Tower, 1st & 2nd Floor
No. 1, Harrington Road
Chetpet, Chennai - 600031

Internal Auditors
Venkatesh & Co, *Chartered Accountants*
Sri Ranga, No. 151, Mambalam High Road
T. Nagar, Chennai - 600017

Secretarial Auditors
M. Alagar & Associates, *Company Secretaries*
No. 21-B, 1st Floor, ARK Colony, Eldams Road
Alwarpet, Chennai – 600018

Bankers
The Bank of Tokyo Mitsubishi UFJ Limited
Sumitomo Mitsui Banking Corporation
Citibank N.A.
HDFC Bank Limited
State Bank of India

Registrar & Share Transfer Agent
Integrated Registry Management Services Pvt. Ltd.
2nd Floor, "Kences Towers"
No. 1, Ramakrishna Street, North Usman Road
T.Nagar, Chennai - 600017
Email: srirams@integratedindia.in
Tel.: +91-44-28140812; Fax: +91-44-28142479

32nd Annual General Meeting
Date : Friday, September 25, 2020
Time : 10:00 am
Through Video conference/Other audio-visual means

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FINANCIAL HIGHLIGHTS - TEN YEARS AT A GLANCE

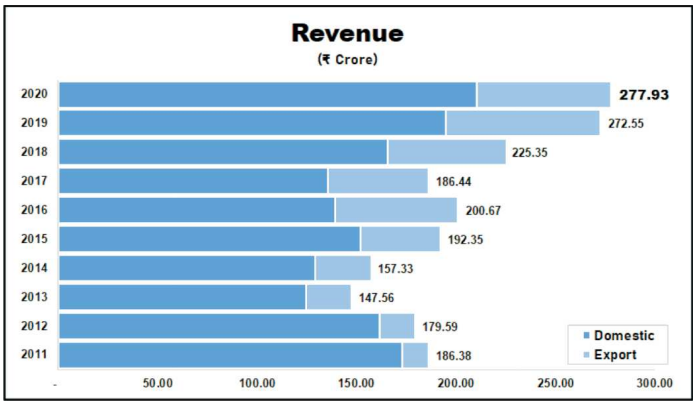
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31

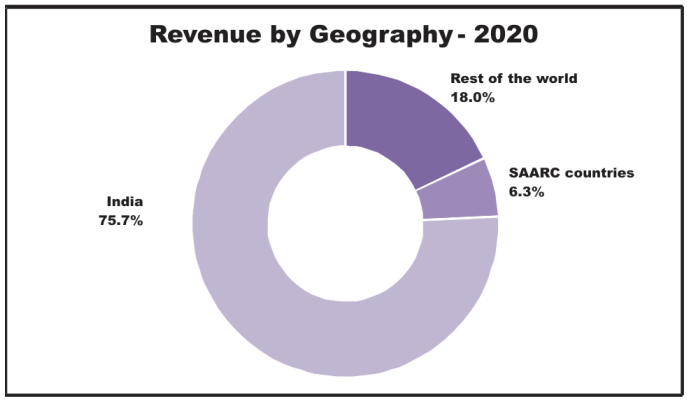
(₹ Crore)

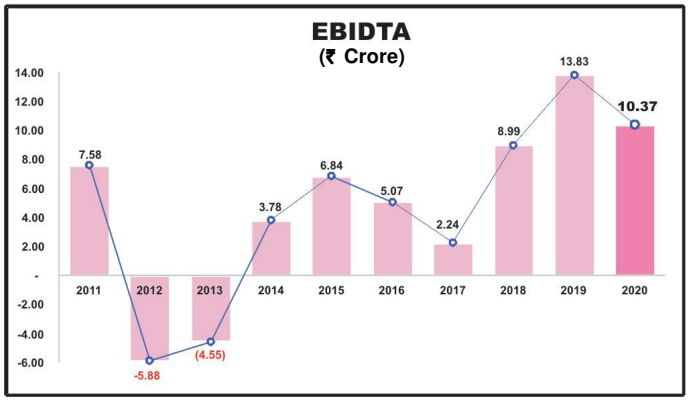
Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue from sale of products	186.30	179.45	147.46	157.19	188.51	197.27	183.43	221.71	268.01	273.88
Other operating revenue	0.08	0.14	0.10	0.14	3.84	3.40	3.01	3.64	4.54	4.05
Revenue from operations	**186.38**	**179.59**	**147.56**	**157.33**	**192.35**	**200.67**	**186.44**	**225.35**	**272.55**	**277.93**
Other income	0.50	0.42	0.65	0.67	0.63	1.88	3.50	2.91	4.09	3.63
Total revenue	**186.88**	**180.01**	**148.21**	**158.00**	**192.98**	**202.55**	**189.94**	**228.26**	**276.64**	**281.56**
Earnings before interest, depreciation & tax	7.58	(5.88)	(4.55)	3.78	6.84	5.07	2.24	8.99	13.83	10.37
Interest	2.21	3.68	3.41	3.83	2.87	2.42	3.36	3.02	1.66	1.19
Depreciation	2.75	3.18	3.48	3.39	3.70	4.00	5.03	5.76	5.16	5.51
Profit before tax	2.62	(12.74)	(11.44)	(3.44)	0.27	(1.35)	(6.15)	0.21	7.01	3.67
Tax expenses	0.83	0.03	(0.03)	(0.01)	(0.14)	(1.50)	0.48	0.00	0.00	0.00
Profit after tax	**1.79**	**(12.77)**	**(11.41)**	**(3.43)**	**0.41**	**0.15**	**(6.63)**	**0.21**	**7.01**	**3.67**
Basic earnings per share (₹)	2.09	(14.90)	(12.12)	(3.58)	0.42	0.15	(6.74)	0.22	5.83	2.89
Dividend per share (₹)	1.00	-	-	-	-	-	-	-	-	-

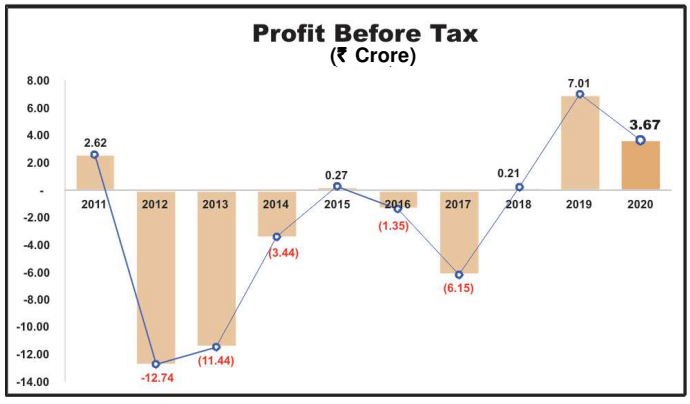
BALANCE SHEET AS AT MARCH 31

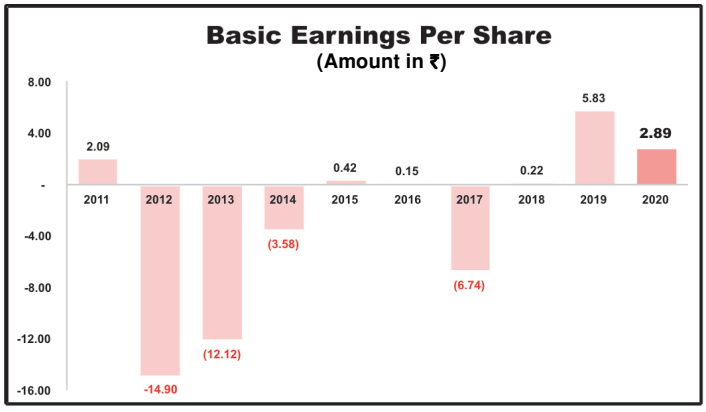
Particulars	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Assets										
Net Fixed assets	28.42	32.77	31.68	29.93	31.46	33.77	33.70	35.56	35.25	34.44
Other Non-current assets	1.45	1.97	1.71	1.50	1.72	1.57	1.03	0.89	0.95	1.73
Current assets	45.15	50.84	38.50	38.11	49.55	59.47	42.67	53.68	65.77	73.39
Total	**75.02**	**85.58**	**71.89**	**69.54**	**82.73**	**94.81**	**77.40**	**90.13**	**101.97**	**109.56**
Liabilities										
Share capital	8.57	8.57	9.54	9.83	9.83	9.83	9.83	9.83	12.68	12.68
Reserves and surplus	11.00	(1.77)	(1.99)	(2.10)	(2.11)	(1.96)	(8.58)	(8.37)	29.72	33.39
Non-current liabilities	11.45	13.02	7.80	3.21	9.87	9.52	4.94	5.36	1.82	4.14
Current liabilities	44.00	65.76	56.54	58.60	65.14	77.42	71.21	83.31	57.75	59.35
Total	**75.02**	**85.58**	**71.89**	**69.54**	**82.73**	**94.81**	**77.40**	**90.13**	**101.97**	**109.56**
Net worth	19.31	6.54	7.29	7.47	7.46	7.61	0.99	1.20	42.14	45.81
Debt equity ratio (no. of times)	0.68	2.49	1.04	0.23	0.98	1.46	6.33	4.05	0.00	0.07
Book value per share (₹)	22.84	7.93	7.91	7.86	7.85	8.00	1.27	1.48	33.45	36.34
Number of equity shares	8,570,000	8,570,000	9,543,000	9,832,000	9,832,000	9,832,000	9,832,000	9,832,000	12,676,712	12,676,712

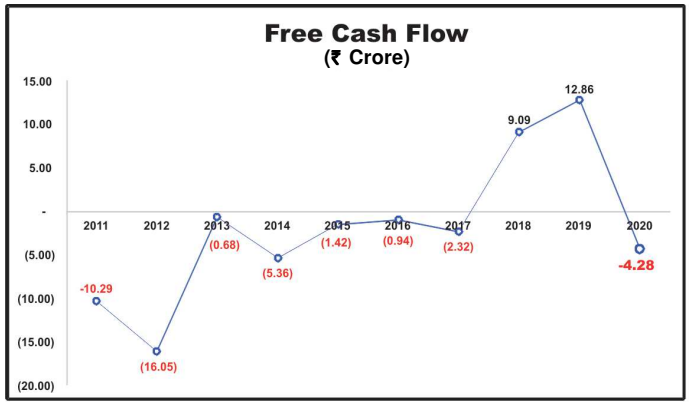

Revenue
(₹ Crore)
2020 277.93
2019 272.55
2018 225.35
2017 186.44
2016 200.67
2015 192.35
2014 157.33
2013 147.56
2012 179.59
2011 186.38
Domestic
Export
- 50.00 100.00 150.00 200.00 250.00 300.00

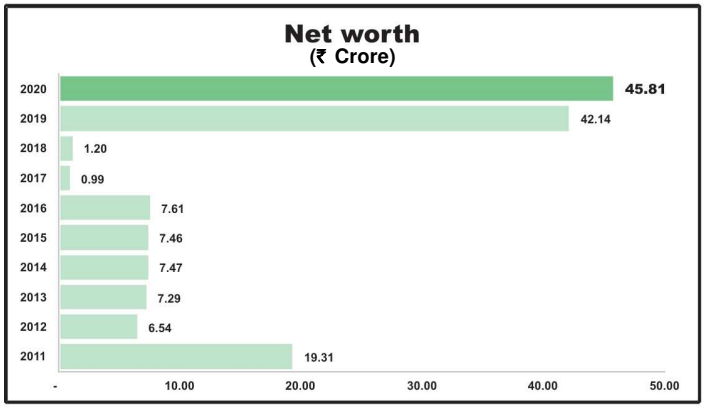

Revenue by Geography - 2020
Rest of the world 18.0%
SAARC countries 6.3%
India 75.7%

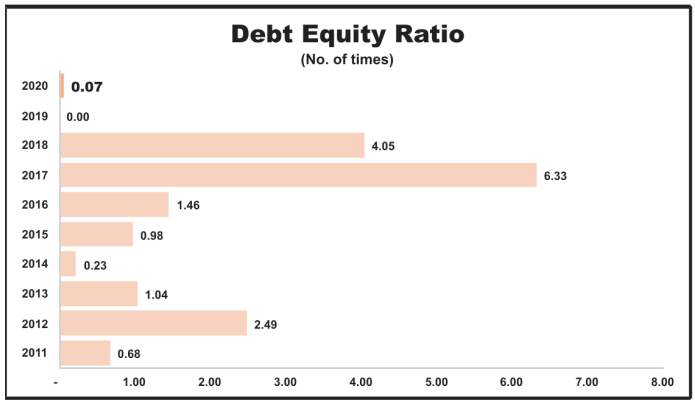

EBIDTA
(₹ Crore)
7.58 -5.88 (4.55) 3.78 6.84 5.07 2.24 8.99 13.83 10.37
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Profit Before Tax
(₹ Crore)
2.62 -12.74 (11.44) (3.44) 0.27 (1.35) (6.15) 0.21 7.01 3.67
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Basic Earnings Per Share
(Amount in ₹)
2.09 -14.90 (12.12) (3.58) 0.42 0.15 (6.74) 0.22 5.83 2.89
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Free Cash Flow
(₹ Crore)
-10.29 (16.05) (0.68) (5.36) (1.42) (0.94) (2.32) 9.09 12.86 -4.28
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020


Net worth
(₹ Crore)
2020 45.81
2019 42.14
2018 1.20
2017 0.99
2016 7.61
2015 7.46
2014 7.47
2013 7.29
2012 6.54
2011 19.31
- 10.00 20.00 30.00 40.00 50.00


Debt Equity Ratio
(No. of times)
2020 0.07
2019 0.00
2018 4.05
2017 6.33
2016 1.46
2015 0.98
2014 0.23
2013 1.04
2012 2.49
2011 0.68
- 1.00 2.00 3.00 4.00 5.00 6.00 7.00 8.00

NOTICE OF THIRTY SECOND ANNUAL GENERAL MEETING

Notice is hereby given that the **Thirty Second Annual General Meeting** of the Members of Panasonic Appliances India Company Limited (CIN:U30007TN1988PLC016184) will be held on Friday, September 25, 2020 at 10:00 am IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. Adoption of financial statements

To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon.

2. Appointment of Mr. Ken Nakayama (DIN: 08377188) as a director who is liable to retire by rotation

To appoint a Director in place of Mr. Ken Nakayama (DIN: 08377188) who retires by rotation and, being eligible, offers himself for re-appointment.

3. Reappointment of current auditors M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), Chennai as Statutory Auditors of the Company

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

"RESOLVED THAT pursuant to Sections 139 and 142 of the Companies Act, 2013 and other applicable provisions, if any of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022), Chennai, be and is hereby reappointed as the Statutory Auditors of the Company for second term of five years consequently commencing from the conclusion of this Annual General Meeting (AGM) till the conclusion of thirty seventh AGM of the Company, and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of applicable taxes and actual out of pocket and travelling expenses as may be incurred in connection with the audit of the accounts of the Company.

RESOLVED FURTHER THAT any one Director or Company Secretary, be and is hereby authorized to do all such acts, deed and things as may be considered necessary to give effect to the above said resolution."

4. Approval of Remuneration of Mr. Ken Nakayama (DIN: 08377188), Executive Director and Key Managerial Personnel of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 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, approval of the members of the Company be and is hereby accorded the remuneration of Mr. Ken Nakayama (DIN: 08377188) Executive Director and Key Managerial Personnel of the Company with effect from April 1, 2020 on the following terms of Remuneration.

A. Salary:

Monthly Salary as may be recommended by the Nomination and Remuneration of the Board and approved by the Board in the scale of ₹ 350,000 to ₹ 610,000

B. Perquisites:

Free furnished residential accommodation together with Furniture, Televisions, Refrigerators, Washing-machines, Air conditioners and Electric equipment etc., The monetary 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."

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

RESOLVED FURTHER THAT any one Director or Company Secretary, be and is hereby authorized to do all such acts, deed 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**

Jayaprakash Kalappan
CFO & Company Secretary
FCS No.: 8009

Chennai, August 10, 2020

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
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 re-appointment at this AGM is annexed
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. 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 32nd AGM** and hence the Proxy Form and Attendance Slip 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 Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to alagar@geniconsolutions.com with a copy marked to evoting@nsdl.co.in.
5. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 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 2019-20 will also be available on the Company's website www.panasonicappliances.in, and on the website of NSDL 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. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
9. National Securities Depositories Limited ("NSDL") will be providing facility for voting through remote e-Voting, for participation in the 32nd AGM through VC/OAVM Facility and e-Voting during the 32nd AGM.
10. Members may join the 32nd 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 32nd AGM

and the Company may close the window for joining the VC/OAVM Facility 30 minutes after the scheduled time to start the 32nd AGM.

11. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of atleast 1,000 Members on a 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 32nd AGM without any restriction on account of first-come-first-served principle.

12. Attendance of the Members participating in the 32nd AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

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 least 10 days prior to the AGM so that required information can be made available.

15. The Register of Members and Share Transfer Books of the Company will remain closed from September 13, 2020 to September 25, 2020 (both days inclusive). September 18, 2020 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.

16. 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).

17. The remote e-voting period commences on September 22, 2020 (9:00 a.m. IST) and ends on September 24, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on September 18, 2020 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.

18. 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.

19. 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 the 30th Annual General Meeting (AGM) held on September 27, 2018 on the website of IEPF viz., www.iepf.gov.in and under "investor section" on the website of the Company viz., 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 5th September 2016 along with the relevant rules therein on 5th September 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 13th October 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

20. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding/trading.

21. 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.

22. 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.

23. 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/

    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.

    vii. Select "EVEN" of Panasonic Appliances India Company Limited

    viii. Cast vote page for e-voting opens

    ix. Cast your vote by selecting the appropriate option and click on "Submit" and also "Confirm" when prompted

    x. Upon confirmation, the message "Vote cast successfully" will be displayed

    xi. Once you have voted on the resolution, you will not be allowed to modify your vote

xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to alagar@geniconsolutions.com with a copy marked to evoting@nsdl.co.in.

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**

(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 18, 2020.

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, 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 32nd AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 32nd AGM, formally propose to the Members participating through VC/ OAVM Facility to vote on the resolutions as set out in the Notice of the 32nd 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 32nd AGM.

g) The Scrutinizer shall after the conclusion of e-Voting at the 32nd 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 and on the NSDL website 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 25, 2020.

i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user Manuel for Shareholders available in the 'downloads' section of www.evoting.nsdl.com. You can also contact NSDL via e-mail at evoting@nsdl.co.in.

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

Jayaprakash Kalappan
CFO & Company Secretary
FCS No.: 8009

Chennai, August 10, 2020

ANNEXURE TO THE NOTICE

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

Item No. 2

Details of Director seeking re-appointment at the Annual General Meeting

Name of the Director	Mr. Ken Nakayama
Age	47 years
Qualifications	BA Graduate from Kansai University, Japan
Expertise in specific functional areas	Accounting, Business Development & Corporate Planning
Date of first appointment on the Board	April 1, 2019
Remuneration last drawn , if any	₹ 4,200,000 per annum
Number of shares held in the company	None
Relationship with other directors, managers and key managerial personnel of the company	None
No. of meetings of the Board attended during the year	7
Directorships held in other companies	None
Membership/Chairmanship of committees ofother Boards	None

Item No. 4

The Nomination and Remuneration Committee and the Board of Directors of the Company had approved the Remuneration of Mr. Ken Nakayama at their meeting held on August 10, 2020 subject to the approval of the members as the Executive Director and Key Managerial Personnel of the Company as detailed in the resolution.

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 *plus* 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.

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 Ordinary/Special Resolution as the case may be, 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.

The Remuneration proposed to be paid to Mr. Ken Nakayama is within the limits of minimum remuneration that can be paid as per the provisions of Schedule V read with section 197(3) of the Act. The remuneration of Mr. Ken Nakayama as Executive Director of the Company approved by the Board of Directors is subject to the approval of shareholders by way of an ordinary resolution in terms of the provisions of the Companies Act, 2013.

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

Panasonic Appliances India Company Limited

Statement pursuant to sub-clause (iv) of Clause (1B) of Section II of Part II of Schedule V of the Companies Act, 2013 for payment of remuneration to Mr. Ken Nakayama as 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	**For the year ended March 31, 2020** (₹ Crore) Income from operations 277.93 Profit before tax 3.67 Profit after tax 3.67 **As on March 31, 2020** (₹ Crore) Paid up share capital 12.67 Reserves & surplus 33.40 Long-term loans 3.00 **Total 49.07** Investments - Preliminary expenses - (to the extent not written off) **Effective capital as on March 31, 2020 49.07**
5	Export performance and Net Foreign Exchange Collaborations	Earnings in foreign exchange on account of exports sales received from the collaborator/associate companies was ₹ 60.02 crore for the year ended March 31, 2020
6	Foreign investments or Collaborations, if any	The Company has Technical assistance agreement and Brand license agreement with Panasonic Corporation, Japan. As on March 31, 2020 foreign investment in paid up share capital of the company is 95.43%.

II. INFORMATION ABOUT APPOINTEE

1	Background details	Mr. Ken Nakayama joined Panasonic Corporation, Japan in January 2016. Currently he has been part of the Board of Director of the Company as Executive Director since April 1, 2019. He is a Graduate BA from Kansai University, Osaka, Japan in 1997. He has wide experience Accounting, Business Development & Corporate Planning.
2	Past Remuneration	₹ 350,000 per month
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 ₹ 350,000 to ₹ 610,000 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, 2020 the company recorded a profit of ₹ 3.67 crores. The main reasons for the inadequacy of profit are mainly due to a host of factors and impact of COVID-19 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 by introducing the new models. 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 recommend passing the Ordinary Resolution set out in Item No. 4 of the Notice.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Ken Nakayama is, concerned or interested in Item No. 4 of the Notice. Mr. Masayuki Sasage also deemed as interested in Item No. 4 of the Notice as Mr. Masayuki Sasage, as he is representatives of Panasonic Corporation.

Your Directors recommend the above resolution for your approval.

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

Jayaprakash Kalappan
CFO & Company Secretary
FCS No.: 8009

Chennai, August 10, 2020

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Second Annual Report together with the Company's Audited Financial Statements for the financial year ended March 31, 2020.

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 [2019 - 2020]	Previous year [2018 - 2019]
Revenue from operations	277.93	272.55
Other income	3.63	4.09
Total income	**281.56**	**276.64**
Expenses		
Operating expenditure	271.19	262.81
Depreciation and amortization	5.51	5.16
Total expenses	**276.70**	**267.97**
Profit before Finance costs and tax	**4.86**	**8.67**
Finance costs	1.19	1.66
Profit before tax (PBT)	**3.67**	**7.01**
Tax expenses	-	-
Profit after tax for the year	**3.67**	**7.01**

REVIEW OF PERFORMANCE

During the year under review, your Company has reported the net revenue from operations of ₹ 277.93 Crore in the current year as against ₹ 272.55 Crore in the previous year, registering an overall growth of 2% (Previous year: 21%). This year, the Company has achieved 8% growth in domestic sales, but, the export sales dropped down 13% due to impact of COVID-19 during second half of March 2020. The Company has earned Profit after tax of ₹ 3.67 Crore in the current year as against ₹ 7.01 Crore in the previous year.

Your Company was able to record for achieve the One million cooker production and almost the expected performance considering the adverse external factors that prevailed during the financial year 2019-20. During the year, the Company was able to overcome the loss which had been incurred in the earlier financial years. The increased focus on cost reduction measures at its manufacturing facility, office and branches with special emphasis on reducing input costs and overhead expenses helped the Company to improve its financial performance during the financial year. There was a delay in collection from the customers, especially in the domestic market due to continuous national curfew. However, the Company expects that it shall collect all the dues from the customers within short period of time and is certain to do the same without any bad debts.

Considering that the overall consumer sentiment and business confidence which prevailed during the financial year 2019-20 was not conducive due to a host of factors and impact of COVID-19, the fact that your Company was able to increase its sales compared to previous financial year with a positive number 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.

COVID-19

In the last month of financial year 2019-20, the COVID-19 pandemic developed rapidly into a global crisis, forcing Indian government to enforce lock-down of all economic activities. The COVID-19 pandemic has disturbed demand and supply chains across industries, negatively impacting the business of companies and driving the global economy towards a recession. Government in several countries have imposed stringent lockdown in a bid to contain the spread of the disease.

For the Company, the focus immediately shifted to ensuring the health and well-being of all employees, and on minimizing disruption to services for all our customers globally.

The Company's operation might be adversely impacted due to incapacitation of section of the workforce due to exposure to the pandemic, reduced productive due to employee stress and impact on emotional wellbeing while under lockdowns or quarantines and non-availability or delay in getting the materials and spares due to various reasons like logistical or workforce or non-availability of their sub-contractors.

The demand for the Company's products may be adversely affected not only in industry segments directly impacted by the pandemic like travel and hospitality, but across other segments as well due to a sharp slowing down of the world's major economies. This is likely to affect the Company's earnings in the short and medium terms. However, the Company's relative competitiveness is expected to increase because of its traditional value focus and its strong track record of its products' quality and resilience of its business.

DIVIDEND

In order to conserve cash for the Company's Operations, your Directors do not recommend any dividend for the year under review.

SHARE CAPITAL

During the year, there was no change in the Authorized share capital of the Company. As on March 31, 2020 the Authorised 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, 2020 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, 2020 was ₹ 354,194; being the same as reported in the previous year.

SUBSIDIARIES, ASSOCIATES AND JOIN VENTURE COMPANIES

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RELINQUISHED DURING THE YEAR

In accordance with the provisions of The Companies Act, 2013, Mr. Ken Nakayama (DIN: 08377188) will retire by rotation at the forthcoming Annual General Meeting and he is eligible for re-appointment.

APPOINTMENTS:

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

1) Mr. Ganesan Thiagarajan (DIN: 08377223) was appointed as Managing Director in the Board meeting held on March 14, 2019 with effect from April 1, 2019.
2) Mr. Ken Nakayama (DIN: 08377188) was appointed as Executive Director in the Board meeting held on March 14, 2019 with effect from April 1, 2019.
3) Mr. Subramanian Krishnaswamy (DIN: 00019088) was reappointed as Independent Director for second term of 5 years on June 5, 2019.
4) Mr. Ajit Gopal Nambiar (DIN: 00228857) was reappointed as Independent Director for second term of 5 years on June 5, 2019.
5) Mr. Jayaprakash Kalappan (FCS No.: 8009) was appointed as Company Secretary on December 20, 2019.

RESIGNATION:

Mr. Subhanarayan Muduli (ACS No.: 41513), resigned as Company Secretary with effect from September 6, 2019.

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 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, 2020 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 17, 2019; June 5, 2019; July 31, 2019; August 28, 2019; November 15, 2019; December 20, 2019 and February 13, 2020.

The Last Annual General Meeting of the Company was held on September 26, 2019.

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. Ganesan Thiagarajan	Managing Director; Executive	7	7	Yes
Mr. Ken Nakayama	Executive Director; Executive	7	7	Yes
Mr. Subramanian Krishnaswamy	Director; Non-Executive; Independent	7	7	Yes
Mr. Ajit Gopal Nambiar	Director; Non-Executive; Independent	7	6	Yes
Mr. Masayuki Sasage	Director; Non-Executive;Non-Independent	7	1	No

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 is mentioned in the terms of reference of the Audit Committee.

COMPOSITION

The Company's Audit Committee for the financial year 2019-20 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, 2020 Five Audit Committee Meetings were held on June 5, 2019; July 31, 2019; August 28, 2019; November 15, 2019 and February 13, 2020.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. Subramanian Krishnaswamy	Chairperson; Non-Executive; Independent	5	5
Mr. Ajit Gopal Nambiar	Member; Non-Executive; Independent	5	4
Mr. Ganesan Thiagarajan	Member; Executive; Non-Independent	5	5

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 are 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 Directors' performance
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 2019-20 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, 2020, Three Nomination and Remuneration Committee Meetings were held on June 5, 2019; December 20, 2019 and February 13, 2020. 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. Subramanian Krishnaswamy	Chairperson; Non-Executive; Independent	3	3
Mr. Ajit Gopal Nambiar	Member; Non-Executive; Independent	3	3
Mr. Masayuki Sasage	Member; Non-Executive; Non-Independent	3	1

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 2019-20 comprised of one Independent Director and two Executive Directors. The Chairperson of the Committee is an Independent Director.

MEETINGS AND ATTENDANCE

During the financial year ended March 31, 2020, Three Corporate Social Responsibility Committee Meetings were held on June 5, 2019; July 31, 2019 and February 13, 2020. 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. Subramanian Krishnaswamy	Chairperson; Non-Executive; Independent	3	3
Mr. Ganesan Thiagarajan	Member; Executive; Non-Independent	3	3
Mr. Ken Nakayama	Member; Executive; Non-Independent	3	3

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 transmit of shares
   - transpose of shares
4) To oversee the performance of the company's registrars and transfer agents
5) To recommend methods of 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 2019-20 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, 2020, Six Stakeholders Relationship Committee Meetings were held on June 26, 2019; September 23, 2019; November 15, 2019; January 3, 2020; February 4, 2020 and March 5, 2020. 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. Subramanian Krishnaswamy	Chairperson; Non-Executive; Independent	6	6
Mr. Ajit Gopal Nambiar	Member; Non-Executive; Independent	6	6
Mr. Ganesan Thiagarajan	Member; Executive; Non-Independent	6	6

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.

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.

AUDIT REPORT

The Statutory Auditors Report on Annual Accounts for the financial year 2019-20 contains no qualification.

AUDITORS

1) STATUTORY AUDITORS

The term of office of M/s. BSR & Co. LLP. (Firm Registration No.: 101248W/W-100022), Chartered Accountants, Chennai as Statutory Auditors of the Company will expire with the conclusion of forthcoming Annual General meeting of the Company. The Board of Directors of the Company on the recommendation of Audit Committee, subject to the approval of the Members at the ensuing Annual General meeting, has recommended to reappoint M/s. BSR & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for a period five years, as per Section 139(2)(b) of the

Companies Act, 2013. Necessary eligibility 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 2019-20.

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 2019-20. 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"**.

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.

INTERNAL FINANCIAL CONTROLS

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

RISK MANAGEMENT

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

DEPOSITS/LOANS & ADVANCES, GUARANTEES OR INVESTMENTS

Your Company has not accepted any deposits 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, 2020 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 and the initiatives undertaken by the Company on CSR activities during the year under review 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.

EXTRACT OF ANNUAL RETURN

As per the requirement of Section 92(3) of the Companies Act, 2013 and Rules framed thereunder, the Extract of the Annual Return for the financial year ended March 31, 2020 is given in **"ANNEXURE 4"** in the prescribed Form No. MGT-9, which is a part of this report. The same is also available at the link: 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 is 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 compliant 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 5"** which forms part of this report.

INDUSTRIAL RELATIONS

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

CODE OF CONDUCT

The Company has already in place a Code of Conduct which is applicable to 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 of 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.

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.

Your Directors has recorded with deep regret the calamities inflicted upon humanity by the pandemic COVID-19 in various parts of the world in terms of loss of lives and suffering. It has also noted the enormous economic upheavals incurred because of the pandemic. The Board has also recorded the unstinted selfless service and sacrifice rendered by the medical fraternity namely doctors, nurses and support services at the risk of their lives during the ravaging pandemic.

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

	Ganesan Thiagarajan *Managing Director* DIN: 08377223	**Ken Nakayama** *Executive Director* DIN: 08377188
Chennai, June 24, 2020		

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

EXECUTIVE DIRECTORS

The remuneration to 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.

ANNEXURE 2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2019-20

[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, 2020 ("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, 2020 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
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. Since the Company is unlisted Public company, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): Not Applicable
    i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014;
    v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    vi. 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;
    vii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
    viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

ix. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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, the Company has complied with the following Labour and Industrial Laws specifically applicable to the Company, as listed below, as amended from time to time;

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 Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
8. The Equal Remuneration Act, 1976 and The Equal Remuneration Rules, 1976
9. The Industrial Disputes Act, 1949
10. The Maternity Benefit Act, 1961
11. The Minimum Wages Act, 1948
12. The Payment of Bonus Act, 1965
13. The Payment of Gratuity Act, 1972
14. The Payment of Wages Act, 1936
15. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
16. The Tamil Nadu Industrial Establishments (Conferment of Permanent Status to Workmen) Act, 1981
17. The Tamil Nadu Labour Welfare Fund Act, 1972
18. The Tamil Nadu Payment of Subsistence Allowance Act, 1981
19. The Tamil Nadu Shops and Establishments Act, 1947
20. 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 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.

We further report that during the audit period;

1. Changes in Directorate:

   i. Mr. Ganesan Thiagarajan was appointed as Managing Director of the Company at the Board meeting held on March 14, 2019 for a period of 3 years with effect from April 1, 2019 and subsequently the shareholders approves his appointment by passing Special Resolution in the 31st Annual General Meeting held on September 26, 2019.

ii. Mr. Ken Nakayama was appointed as Executive Director of the Company at the Board meeting held on March 14, 2019 for a period of 3 years with effect from April 1, 2019 and subsequently the shareholders approves his appointment by passing Special Resolution in the 31st Annual General Meeting held on September 26, 2019.

iii. Mr. K. Subramanian and Mr. Ajit Gopal Nambiar were re-appointed as Independent Directors for a second term of 5 years, in the shareholders meeting held on September 26, 2019 till the conclusion of the Annual General Meeting of the Company to be held in the year 2024.

2. Changes in Key Managerial Personnel (Company Secretary)

Mr. Jayaprakash Kalappan was appointed as Company Secretary (Key Managerial Personnel) with effect from December 20, 2019 in place of Mr. Subhanarayan Muduli was resigned from the post of Company Secretary from September 6, 2019.

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

D. Saravanan
Partner
ACS No.: 60177/CoP No.: 22608
UDIN: A060177B000350577

Chennai, June 17, 2020

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.

'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
ACS No.: 60177/CoP No.: 22608
UDIN: A060177B000350577

Chennai, June 17, 2020

ANNEXURE 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

FOR THE YEAR ENDED MARCH 31, 2020

[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 prepared the CSR 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 is in-alignment with primary focus initiative on promoting education for under privileged. Besides this, it also undertakes interventions in the areas of health, livelihood and ethically aimed at improving the quality of life of the communities.

   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, 2020 is as follows:

Name of the Member	Nature of Directorship
Mr. Subramanian Krishnaswamy	Independent Director; Chairperson of the Committee
Mr. Ganesan Thiagarajan	Managing Director; Member
Mr. Ken Nakayama	Executive Director; Member

3. **Average net profit of the Company for last three financial years:** ₹ 5,616,934

4. **Prescribed CSR expenditure (2% of the amount as mentioned in Serial no. 3 above):** ₹ 112,339

5. **Details of CSR during the financial year:**
   (a) Total amount spent for the financial year: ₹ 112,339
   (b) Amount unspent: ₹ Nil for the year 2019-20 (Cumulative unspent: ₹ Nil)
   (c) Manner in which the amount spent during the financial year is detailed below:

(Amount in ₹)

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs		Cumulative expenditure upto the reporting period	Amount spent: Direct or through implement -ing agency
					Direct expenditure	Overheads		
1	Supply of Computers, Printers and Scanner	Promoting education	Government Girls Higher Secondary School, Sholavaram, Chennai 600067 Tamil Nadu	112,339	112,339	Nil	112,339	Direct
	Total			**112,339**	**112,339**		**112,339**	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:

Not applicable

7. CSR Committee responsibility statement:

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR policy of the Company.

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

Subramanian Krishnaswamy
Chairperson of CSR Committee
DIN: 00019088

Ganesan Thiagarajan
Managing Director
DIN: 08377223

Chennai, June 24, 2020

ANNEXURE 4

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Manufacture of domestic electric appliances such as mixers, grinders	27501	47.56%
2	Manufacture of other domestic appliances	27509	52.44%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name of the Company	Address	CIN, if any	Holding/ Subsidiary/ Associate	(%) shares held	Applicable Section
1	Panasonic Corporation	No. 1006, Oaza Kadoma, Kadoma-shi, Osaka 571-8501, Japan Phone: +81-6-6908-1121	Foreign Company	Holding Company	95.43%	Section 2(46)

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

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2019]				No. of Shares held at the end of the year [As on March 31, 2020]				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
Promoter and Promoter Group									
Individuals / HUF	-	-	-	-	-	-	-	-	-
Central Govt/State Govt	-	-	-	-	-	-	-	-	-
Bodies Corproate	-	-	-	-	-	-	-	-	-
Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub Total	**-**	**-**	**-**	-	-	-	-	-	-
Foreign									
Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	12097175	-	12097175	95.43	12097175	-	12097175	95.43	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	**12097175**	**-**	**12097175**	**95.43**	**12097175**	**-**	**12097175**	**95.43**	**-**
TOTAL (A)	**12097175**	**-**	**12097175**	**95.43**	**12097175**	**-**	**12097175**	**95.43**	**-**
B. Public									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	1400	1400	0.01	-	1400	1400	0.01	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**1400**	**1400**	**0.01**	**-**	**1400**	**1400**	**0.01**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	10769	7100	17869	0.14	11072	7100	18172	0.14	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	190860	244920	435780	3.44	194671	241647	436318	3.44	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	124488	-	124488	0.98	123647	-	123647	0.98	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies- DR	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	**326117**	**252020**	**578137**	**4.56**	**329390**	**248747**	**578137**	**4.56**	**-**
Total Public (B)	**326117**	**253420**	**579537**	**4.57**	**329390**	**250147**	**579537**	**4.57**	**-**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**12423292**	**253420**	**12676712**	**100**	**12426565**	**250147**	**12676712**	**100**	**-**

(V) Shareholding of Promoters

SN	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Panasonic Corporation	12097175	95.43	-	12097175	95.43	-	-
	Total	**12097175**	**95.43**	**-**	**12097175**	**95.43**	**-**	**-**

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

SN	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	12097175	95.43	12097175	95.43
2	Increase/(decrease) in shareholding during the year	-	-	-	-
3	At the end of the year	12097175	95.43	12097175	95.43

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

SL No	Shareholder's Name	No. of Shares held at the % beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1 (a)	**Kamalamma J**				
	At the beginning of the year April 1, 2019	7,500	0.06	7,500	0.06
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	7,500	0.06	7,500	0.06
1(b)	**Chenna Reddy J**				
	At the beginning of the year April 1, 2019	7,500	0.06	7,500	0.06
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	7,500	0.06	7,500	0.06
2	**Chirag Navinchandra Sukhadia**				
	At the beginning of the year April 1, 2019	6,000	0.05	6,000	0.05
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	6,000	0.05	6,000	0.05
3	**S L Lalithamma**				
	At the beginning of the year April 1, 2019	5,762	0.05	5,762	0.05
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	5,762	0.05	5,762	0.05
4	**Shineup Fibres Limited**				
	At the beginning of the year April 1, 2019	5,000	0.04	5,000	0.04
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	5,000	0.04	5,000	0.04
5	**Ankal Capital Limited**				
	At the beginning of the year April 1, 2019	3,300	0.03	3,300	0.03
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	3,300	0.03	3,300	0.03
6	**Nivedita Malvi**				
	At the beginning of the year April 1, 2019	2,300	0.02	2,300	0.02
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	2,300	0.02	2,300	0.02

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

SL. No	Shareholder's Name	No. of Shares held at the % beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
7(a)	**Rajyalakshmi Ramachandran**				
	At the beginning of the year April 1, 2019	2,000	0.02	2,000	0.02
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	2,000	0.02	2,000	0.02
7(b)	**Kirit Modi**				
	At the beginning of the year April 1, 2019	2,000	0.02	2,000	0.02
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	2,000	0.02	2,000	0.02
8	**Anil Kumar Pillai**				
	At the beginning of the year April 1, 2019	1,985	0.02	1,985	0.02
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,985	0.02	1,985	0.02
9(a)	**Rajendra Singh Singhvi**				
	At the beginning of the year April 1, 2019	1,800	0.01	1,800	0.01
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,800	0.01	1,800	0.01
9(b)	**Dinkar S Mahind**				
	At the beginning of the year April 1, 2019	1,800	0.01	1,800	0.01
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,800	0.01	1,800	0.01
10(a)	**Shreekumar Maheswari**				
	At the beginning of the year April 1, 2019	1,500	0.01	1,500	0.01
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,500	0.01	1,500	0.01
10(b)	**Bijay Kumar Damani**				
	At the beginning of the year April 1, 2019	1,500	0.01	1,500	0.01
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,500	0.01	1,500	0.01
10(c)	**Shree Kanta Damani**				
	At the beginning of the year April 1, 2019	1,500	0.01	1,500	0.01
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,500	0.01	1,500	0.01
10(d)	**Sarita S Pai**				
	At the beginning of the year April 1, 2019	1,500	0.01	1,500	0.01
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,500	0.01	1,500	0.01
10(e)	**Jyotsna Chinoy**				
	At the beginning of the year April 1, 2019	1,500	0.01	1,500	0.01
	Changes during the year	-	-	-	-
	At the end of the year March 31, 2020	1,500	0.01	1,500	0.01

(VII) Shareholding of Directors and Key Managerial Personnel:

SL. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		% change during the year
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Ganesan Thiagarajan	1	0.00%	1	0.00%	-

(VIII) Indebtedness

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

Amount in ₹

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year				
Addition	-	30,000,000	-	**30,000,000**
Reduction	-	-	-	**-**
Net changes	**-**	**30,000,000**	**-**	**30,000,000**
Indebtedness at the end of the financial year				
i) Principal Amount	-	30,000,000	-	**30,000,000**
ii) Interest due but not paid	-	-	-	–
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**30,000,000**	**-**	**30,000,000**

(IX) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in ₹

SNo	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		Ganesan Thiagarajan* *Managing Director*	Ken Nakayama** *Executive Director*	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,621,439	4,200,000	**11,821,439**
	(b) Value of perquisites u/s 17(2) Income taxAct, 1961	32,400	303,322	**303,322**
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	-	-	**-**
2	Stock option	-	-	**-**
3	Sweat equity	-	-	**-**
4	Commission - as % of profit - others (specify)	 - -	 - -	 **-** **-**
5	Others (please specify) Performance bonus payable Contribution to provident fund	 637,158 499,296	 - -	 **637,158** **499,296**
	Total (A)	**8,790,293**	**4,503,322**	**13,293,615**
	Ceiling as per the Act	₹ 8,400,000 per person, as per Section II of Part II of Schedule V, the remuneration payable by Companies having no profit or inadequate profit without Central Government approval. The remuneration in excess of above limit may be paid, if the resolution passed by the shareholders is a special resolution.		

** Appointed as Managing Director of the Company w.e.f. April 1, 2019*

*** Appointed as Executive Director of the Company w.e.f. April 1, 2019*

B. Remuneration to other directors: Amount in ₹

Sl.No.	Particulars of remuneration	Name of directors		Total amount
1	Independent Directors	**Subramanian Krishnaswamy***	**Ajit Gopal Nambiar***	
	• Fee for attending board/ committee meetings	885,000	495,000	1,380,000
	• Commission	-	-	
	• Others, please specify	-	-	
	Total (1)	**885,000**	**495,000**	**1,380,000**
2	Other Non Executive Directors	**Masayuki Sasage**		
	• Fee for attending board/ committee meetings	-	-	
	• Commission	-	-	
	• Others, please specify			
	Total (2)	**-**	**-**	
	Total (B) = (1 +2)	**-**	**-**	**1,380,000**
	Total Managerial Remuneration (A+B)			**14,434,065**

**Reappointed as Independent Directors of the Company for the second term w.e.f. June 5, 2019*

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

SNo	Particulars of Remuneration	Name of Key Managerial Personnel		Total
		Jayaprakash Kalappan* *CFO & Company Secretary*	**Subhanarayan Muduli**** *Company Secretary*	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,744,480	301,904	**5,046,384**
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	32,400	-	**32,400**
	(c) Profits in lieu of salary under section 17(3) of Income tax Act, 1961	-	-	**-**
2	Stock option	-	-	**-**
3	Sweat equity	-	-	**-**
4	Commission - as % of profit - others (specify)	 - -	 - -	 **-** **-**
5	Others (please specify) Contribution to provident fund	249,268	16,678	**265,946**
	Total	**5,026,148**	**318,582**	**5,344,730**

** Appointed as Company Secretary of the Company w.e.f. December 20, 2019*
*** Resigned as Company Secretary on September 6, 2019*

Penalties/Punishment/Compounding of Offences:

There are no penalties/punishment/compounding of offences against the Company and its Directors and Officers for the year ended on 31st March, 2020.

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

Ganesan Thiagarajan
Managing Director
DIN: 08377223

Ken Nakayama
Executive Director
DIN: 08377188

Chennai, June 24, 2020

ANNEXURE 5

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

(a) CONSERVATION OF ENERGY

(i)	the efforts made towards technology absorption	1. Introduction of LED light fittings instead of Fluorescent lamp

Description	Before	Now
Fluorescent lamp (36W X 185Nos. X 18hrs)/1000	120 Units	
Fluorescent lamp (96W X 32Nos. X 12hrs)/1000	37 Units	
Fluorescent lamp (14W X 111Nos. X 9hrs)/1000	14 Units	
Fluorescent lamp (216W X 12Nos. X 18hrs)/1000	47 Units	
LED lamp at Shop floor (36W X 58Nos. X 18hrs)/1000		38 Units
LED battery lamp at Shop floor (20W X 13Nos. X 18hrs)/1000		4.68 Units
LED lamp at Parts stores (40W X 6Nos.X 18hrs)/1000		4.3 Units
LED down lamp at Shop floor (14W X 11Nos. X 18hrs)/1000		2.77 Units
LED lamp at Street light (45W X 32Nos. X 12hrs)/1000		17.28 Units
LED lamp at Press shop (90W X 9Nos. X 18hrs)/1000		14.58 Units
LED lamp at Paint shop (120W X 3Nos.X 18hrs)/1000		6.48 Units
LED down Lamp at Shop floor (20W X 32Nos. X 9hrs)/1000		5.76 Units
LED down Lamp at Shop floor (15W X 33Nos. X 18hrs)/1000		8.91 Units
LED lamp at Shop floor (10W X 111Nos. X 9hrs)/1000		10 Units
Electricity units/day	218 Units	112.76 Units
Electricity units/month	5450 Units (218 X 25 days)	2819 Units (112.76 X 25 days)
Electricity cost/month	₹ 46,325 (5450 X ₹ 8.50)	₹ 23,961 (2819 X ₹ 8.50)
Cost saving/month Cost saving/year	₹ 22,364 ₹ 268,368	

2. Introduction of LED fittings results in saving of energy by 31572 Units per annual and saving of cost by₹ 268,368 per year

(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 ₹334,605

(B) TECHNOLOGY ABSORPTION

(i)	Efforts made towards technology absorption	By availing technical assistance from Panasonic Corporation Japan, Development has been made towards manufacturing of new products such as: ➢ Successfully introduced the Commercial Rice cooker 5.4L series for USA, Australia and New Zealand. ➢ Successfully introduced the Commercial UH36 series Jar cooker model for Japan, Hong Kong and India. ➢ Successfully expanded the export market of Rice cooker to Australia, New Zealand, UK, France, Singapore and Cambodia.
(ii)	Benefits derived from key projects like product improvement, cost reduction, product development or import substitution	➢ By product manufacturing transfer from other countries, the Company has successfully developed the Commercial UH36 series Jar cooker model and expanded the sales market for Japan, Hong Kong and India. ➢ Company has successfully developed the 5.4L New capacity Rice cooker model and expanded the new commercial segment for USA. ➢ Value engineering activities in materials resulted the benefit of ₹ 1.0 Million. ➢ Material localization activities resulted the benefit of ₹ 0.32 Million.
(iii)	Information regarding imported technology (last three years)	Products imported during last three years

Year	Products
2017-18	Nil
2018-19	New UH36 series cooker development & in-house manufacturing for France and development in progress for Japan, Hong Kong and USA
2019-20	UH36 series cooker introduced for Japan, Hong Kong and India

	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	—
(iv)	The expenditure incurred on Research and Development	₹ 12,784,326

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO: (₹ Crore)

Particulars	Current year [2019 - 2020]	Previous year [2018 - 2019]
Foreign exchange earned	67.62	77.68
Foreign exchange used (outgo)	57.93	61.70

Independent Auditors' 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 March 31, 2020, 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 the 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 March 31, 2020 and its profit and 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.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility 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 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 auditors' 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 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 in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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 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) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its financial statements - Refer Note 27 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no significant delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and

iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2020.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, during the current year, the remuneration paid by the company to its directors 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) which are required to be commented upon by us.

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

K Raghuram
Partner
Membership No.: 211171
UDIN: 20211171AAAABW4297

Chennai, July 9, 2020

Annexure A to the Independent Auditors' report to the members of Panasonic Appliances India Company Limited for the year ended March 31, 2020 (referred to in our report of even date)

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The company has a regular programme of physical verification of its fixed assets by which fixed assets are verified annually. In accordance with the programme, no material discrepancies were noticed on such verification during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

(ii) The inventory except goods-in-transit, has been physically verified by the management during the period. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or

other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable.

(iv) The Company does not have any loan, investment, guarantee, and security which required compliance under section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the order is not applicable.

(v) The Company has not accepted deposits from the public. Accordingly, paragraph 3(v) of the order is not applicable.

(vi) The Central government has not prescribed the maintenance of cost records under section 148(1) of the Act, for sale of goods and the services rendered by the company. Accordingly, paragraph 3(vi) of the order is not applicable.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, duty of customs and any other material statutory dues has been generally deposited regularly during the year by the company with the appropriate authorities except for few delays in deposit of income tax deducted at source ranging from 1 to 30 days. The Company did not have any dues on account of sales tax, service tax, duty of excise, value added tax and cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, duty of customs and any other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there were no dues of income tax, service tax, duty of customs, duty of excise, value added tax, sales tax, goods and service tax and cess which have not been deposited with the appropriate authorities on account of any dispute, except those set out in Appendix 1.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its bankers. The Company did not have any outstanding dues to any financial institution, government or debenture holders during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year.

(x) According to the information and explanations given to us, no material fraud on or by the company or by its officers or employees has been noticed or reported during the course of audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.

(xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required by applicable Indian Accounting Standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with such directors. Accordingly, paragraph 3(xv) of the order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

K Raghuram
Partner
Membership No.: 211171
UDIN: 20211171AAAABW4297

Chennai, July 9, 2020

Appendix 1 to the Independent Auditor's Report

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

Name of the statute/period to which it relates	Nature of dues	Forum where the dispute is pending	Amount (₹)
Income Tax Act, 1961			
For the period April 2003 - March 2005	Income tax	High Court of Madras	3,385,568
Sales Tax			
West Bengal Sales Tax Act, 1994			
For the period April 2001 - March 2003	Sales tax	Assistant Commissioner, Commercial Taxes, West Bengal	220,582
West Bengal Value Added Tax Act, 2003			
For the period April 2010 - March 2011	Sales tax	West Bengal Sale Tax Appellate & Revisional Board	3,777,892
Uttar Pradesh Value Added Tax Act, 2008			
For the period April 2013 - March 2014	Sales tax	Additional Commissioner	289,858*
Central Excise Act, 1944			
For the period December 2006 - July 2009	Excise duty	Additional Commissioner of Central Excise, Chennai	4,568,246
For the period February 2011 - October 2011	Excise duty	Additional Commissioner of Central Excise, Chennai	809,579
Finance Act, 1994			
For the period April 2006 - September 2010	Service tax	Customs, Excise and Service Tax Appellate Tribunal, Chennai	6,401,833#

* Net off ₹ 289,858 paid under protest
\# Net off ₹ 1,000,000 paid under protest

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 Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of Panasonic Appliances India Company Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, 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 March 31, 2020, 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").

Management's Responsibility 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, 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 whether 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 such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

K Raghuram
Partner
Membership No.: 211171
UDIN: 20211171AAAABW4297

Chennai, July 9, 2020

BALANCE SHEET AS AT MARCH 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Note	As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	126,767,120	126,767,120
Reserves and surplus	4	333,891,316	297,220,709
		460,658,436	**423,987,829**
Non-current liabilities			
Long-term borrowings	5	25,000,000	-
Deferred tax liabilities (net)	6	-	-
Long-term provisions	7	16,355,476	14,796,630
		41,355,476	**14,796,630**
Current liabilities			
Trade payables	8		
- total outstanding dues to micro and small enterprises		20,721,682	14,898,519
- total outstanding dues of creditors other than micro and small enterprises		368,234,820	350,917,506
Other current liabilities	9	177,607,623	206,705,632
Short-term provisions	10	26,956,535	8,441,974
		593,520,660	**580,963,631**
TOTAL		**1,095,534,572**	**1,019,748,090**
ASSETS			
Non-current assets			
Fixed assets			
Property, plant and equipment	11A	334,446,478	344,603,722
Intangible assets	11B	1,593,431	4,675,879
Capital work-in-progress	11C	8,312,618	3,225,474
		344,352,527	**352,505,075**
Long-term loans and advances	12	17,301,402	9,525,052
		361,653,929	**362,030,127**
Current assets			
Inventories	13	325,930,312	175,255,579
Trade receivables	14	315,276,427	371,683,855
Cash and cash equivalents	15	297,517	24,933,572
Short-term loans and advances	16	82,962,948	73,988,007
Other current assets	17	9,413,439	11,856,950
		733,880,643	**657,717,963**
TOTAL		**1,095,534,572**	**1,019,748,090**
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

K Raghuram
Partner
Membership No.: 211171

Chennai, July 9, 2020

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

Ganesan Thiagarajan
Managing Director
DIN: 08377223

Ken Nakayama
Executive Director
DIN: 08377188

Subramanian Krishnaswamy
Director
DIN: 00019088

Ajit Gopal Nambiar
Director
DIN: 00228857

Masayuki Sasage
Director
DIN: 08107285

Jayaprakash Kalappan
CFO & Company Secretary

Chennai, June 24, 2020

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

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

	Note	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from operations			
Sale of products	18	2,738,795,172	2,680,155,941
Other operating revenue	18	40,543,957	45,317,512
Total		**2,779,339,129**	**2,725,473,453**
Other income	19	36,332,732	40,942,177
Total revenue		**2,815,671,861**	**2,766,415,630**
EXPENSES			
Cost of material consumed	20	1,702,733,220	1,531,723,183
Purchase of stock-in-trade	21	50,930,033	81,947,252
Change in inventories of finished goods, work-in-progress and stock-in-trade	22	(118,787,041)	59,129,882
Employee benefit	23	356,455,504	316,375,663
Finance costs	24	11,893,242	16,552,087
Depreciation and amortisation	25	55,134,821	51,636,326
Other expenses	26	720,641,475	638,966,745
Total expenses		**2,779,001,254**	**2,696,331,138**
Profit before tax		**36,670,607**	**70,084,492**
Income tax expenses			
Current tax		4,968,905	-
Less: MAT credit entitlement		(4,968,905)	-
Deferred tax	6	-	-
Total tax expenses		-	-
Profit for the year		**36,670,607**	**70,084,492**
Earnings per equity share	39		
Face value per share		10	10
Weighted average number of equity shares (Nos.)		12,676,712	12,014,245
Basic earnings per share		2.89	5.83
Diluted earnings per share		2.89	5.81
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

K Raghuram
Partner
Membership No.: 211171

Chennai, July 9, 2020

for and on behalf of the Board of Directors of
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Jayaprakash Kalappan
CFO & Company Secretary

Chennai, June 24, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from operating activities		
Profit before tax	**36,670,607**	**70,084,492**
Adjustments:		
Depreciation and amortization	55,134,821	51,636,326
Interest income	(421,795)	(400,170)
Liabilities no longer required written back	(191,944)	(306,003)
Provision for inventories written back	(218,854)	(3,918,784)
Provision for doubtful trade receivables	35,012	-
Bad debts written off	135,854	-
Inventory written off	527,297	-
Unrealized foreign exchange loss/(gain)	1,075,062	(1,263,309)
Finance costs	11,893,242	16,552,087
Loss on sale/retirement of property, plant and equipment	765,643	825,409
	68,734,338	**63,125,556**
Operating cash flow before working capital changes	**105,404,945**	**133,210,048**
Movements in working capital:		
(Increase)/decrease in inventories	(150,983,176)	61,521,134
Decrease/(increase) in trade receivables	56,692,785	(127,823,712)
Increase in other assets	(7,756,030)	(32,469,455)
Increase in trade payables	21,801,136	73,154,837
(Decrease)/increase in other liabilities	(21,081,770)	56,898,930
Increase/(decrease) in long-term and short-term provisions	15,104,502	(5,602,467)
Cash generated from operating activities	**19,182,392**	**158,889,315**
Income tax (paid)/refund received (net)	73,749	(92,803)
Net cash generated from operating activities (A)	**19,256,141**	**158,796,512**
Cash flow from investing activities		
Payment towards purchase of fixed assets (including capital work-in-progress, capital creditors and capital advances)	(62,671,957)	(31,233,649)
Proceeds from sale of fixed assets	210,327	544,688
Interest received	394,484	397,937
Net cash used in from investing activities (B)	**(62,067,146)**	**(30,291,024)**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
Cash flow from financing activities		
Proceeds from issue of equity shares	-	340,000,000
Cost relating to issue of equity shares	-	(708,082)
Proceeds from borrowings	30,000,000	-
Repayment of borrowings	-	(430,955,519)
Finance costs paid	(11,825,050)	(17,936,457)
Net cash generated/(used in) from financing activities (C)	**18,174,950**	**(109,600,058)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(24,636,055)**	**18,905,430**
Cash and cash equivalents at the beginning of the year	24,933,572	6,028,142
Cash and cash equivalents at the end of the year (see below)	**297,517**	**24,933,572**
Notes to cash flow statement		
Components of cash and cash equivalents		
Balance with banks		
- in current account	297,517	7,933,572
- in deposit account	-	17,000,000
Total cash and cash equivalents	**297,517**	**24,933,572**

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

K Raghuram
Partner
Membership No.: 211171

Chennai, July 9, 2020

for and on behalf of the Board of Directors of
Panasonic Appliances India Company Limited
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Director
DIN: 08107285

Jayaprakash Kalappan
CFO & Company Secretary

Chennai, June 24, 2020

Notes to financial statements for the year ended March 31, 2020

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 Sholavaram 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.

c) Intangible assets

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

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

d) Impairment

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

e) Leases

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

f) Inventories

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

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

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

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

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

g) Employee benefits

Short term employee benefits

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

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly

contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The company's contribution is recognised as an expenses in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefits plans

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

Compensated absences

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

h) Revenue recognition

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

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

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

i) Borrowing costs

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

j) Foreign exchange transactions

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

k) Provisions, contingent liabilities and contingent assets

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

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be

estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

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

l) Income taxes

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

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

m) Earnings per share

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

n) Cash and cash equivalents

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

o) Segment reporting

Identification of segments

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

Segment policies

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

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

p) Cash flow statement

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

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
3. Share capital		
Authorised shares		
13,000,000 (Previous year: 13,000,000) equity shares of ₹10 each	130,000,000	130,000,000
Issued, subscribed and fully paid up shares		
12,676,712 (Previous year: 12,676,712) equity shares of ₹10 each fully paid	126,767,120	126,767,120
Total issued, subscribed and fully paidup share capital	**126,767,120**	**126,767,120**

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

	As at March 31, 2020		As at March 31, 2019	
	No.	₹	No.	₹
At the beginning of the year	12,676,712	126,767,120	9,832,000	98,320,000
Add: Shares issued during the year	-	-	2,844,712	28,447,120
At the end of the year	**12,676,712**	**126,767,120**	**12,676,712**	**126,767,120**

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, 2020		As at March 31, 2019	
	No.	₹	No.	₹
Equity shares of ₹10 each fully paid up held by Panasonic Corporation (Refer note below)	12,097,175	120,971,750	12,097,175	120,971,750

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

	As at March 31, 2020		As at March 31, 2019	
	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%

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
4. Reserves and surplus		
Capital reserve		
Balance as per the last financial statements	2,613,500	2,613,500
Closing balance	**2,613,500**	**2,613,500**
Securities premium account		
Balance as per the last financial statements	382,801,398	71,956,600
Add: Premium on shares issued during the year	-	310,844,798
Closing balance	**382,801,398**	**382,801,398**
General reserve		
Balance as per the last financial statements	354,194	354,194
Closing balance	**354,194**	**354,194**
Deficit in the statement of profit and loss		
Deficit as per last financial statements	(88,548,383)	(158,632,875)
Profit for the year	36,670,607	70,084,492
Net deficit in the statement of profit and loss	**(51,877,776)**	**(88,548,383)**
Total Reserves and surplus	**333,891,316**	**297,220,709**
5. Long-term borrowings		
Unsecured		
Term loan from banks (Refer note below)	30,000,000	-
Less: Current maturities of long term borrowings (Refer note 9)	(5,000,000)	-
	25,000,000	**-**

Note: Particulars and terms of repayment:

(i) Loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹ 20,000,000 (Previous year: ₹ Nil) was availed in May 24, 2019 and is repayable on May 24, 2021. Interest is computed at rate of 9.10% per annum.

(ii) Loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹ 5,000,000 (Previous year: ₹ Nil) was availed in July 19, 2019 and is repayable in 2 equal annual instalments starting from July 2020. Interest is computed at rate of 9.00% per annum.

(iii) Loan from The Bank of Tokyo Mitsubishi UFJ amounting to ₹ 5,000,000 (Previous year: ₹ Nil) was availed in September 18, 2019 and is repayable in 2 equal annual instalments starting from September 2020. Interest is computed at rate of 9.00% per annum.

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
6. Deferred taxes liabilities (net)		
Deferred tax liabilities		
Excess depreciation as per books over depreciation as per Income Tax Act, 1961	19,030,648	25,546,430
Gross deferred tax liability	**19,030,648**	**25,546,430**
Deferred tax asset		
Provision for employees benefits	7,085,599	5,144,966
Provision for doubtful debts	501,392	551,385
Provision for inventories	1,089,314	1,289,943
Brought forward losses and unabsorbed depreciation	10,354,343	18,560,136
Gross deferred tax asset	**19,030,648**	**25,546,430**
Net deferred tax liability	**-**	**-**

Note: Deferred tax assets towards carried forward tax losses and disallowances under the Income Tax Act,1961 has been restricted to the extent of deferred tax liabilities.

7. Long-term provisions		
Provision for employee benefits		
Compensated absences	10,094,076	7,763,026
Other provisions		
Provision for warranties (Refer note 37)	6,261,400	7,033,604
	16,355,476	**14,796,630**
8. Trade payables		
Trade Payables		
- dues of micro enterprises and small enterprises (Refer note 34)	20,721,682	14,898,519
- dues of creditors other than micro enterprises and small Enterprises	368,234,820	350,917,506
	388,956,502	**365,816,025**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
9. Other current liabilities		
Vendor finance payable	134,155,863	146,732,219
Payable towards purchase of fixed assets	13,466,516	26,550,947
Statutory dues payable	10,336,853	9,939,904
Employee benefits payable	9,440,496	16,992,395
Current maturities of long term borrowings (Refer note 5)	5,000,000	-
Advance from customers	3,631,131	5,794,837
Deposits from customers	561,000	561,000
Interest accrued but not due, on borrowings	68,192	-
Other payable	947,572	134,330
	177,607,623	**206,705,632**
10. Short-term provisions		
Provision for employee benefits		
Provision for gratuity (Refer note 35)	9,063,103	1,596,623
Compensated absences	1,133,931	1,217,090
Other provisions		
Provision for warranties (Refer note 37)	11,494,248	5,331,913
Provision for tax (net of advance tax)*	5,265,253	296,348
	26,956,535	**8,441,974**

*Advance tax ₹ 2,088,472 (Previous year: ₹ 2,088,472)

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

11A. Property, plant and equipment

	Free hold land	Building	Plant and machinery	Furniture and fitting	Office equipment	Vehicles	Total
Gross block							
Balance as at April 1, 2018	2,116,840	116,507,924	586,372,870	22,318,841	25,730,705	11,041,660	764,088,840
Additions during the year	-	-	41,170,351	275,109	2,566,224	1,698,471	45,710,155
Disposals during the year	-	294,475	9,148,734	-	46,200	941,710	10,431,119
Balance as at March 31, 2019	**2,116,840**	**116,213,449**	**618,394,487**	**22,593,950**	**28,250,729**	**11,798,421**	**799,367,876**
Additions during the year	-	6,465,979	30,912,252	996,286	3,702,718	-	42,077,235
Disposals during the year	-	41,650	5,446,881	341,478	178,359	-	6,008,368
Balance as at March 31, 2020	**2,116,840**	**122,637,778**	**643,859,858**	**23,248,758**	**31,775,088**	**11,798,421**	**835,436,743**
Accumulated depreciation							
Balance as at April 1, 2018	-	31,989,468	355,984,738	8,836,608	14,230,326	5,312,722	416,353,862
Depreciation for the year	-	3,102,944	37,587,432	1,834,296	4,034,425	912,217	47,471,314
Deletions during the year	-	125,055	7,997,453	-	43,890	894,624	9,061,022
Balance as at March 31, 2019	**-**	**34,967,357**	**385,574,717**	**10,670,904**	**18,220,861**	**5,330,315**	**454,764,154**
Depreciation for the year	-	3,146,711	41,170,528	1,874,781	4,153,363	913,126	51,258,509
Deletions during the year	-	26,532	4,492,658	334,857	178,351	-	5,032,398
Balance as at March 31, 2020	**-**	**38,087,536**	**422,252,587**	**12,210,828**	**22,195,873**	**6,243,441**	**500,990,265**
Net block							
Balance as at March 31, 2019	**2,116,840**	**81,246,092**	**232,819,770**	**11,923,046**	**10,029,868**	**6,468,106**	**344,603,722**
Balance as at March 31, 2020	**2,116,840**	**84,550,242**	**221,607,271**	**11,037,930**	**9,579,215**	**5,554,980**	**334,446,478**

In the previous year, the Company had revised the economic useful life of the fixed assets. As a result, the depreciation charge for the previous year was lower by ₹ 12,798,333 and the net assets were higher by the same amount.

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

11B. Intangible assets

	Software	Technical know-how	Total
Gross block			
Balance as at April 1, 2018	**9,940,039**	**20,149,041**	**30,089,080**
Additions during the year	1,010,705	-	1,010,705
Deletions during the year	-	-	-
Balance as at March 31, 2019	**10,950,744**	**20,149,041**	**31,099,785**
Additions during the year	793,864	-	793,864
Deletions during the year	-	-	-
Balance as at March 31, 2020	**11,744,608**	**20,149,041**	**31,893,649**
Accumulated depreciation			
Balance as at April 1, 2018	**7,902,062**	**14,356,832**	**22,258,894**
Amortisation for the year	1,143,463	3,021,549	4,165,012
Deletions during the year	-	-	-
Balance as at March 31, 2019	**9,045,525**	**17,378,381**	**26,423,906**
Amortisation for the year	1,105,652	2,770,660	3,876,312
Deletions during the year	-	-	-
Balance as at March 31, 2020	**10,151,177**	**20,149,041**	**30,300,218**
Net block			
Balance as at March 31, 2019	**1,905,219**	**2,770,660**	**4,675,879**
Balance as at March 31, 2020	**1,593,431**	**-**	**1,593,431**

11C. Capital work-in-progress

Balance as at April 1, 2018	-
Additions during the year	3,225,474
Capitalised during the year	-
Balance as at March 31, 2019	**3,225,474**
Additions during the year	8,312,618
Capitalised during the year	3,225,474
Balance as at March 31, 2020	**8,312,618**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
12. Long term loans and advances		
Unsecured and considered good		
To parties other than related parties		
Capital advances	1,647,227	17,944
Rental deposits	1,250,759	608,288
Security deposits	6,428,280	6,263,840
Balances with government authorities	1,060,000	1,065,000
Advance income tax (net of provisions for taxation)*	1,496,231	1,569,980
Other advances (unsecured)		
MAT credit entitlement	4,968,905	-
Considered good	-	-
Considered doubtful	4,801,968	4,801,968
Less: Provision for doubtful advances	(4,801,968)	(4,801,968)
	16,851,402	**9,525,052**
To related parties (Refer note 38)		
Rental deposits	450,000	-
	450,000	-
	17,301,402	**9,525,052**
*Provision for tax ₹ 1,172,737 (Previous year: ₹ 1,172,737)		
13. Inventories		
(valued at lower of cost and net realisable value)		
Raw materials*	140,230,299	120,483,559
Work-in-progress	50,285,400	20,439,908
Finished goods	109,494,355	25,389,168
Stock-in-trade	17,267,384	12,431,022
Stores and spares	12,568,453	646,355
	329,845,891	**179,390,012**
Less: Provision for slow and non-moving inventories	(3,915,579)	(4,134,433)
	325,930,312	**175,255,579**
* Includes Goods-in-transit ₹ 24,658,208 (Previous year: ₹ 17,572,191)		
14. Trade receivables		
Unsecured		
Receivable outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	454,643	415,459
Unsecured, considered doubtful	1,802,273	1,767,261
Less: Provision for doubtful debts	(1,802,273)	(1,767,261)
	454,643	**415,459**
Other receivables		
Unsecured, considered good	314,821,784	371,268,396
	314,821,784	**371,268,396**
	315,276,427	**371,683,855**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
15. Cash and cash equivalents		
Cash and cash equivalents		
Balances with banks		
- in current accounts	297,517	7,933,572
- in deposit account	-	17,000,000
	297,517	**24,933,572**
Details of bank balances/deposits		
Bank balances available on demand/deposits with original maturity of 3 months or less included under "Cash and cash equivalents"	297,517	24,933,572
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"	-	-
16. Short-term loans and advances		
Unsecured and considered good		
To parties other than related parties		
Rental deposits	1,027,205	1,839,276
Prepaid expenses	8,500,275	8,847,341
Advance to suppliers	340,333	7,363
Advance to employees	521,760	155,008
Balance with government authorities	71,975,916	62,469,019
Other advances	567,447	220,000
	82,932,936	**73,538,007**
To related parties (Refer note 38)		
Rental deposit	-	450,000
Advance to related parties	30,012	-
	30,012	**450,000**
	82,962,948	**73,988,007**
17. Other current assets		
Unsecured and considered good		
Interest accrued on deposit	427,481	400,170
Export benefit receivable	8,985,958	11,456,780
	9,413,439	**11,856,950**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
18. Revenue from operations		
Sale of products	2,738,795,172	2,680,155,941
Other operating revenue (scrap sales)	40,543,957	45,317,512
	2,779,339,129	**2,725,473,453**
Breakup of revenue from sale of products		
Manufactured goods		
Mixer and grinder	1,298,225,807	1,278,360,885
Electric rice cooker	1,292,801,958	1,210,727,651
Service parts and accessories	88,123,977	93,197,915
	2,679,151,742	**2,582,286,451**
Traded goods		
Mixer and grinder	4,305,717	39,255,479
Electric rice cooker	3,827,087	11,954,684
Others	51,510,626	46,659,327
	59,643,430	**97,869,490**
	2,738,795,172	**2,680,155,941**
19. Other income		
Interest income on deposits	869,760	400,170
Export incentives	24,332,581	31,070,807
Provision for inventory written back (net)*	218,854	3,918,784
Gain on exchange fluctuation (net)	9,990,501	-
Liabilities no longer required written back	191,944	306,003
Miscellaneous income	729,092	5,246,413
	36,332,732	**40,942,177**
* includes inventories written off amounting to ₹ 81,613 in the previous year		
20. Cost of raw material consumed		
Inventories at the beginning of the year	120,483,559	122,045,438
Add: Purchases	1,722,479,960	1,530,161,304
Less: Inventories at the end of the year	(140,230,299)	(120,483,559)
	1,702,733,220	**1,531,723,183**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
20. Cost of raw material consumed (continued)		
Breakup of cost of raw material consumed		
Aluminium sheets and ingots	224,141,835	241,692,441
Motors	222,805,900	221,038,741
Stainless steel	156,752,006	120,015,565
Thermoplastic materials	117,804,140	99,470,128
CRCA sheets	106,265,099	73,582,661
Power cord	92,056,465	90,301,819
Teflon circles	29,527,908	26,173,204
Thermostat	22,507,211	18,012,964
Paint	15,817,637	11,763,545
Wet Grinder drums	15,736,189	16,803,806
Others	699,318,830	612,868,309
	1,702,733,220	**1,531,723,183**
Details of inventories		
Power cord	13,226,484	7,297,197
CRCA sheets	11,161,009	1,872,925
Motors	11,081,024	1,974,753
Stainless steel	8,428,556	5,045,665
Aluminium sheets and ingots	6,133,735	13,377,561
Teflon circles	2,688,299	10,024,634
Thermoplastic materials	2,155,930	2,004,804
Others	85,355,262	78,886,020
	140,230,299	**120,483,559**
21. Purchase of traded goods		
Electric rice cooker	1,434,313	11,891,635
Mixer and grinder	-	13,596,114
Others	49,495,720	56,459,503
	50,930,033	**81,947,252**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
22. Change in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the beginning of the year		
Finished goods	25,389,168	73,170,014
Work-in-progress	20,439,908	32,608,160
Stock-in-trade	12,431,022	11,611,806
	58,260,098	**117,389,980**
Inventories at the end of the year		
Finished goods	109,494,355	25,389,168
Work-in-progress	50,285,400	20,439,908
Stock-in-trade	17,267,384	12,431,022
	177,047,139	**58,260,098**
	(118,787,041)	**59,129,882**
Details of inventories		
Finished goods		
Mixer and grinder	60,340,745	14,160,811
Electric rice cooker	47,117,086	8,375,922
Service parts and accessories	2,036,524	2,852,435
	109,494,355	**25,389,168**
Work-in-progress		
Electric rice cooker	28,283,987	13,194,764
Mixer and grinder	22,001,413	7,245,144
	50,285,400	**20,439,908**
Stock-in-trade		
Electric rice cooker	26,280	2,073,486
Mixer and grinder	11,334	1,145,090
Others	17,229,770	9,212,446
	17,267,384	**12,431,022**
23. Employee benefit		
Salaries, wages and bonus	297,222,614	271,076,642
Contribution to provident and other fund (Refer note 35)	23,850,655	15,156,365
Staff welfare expenses	35,382,235	30,142,656
	356,455,504	**316,375,663**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
24. Finance costs		
Interest expenses	11,893,242	16,552,087
	11,893,242	**16,552,087**
25. Depreciation and amortisation		
Depreciation of property, plant and equipment	51,258,509	47,471,314
Amortisation of intangible assets	3,876,312	4,165,012
	55,134,821	**51,636,326**
26. Other expenses		
Consumption of stores and spare parts	48,706,450	42,684,076
Power and fuel	52,016,389	49,300,802
Freight, clearing and forwarding	96,320,184	82,615,886
Sub-contractors charges	91,798,973	80,082,585
Rent (Refer note 33)	7,688,391	7,204,988
Repair and maintenance		
- Building	3,279,079	6,216,839
- Machinery	7,575,843	3,274,076
- Others	14,244,528	13,076,424
Insurance	7,330,579	7,324,324
Rates and taxes	4,175,092	2,337,242
Travelling expenses	48,721,913	53,014,073
Legal and professional fees (Refer note below)	15,834,443	11,603,586
Advertising and sales promotion	222,324,329	187,344,618
Bank charges	970,438	2,119,895
Telephone and other communication expenses	7,852,384	6,373,079
Printing and stationery	2,867,533	2,820,807
Warranty costs (Refer note 37)	18,708,782	8,132,164
Product development expenses	9,805,470	9,054,300
Royalty	27,700,508	25,587,331
Brand license fees	14,667,363	13,886,378
Directors sitting fees	1,380,000	987,500
CSR expenditure	112,339	-
Loss on foreign exchange fluctuations (net)	-	12,476,230
Stock written off	527,297	-
Bad debts written off	135,854	-
Provision for bad and doubtful debts	35,012	-
Loss on sale/retirement of property, plant and equipment	765,643	825,409
Miscellaneous expenses	15,096,659	10,624,133
	720,641,475	**638,966,745**
Details of payment to auditor (exclusive of tax)		
As auditor:		
Audit fees	2,900,000	2,700,000
Tax audit fees	200,000	200,000
Other services	420,000	722,700
Reimbursement of expenses	271,725	240,917
	3,791,725	**3,863,617**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
27. Contingent liabilities		
27.1 Claims against the Company not acknowledged as debts		
Finance Act, 1994	7,401,833	7,401,833
West Bengal Value Added Tax Act, 2003	3,777,892	3,777,892
Uttar Pradesh Value Added Tax Act, 2008	579,716	579,716
West Bengal Sales tax Act, 1994	220,582	220,582
27.2 Capital and other commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances*	6,011,239	8,080,380

* The above capital commitments are primarily for the purchase of moulds and dies for development of new mixer grinder design.

28. Value of imports calculated on CIF basis

	Year ended March 31, 2020	Year ended March 31, 2019
Raw materials	490,497,174	464,364,376
Stock-in-trade	24,184,549	53,681,460
Capital goods	1,752,924	20,197,581
	516,434,647	**538,243,417**

29. Expenditure in foreign currency (accrual basis)

	Year ended March 31, 2020	Year ended March 31, 2019
Royalty	27,700,508	25,587,331
Brand license fee	14,667,363	13,886,378
Design and consultancy charges	31,219,766	29,872,903
Travel	1,974,188	5,491,510
Others	3,320,555	3,934,740
	78,882,380	**78,772,862**

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

30. Imported and indigenous raw materials and components consumed

	Year ended March 31, 2020		Year ended March 31, 2019	
	Value	**% of total consumption**	Value	% of total consumption
Raw materials and packing materials				
Import	541,814,664	32%	478,758,092	31%
Indigenous	1,160,918,556	68%	1,052,965,091	69%
	1,702,733,220	**100%**	**1,531,723,183**	**100%**
Stores and spares				
Import	-	-	-	-
Indigenous	48,706,450	100%	42,684,076	100%
	48,706,450	**100%**	**42,684,076**	**100%**

31. Earnings in foreign currency (accrual basis)

	Year ended March 31, 2020	Year ended March 31, 2019
FOB value of exports	676,241,011	776,732,969

32. Derivative Instruments and Unhedged foreign currency exposure

32.1 Derivatives outstanding as at the end of the year

During the year, a forward exchange contract of USD 449,127 (equivalent to ₹ 31,295,180) entered into by the Company to cover the forecasted imported payable transactions. As at March 31, 2020 there are no outstanding forward exchange contracts.

32. 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, 2020		As at March 31, 2019	
	Amount in Foreign Currency	**Amount in Indian Rupees**	**Amount in Foreign Currency**	**Amount in Indian Rupees**
Trade receivable				
USD	366,363	27,318,225	1,124,547	77,728,761
Trade payable				
USD	1,316,328	99,655,974	1,870,834	129,598,237
JPY	5,283,531	3,687,883	4,212,818	2,634,336

33. 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 ₹ 7,688,391 (Previous year: ₹ 7,204,988).

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

34. 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, 2020 has been made in the financial statements based on information received and available with the Company.

		As at March 31, 2020	As at March 31, 2019
(a)	The amounts remaining unpaid to Micro, Small and Medium Enterprises Development Act, 2006 as at the end of the period		
	Principal	20,721,682	14,898,519
	Interest	478,633	138,785
(b)	The amount of interest paid by the buyer as per MSMED Act, 2006	138,785	820,964
(c)	The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	94,065,604	50,284,768
(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	455,286	138,785
(e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	478,633	138,785
(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	-	-

35. 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 ₹ 12,879,523 (Previous year: ₹ 11,871,142).

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.

Notes to financial statements for the year ended March 31, 2020

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

		As at March 31, 2020	As at March 31, 2019
A.	**Changes in the present value of the defined benefit obligations**		
	Opening defined benefit obligation	45,694,990	39,116,645
	Current service cost	3,487,687	3,057,771
	Interest cost	3,366,262	2,945,610
	Benefits paid	(532,694)	(717,232)
	Actuarial loss on obligation	5,704,593	1,292,196
	Closing defined benefit obligation	**57,720,838**	**45,694,990**
B.	**Change in plan assets**		
	Opening fair value of plan assets	44,098,367	34,444,463
	Expected return	3,793,578	3,099,322
	Actuarial (loss)/gain	(298,139)	2,518,283
	Contribution made in the current year	1,596,623	4,753,531
	Benefits settled	(532,694)	(717,232)
	Closing fair value of plan assets	**48,657,735**	**44,098,367**
C.	**Actual return on plan assets**		
	Expected return on plan assets	3,793,578	3,099,322
	Actuarial (loss)/gain on plan assets	(298,139)	2,518,283
	Actual return on plan assets	**3,495,439**	**5,617,605**
D.	**Reconciliation of present value of the obligation and the fair value of the plan assets**		
	Present value of defined benefit obligation	57,720,838	45,694,990
	Fair value of plan assets	(48,657,735)	(44,098,367)
	Net liability recognised in Balance sheet	**9,063,103**	**1,596,623**
E.	**Expenses recognised in Statement of profit and loss**		
	Current service cost	3,487,687	3,057,771
	Interest cost on benefit obligation	3,366,262	2,945,610
	Expected return on plan assets	(3,793,578)	(3,099,322)
	Net actuarial loss/(gain) recognised in the year	6,002,732	(1,226,087)
	Net benefit expense included in "Employees benefits"	**9,063,103**	**1,677,972**

F. Assumptions at Balance sheet date

	Year ended March 31, 2020	Year ended March 31, 2019
Discount rate	6.61%	7.41%
Salary escalation rates	5.00%	5.00%
Attrition rate	5.19%	8.20%
Expected rate of return on plan assets	8.00%	8.50%

Note:

The gratuity expenses have been recognised in "Contribution to provident and other funds" under Note 23 in the Statement of Profit and Loss.

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

Notes to financial statements for the year ended March 31, 2020

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

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

	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2017
Defined benefit obligation	57,720,838	45,694,990	39,116,645	36,058,796
Plan assets	48,657,735	44,098,367	34,444,463	28,401,936
Deficit	(9,063,103)	(1,596,623)	(4,672,182)	(7,656,860)
Experience adjustments on plan liabilities (loss)/gain	(4,134,001)	(771,324)	(842,342)	(1,607,511)
Experience adjustments on plan assets (loss)/gain)	(298,139)	2,518,283	(2,607,267)	45,236

36. Segment reporting

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

Secondary segment information

The company operates mainly in three geographical areas, India, SAARC countries and Rest of the world. The SAARC countries consist of Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, Sri Lanka, Maldives 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, 2020	Year ended March 31, 2019
India	2,103,098,117	1,948,740,484
SAARC countries	176,614,025	208,564,501
Rest of the world	499,626,987	568,168,468
	2,779,339,129	**2,725,473,453**

Carrying value of Segment assets

	As at March 31, 2020	As at March 31, 2019
India	1,068,171,792	940,579,402
SAARC countries	13,778,114	21,472,358
Rest of the world	13,584,666	57,696,330
	1,095,534,572	**1,019,748,090**

Other Segment information - Capital expenditure

	Year ended March 31, 2020	Year ended March 31, 2019
India		
Property, plant and equipment	42,077,235	45,710,155
Intangible assets	793,864	1,010,705
Capital work-in-progress	8,312,618	3,225,474
SAARC countries	-	-
Rest of the world	-	-
	51,183,717	**49,946,334**

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

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

Segment reporting (continued)

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.

37. 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, 2020	As at March 31, 2019
At the beginning of the year	12,365,517	16,045,777
Provision made during the year	18,708,782	8,132,164
Provision utilised during the year	(13,318,651)	(11,812,424)
At the end of the year	**17,755,648**	**12,365,517**
Short-term	11,494,248	5,331,913
Long-term	6,261,400	7,033,604

38. 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 Appliances Rice Cooker (Hangzhou) Co. Ltd, China
Panasonic Asia Pacific Pte. Ltd, Myanmar
Panasonic Australia Pty. Ltd.
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 Greater Mekong Marketing and Sales, Singapore
Panasonic Hong Kong Co. Ltd.
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 Marketing Sales Taiwan Co. Ltd.
Panasonic Procurement Malaysia Sdn. Bhd.
Panasonic R&D Company of America
Panasonic Singapore

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Panasonic Taiwan Co. Ltd. Panasonic Vietnam Co. Ltd. PT Panasonic Gobel Indonesia Relo Panasonic Excel International Co. Ltd., Japan
Key Management Personnel	Ganesan Thiagarajan, Managing Director (wef. April 1, 2019) Ken Nakayama, Executive Director (wef. April 1, 2019) Jayaprakash Kalappan, Chief Financial Officer and Company Secretary Subhanarayan Muduli, Company Secretary (till September 6, 2019) Hidenori Aso, Managing Director (till Mach 31, 2019)

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, 2020	Year ended March 31, 2019
Sale of goods		
Panasonic Logistics Asia Pacific	482,795,042	543,739,639
Panasonic India Private Limited	101,117,841	65,237,067
Panasonic Corporation Home Appliances Company	13,931,107	19,801,213
Panasonic Malaysia Sdn. Bhd.	577,749	522,407
Panasonic Marketing Middle East & Africa FZE	536,075	568,232
Panasonic Canada Inc.	412,523	809
Panasonic Consumer Service Group Texas	360,294	1,068,765
Panasonic Procurement Malaysia Sdn. Bhd.	175,975	348,550
Panasonic A.P.Sales (Thailand) Co. Ltd.	103,739	158,722
Panasonic Vietnam Co. Ltd.	81,776	97,837
Panasonic Manufacturing Philippines Corporation	36,164	-
Branch of Panasonic Asia Pacific Pte. Ltd.	30,315	-
Panasonic Asia Pacific Pte. Ltd.	28,125	-
Panasonic Australia Pty. Ltd.	28,020	-
Panasonic Singapore	11,879	34,912
PT Panasonic Gobel Indonesia	9,527	-
Panasonic DE Mexico S.A & DE C.V	1,279	-
Panasonic Customer Services Europe	565	-
Panasonic Consumer Electronics Co.	-	250,483
Panasonic Appliances Rice Cooker (Hangzhou) Co. Ltd.	-	66,210
Panasonic Taiwan Co. Ltd.	-	554
Purchase of goods		
Panasonic Greater Mekong Marketing and Sales	23,055,570	51,835,974
Panasonic India Private Limited	28,598,340	19,054,534
Panasonic Industrial Device Automation Control Sales Asia Pacific	674,986	482,069
Panasonic Taiwan Co. Ltd.	234,152	173,847
Panasonic Logistics Asia Pacific	70,589	31,282
Panasonic Corporation	69,298	7,758
Panasonic Hong Kong Co. Ltd.	17,195	-
Reimbursement of expenses paid		
Panasonic R&D Company of America	18,112,373	-
Panasonic Corporation	8,403,091	10,058,541
Panasonic India Private Limited	5,002,361	4,810,942
Panasonic Consumer Electronics Co.	912,342	16,844,553
Panasonic Manufacturing Philippines Corporation	725,496	605,077

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
Panasonic Corporation of North America	407,600	587,741
Relo Panasonic Excel International Co. Ltd.	205,307	-
Panasonic Australia Pty. Ltd.	172,090	-
Panasonic Singapore	84,734	162,896
Panasonic A.P. Sales (Thailand) Co. Ltd.	57,785	60,357
Rent paid		
Panasonic India Private Limited	1,201,297	1,062,000
Royalty paid		
Panasonic Corporation	27,700,508	25,587,331
Brand license fees paid		
Panasonic Corporation	14,667,363	13,886,378
Remuneration paid		
Ganesan Thiagarajan	8,120,735	-
Ken Nakayama	4,200,000	-
Jayaprakash Kalappan	4,993,748	4,173,059
Subhanarayan Muduli	318,582	608,274
Hidenori Aso	-	2,651,520

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, 2020	As at March 31, 2019
Trade receivables		
Panasonic Logistics Asia Pacific	13,331,209	55,418,273
Panasonic India Private Limited	2,650,147	7,250,523
Panasonic Malaysia Sdn. Bhd.	58,130	72,023
Panasonic A.P.Sales (Thailand) Co. Ltd.	29,620	4,700
Panasonic Consumer Service Group Texas	27,325	23,432
Panasonic Corporation Home Appliances Company	19,999	1,977,247
Panasonic Vietnam Co. Ltd.	11,330	4,838
Panasonic Canada Inc.	1,629	-
Panasonic Procurement Malaysia Sdn. Bhd.	-	69,120
Panasonic Marketing Middle East & Africa FZE	-	23,570
Panasonic Singapore	-	10,506
Trade payables		
Panasonic Corporation	31,728,262	29,652,419
Panasonic R&D Company of America	3,787,500	-
Panasonic India Private Limited	2,042,179	8,974,533
Panasonic Consumer Electronics Company	-	2,740,716
Panasonic Corporation of North America	-	83,592
Panasonic A.P.Sales (Thailand) Co. Ltd.	-	47,855
Panasonic Taiwan Co. Ltd.	-	1,011
Advance to related parties		
Panasonic Taiwan Co. Ltd.	21,468	-
Panasonic Logistics Asia Pacific	8,544	-

Notes to financial statements for the year ended March 31, 2020
(All amounts in Rupees, except share data and unless otherwise stated)

	As at March 31, 2020	As at March 31, 2019
Rent deposit paid		
Panasonic India Private Limited	450,000	450,000

C. During the previous year, the Company had purchased used fixed assets amounting to ₹ 17,164,179 from Panasonic Appliances Rice Cooker (Hangzhou) Co. Ltd., China through an agent SIAM MEISEI Co. Ltd. Thailand (MEISEI). Considering the specialized nature of the used machinery purchased, the Company was unable to establish that the transaction is at arm's length. In accordance with section 188 of the Companies Act, 2013 read along with the rules made therein, the Company is required to obtain shareholders' approval through an ordinary resolution either prior to the transaction or a ratification within three months from the date of transaction, failing which the transaction is voidable at the option of the shareholders. However, due to certain administrative delays the Company obtained a ratification of the transaction from the Shareholders post the stipulated time. The Company, basis the opinion from their legal counsel has determined that this transaction is valid, as the shareholders did not exercise their option to make the transaction voidable.

39. Earnings per share (EPS)

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

	Year ended March 31, 2020	Year ended March 31, 2019
Net profit for calculation of EPS	36,670,607	70,084,492
Weighted average number of equity shares	12,676,712	12,014,245
Basic EPS (in ₹)	2.89	5.83
Diluted EPS (in ₹)	2.89	5.81
Face value per share (in ₹)	10	10

40. Transfer pricing

The Company has entered into international transactions with related parties. For the year ended March 31, 2019, 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.

41. In view of the lockdown in many of the States/Union territories across the country due to the outbreak of COVID-19 pandemic, the operations in many of the Company's locations (plant and warehouses) were scaled down or shut down from second half of March 2020. Currently, the manufacturing plant in Chennai and few warehouses are being operated as per the local guidelines of social distancing and high hygiene standards wherever permitted. The duration of the lockdown in various States is uncertain at this point in time and resumption of full-fledged operations will depend upon directives issued by the respective State Government authorities. While this has adversely impacted the sales performance in various geographies (including exports), the Company continue to closely monitor the situation and take appropriate action as necessary to scale up operations, in due compliance with the applicable regulations. As per the current assessment no significant impact on carrying amount of inventories, intangible assets, trade receivables and other assets is expected, and the Company continue to monitor changes in future economic conditions. The eventual outcome of the impact of global health pandemic may be different from those estimated as on the date of approval of this Financial Statements.

42. Prior period comparatives

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

As per our report of even date attached

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

K Raghuram
Partner
Membership No.: 211171

Chennai, July 9, 2020

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

Ganesan Thiagarajan
Managing Director
DIN: 08377223

Ken Nakayama
Executive Director
DIN: 08377188

Subramanian Krishnaswamy
Director
DIN: 00019088

Ajit Gopal Nambiar
Director
DIN: 00228857

Masayuki Sasage
Director
DIN: 08107285

Jayaprakash Kalappan
CFO & Company Secretary

Chennai, June 24, 2020

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