



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

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

PAPIN/SEC/AGM/MSE/2014

January 28, 2014

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

Dear Sir,

Sub: Proceedings of Annual General Meeting
Ref: Scrip Code: INDOMATAPP

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Pursuant to Clause 31 of the Listing Agreement please find enclosed the minutes of the proceedings of the 25th Annual General Meeting (AGM) of the Company held on 31st December, 2013.

Kindly take on record the same.

Thanking you,

Yours faithfully

For Panasonic Appliances India Company Limited

Tom Antony
CFO & Company Secretary

Encl: As above

Panasonic

Regd. Office & Factory : N.H. No. 5, Sholavaram Village, Ponneri Taluk, Chennai - 600 067.
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MINUTES OF THE 25TH ANNUAL GENERAL MEETING OF THE MEMBERS OF PANASONIC APPLIANCES INDIA COMPANY LIMITED HELD ON TUESDAY, DECEMBER 31, 2013, AT 10.45 A.M. AT RANI SEETHAI HALL, NO. 603, ANNA SALAI, CHENNAI, TAMIL NADU

PRESENT:

Mr. Justice S. Natarajan	Independent Director and as a member of the Company Also, as the Chairman of the Audit Committee of the Company
Mr. H. Aso	Managing Director And as the Authorised Representative of Panasonic Corporation
Mr. K. Subramanian	Independent Director
Mr. A. Raghavendra Rao	Independent Director

IN ATTENDANCE

Mr. Tom Antony	Chief Financial Officer and Company Secretary
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MEMBERS PRESENT

In Person	390
In Proxy	49

The 25th Annual General Meeting (AGM) of the Company commenced with the welcome address by Mr. Tom Antony, Chief Financial Officer and Company Secretary of the Company.

Election of Chairman of the Meeting:

In accordance with Article 89 of the Articles of Association, Mr. H. Aso, Managing Director proposed the name of Mr. Justice S. Natarajan as Chairman of the Meeting. Mr. A. Raghavendra Rao, Director seconded the proposal. Upon being elected as Chairman, Mr. Justice S. Natarajan occupied the chair and conducted the proceedings of the Meeting.



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available at the meeting and will remain opened for inspection during the meeting. The Chairman introduced the Members of the Board of Directors present on the dais to the Shareholders and mentioned the reason why the other Directors on the Board - Mr. Harshad Reddy, Mr. Shigeru Dono and Mr. Ajit G. Nambiar were unable to attend the Annual General Meeting.

Thereafter, the Chairman commenced the formal agenda of the Annual General Meeting and with the consent of the Members present, the Notice convening the Meeting, the Directors' Report and the Annual Accounts for the financial year ended 31st March, 2013 were taken as read.

Chairman's Speech

The Chairman delivered his speech in which he highlighted the reason for the delay in conducting the Annual General Meeting and gave a brief review of performance of the Company. He informed the members that the Managing Director will explain in detail about the performance, progress of revival measure and future plans of the Company. During the speech, the Chairman informed the members about the important events that took place during the period covered by the Directors' Report viz., Capital infusion by Panasonic Corporation, Scheme of Arrangement for Capital restructuring and the status of the proposed integration of sales and marketing with Panasonic India Private Limited. The speech also highlighted the future prospects of the Company. The Chairman concluded his speech by thanking the various stakeholders for their support and contribution to the Company.

Auditors' Report

At the instance of the Chairman, Mr. Tom Antony, CFO & Company Secretary read the Auditors' Report for the year ended 31st March 2013.

After the Auditors' Report was read out, the Chairman proceeded with transacting the items detailed in the notice as follows:

Approval of Accounts

Item No.1: Adoption of Accounts for the Financial Year ended 31st March 2013

The Chairman took up the first agenda item and placed before the Meeting the Annual Accounts of the Company for the year ended 31st March 2013 together with the Directors' Report and Auditors' Report attached thereto along with the Annexure for consideration.

Before proposing the resolution, the Chairman invited Mr. H. Aso to brief the shareholders on the performance and the future plans of the Company.

Mr. Aso made a detailed presentation to the members. During his presentation, he, inter alia, mentioned the following:

- Internal and external factors which affected the performance of the Company .
- The efforts taken by the Company for its revival during the previous financial year which will be continued in the present financial year also.



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- Referring to the 7 pillars for 'V' shaped recovery that he had mentioned to the members during the previous AGM, Mr. Aso explained how the Company was able to reduce its fixed costs to a great extent. He also mentioned the efforts taken with respect to production and purchase for cost control.
- With respect to the current constraints, he mentioned the competition faced by the Company's products and the present challenges of over dependency on Andhra Pradesh and the depreciating Rupee.
- Mr. Aso elaborated the action plans for the upcoming financial year
 1. Introducing new model in new product category
 2. Reinforcing present product line
 3. Scaling-up sales in other states
 4. Export Expansion Plans
 5. Increased productivity due to Factory Innovation activities

He concluded by explaining the status of these various action plans, the achievements in the past and the future activities planned in respect of the above.

After the presentation, the Chairman proposed the following resolution set out under Item No. 1 of the notice relating to adoption of accounts to be passed as an Ordinary Resolution.

"RESOLVED THAT the Audited Balance Sheet as at 31st March 2013, Profit and Loss Account for the year ended on that date and Reports of the Board of Directors and Auditors thereon as circulated to the members and now submitted to this Meeting be and are hereby received, approved and adopted."

Mr. N. Sudhakar (Folio No. 153) seconded the resolution.

Before putting resolution to vote, Chairman invited queries from the shareholders on the accounts and workings of the Company during the period under review.

Mr. B. Sriram (Folio No. 29027) started his address by appreciating the Board of Directors, Managing Director and employees for their efforts in improving the performance of the Company. He expressed his disappointment with the financial results of the Company as he had expected better financial results and performance for the present year. He referred to the activities that Mr. Aso had proposed during the previous General Meeting of the company and quoted that the most of them have not come to reality. He also questioned the absence of the Panasonic Representative, Mr. Shigeru Dono at the Meeting recalling that a Panasonic Representative was present during the previous Meeting and had spoken to and reassured the shareholders.

He mentioned that the illustrious and reputed Board of Directors with their wide experience and Management have to closely introspect and analyse the reasons why a Company making 167 Crores turnover is unable to post net profits. He expressed that though he is happy with the growth of the Company; expeditious efforts have to be made to turn it around from a loss making to a profit making Company.



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He appreciated the Company for the quality and transparency maintained in the 2012 – 2013 Annual report and stated that the same helps in improving Shareholders' confidence. Mr. Sriram mentioned that continuous losses will also decrease the employee morale and lose shareholders confidence. He expressed his interest in getting to know the new products planned by the Company.

As regards the shifting of the imported product business to Panasonic India, he wanted to know the steps taken by the Board of Directors and Company in this matter and requested expert negotiation efforts so that the Company could get a good amount of consideration which would help it in its current financial position.

He questioned why the Company does not have a permanent Chairman and while appreciating the Company for reducing its fixed costs, he suggested the Company to appoint separate personnel for the post of CFO & CS as a better Corporate Governance practice.

He brought attention to the "Emphasis of Matter" comment in the Auditors report and asked the Directors to explain and give their reply to this Auditor's remark. At the same time he thanked the Company for increasing the other income.

The other queries raised by the shareholder included the Royalty paid to Panasonic, the decrease in the amount of Sale of Scrap, the advertisement and sales promotion expenses, refund claim of Special Additional Duty, etc. He suggested that the Royalty be waived or deferred till the Company begins to earn profit. He also suggested that the Company utilize its Brand name and goodwill and increase visibility of its products so that Sales can be increased. He asked the Company to arrange for a factory visit for the shareholders and also to conduct future meetings at an earlier date.

Mr. Sriram while concluding his remarks expressed confidence that Mr. Aso who has been with the company for very long time and knows the market and current financial position of the company very well, can make a difference and lead the company to a remarkable turnaround with his wide experience. He mentioned that many employees are depending on this company and employee's morale will get a boost if the company makes profit. He felt that with proper negotiation it will be possible to convince Panasonic Corporation and bring back entire imported products business which was shifted from the company. He concluded by asking Mr. Aso to ensure that a Panasonic Representative will be present in the future Meetings of the Company and requested Mr. Aso to effectively liason with Panasonic Corporation, Japan and convince them about the importance of the Chennai plant and strives to make the Company as an export and production hub.

Thereafter, Mr. Ramalingam Vidyasankar (Folio No 1204470005731511) another shareholder stated that he received the Annual Report late. He questioned the absence of Mr. Harshad Reddy. He also wanted to know the details of the application for the post of Directorship of Mr. Shigeru Dono. He enquired about the specific details of the various items mentioned in the Balance Sheet and Profit and Loss Statement and expressed his disappointment at the performance of the Company and mentioned that the Company is not performing its obligations in the best manner.



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Mr. Padmanabhan (Folio No. IN3013132000794645) started his address by suggesting the Company to incorporate consolidated and comprehensive details of the previous ten years in the first page so that shareholders can get a complete picture of the Company's performance by looking at it. He requested the Company to concentrate on export and strive to bring more Forex to the country. He enquired the reason behind the Company trading shares in Madras Stock Exchange and also mentioned about the huge number of shares still held by minority shareholders in physical form. He mentioned that because of this fact, liquid shares available to shareholders for trading is less and hence he subsequently requested the Company to make efforts to encourage the minority shareholders to dematerialize shares so that they can derive benefits accruing out of the same.

Mr. Padmanabhan also questioned why the Director's have not replied to the Auditor's remark in the Auditor's report and stated that he would like to know the explanation and reply with respect to the same. He requested the Company to pay dividend in the coming year and also asked for the specific details on disputed customs duty.

He concluded by stating that this being the Silver Jubilee year of the Company, the shareholders expect the Company to give them a token of appreciation.

Subsequently, Mr. Abhishek J (Folio No: IN30163741359155) enquired about Auditor's details, Unclaimed dividend amount, Royalty paid to Panasonic and details of the various pending disputes of the Company. He also requested the Company to arrange a factory visit for interested shareholders.

Mr. Pinni Sreenivasulu (Folio No. IN30154914710889) at the outset thanked the management for the improvement in the performance of the Company and the Profit After Tax (PAT) of the Company. He requested the Company to find out ways and means as to how to make profits at the earliest in addition to the vigorous efforts taken now. He also requested the Company to conduct its General Meetings at an earlier date in the coming year and declare dividend at the earliest.

Mr. Aso while replying to the Shareholders thanked the shareholders for their opinions. In reply to the question of Mr. Sriram about the position of the Company in the Panasonic Group, he explained the commitment and assurance given by the Director and Panasonic Representative, Mr. Shigeru Dono that Panasonic Appliances India Co. Ltd was the most important business point in India for Kitchen Appliances. He mentioned that a lot of support is given to the Company by Panasonic Corporation for improving its current position. He also mentioned that the shifting of production from Thailand to India took a lot of effort and this shows the importance given to the Company by Panasonic. Regarding consideration for shifting of imported products, Mr. Aso informed the shareholders that the Consideration was payable for shifting sales and marketing to Panasonic India which did not take place as the parties could not arrive at consensus on the terms. In the absence of transfer of sales and marketing receiving any consideration in this regard does not arise. Regarding royalty, Mr. Aso informed the shareholders that by changing the method of calculation of royalty, the royalty payable by the Company on Cooker and Mixie has come down in 2012-13. He also highlighted the support extended by Panasonic in increasing export sales. He told that a factory visit can be arranged for interested shareholders.



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Mr. Aso at this juncture also thanked the Directors on the Board for their incessant efforts and valuable suggestions which was very encouraging. He concluded that he believed the efforts taken by the Company would begin to yield results from 2014.

As advised by the Chairman, Mr. Tom Antony, CFO and Company Secretary, replied to the other queries raised by the Shareholders. After the queries were satisfactorily answered, the Chairman put the resolution to vote and on show of hands was passed with requisite majority.

Mr. Ramalingam Vidyasankar (Folio No 1204470005731511) public shareholder opposed the resolution.

The Chairman declared that the resolution has passed with requisite majority.

Before taking up Item No. 2, the Chairman reminded the members that the Independent Directors were present on the Board to see that the Company functions properly and that the interest of the minority shareholders is protected. He told that the maximum and best efforts have been taken by Independent Directors to see how the Company's performance can be improved and to safeguard the interests of the Minority shareholders.

Item No 2: Re-appointment of Mr. Harshad Reddy as a Director

Chairman informed the shareholders that Item No. 2 of the Notice is to appoint a Director in the place of Mr. Harshad Reddy who retires by rotation at this Meeting and is eligible for re-appointment.

Mr. B. Sriram (Folio No. 29027) proposed the following resolution as an Ordinary Resolution

"RESOLVED THAT Mr. Harshad Reddy who retires by rotation, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Mr. Ramalingam Vidyasankar (Folio No 1204470005731511) seconded the resolution.

The resolution being duly proposed and seconded, the Chairman put the resolution to vote and on show of hands the resolution was passed unanimously.

The Chairman declared that the resolution has passed unanimously.

Item No 3: Re-appointment of Mr. A. Raghavendra Rao as a Director

Chairman informed the shareholders that Item No. 3 of the Notice is to appoint a Director in the place of Mr. A. Raghavendra Rao who retires by rotation at this Meeting and is eligible for re-appointment.

Mr. B. Sriram (Folio No. 29027) proposed the following resolution as an Ordinary Resolution

"RESOLVED THAT Mr. A. Raghavendra Rao who retires by rotation, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Mr. Ramalingam Vidyasankar (Folio No 1204470005731511) seconded the resolution.



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The resolution being duly proposed and seconded, the Chairman put the resolution to vote and on show of hands the resolution was passed unanimously.

The Chairman declared that the resolution has passed unanimously.

Item No.4: Re-appointment of Statutory Auditors:

Chairman informed the shareholders that Item No.4 of the Notice relates to the re-appointment of M/s. Brahmayya & Co., Chartered Accountants as Auditors of the Company.

Mr. N. Sudhakar (Folio No. 153) proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Brahmayya & Co. Chartered Accountants, Chennai be and are hereby appointed as Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration as may be fixed by the Board of Directors of the Company."

Mr. R. Vivek (IN30163740968623) seconded the resolution.

The resolution being duly proposed and seconded, the Chairman put the resolution to vote and on show of hands, the resolution passed unanimously.

The Chairman declared that the resolution has passed unanimously.

Special Business

Item No. 5: Appointment of Mr. Shigeru Dono as Director of the Company liable to retire by rotation

Chairman informed the shareholders that Item No. 5 of the Notice relates to appointment of Mr. Shigeru Dono as a Director of the Company liable to retire by rotation.

Mr. B. Sriram (Folio No. 29027) proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Shigeru Dono be and is hereby appointed as a Director of the Company liable to retire by rotation."

Mr. Ramalingam Vidyasankar (Folio No. 1204470005731511) seconded the resolution.

The resolution being duly proposed and seconded, the Chairman put the resolution to vote and on show of hands, the resolution passed unanimously.

The Chairman declared that the resolution has passed unanimously.



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Any other Business

There being no other business to transact, the Chairman thanked the shareholders and declared the Meeting as closed.

For PANASONIC APPLIANCES INDIA CO. LTD.,

Tom Antony
Tom Antony
C.F.O & Company Secretary

True Copy

Sd/-
JUSTICE S NATARAJAN
CHAIRMAN



Place: Chennai
Date: January 27, 2014