

**Panasonic**

**HDR** 10+

**IPS** **SUPER BRIGHT PLUS**

**Smart TV**  
•••••  
**HomeOS**

**Shinobi ULTRA**  
**4K**  
**HDR**

**HGX**  
PROCESSOR

**DOLBY**  
VISION • ATMOS

**6** Colours  
**HEXA**  
CHROMA DRIVE  
**PRO**

# ANNUAL REPORT 2022

Panasonic AVC Networks India Co. Ltd.  
Address : C-52, Phase-II, Noida-201 305, U.P., India  
CIN: U74899DL1996PLC077330  
Tel.: 91-120-4024500



**A Better Life, A Better World**

**BOARD OF DIRECTORS**

**Shri Isshin Kinugawa**  
*Chairman & Managing Director*

**Shri Tsuyoshi Yoto**  
Director

**Shri Toru Shinohara**  
Director

**Shri Yasunari Anan**  
Director

**Shri Yasho Verdhana Verma**  
Independent Director

**Smt. Kanchan Vohra**  
Independent Director

**COMPANY SECRETARY**

**Shri Neeraj Khanna**  
Company Secretary

**CHIEF FINANCIAL OFFICER**

**Shri Tsuyoshi Yoto**  
Chief Financial Officer

**CORPORATE OFFICE**

C-52, Phase-II, Noida  
Distt-Gautam Budh Nagar  
Uttar Pradesh-201305

**REGISTERED OFFICE**

D-13/4, Okhla Industrial Area  
Phase -II New Delhi -110020

**SHARE TRANSFER AGENT**

Skyline Financial Services Pvt. Ltd.  
D-153A, 1st Floor, Okhla  
Industrial Area Phase-I, New Delhi-110020

**HOLDING COMPANY**

**Panasonic Holdings Corporation**  
**(erstwhile Panasonic Corporation)**  
*1006, Kadoma City, Osaka, Japan*

**STATUTORY AUDITORS**

**S. R. DINODIA & Co. LLP**  
*K-39 Connaught Place New Delhi -110001*

**SECRETARIAL AUDITORS**

**Abhishek Lamba and Associates**  
*D-20/1, 3<sup>rd</sup> Floor, Chhatarpur, Enclave,  
Phase – II, New Delhi -110074*

**INTERNAL AUDITORS**

**Sandeep Ahuja & Co.**  
*23/7, Old Rajinder Nagar, New Delhi - 110060*

**BANKERS**

**MUFG Bank**  
*New Delhi*

**Citi Bank N.A.**  
*New Delhi*

**ICICI Bank Ltd.**  
*Noida*

**State Bank of India**  
*Noida*

## **Basic Business Philosophy**

### **Basic Management Objective**

Recognizing our responsibilities as industrialists, we will devote ourselves to the progress and development of society and the well-being of people through our business activities, thereby enhancing the quality of life throughout the world.

### **The Company Creed**

Progress & development can be realized only through the combined efforts and cooperation of each employee of our company. United in spirit, we pledge to perform our corporate duties with dedication, diligence and integrity.

## **PAVCI Business Philosophy**

### **Mission of PAVCI**

Contribution to the progress and development of the Indian Society and Enhancement of the quality of Indian People's life through Visual Product Business.

## **BASIC PRINCIPLE**

### **Customer First**

## **BUSINESS OBJECTIVES**

- Establish PAVCI to the satisfaction of the customers with the wisdom of many.
- Establish Dynamism in the PAVCI with youthful and challenging spirit.
- Serve the Society with the highest quality product which PAVCI can be proud of throughout India and the World.

## **SLOGAN OF PAVCI FOR 2021-22**

# **Cross Value Innovation**

## INDEX

	<b>Page No.</b>
☛ Board's Report	1-8
☛ Annexures to the Board's Report	9-20
☛ Independent Auditors' Report	21-26
☛ Balance Sheet	27
☛ Profit & Loss Account	28
☛ Cash Flow Statement	29-30
☛ Notes forming part of the Financial Statements	31-54
☛ Notice of 27 <sup>th</sup> Annual General Meeting	55-62

## BOARD'S REPORT

Dear Shareholders,

Your directors take immense pleasure in presenting the 27<sup>th</sup> Board report on the Company's business and operations, together with audited financial statements for the Financial Year ended March 31, 2022.

**FINANCIAL PERFORMANCE**

The summary financial performance of Panasonic AVC Networks India Company Limited ("Company") in comparison to the previous Financial Year performance is as follows:

(₹ Lakhs)

Particulars	2021-22	2020-21
Gross Sales	270.95	1,061.90
Other operating Income	-	-
Profit / (Loss) before tax	(642.84)	(284.86)
MAT Credit entitlement	-	-
Deferred Tax	(56.24)	64.26
Tax Expense – Current Tax	-	-
Profit / (Loss) after Tax	(586.60)	(349.12)
Basic and diluted Earnings per share	(1.17)	(0.70)

During the Financial Year 2021-22, sales volume of your Company has decreased from INR 1,061.90 Lakhs to INR 270.95 Lakhs due to discontinuation of television (TVs) production since January, 2020. Moreover, the Losses of your company also increased from INR 349.12 Lakhs to INR 586.60 Lakhs. The Earnings per share for the Financial Year 2021-22 is (1.17).

Your Company continued its focus on cost control and remained encouraged and confident in achieving its long term objectives.

**DIVIDEND**

In view of the losses incurred by the Company, Board of Directors ("Board") of your Company has decided not to recommend any dividend for the Financial Year 2021-22.

**TRANSFER TO RESERVE**

The Board of your Company, has decided not to transfer any amount to the Reserve for the financial year under review.

**SHARE CAPITAL**

During the year under review, there was no change in the Company's authorized, issued, subscribed and paid-up equity share capital. As on March 31, 2022, the authorised share capital of the Company was INR 1,10,00,00,000/- (Rupees One Hundred and Ten Crores Only) issued, subscribed and the paid up Share Capital of the Company was INR 50,00,00,070/- (Rupees Fifty Crore Seventy Only).

**REDUCTION OF SHARE CAPITAL**

The shareholders of the Company had already approved the proposal for reduction of share capital of the Company on March 30, 2020 via postal ballot, to reduce the issued, subscribed and paid-up equity share capital of the Company from INR 50,00,00,070 (Rupees Fifty Crores and Seventy) divided into 5,00,00,007 (Five Crore and Seven) equity shares of INR 10 (Rupees Ten) each to INR 47,62,74,390 (Rupees Forty Seven Crores Sixty Two Lakhs Seventy Four Thousand Three Hundred and Ninety) divided into 4,76,27,439 (Four Crore Seventy Six Lakhs Twenty Seven Thousand Four Hundred and Thirty Nine) equity shares of INR 10 (Rupees Ten) each by paying off, cancelling and extinguishing, in aggregate, 23,72,568 (Twenty Three Lakh Seventy Two Thousand Five Hundred Sixty Eight) equity shares of INR 10 (Rupees Ten) each held by the Public shareholders of the Company (other than Panasonic Corporation [name changed to Panasonic Holdings Corporation w.e.f. 1<sup>st</sup> April, 2022] i.e. the promoter shareholder of the Company. The matter relating to the said capital reduction is currently pending with Hon'ble National Company Law Tribunal and the Order is awaited.

**DEPOSITS**

During the Financial Year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules 2014 and, as such, no amount of principal or interest was outstanding as on the balance sheet closure date.

**INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY**

Your Company has adopted proper and effective Internal Control Systems for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding its assets, the prevention and detection of fraud, the accuracy and the completeness of the accounting records and the timely preparation of reliable Financial Disclosures.

The Internal Control-Integrated Framework is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness. Auditors have access to the records and information of the Company.

The Board and the management periodically review the findings and recommendations of the Auditors and take necessary corrective actions whenever required. A qualified and independent Audit Committee of the Board reviews the internal audit reports and the adequacy of internal controls. The internal control system provides for well-Documented Policies, Guidelines, Authorizations and Approval Guidelines.

**CHANGE IN NATURE OF BUSINESS**

There was no change in the nature of business of the Company during the Financial Year 2021-22.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments, which can affect the financial position of the Company, occurred between the end of the financial year and date of this report.

**SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY**

During the financial year under review, the Company does not have any Subsidiary/ Joint venture/ Associate Company.

**SIGNIFICANT AND MATERIAL ORDERS**

During the financial year under review, there was no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operations in the future.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS OR SECURITIES**

In terms of provision of Section 186 of the Companies Act, 2013, the Company has not provided any loans and/or guarantees or made any investments or provided any securities during the Financial Year 2021-22.

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The human resource agenda of your Company primarily consists of achieving its long term objectives by building the right capabilities in the organization. We continue to focus on Progressive Employees-related policies and creating an inclusive work culture for Employee Development. Your Company emphasizes on the safety & engagement of people working in its premises.

**CONSERVATION OF ENERGY, FOREIGN EXCHANGE EARNINGS AND OUTGO AND TECHNOLOGY ABSORPTION**

A statement giving details of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed to this report as an **Annexure-1**.

**DISCLOSURES ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES OF THE COMPANY**

Disclosures pertaining to remuneration and other details as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

**ENVIRONMENT, ENERGY, OCCUPATIONAL HEALTH AND SAFETY**

Your Company upholds Safety, Health, and Environment as non-negotiable values. Your Company is committed to a clean and healthy environment and has been maintaining surroundings free from pollution and considered the Environment, Health, and Safety as prime issues to be addressed. As a significant Employer, your Company ensures Occupational Safety, Employment standards, and Environmental protection, your Company maintains strict safety, health, environmental protection and quality control programs to monitor and control these operational risks. An environment of safe work, safe behavior and safe travel is achieved through implementation and internalization of your Company's vision of an injury free organization. Your company's safety approach not only includes employees and assets but also the communities that it operates in and we believe in providing our employees with a safe and healthy environment free of occupational injuries and illness. Your Company has a robust system of recording and investigating safety incidents and also learning from safety incidents are cascaded top down for mitigation of risk, so as to avoid the repeat of the incident. Your Company also focuses on energy conservation, waste management, recycling of waste water and green initiatives. We believe that a sustainable Organization can be built only with the highest standards of performance on economic, social, and environmental parameters.

**INTERNAL FINANCIAL CONTROL SYSTEM**

According to Section 134(5)(e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by a company for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Your Company has a well-placed, proper, and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded, and reported correctly. The Company's IFC system also comprises due compliances with Company's policies and Standard Operating Procedures (SOP's).

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by reporting the of Internal Audit Division and Internal Auditors to the Audit Committee of the Board. During the year the Internal Auditors have also been engaged for providing assistance in improvising IFC framework (including preparation of Risk & Control Matrices for various processes) and deployment of Self-Assessment Tool.

#### **Adequacy of Internal Financial Controls with reference to the financial statements**

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding the adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report.

#### **To ensure effective Internal Financial Controls the Company has laid down the following measures:**

- All operations are executed through operating procedures in all functional activities for which key manuals have been put in place. The manuals are updated and validated periodically.
- All legal and statutory compliances are ensured on a timely basis and non-compliance, if any, is seriously taken by the management and corrective actions are taken immediately. Any regulatory amendment is updated periodically in the system.
- The Company's Books of Accounts are maintained to ensure correctness/ effectiveness of all transactions, integrity and reliability of reporting.
- The Company has a comprehensive risk management framework.
- The Company has in place a well-defined Whistle Blower Policy/ Vigil Mechanism.
- Compliance of secretarial functions is ensured by way of the secretarial audit.
- The Internal Auditors have also been engaged for providing assistance in improvising IFC framework (including preparation of Risk & Control Matrices for various processes) and deployment of the Self-Assessment Tool.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **Inductions, Re-appointments, Retirements & Resignations**

During the Financial Year 2021-22, the Board of directors of your Company fulfill all the applicable requirements of Section 149 & 164 of the Act and have submitted necessary declarations as sought by the Act. Pursuant to the provisions of Section 149, the Independent Directors have submitted declaration of their Independence as provided in Section 149(7) of the Act, along with Rules framed thereunder. The Independent Directors possess the integrity, expertise and experience (including the proficiency).

During the Financial year under review, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee of the Company. The sitting fees paid to the Independent Directors are within the ceiling limit as provided in the Companies Act 2013.

Particulars of Directors and Key Managerial Personnel ("KMP") who were appointed or have resigned during the year:

S. No.	Name of Directors / KMP's	Designation	DIN / PAN	Appointment / Cessation / Change in Designation	Date of Appointment / Cessation/ Change in Designation
1.	Mr. Tsuyoshi Yoto	Chief Financial Officer	BANPY7886E	Appointment	21/04/2021

The Board placed on record appreciation for the help, guidance and contribution made by the Directors/ KMPs during their tenure on the Board.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 Mr. Yasunari Anan, Director of the Company will retire by rotation at the ensuing AGM and being eligible, have offered himself for re-appointment. The Board recommends his re-appointment to the shareholders. The Brief resume, nature of expertise, details of directorships held in other companies by the Director proposed to be re-appointed, along with shareholding in the Company, as stipulated under Secretarial Standard - 2, is appended to the Notice of the ensuing AGM.

#### **NOMINATION AND REMUNERATION POLICY**

The Remuneration Policy of the Company comprises the Appointment and Remuneration of the Directors, KMP's and, Senior Executives of the Company including criteria for determining Qualifications, Positive Attributes, Independence of a Director & other related matters. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for the selection and appointment of Directors, Senior Management, and their remuneration including criteria for determining qualifications, positive attributes, independence of a Director, and other matters provided under sub-section (3) of Section 178 relating to the remuneration for the Directors, KMP's, and other employees, as required by the rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The copy of the said policy is given as an **Annexure-2** to this report.

#### **STATUTORY AUDITORS**

Pursuant to Section 139 of the Act, M/s. S.R. Dinodia & Co. LLP, Chartered Accountants (Firm Registration No. 001478N/N500005) was appointed as Statutory Auditors of the Company by its shareholders in the Annual General Meeting held on 25<sup>th</sup> September, 2017, to hold office till conclusion of ensuing the Annual General Meeting.

Further, the Board of Directors has on the recommendation of the Audit Committee, in its meeting approved and recommended the re-appointment of M/s. S.R. Dinodia & Co. LLP, as a Statutory Auditor of the Company for a further period of Five (5) years upto the conclusion of 32<sup>nd</sup> Annual General Meeting to be held in the

financial year 2026-27. The Statutory Auditor also duly provided their consent and eligibility as per the relevant provisions of Section 139 and rules made thereunder. The re-appointment of Statutory Auditors is subject to the approval of the shareholders in the ensuing Annual General Meeting of the company.

#### STATUTORY AUDITORS' REPORT

The Audit Committee and Board has duly examined the Statutory Auditors' report to the accounts, for the Financial Year 2021-22, which is self-explanatory. There is no qualification, observations, adverse remarks or disclaimer in the said Auditors Report. Further, the Auditors have not reported any fraud u/s 143(12) of the Act.

#### COST AUDITORS

Since the Company was not manufacturing any products which require the appointment of a Cost Auditor as per the provisions of Section 148 of the Companies Act, 2013 and rules made thereunder, therefore, your Company was not required to appoint a Cost Auditor during the Financial Years 2021-22.

#### SECRETARIAL AUDITORS

In terms of Section 204 of the Companies Act, 2013 and rules made there under, the Board, on the recommendation of the Audit Committee had approved the appointment of M/s. Abhishek Lamba and Associates, Practicing Company Secretaries (FCS 10489) to conduct the Secretarial Audit for the Financial Year 2021-22.

The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Secretarial Audit Report in Form MR-3 is annexed as an **Annexure-3** to this report. The management comment on the remark mentioned in secretarial audit report is mentioned below:

Explanation on Observations: The Board has taken note of the observation/remark mentioned by the Secretarial Auditor in its report which is inadvertent and unintentional on the part of the Company. Further, the observation/remark does not have any material adverse effect on the financial statement/functioning of the Company. Your company is determined for compliance of all the laws applicable on the Company and is taking necessary measures to comply with the observation/remark mentioned in the said Report.

#### INTERNAL AUDITORS

In terms of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies(Accounts) Rules 2014 on the recommendation of the Audit Committee, the Board of Directors has re-appointed, M/s. Sandeep Ahuja & Co., Chartered Accountants, New Delhi as an Internal Auditors of the Company for the Financial Year 2022-23.

The Report of the Internal Auditors for the Financial Year 2021-22 does not contain any qualification, reservation, disclaimer, or adverse remark.

#### KEY MANAGERIAL PERSONNEL (KMPs)

As on 31<sup>st</sup> March, 2022, the Company has following KMPs:

Name of the KMPs	Designation
Mr. Isshin Kinugawa	Managing Director
Mr. Tsuyoshi Yoto	Chief Financial Officer
Mr. Neeraj Khanna	Company Secretary

#### BOARD OF DIRECTORS

As on 31<sup>st</sup> March, 2022, the Board of the Company comprised of six Directors including a Managing Director, three Non-Executive Directors and two Non-Executive Independent Directors. The Chairman of the Board is a representative of the Holding Company (Panasonic Holdings Corporation). The Composition of the Board is in conformity with the provisions of the Act and the status of the Board as on date of the Board's Report:

Name of the Directors	Designation
Mr. Isshin Kinugawa (DIN 07785797)	Managing Director/ Chairman (w.e.f. 01/04/2017)
Mr. Tsuyoshi Yoto (DIN 08502986)	Non- Executive Director (w.e.f. 01/05/2019)
Mr. Toru Shinohara (DIN 08222071)	Non- Executive Director (w.e.f. 01/09/2019)
Mr. Yasunari Anan (DIN 08666068)	Non-Executive Director (w.e.f. 10/01/2020)
Mr. Yasho Verdhan Verma (DIN 06389278)	Independent Director (w.e.f. 27/12/2019)
Mrs. Kanchan Vohra (DIN 03597614)	Independent Director (w.e.f. 27/12/2019)



The Board of your Company met 4 (Four) times during the year under review. The details of Board meetings and the number of Directors present at each meeting are provided in the **Annexure-4** to the report. All statutory and material information is made available to the Board to ensure adequate disclosures and transparent decision-making process.

Further, in the opinion of the Board, independent directors contain that integrity, expertise, and experience (including proficiency) as required for the guidance and governance of the Company and the Independent Directors have complied with the Code for independent Directors prescribed in Schedule IV to the Act.

#### **AUDIT COMMITTEE**

As per the provisions of Section 177 of the Act, the scope and function of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013. There has been no instance where recommendation of Audit Committee was not accepted by the Board of Directors. The Audit Committee consists of the following three Directors:

1. Mr. Yasho Verdhan Verma (Independent Director) - Chairman
2. Mrs. Kanchan Vohra (Independent women director) – Member
3. Mr. Isshin Kinugawa (Managing Director) - Member

#### **NOMINATION AND REMUNERATION COMMITTEE**

**Terms of reference** – Salient functions of the NRC includes recommending to the Board about appointment and removal of the directors, key managerial personnel (KMPs), senior management personnel (SMPs); carry out evaluation of every director's performance and recommend to the Board a policy pertaining to remuneration for director(s), KMPs, SMPs, and other employees.

**Composition** – The NRC consists of following three Directors:

1. Mr. Tsuyoshi Yoto - Chairman
2. Mrs. Kanchan Vohra - Member
3. Mr. Yasho Verdhan Verma - Member

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

As per the provision of Section 178(5) of the Act, the Stakeholder Relationship Committee ("**SRC**") has been duly constituted by the Board of the Company.

**Composition** – The SRC consists of following four Directors:

1. Mr. Tsuyoshi Yoto - Chairman
2. Mrs. Kanchan Vohra - Member
3. Mr. Yasho Verdhan Verma - Member
4. Mr. Isshin Kinugawa - Member

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

As per the provision of Section 135 of the Act, Corporate Social Responsibility ("**CSR**") Committee has been duly constituted by the Board of the Company, however, the said Committee was being dissolved by the Board of Directors w.e.f. 22<sup>nd</sup> November, 2021 pursuant to Rule 3(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### **ANNUAL & EVENT BASED DISCLOSURES**

During the Financial Year 2021-22, all the disclosures required as per Section 184, 164 and 149(7) of the Act and rules made thereunder were duly received from the Directors.

#### **POLICY TO PREVENT SEXUAL HARASSMENT AT WORK PLACE**

The Company is committed to provide a protective environment at workplace for its women employee(s). To ensure that every woman employee is treated with dignity and respect and as mandate under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for the prevention of sexual harassment of its women employees.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirement of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, your Company has constituted Internal Complaints Committee to redress Complaints received regarding sexual harassment during the period. The following is a summary of sexual harassment complaints received and disposed off during the financial year under review:

Number of Complaints received	NIL
Number of Complaints disposed off	NIL

#### **MAINTENANCE OF COST RECORDS**

During the financial year under review, the Company was not required to maintain Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

**APPLICATION UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the financial year under review, Company has not made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the year, no one-time settlement was made with respect to any amount of loan raised by the Company from any banks or financial institution.

**WEB-LINK OF EXTRACT OF ANNUAL RETURN**

In terms of provisions of Section 92 and Section 134(3)(a) of the Act read with amended Rule 12 of Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company in Form MGT-9 is not required to be attached with this report.

**RISK MANAGEMENT POLICY****Development and implementation of Risk Management Policy**

In terms of provisions of Section 134(3)(n) of the Companies Act, 2013 the Company has devised Risk management policy including identification therein of elements of risk, which in the opinion of the Board may threaten the existence of the Company, the evaluation of risks, monitoring and minimization of identifiable risks. This policy applies to all areas of the Company's operations and inter-alia includes Customer Service, Human Resources, Reputation and Brand, Financial, Business Processes and Systems, Strategy, Corporate Governance and Compliance, Information and Security. Further, there is no identification of risks which in the opinion of the Board may threaten the existence of the Company.

**RELATED PARTY TRANSACTIONS**

All related party transactions entered into by your Company during the Financial Year 2021-22 were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, KMP's or other designated persons which may have a potential conflict with the interest of the Company.

An Omnibus approval of the Audit Committee was obtained for the Related Party Transactions for the Financial Year 2021-22. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is annexed to this report in **Annexure-5**.

**BOARD EVALUATION**

One of the key functions of the Board is to monitor and review the Board evaluation framework. In compliance with the provisions of the Act, the NRC has approved the process, format, attributes and criteria for the performance evaluation of the Board, Board Committees and Individual Directors.

Pursuant to the provisions of the Companies Act, 2013 a Formal Evaluation of the Board of the Directors was required for your Company. The Board of Directors have carried out annual evaluation of its own performance, Board Committees, individual Directors and Independent Directors. The Board Evaluation was done on 12<sup>th</sup> July, 2022 at the meeting of Board of Directors in the presence of Company Secretary of the Company. The performance of the Board was evaluated by the Board after seeking inputs from the directors on the basis of criteria such as the Board Composition and structure, effectiveness of Board Processes, information and functioning, etc. The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. Separate meetings of independent directors are also conducted for evaluation of the performance of non-independent directors and the board as a whole taking into account the views of executive directors and non-executive directors.

**CORPORATE SOCIAL RESPONSIBILITY**

Your company was not required to spend any amount towards CSR obligations during the financial year 2021-22. The Annual Report on CSR is annexed with this report as **Annexure-6**.

**WHISTLE BLOWER POLICY**

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board & its Powers) Rules, 2014, your Company has well defined policy on Vigil Mechanism/Whistle Blower. This enables stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ Employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the Financial Year under review.

**TRANSFER OF UNPAID DIVIDEND TO IEPF**

The MCA has notified provisions relating to unpaid/unclaimed dividends under Sections 124 and 125 of Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. Further amendments in the Act and the Rules have also been notified by the MCA. As per these Rules, dividends which are not encashed/claimed by the shareholders for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for

a period of seven consecutive years to the Demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The shareholders whose dividend/ shares as transferred to the IEPF Authority can claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>

**Status of Unpaid/Unclaimed Dividend:**

S. No	Year	Due for Transfer to IEPF	Current Status
1	2009-10	Nov -2017	Transferred to IEPF
2	2010-11	Nov -2018	Transferred to IEPF
3	2011-12	Nov -2019	Transferred to IEPF
4	2012-13	Nov -2020	Transferred to IEPF
5.	2014-15	Nov -2022	Eligible for transfer to IEPF
6.	2015-16	Nov -2023	Not eligible for transfer to IEPF
7	2016-17	Nov -2024	Not eligible for transfer to IEPF
8.	2017-18	Nov -2025	Not eligible for transfer to IEPF
9.	2018-19	Nov-2026	Not eligible for transfer to IEPF
10	2019-20	Nov-2027	Not eligible for transfer to IEPF

In the Current Financial Year 2022-23, the Company shall be required to transfer the unpaid/ unclaimed dividends which remain unpaid or unclaimed for a period of seven years from the date of such transfer to the unpaid dividend account and the respective equity shares on which dividend has not been paid or claimed for seven consecutive years or more to the Investor Education and Protection Fund, for the Financial Year 2014-15. Further, details of unpaid and unclaimed dividends relating to the Financial Year 2014-15 are uploaded on the website of its Registrar and Share Transfer Agent [Skyline Financial Services Private Limited] at [www.skylinerta.com](http://www.skylinerta.com). Further, your company has also appointed Mr. Neeraj Khanna [Company Secretary] as a Nodal Officer for the purpose of compliance under the IEPF Rules, 2016. In case any shareholder of Company has any query, he/she may contact by sending email at [neeraj.khanna@in.panasonic.com](mailto:neeraj.khanna@in.panasonic.com).

**Status of concerned Equity Shares:**

S. no.	Year	Due for Transfer to IEPF	Current Status
1.	2009-10	Nov -2017	Transferred to IEPF
2.	2010-11	Nov -2018	Transferred to IEPF
3.	2011-12	Nov -2019	Transferred to IEPF
4.	2012-13	Nov -2020	Transferred to IEPF
5.	2014-15	Nov -2022	Eligible for transfer to IEPF
6.	2015-16	Nov -2023	Not eligible for transfer to IEPF
7.	2016-17	Nov -2024	Not eligible for transfer to IEPF
8.	2017-18	Nov -2025	Not eligible for transfer to IEPF
9	2018-19	Nov-2026	Not eligible for transfer to IEPF
10	2019-20	Nov-2027	Not eligible for transfer to IEPF

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Act, the Directors, to the best of their knowledge and belief, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 loss of the Company for that period;
- 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;
- the directors had prepared the annual accounts on a going concern basis; and
- 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultants and the reviews performed by management and the relevant Board Committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2021-22.

**DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

There was no case of issue of equity shares with differential rights as defined under Rule 4(4) of Companies (Share Capital and Debenture) Rules, 2014 during the financial year 2021-22.

**DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES**

There was no case of issue of Sweat Equity Shares as specified in Section 54 (d) read with Rule 8(13) of Companies (Share Capital and Debenture) Rules, 2014 during the financial year 2021-22.

**SECRETARIAL STANDARDS**

Pursuant to the provisions of Section 118 of the Companies Act, 2013 ("Act"), the Company has duly complied with the applicable provisions of the Secretarial Standards issued by the Council of Institute of Company Secretaries of India and approved by the Central Government.

**ACKNOWLEDGEMENTS**

The Directors acknowledge the invaluable support extended to the Company by the shareholders, financial institutions, and bankers. The Directors appreciate and value the contributions made by every member of the Panasonic family worldwide.

Your Directors also place on record their gratitude to the Government of India particularly the Income Tax Department, the Customs and excise Departments, Ministry of Corporate Affairs and other government agencies for their assistance, encouragement & cooperation they extended to the Company.

**For and on behalf of the Board of Directors  
Panasonic AVC Networks India Company Limited**

Date : 12.07.2022

Place : Noida

Sd/-  
**Isshin Kinugawa**  
Chairman & Managing Director  
DIN: 07785797

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## Annexure-1

**INFORMATION RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN TERMS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) THE COMPANIES (ACCOUNTS) RULES, 2014****CONSERVATION OF ENERGY**

Figures in “000”

Electricity	2021-22	2020-21
Purchase Unit (MWH)	230.19	159.709
Total Amount (K INR.)	2323.18	3306.00
Average Rate/ Kwh (Rs.)	10.09*	20.70*
HSD- High speed diesel	2021-22	2020-21
Quantity (kl), Consumption	1.702	1.347
Total Cost (K INR.)	122	87.00
Average Rate/ Ltr (Rs.)	71.73	64.57 <sup>#</sup>
Consumption /Unit Production	2021-22	2020-21
Actual Production (Qty)	0**	0**
Electricity MWH/Unit)	NA	NA
HSD (KL/Unit)	NA	NA

\* Due to fixed minimum demand charges, rate is high.

\*\* Production of TV discontinued from January, 2020.

#No diesel was procured during the financial year. Consumed from previous year's closing stock. Rate is previous year average procurement rate.

**RESEARCH AND DEVELOPMENT**

Your company is involved in complete evaluation of new Panasonic LED TV/Monitor/Audio samples to make product more robust and reliable, which are intended to serve broad objectives of public interest, best quality and eco- friendly product.

**1) Specific areas in which R&D is carried out by the company**

Keeping in mind the future of Panasonic LED TV/Monitor/Audio in Indian Market, we strive to enhance the Best Quality Product for Indian Markets with Latest Smart features along with Product Safety as defined by Panasonic Holdings Corporation, Japan. Being customer satisfaction our main priority, we are recognizing the requirements of the customers during new product development and accordingly working on the Product Safety, performance and reliability test continuously.

In the Financial Year 2021-22, your Company has evaluated and conducted Quality testing of 4K LED TV (12 nos. samples), FHD TV (01 no. samples), HD TV (05 nos. samples), Monitor Display (02 nos. samples) and Audio Systems (08 nos. samples). Your company has also supported Japan QA team for Panel and Pedestal Evaluation of new TV samples before launching in Markets.

Financial Year 2021-22, for India Market, below samples/models detail Quality Testing and evaluation performed prior launching.

Category	Screen Size	Total Models	HD	FHD	4K
LED TV	75"	1	-	-	1
	65"	5	-	-	5
	55"	5	-	-	5
	43"	1	-	-	1
	42"	1	-	1	-
	32"	5	5	-	-
Total	-	18	5	1	12
Monitor	75"	1	-	-	1
	55"	1	-	1	-
Total	-	2	-	1	1
Audio	-		Speaker	Sound bar	others
	-	8	5	3	-
Total	-	8	5	3	-

# Total LED TV samples: 18 nos., Total Monitor Samples: 02 nos., Total Audio samples: 08 nos.

In current Financial Year 2022-23 despite of COVID-19 situation, your Company is aggressively supporting for complete evaluation of Panasonic New Model Samples to keep new range of Smart/4K LED TV for domestic market. All the models were timely evaluated as per company's guidelines and will be launched in market.

**2) Benefits derived as a result of R & D activity**

In the Financial Year 2021-22, Your Company focused on over all Panasonic Brand LED TV by detailed evaluation of new model samples as per Company's guidelines and supported for local parts development.

**3) Future plan of action**

Next year your company's focus will be to further strengthen the Panasonic Brand LED TV/Monitor/Audio system by detailed evaluation of New Models (Basic models to 4K models) as per Company's guidelines to make the product more robust and one of the best quality in market or value for money to the buyers.

**(d) Expenditure on Research & Development**

Revenue Expenditure	Nil
Capital Expenditure	Nil
Total	Nil

R & D expenditure as a percentage of total revenue is Nil.

**TECHNOLOGY ABSORPTION**

Your Company understands the requirement of technology innovation for Electronic industry. Your Company has consistently improved its design compatibility, process development and capabilities.

**FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

(Rs. In 'Lakhs')

Particulars	FY 2021-22	FY 2020-21
<b>Earnings</b>	2.79	0.24
<b>Expenditure</b>		
On Capital Goods	Rs. 0	0
On Raw Material	Rs. 0	0
On Others	14.44	59.34

**For and on behalf of the Board of Directors**  
Panasonic AVC Networks India Company Limited

Date : 12.07.2022

Place : Noida

Sd/-  
**Isshin Kinugawa**  
Chairman & Managing Director  
DIN: 07785797

**NOMINATION AND REMUNERATION POLICY AND EVALUATION OF THE BOARD****Introduction:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

**Definitions**

- a) "Board" means Board of Directors of the Company.
- b) "Directors" mean Directors of the Company.
- c) "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- d) "Company" means Panasonic AVC Networks India Company Limited.
- e) "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- f) "Key Managerial Personnel" (KMP) means- (i) Managing Director (ii) Whole Time Director (iii) Chief Financial Officer; (iv) Company Secretary.
- g) "Senior Management" means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

**Objectives**

The objective and purpose of this policy are:

- a) To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- b) To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies of Panasonic AVC Networks India Company Limited.
- c) To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- d) To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- f) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- g) Formulation of the criteria to evaluate the performance of Independent Directors and the Board.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 3<sup>rd</sup> December, 2020.

**Effective Date:**

This policy shall be effective from the date of adoption by the Board of Directors of the Company.

**Constitution of the Nomination and Remuneration Committee:**

The Board has re-constituted the composition of Nomination & Remuneration Committee in the Meeting held on 27th December, 2019. The Nomination and

**Remuneration Committee comprises of following Directors:**

S.No.	Name	Chairman/Member
1.	Mr. Tsuyoshi Yoto	Chairman
2.	Mrs. Kanchan Vohra	Member
3.	Mr. Yasho Verdhana Verma	Member

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

**Chairman**

- a) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the Nomination and Remuneration Committee shall attend the General Meeting or any other member of the committee authorised by him to attend on his behalf.

**Applicability**

The Policy is applicable to:

- a) Directors (Executive and Non Executive)
- b) Key Managerial Personnel
- c) Senior Management Personnel

**Appointment Of Director, Key Managerial Personal, Senior Management And Other Employees****(i) Directors (other than Independent Directors), Key Managerial Personnel and Senior Management:****Appointment**

- a) Subject to the terms and conditions of Company's policy, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend him/her to the Board of Directors.
- b) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years unless his appointment is approved by Special Resolution after he attains the age of seventy years.
- c) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.

**Tenure of Appointment:**

The Company shall not appoint or re-appoint any person as its Managing Director or Whole Time Director for a term exceeding five years at a time and no re-appointment shall be made earlier than one year before the expiry of term.

**(ii) Independent Directors****Appointment**

Appointment of Independent Directors is subject to the compliance of provisions of Section 149 of the Companies Act, 2013, read with schedule IV and rules thereunder.

**Tenure of Appointment**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company.

Provided that no Independent Director shall hold office for more than two consecutive terms of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided further that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

**REMOVAL AND RETIREMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL****Removal**

The Committee may recommend to the Board, the removal of a Director, KMP and Senior Management Personnel for any misconduct or for any disqualification as specified in the Companies Act, 2013 and rules made thereunder or under any other applicable Act, rules and regulations.

**Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Regulations and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**REMUNERATION OF THE DIRECTORS, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES****(i) Remuneration to Directors (other than Independent Directors), Key Managerial Personnel and Senior Management****Fixed pay:**

The Directors, Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration or at a specified percentage of the net profits of the company or at partly by one way and partly by the other as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, etc. shall be decided and approved by the Board or approved by the shareholders and Central Government, wherever required.

**Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Directors, Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**Excess remuneration:**

If any Director including any Managing Director or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, wherever required, he shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**Insurance:**

Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying them against any liability in respect of negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.



Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Sitting Fees:**

A Director may receive fees for attending meetings of Board or Committee thereof subject to the condition that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Provided that the sitting fees shall not constitute the part of percentages as laid down under the provisions of Act.

- a) The remuneration and commission to be paid to the Directors including Managing Directors and Whole-time Director shall be in accordance with the percentage or conditions laid down as per the provisions of Act.
- b) All fees / compensation, if any paid to non-executive directors, shall be fixed by the Board of Directors and shall require previous approval of shareholders in general meeting, if it exceeds prescribed limits. The shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors, in any financial year and in aggregate.
- c) The Remuneration of a Director shall be inclusive of the remuneration paid to such director for the services rendered in any other capacity but if the services rendered are of a professional nature and the director possesses the requisite qualification for the practice of the profession, then it shall not be included.

**(ii) Remuneration to Independent Director**

**Remuneration:**

The remuneration shall be fixed as per the terms and conditions mentioned in the letter of appointment and as per the provisions of Companies Act, 2013.

**Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limits as per the applicable provisions of the Companies Act, 2013.

**Sitting Fees:**

The Independent Directors may receive fees for attending meetings of Board or Committee thereof.

Provided that the sitting fees shall not constitute the part of percentages as laid down under the provisions of Companies Act, 2013.

Provided further that for Independent Directors, the sitting fees payable to them shall not be less than the sitting fees payable to other directors.

**Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

**Reimbursement of Expenses:**

The Independent Directors may charge reimbursement of expenses for participation in the Board Meeting and for conducting separate meetings of the Independent Directors.

**(iii) Remuneration to other Employees**

Apart from the Directors, Key Managerial Personnel and Senior Management, the remuneration for the rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

**EVALUATION OF THE PERFORMANCE**

The Board shall evaluate the performance of each Directors of the Company with reference of the authority given in the provisions of section 178 of the Companies Act, 2013 and based on their functions as mentioned in the Code of Conduct of the Directors and the criteria for the evaluation of the performance.

Based on the evaluation, the overall effectiveness of the Board shall be measured and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

**REVIEW AND AMENDMENT**

- a) The Nomination and Remuneration Committee or the Board may review this Nomination and Remuneration Policy as and when it deems necessary.
- b) The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to these Policies, if it thinks necessary.
- c) These Policies may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required where there is any statutory changes necessitating the change in the policy.

**For and on behalf of the Board of Directors  
Panasonic AVC Networks India Company Limited**

Sd/-

**Isshin Kinugawa**

Chairman & Managing Director

DIN: 07785797

Date : 12.07.2022

Place : Noida

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**For the financial year ended March 31, 2022**  
**[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 AVC Networks India Company Limited**  
D-13/4, Okhla Industrial Area, Phase-II,  
New Delhi-110020, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Panasonic AVC Networks India Company Limited [CIN: U74899DL1996PLC077330] (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's 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 on March 31, 2022 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 on March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable)
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iv) 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;
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): (Not Applicable)
- (vi) The other laws as informed and certified by the management of the Company, which are specifically applicable to the Company based on their sector/businesses are:
  - a) Bureau of Energy Efficiency rules and regulations;
  - b) BIS Act, 2016.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India related to board and general meetings.

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

During the financial year, the Company had accepted claims for unclaimed shares from few shareholders, whose dividend was unclaimed for more than seven years and the Company has only evaluated the performance of its individual directors.

**We further report that**

The board of directors of the Company is duly constituted as per the provisions of the Act and amendments made there under. There was no change in the Board of Directors of the Company during the period under review.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent within the prescribed time 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.

All the decisions were carried with requisite majority. The members of the board have not expressed dissenting views on any of the agenda items during the financial year under review.

**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, the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

In financial Year 2019-20, pursuant to the provisions of section 66 and other applicable provisions, if any, of the Companies Act, 2013 read with rules and pursuant to the relevant provisions of the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, the shareholders by way of special resolution through postal ballot had approved reduction of the subscribed equity share capital of the Company by paying off, cancelling and extinguishing, in aggregate, 23,72,568 equity shares of Rs. 10/- each held by public members. The same is pending for approval by National Company Law Tribunal ("NCLT") as on March 31, 2022.

Place: New Delhi

Date: 12.07.2022

Sd/-

Abhishek Lamba & Associates

FCS No. 10489

C P No. : 13754

UDIN : F010489C000728932

**Note:**

1. 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.
2. Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the secretarial records including minutes, documents, registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.

***-: This page is left blank intentionally :-***

To,

The Members,

**Panasonic AVC Networks India Company Limited**

D-13/4, Okhla Industrial Area, Phase – II,

New Delhi – 110020, India

Our report of even date is to be read along with this letter.

1. 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.
2. We have followed the audit practices and processes 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 processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 procedures on test basis.
6. 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.

**Place: New Delhi**

**Date: 12.07.2022**

**Sd/-**

**Abhishek Lamba & Associates**

**FCSNo. 10489**

**CP No.: 13754**

## Schedule and Attendance of Board and Committee meetings held during financial year 2021-22

## Board Meetings

Date of meeting	Number of director present	Number of leaves granted
20-04-2021	5	1
30-07-2021	6	0
22-11-2021	5	1
16-03-2022	5	1

## Audit Committee Meeting

Date	Number of members present	Number of leaves granted
30-07-2021	3	0

## Stakeholders Relationship Committee Meeting

Date	Number of members present	Number of leaves granted
16-03-2022	4	0

## Separate Meeting of Independent Directors

Date	Number of members present	Number of leaves granted
16-03-2022	2	0

For and on behalf of the Board of Directors  
Panasonic AVC Networks India Company Limited

Sd/-  
**Isshin Kinugawa**  
Chairman & Managing Director  
DIN: 07785797

Date : 12.07.2022  
Place : Noida

## FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

## 1. Details of contracts or arrangements or transactions not at Arm's length basis.

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	NIL
3.	Duration of the contracts/arrangements/transaction	NIL
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5.	Justification for entering into such contracts or arrangements or transactions'	NIL
6.	Date of approval by the Board	NIL
7.	Amount paid as advances, if any	NIL
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

## 2. Details of the material contracts or arrangements or transactions at Arm's length basis:

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Panasonic Taiwan Co. Ltd.
		Fellow Subsidiary
		Panasonic Corporation, Japan
		Holding Company
		Panasonic India Pvt. Ltd.
		Fellow Subsidiary
		Relo Panasonic Excel International Co. Ltd.
		Fellow Subsidiary
		Panasonic AVC Networks Kuala Lumpur SDN. BHD. Malaysia
		Fellow Subsidiary
2.	Nature of contracts/arrangements/transaction	Sale/Supply of Goods/availing and rendering of Services
3.	Duration of the contracts/arrangements/transaction	01.04.2021 – 31.03.2022
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of services/spare parts. IT & Software Support Fees Payment, Services of technical support, testing, reimbursement of expenses paid/received etc.
5.	Date of approval by the Board	30 <sup>th</sup> July, 2021
6.	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors  
Panasonic AVC Networks India Company Limited

Date : 12.07.2022  
Place : Noida

Sd/-  
Isshin Kinugawa  
Chairman & Managing Director  
DIN: 07785797

## The Annual Report on Corporate Social Responsibility (CSR) Activities

## 1. Brief outline on CSR Policy of the Company:

The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR as one of the key focus areas to adhere to progress strategy that focus is on making a positive contribution to society through sustainable programs. All CSR projects will be in line with the CSR vision, as well as areas listed in Schedule VII of the Companies Act, 2013.

## 2. Composition of the CSR Committee as on March 31, 2022:-

S.No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Not Applicable*				

\* CSR Committee was dissolved by the Board of Directors with effect from 22<sup>nd</sup> November, 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:- **Not Applicable**

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):- **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

## 6. Average net profit of the Company as per section 135(5).

Financial year	Net Profit before Tax after adjustments (Rs. in Lakhs) *
2020-21	(284.86)
2019-20	(1442.96)
2018-19	672.27
Average Net profit /(Loss)	(351.85)

## 7.

a)	Two percent of average net profit of the company as per section 135(5)	Nil
b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
c)	Amount required to be set off for the financial year, if any	Nil
d)	Total CSR obligation for the financial year (7a+7b- 7c).	Nil

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
-	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year : **Not applicable**

(c) Details of CSR amount spent against other than ongoing projects for the financial year : **Not applicable**

(d) Amount spent in Administrative Overheads : **Not applicable**

(e) Amount spent on Impact Assessment, if applicable : **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **Nil**

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

9. (a) Details of Unspent CSR amount for the preceding three financial years : **Not applicable**  
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : **Not Applicable**
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not applicable**
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : **Not applicable**

**For and on behalf of the Board of Directors  
Panasonic AVC Networks India Company Limited**

Sd/-  
**Isshin Kinugawa**  
Chairman & Managing Director  
DIN: 07785797

Date : 12.07.2022  
Place : Noida

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**Independent Auditor's Report****To The Members of Panasonic AVC Networks India Company Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Panasonic AVC Networks India Company Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended, ("AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's 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 during the course of our 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.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is 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 financial position, financial performance and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by section 143(3) of the Act, based on our audit we report that:
  - 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.
  - 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.
  - The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-B.
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No. 5 & 26 to the financial statements.
    - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37 to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 37 to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - Based on such audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) & (ii) above, contain any material misstatement.
    - The Company has neither paid nor declared any dividend during the year.
  - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

[In our opinion and according to the information and explanation given to us, the Company has paid remuneration to its directors during the year in accordance with the provisions of and limit laid down under section 197 read with Schedule V of the Act.]

For S.R. Dinodia & Co. LLP.

Chartered Accountants,

Firm's Registration Number 001478N/N500005

Sd/-

(Sandeep Dinodia)

Partner

Membership Number 083689

UDIN: 22083689AMSBRA4743

Place of Signature: New Delhi

Date: 12.07.2022

**Annexure 'A' To the Independent Auditors' Report of even date on the financial statements of Panasonic AVC Networks India Company Limited**

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report that:

- i) In respect of property, plant and equipment:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of Intangible assets.
  - The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified annually which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - According to the information and explanations given to us and the records examined by us, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
  - According to the records examined by us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, the provisions of clause 3(i) (d) of the Order are not applicable.
  - According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i) (e) of the Order are not applicable.
- ii) a) On the basis of information and explanation provided, the Management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification is appropriate having regard to the size of the Company and nature of its business. According to the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventory between physical inventory and book records were noticed on physical verification.
- b) According to the information and explanations given to us and the records examined by us, the Company has not been sanctioned any working capital limits from banks or financial institutions. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.
- iii) According to the information and explanations given to us, the Company has neither made any investments nor provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clauses 3(iii)(a) to (f) of the Order are not applicable.
- iv) According to the available information and explanation provided to us, the Company has no transaction covered under the provisions of section 185 and 186 of the Companies Act, 2013 during the year. Accordingly, the provisions of clauses 3(iv) of the Order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 (as amended from time to time) to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) Order are not applicable.
- vii) In respect of statutory dues:
- The Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities. Further there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable
  - According to the records of the Company examined by us and the information and explanations given to us, there were no dues in respect of statutory dues referred to in sub-clause (vii)(a) above that have not been deposited with the appropriate authorities on account of any dispute except the following:

Name of statute	Nature of dues	Amount disputed (₹ In Lakh)	Amount paid under protest (₹ In Lakh)	Period to which amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty (including penalty)	146.82	8.76	2001-02	Supreme Court
Central Excise Act, 1944	Excise duty (including penalty)	44.41	3.00	2000-02	High Court, Allahabad
Central Excise Act, 1944	Excise duty (including penalty)	3.50	2.15	2011-13	CESTAT
Central Excise Act, 1944	Excise duty	46.73	-	October 1997 to December 1998	Commissioner Central Excise (Appeals)
Finance Act, 1994	Service Tax (including penalty)	44.68	-	1997-2000	High Court, Allahabad
Finance Act, 1994	Service Tax (including penalty)	47.06	3.53	2007-2018	Commissioner (Appeals), Noida
Finance Act, 1994	Service Tax (including penalty)	386.27	19.31	2011-2016	CESTAT
Finance Act, 1994	Service Tax (including penalty)	110.03	10.00	2016-18	CESTAT
Income Tax Act, 1961	Income Tax	1,147.74	178.00	AY 2015-16	ITAT

Name of statute	Nature of dues	Amount disputed (₹ In Lakh)	Amount paid under protest (₹ In Lakh)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,785.57	217.69	AY 2016-17	CIT (A)
Income Tax Act, 1961	Income Tax	1,271.55	223.97	AY 2017-18	CIT (A)
Income Tax Act, 1961	Income Tax	1,896.64	1,364.25	AY 2018-19	CIT (A)
Central Sales Tax 1956/ Tamilnadu General Sales Tax, 1959	Sales Tax	21.79	12.34	2003-04 2006-07	Commercial Tax Officer
West Bengal Value Added Tax Act, 2003	Sales Tax	18.50	9.00	2014-15	Commissioner Appeals, Sales Tax
Gujarat VAT Act, 2003	Sales Tax	6.64	0.75	2016-17	Deputy Commissioner Appeal

- viii) According to the information and explanations given to us and the records examined by us, there are no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- ix) In respect of loans or other borrowings taken by the Company, according to the information and explanations given to us and audit procedures performed by us:
- The Company has not taken any loan from any lender. Therefore, the provisions of paragraph 3(ix)(a), (c), (d) and (f) of the Order are not applicable to the Company.
  - The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - The Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.
- x)
  - In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
  - During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, provisions of clause 3(x)(b) of the Order are not applicable.
- xi)
  - As per the information and explanations given to us on our enquiries on this behalf, no fraud of material significance on or by the Company has been noticed or reported during the year.
  - In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed during the year and upto the date of this report in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
  - As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a) to (c) of the Order are not applicable.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv) In respect to internal audit system in the Company:
- In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
  - We have considered the internal audit reports of the Company issued till date, for the year under audit.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of paragraph 3(xv) of the order are not applicable.
- xvi)
  - The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, provisions of clause 3(xvi) (a), (b) and (c) of the Order are not applicable.
  - According to the information and explanations given to us, there are no core investment company (CIC) within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, provisions of clause 3(xvi) (d) of the Order are not applicable.
- xvii) According to the information and explanations given to us, the Company has incurred cash losses of ₹ 614.69 lakh and ₹ 229.54 lakh during the financial year covered by our audit and in the immediately preceding financial year respectively.
- xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, provisions of clause 3(xviii) of the Order are not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) The provisions of Section 135 are not applicable to the Company. Accordingly, the provisions of clause (xx) (a) and (b) of the Order are not applicable to the Company.
- xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Chartered Accountants,

Firm's Registration Number 001478N/N500005

Sd/-

**(Sandeep Dinodia)**

Partner

Membership Number 083689

UDIN:22083689AMSBRA4743

Place of Signature: New Delhi

Date:12.07.2022

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**Annexure 'B' to the Independent Auditors' Report of even date on the financial statement of Panasonic AVC Networks India Company Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

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

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was established and maintained and if such controls operated effectively in all material respects.

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

**Meaning of Internal Financial Controls With reference to Financial Statements**

A Company's internal financial control 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 control with reference to financial statements includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 control 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.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on "the internal control 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.

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

Chartered Accountants,

Firm's Registration Number 001478N/N500005

Sd/-

**(Sandeep Dinodia)**

Partner

Membership Number 083689

UDIN:22083689AMSBRA4743

Place of Signature: New Delhi

Date:12.07.2022

**Balance Sheet as at March 31, 2022**

(₹ in lakh, unless otherwise stated)

Particulars	Notes	As At March 31, 2022	As At March 31, 2021
<b>Equity and Liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	5,000.00	5,000.00
Reserves and surplus	4	(731.78)	(145.18)
		<u>4,268.22</u>	<u>4,854.82</u>
<b>Non current liabilities</b>			
Long-term provisions	5	159.78	282.31
		<u>159.78</u>	<u>282.31</u>
<b>Current liabilities</b>			
Trade payables :	6		
- Total outstanding dues of micro and small enterprises		4.97	6.69
- Total outstanding dues of creditors other than micro and small enterprises		130.61	297.97
Other current liabilities	7	199.39	207.22
Short-term provisions	5	100.31	117.07
		<u>435.28</u>	<u>628.95</u>
<b>TOTAL</b>		<b><u>4,863.28</u></b>	<b><u>5,766.08</u></b>
<b>Non-current assets</b>			
Property, Plant and Equipment and Intangible Assets			
Property, Plant and Equipment	8	372.44	400.59
Intangible assets	9	-	-
Deferred tax assets (net)	10	293.77	237.54
Long-term loans and advances	11	2,220.37	830.67
Other non-current assets	15	55.72	26.19
		<u>2,942.30</u>	<u>1,494.99</u>
<b>Current assets</b>			
Inventories	12	21.86	99.46
Trade receivables	13	40.62	159.84
Cash and bank balances	14	1,531.39	3,661.40
Short-term loans and advances	11	200.51	171.43
Other current assets	15	126.60	178.96
		<u>1,920.98</u>	<u>4,271.09</u>
<b>TOTAL</b>		<b><u>4,863.28</u></b>	<b><u>5,766.08</u></b>

**Significant accounting policies** 2

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

As per our report of even date attached

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

Chartered Accountants

Firm's Registration Number: 001478N/N500005

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

**Panasonic AVC Networks India Company Limited**

Sd/-

**(Sandeep Dinodia)**

Partner

Membership Number 083689

Place of Signature: New Delhi

Date : 12.07.2022

Sd/-

**(Isshin Kinugawa)**

Chairman and Managing Director

DIN: 07785797

Place: Noida

Date : 12.07.2022

Sd/-

**(Neeraj Khanna)**

Company Secretary

M.No. A56723

Place : Noida

Date : 12.07.2022

Sd/-

**(Tsuyoshi Yoto)**

Director and Chief Financial Officer

DIN: 08502986

Place: Noida

Date : 12.07.2022



## Statement of Profit and Loss for the year ended March 31, 2022

(₹ in lakh, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Continuing Operations</b>			
<b>Income</b>			
Revenue from Operations	16	270.95	1,061.90
Other income	17	130.05	177.64
<b>Total income</b>		<b>401.00</b>	<b>1,239.54</b>
<b>Expenses</b>			
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work in progress and stock-in-trade	18	77.60	340.89
Employee benefits	19	316.28	415.99
Finance costs	20	0.60	0.51
Depreciation and amortisation	21	28.15	45.87
Other expenses	22	406.57	552.90
<b>Total expenses</b>		<b>829.20</b>	<b>1,356.16</b>
<b>Profit/(loss) before tax</b>		<b>(428.20)</b>	<b>(116.62)</b>
Tax expense			
Current tax		-	-
Income tax adjustment related to earlier years		-	-
Deferred tax charge/(release)	10	(56.24)	64.26
<b>Profit/(loss) from continuing operations</b>		<b>(371.96)</b>	<b>(180.88)</b>
<b>B. Discontinued Operations</b>			
Profit/(Loss) from discontinued operations before tax (refer note 24.2)	24	(214.64)	(168.24)
Tax expense on profit/(loss) from discontinued operations		-	-
<b>Profit/(Loss) from discontinued operations</b>		<b>(214.64)</b>	<b>(168.24)</b>
<b>C. Profit/(Loss) for the year from total operations</b>	<b>(A+B)</b>	<b>(586.60)</b>	<b>(349.12)</b>
<b>Earnings per share (of ₹ 10 each):</b>			
Basic and diluted earnings per share from continuing operations	25	<b>(0.74)</b>	<b>(0.36)</b>
Basic and diluted earnings per share from total operations		<b>(1.17)</b>	<b>(0.70)</b>
<b>Significant accounting policies</b>			
	2		

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

As per our report of even date attached

For S R Dinodia &amp; Co. LLP

Chartered Accountants

Firm's Registration Number: 001478N/N500005

Sd/-

(Sandeep Dinodia)

Partner

Membership Number 083689

Place of Signature: New Delhi

Date : 12.07.2022

Sd/-

(Isshin Kinugawa)

Chairman and Managing Director

DIN: 07785797

Place: Noida

Date : 12.07.2022

For and on behalf of the Board of Directors of

Panasonic AVC Networks India Company Limited

Sd/-

(Neeraj Khanna)

Company Secretary

M.No. A56723

Place : Noida

Date : 12.07.2022

Sd/-

(Tsuyoshi Yoto)

Director and Chief Financial Officer

DIN: 08502986

Place: Noida

Date : 12.07.2022



**Cash Flow Statement for the year ended March 31, 2022**

(₹ in lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash Flow from Operating Activities</b>		
Profit/(loss) for the year	(642.84)	(284.86)
Adjustments for :		
Depreciation and amortisation	28.15	45.87
Finance costs	0.60	0.51
Liability written back	(79.93)	(40.75)
provision for slow moving inventory written back	(56.11)	(160.00)
Interest income	(48.06)	(98.33)
Provision for doubtful bank balance	-	9.45
	<b>(155.35)</b>	<b>(243.24)</b>
<b>Operating profit before working capital changes</b>	<b>(798.19)</b>	<b>(528.10)</b>
Adjustments for :		
Decrease/(Increase) in inventories	133.71	500.88
Decrease/ (increase) in trade receivables	119.23	325.84
Decrease/ (increase) in loans and advances and other assets	5.10	49.87
Increase/ (Decrease) in trade payables	(89.15)	(836.76)
Increase/ (Decrease) in other liabilities and provisions	(169.03)	(482.45)
	<b>(0.14)</b>	<b>(442.62)</b>
<b>Cash generated from operating activities before taxes</b>	<b>(798.33)</b>	<b>(970.73)</b>
Adjustment for :		
Income tax paid	(1,384.75)	(40.26)
<b>Net cash generated from operating activities (A)</b>	<b>(2,183.08)</b>	<b>(1,010.99)</b>
<b>B. Cash Flow from Investing Activities</b>		
Bank deposits	3,225.04	(2,113.62)
Interest received	60.71	86.20
<b>Net cash generated (used in)/ provided by investing activities (B)</b>	<b>3,285.75</b>	<b>(2,027.42)</b>
<b>C. Cash Flow from Financing Activities</b>		
Finance charges paid	(0.60)	(0.51)
Earmarked balances with a bank - dividend account	31.45	7.77
Unpaid dividend to be transferred to IEPF	(31.45)	(7.77)
<b>Net cash used in financing activities (C)</b>	<b>(0.60)</b>	<b>(0.51)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,102.07</b>	<b>(3,038.92)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		
Cash in hand	-	-
Balances with scheduled banks		
- on current accounts	311.87	3,350.79
<b>Cash and cash equivalents at the end of the year</b>	<b>1,413.94</b>	<b>311.87</b>

**Cash Flow Statement for the year ended March 31, 2022**

(₹ in lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Components of cash and cash equivalents</b>		
Cash in hand	-	-
Balances with scheduled banks		
- on current accounts	143.82	311.87
- On deposits (with original maturity of 3 months or less)	1,270.12	-
	<b>1,413.94</b>	<b>311.87</b>

**Notes:**

The above cash flow statement has been prepared under the indirect method set out in Accounting Standard-3 "Cash Flow Statements" as specified under section 133 of the Companies Act, 2013, read with Rules, as applicable, of the Companies (Accounts) Rule 2014.

As per our report of even date attached

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

Chartered Accountants

Firm's Registration Number: 001478N/N500005

**For and on behalf of the Board of Directors of****Panasonic AVC Networks India Company Limited**

Sd/-

**(Sandeep Dinodia)**

Partner

Membership Number 083689

Place of Signature: New Delhi

Date : 12.07.2022

Sd/-

**(Isshin Kinugawa)**

Chairman and Managing Director

DIN: 07785797

Place: Noida

Date : 12.07.2022

Sd/-

**(Neeraj Khanna)**

Company Secretary

M.No. A56723

Place : Noida

Date : 12.07.2022

Sd/-

**(Tsuyoshi Yoto)**

Director and Chief Financial Officer

DIN: 08502986

Place: Noida

Date : 12.07.2022

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

(₹ in lakh, unless otherwise stated)

**Note 1: Background**

Panasonic AVC Networks India Company Limited ('the Company') is into the business of trading of spare parts related to electronic items (LCD/LED TVs, Mounted printed circuit board for air conditioner, washing machines & refrigerators) and related services at its unit located at Noida, Uttar Pradesh. The Company is a subsidiary of Panasonic Corporation, Japan.

**Note 2: Significant accounting policies**

The accounting policies set out below have been applied consistently to the period presented in these financial statements.

**i. Basis of preparation of financial statements**

The financial statements of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the accrual and going concern basis. GAAP includes accounting standards as specified under the section 133 of the Companies Act, 2013 read with Rules, as applicable, of Companies (Accounts) Rules, 2014 and other pronouncements of the Institute of Chartered Accountants of India. The financial statements are presented in Indian rupees rounded off to nearest lakh.

**ii. Use of estimates**

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

**iii. Current and non-current assets**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle ;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at-least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for atleast 12 months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

**iv. Property, plant and equipment****Tangible Assets**

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment 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; 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 under construction are disclosed as capital work-in-progress.

Depreciation on the following property, plant and equipment (except leasehold land) is provided on the written value method on a pro-rata basis. Depreciation rates are determined based on management's estimate of the economic useful lives of the asset which are higher or lower than the indicative rates specified under schedule II to the Companies Act, 2013.

Property, plant and equipment	Schedule II-useful life	Estimated useful life
Computers	3 years	3 years
Plant and equipment	5/10/15 years	4/8/10 years
Dies and moulds	8 years	1 year
Furniture and fixtures	10 years	10 years
Vehicles	8 years	4 years
Factory Building	30 years	29 years
Non- factory Building	60 years	59 years

Leasehold land is amortised on a straight line basis over the period of the lease. i.e. 83 years.

Property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

#### Intangible fixed assets

##### Acquired intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Intangible assets are amortized in the Statement of profit and loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset. Accordingly, at present, these are being amortized on straight line basis. In accordance with the applicable Accounting Standard, the Company follows a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. However, if there is persuasive evidence that the useful life of an intangible asset is longer than ten years, it is amortized over the best estimate of its useful life. Such intangible assets that are not yet available for use are tested annually for impairment.

Intangible assets comprise computer software only, which are being amortized over a period of 3 years.

Amortization method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

#### v. Impairment

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

#### vi. Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term.

Assets given by the Company under operating lease are included in property, plant and equipment. Lease income from operating leases is recognised in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognised as expenses. Initial direct costs incurred specifically for an operating lease are deferred and recognised in the Statement of Profit and Loss over the lease term in proportion to the recognition of lease income.

**vii. Inventories**

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade, and stores and spares are carried at the lower of cost and net realisable value.

Cost of inventories comprises all costs of purchase, costs 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 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 costs necessary to make the sale.

The proportionate amount of additional duty of customs paid on finished goods imported for trading and lying unsold as at the year-end has been included in the value of the finished goods stock whenever paid.

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 it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

**viii. 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 recognized 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.

**(i) Superannuation fund**

Under the superannuation scheme, a defined contribution plan, the Company pays fixed contributions into a separate trust and has no obligation to pay further amounts. The trust has taken up a policy with the Life Insurance Corporation of India. Benefits are paid by Life Insurance Corporation of India to the vesting employees on retirement, death, incapacitation or termination of employment. Contributions paid by the Company to the superannuation trust are charged to the Statement of Profit and Loss.

**(ii) Provident Fund and Employees State Insurance Scheme**

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 expense in the Statement of Profit and Loss during the period in which the employee renders the related service. In addition, some employees of the Company are covered under the Employees State Insurance Scheme, which is also defined contribution scheme recognised and administered by the Government of India.

**Defined benefit plans***Gratuity*

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust which has taken up a group policy with Life Insurance Corporation of India. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation report using the projected unit credit method as at the year end.

**Other long term employee benefits***Compensated absences*

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize 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 utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company makes annual contributions to Life Insurance Corporation of India. 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.

**ix. Revenue recognition**

Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer which generally coincides with delivery of goods to the customers in accordance with the contract terms and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

In view of the nature of services rendered, revenue from services is recognised on an accrual basis, as per the terms of the agreement with the customers, and when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of Goods and Services Tax (GST) and is net of returns.

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

Dividend income is recognised when the right to receive payment is established.

**x. Foreign exchange transactions**

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

Premiums / discounts arising at the inception of the forward exchange contracts, which are covered under Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates", entered into to hedge foreign currency risks are amortised as expense / income over the life of the contract. Exchange difference on such a contract is recognised in the Statement of Profit and Loss in the reporting period in which the exchange rate changes.

Derivative contracts are marked to market and provision for loss/gain, if any, is recognised in the Statement of Profit and Loss.

**xi. Royalty**

Payment of technical assistance and trade mark fees in the form of royalty on the sale of products is being accounted for on accrual basis as per technical assistance and trade mark agreement with Panasonic Corporation, Japan.

**xii. Provisions**

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.

**xiii. Contingent liabilities and contingent assets**

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 recognized 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 recognized in the period in which the change occurs.

**xiv. Income taxes**

Income-tax expense comprises 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 the tax effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognized in the Statement of Profit and Loss except that tax expense related to items recognized directly in reserves is also recognized in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. 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 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 supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each 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 Alternate 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 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.

**xv. 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, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated as specified in Accounting Standard - 3 'Cash Flow Statement'.

**xvi. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposit with banks, other short term highly liquid investments with original maturities of three months or less.

**Note 3: Share capital**

(₹ in lakh, unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	Shares (In Nos)*	Amount	Shares (In Nos) *	Amount
Authorized				
Equity shares of Rs.10 each (March 31, 2021 ₹10 each)	5,00,00,007	5,000.00	5,00,00,007	5,000.00
5% Non cumulative redeemable preference shares of ₹ 10 each (March 31, 2021: ₹ 10 each)	5,99,99,993	6,000.00	5,99,99,993	6,000.00
	<u>11,00,00,000</u>	<u>11,000.00</u>	<u>11,00,00,000</u>	<u>11,000.00</u>
Issued, subscribed and paid up *				
Equity shares of ₹ 10 each fully paid up (March 31, 2021: ₹10 each)				
Outstanding at the beginning and at the end of the year	5,00,00,007	5,000.00	5,00,00,007	5,000.00
	<u>5,00,00,007</u>	<u>5,000.00</u>	<u>5,00,00,007</u>	<u>5,000.00</u>

**Note:** Pursuant to the provisions of section 66 and other applicable provisions, if any, of the Companies Act, 2013 read with rules and relevant provisions of the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, on March 30, 2020 the shareholders by way of special resolution through postal ballot had approved reduction of the subscribed equity share capital of the company by paying off, cancelling and extinguishing, in aggregate, 2372568 equity shares of ₹ 10 each held by public members. The same is pending for approval by National Company Law Tribunal ("NCLT") as on March 31, 2022.

**(a) Equity share capital reconciliation**

	As at March 31, 2022		As at March 31, 2021	
	Number of shares *	Amount	Number of shares *	Amount
Balance of Shares at the beginning of year	5,00,00,007	5,000.00	5,00,00,007	5,000.00
Add:- Addition during the year	-	-	-	-
Less:- Buy back during the year	-	-	-	-
Balance of Shares at the end of the year	<u>5,00,00,007</u>	<u>5,000.00</u>	<u>5,00,00,007</u>	<u>5,000.00</u>

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

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The dividend, if any, proposed by the Board of Directors will be subject to the approval of the Shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2022, the amount of per share dividend proposed as distributions to equity shareholders was ₹ NIL per share (March 31, 2021: ₹ NIL per share). In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

**c) Equity shares held by ultimate holding company/ holding company and/ or their subsidiaries/ associates**

	As at March 31, 2022		As at March 31, 2021	
	Number of shares*	Amount	Number of shares*	Amount
Panasonic Corporation, Japan, the holding company (equity shares of ₹ 10 each fully paid up)	4,76,27,439	4,762.74	4,76,27,439	4,762.74
	<u>4,76,27,439</u>	<u>4,762.74</u>	<u>4,76,27,439</u>	<u>4,762.74</u>

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

	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of total share in the class	Number of shares	% of total share in the class
Panasonic Corporation, Japan, the holding company (equity shares of ₹ 10 each)	4,76,27,439	95.25%	4,76,27,439	95.25%
	<b>4,76,27,439</b>	<b>95.25%</b>	<b>4,76,27,439</b>	<b>95.25%</b>

## e) Details of Promoter's Shareholding:

Promoter's Name	As at 31st March, 2022		As at 31st March, 2021		% Changes during the year
	No. of Shares*	% of total shares	No. of Shares*	% of total shares	
Panasonic Corporation, Japan	4,76,27,439	95.25%	4,76,27,439	95.25%	No change

Promoter's Name	As at 31st March, 2021		As at 31st March, 2020		% Changes during the year
	No. of Shares*	% of total shares	No. of Shares*	% of total shares	
Panasonic Corporation, Japan	4,76,27,439	95.25%	4,76,27,439	95.25%	No change

\* Number of shares have been given in absolute numbers

## Note 4: Reserves and surplus

(₹ in lakh, unless otherwise stated)

	As At March 31, 2022	As At March 31, 2021
General reserve		
Balance at the beginning of the year	472.75	472.75
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance at the end of the year	<b>472.75</b>	<b>472.75</b>
Surplus (Profit and Loss balance)		
Balance at the beginning of the year	(617.93)	(268.80)
Add: loss for the year	(586.60)	(349.12)
Balance at the end of the year	<b>(1,204.53)</b>	<b>(617.93)</b>
<b>Total</b>	<b>(731.78)</b>	<b>(145.18)</b>

## Note 5: Provisions

	Long-term		Short-term	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Provision for employee benefits				
Compensated absences	0.03	0.01	0.01	0.01
Other provisions				
Warranties and after sale service (refer note 'a' below)	159.75	282.30	53.25	70.00
Provision for litigation (refer note 'b' below)	-	-	47.06	47.06
	<b>159.78</b>	<b>282.31</b>	<b>100.31</b>	<b>117.07</b>

The Company has adopted Accounting Standard 29 'Provisions, Contingent Liabilities & Contingent Assets' as notified by the Companies (Accounting Standards) Rules, 2006. Accordingly, the following disclosure has been made :



**(a) Warranties and after sale service:**

	As At March 31, 2022	As At March 31, 2021
Provisions for warranties and after sale service*		
At the beginning of the year	352.30	606.12
Additions during the year	-	-
Utilization during the year	(139.30)	(253.82)
Reversal during the year	-	-
At the end of the year	<b>213.00</b>	<b>352.30</b>

\* The Company is liable towards warranty claims made by end users of its products. A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. It is expected that most of this cost will be incurred over the warranty period, which extends upto 5 years.

**(b) Provision for litigation \*\*:**

	As At March 31, 2022	As At March 31, 2021
At the beginning of the year	47.06	47.06
Additions during the year	-	-
Utilization during the year	-	-
Reversal during the year	-	-
At the end of the year	<b>47.06</b>	<b>47.06</b>

\*\* Provision for litigation represents pending disputes with central goods and services tax authority in respect of penalty on wrong availment of input service tax on GTA services. Timing of outflow will depend upon timing of decision of case. Although the company is contesting the cases at the relevant forum, the management believes that the outflow of resources embodying economic benefits is probable and has accordingly, created a provision towards the obligation that may arise.

**Note 6: Trade payables**

	As At March 31, 2022	As At March 31, 2021
Total outstanding dues of micro and small enterprises**	4.97	6.69
Total outstanding dues of creditors other than micro and small enterprises	130.61	297.97
	<b>135.58</b>	<b>304.66</b>

\*\* For dues to micro and small enterprises as at year end, determined on the basis of information received and available with the Company, refer note 27.

**Trade Payables ageing schedule as at March 31, 2022:**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled dues	
(i) MSME	4.97	-	-	-	-	-	<b>4.97</b>
(ii) Others	40.78	-	-	32.23	-	39.22	<b>112.23</b>
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-	-

**Trade Payables ageing schedule as at March 31, 2021:**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled dues	
(i) MSME	6.69	-	-	-	-	-	<b>6.69</b>
(ii) Others	111.26	-	125.57	-	-	61.13	<b>297.97</b>
(iii) Disputed dues — MSME	-	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-	-

**Note 7: Other current liabilities**

	<u>As At March 31, 2022</u>	<u>As At March 31, 2021</u>
Payable to employees	148.71	135.37
Unclaimed dividend *	31.45	9.53
Statutory liabilities		
- Tax deducted at source	8.07	30.14
- Goods and Services Tax	9.10	30.05
- Others	2.05	2.13
	<u>199.39</u>	<u>207.22</u>

\* There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. This amount is as per revised confirmation received from the bank.

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## Note 8: Property, plant and equipment (tangible assets)

Description	Gross Block				Accumulated Depreciation				Net Block
	As At	Additions	Disposal/ Adjustments	As At	1 April 2021	For the year	Disposal/ Adjustments	31 March 2022	As At
	1 April 2021			March 31, 2022					March 31, 2022
Leasehold land	307.58	-	-	307.58	88.26	3.75	-	92.01	215.57
Buildings	1,142.32	-	-	1,142.32	997.81	9.84	-	1,007.65	134.66
Plant and machinery	649.67	-	-	649.67	638.52	6.89	-	645.41	4.26
Dies and moulds	100.03	-	-	100.03	100.03	-	-	100.03	0.00
Furniture and fixtures	130.99	-	-	130.99	106.25	6.80	-	113.06	17.94
Vehicles	66.95	-	-	66.95	66.08	0.87	-	66.94	0.01
<b>Total</b>	<b>2,397.54</b>	<b>-</b>	<b>-</b>	<b>2,397.54</b>	<b>1,996.95</b>	<b>28.15</b>	<b>-</b>	<b>2,025.09</b>	<b>372.44</b>

Description	Gross Block				Accumulated Depreciation				Net Block
	As At	Additions	Disposal/ Adjustments	As At	1 April 2020	For the year	On disposal/ Adjustments	31 March 2021	As At
	1 April 2020			March 31, 2021					March 31, 2021
Leasehold land	307.58	-	-	307.58	84.51	3.75	-	88.26	219.32
Buildings	1,142.32	-	-	1,142.32	987.15	10.66	-	997.81	144.50
Plant and machinery	649.67	-	-	649.67	620.12	18.40	-	638.52	11.15
Dies and moulds	100.03	-	-	100.03	100.02	0.01	-	100.03	0.00
Furniture and fixtures	130.99	-	-	130.99	97.31	8.94	-	106.25	24.74
Vehicles	66.95	-	-	66.95	62.26	3.82	-	66.08	0.87
<b>Total</b>	<b>2,397.54</b>	<b>-</b>	<b>-</b>	<b>2,397.54</b>	<b>1,951.38</b>	<b>45.57</b>	<b>-</b>	<b>1,996.95</b>	<b>400.59</b>

## Note 9: Intangible assets

Description	Gross Block				Amortisation				Net Block
	As At	Additions	Disposal/ Adjustments	As At	1 April 2021	For the year	Disposal/ Adjustments	31 March 2022	As At
	1 April 2021			March 31, 2022					March 31, 2022
Software	139.65	-	-	139.65	139.65	-	-	139.65	-
<b>Total</b>	<b>139.65</b>	<b>-</b>	<b>-</b>	<b>139.65</b>	<b>139.65</b>	<b>-</b>	<b>-</b>	<b>139.65</b>	<b>-</b>

Description	Gross Block				Amortisation				Net Block
	As At	Additions	Disposal/ Adjustments	As At	1 April 2020	For the year	On Disposal/ Adjustments	31 March 2021	As At
	1 April 2020			March 31, 2021					March 31, 2021
Software	139.65	-	-	139.65	139.35	0.30	-	139.65	-
<b>Total</b>	<b>139.65</b>	<b>-</b>	<b>-</b>	<b>139.65</b>	<b>139.35</b>	<b>0.30</b>	<b>-</b>	<b>139.65</b>	<b>-</b>

**Note 10: Deferred tax assets (net)**

	As At March 31, 2022	As At March 31, 2021
<b>Deferred tax assets</b>		
- Excess of depreciation/amortisation on fixed assets provided in accounts over depreciation/ amortisation under income tax law	91.36	112.52
- Provision for diminution in the value of inventories	35.22	49.34
- Expenditure covered by Section 40(a) of the Income Tax Act, 1961	2.81	4.36
- Unabsorbed depreciation and long term capital loss	165.11	76.61
- Other	13.81	13.81
<b>Gross deferred tax assets</b>	<b>308.31</b>	<b>256.64</b>
<b>Deferred tax liability</b>		
- Expenditure covered by Section 43B of the Income Tax Act, 1961	14.54	19.10
<b>Gross deferred tax liability</b>	<b>14.54</b>	<b>19.10</b>
<b>Deferred tax assets recognised (net)</b>	<b>293.77</b>	<b>237.54</b>

**Note:** Keeping in line with the requirements of Accounting Standard-22-Accounting for Taxes on Income, in the absence of virtual certainty, the Company has not recognised deferred tax asset on business loss.

**Note 11: Loans and advances**

	Long-term		Short-term	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Loans and advances to related parties (unsecured considered good)				
- Panasonic Corporation, Japan	-	-	14.12	17.42
- Panasonic India Private Limited	-	-	-	0.12
Loans and advances to parties other than related parties				
Other loans and advances				
- Unsecured and considered good				
Loans to employees	-	2.38	2.22	2.38
Balance with statutory/ government authorities	45.51	38.18	174.46	127.53
Prepaid expenses	-	-	9.71	23.98
Advance tax (net of provision for income tax ₹Nil (March 31, 2021: ₹ Nil)	17.04	77.95	-	-
Balance with income tax authorities	2,157.83	712.16	-	-
- Considered doubtful				
Balance with income tax authorities	2.31	2.31	-	-
Balance with statutory/ government authorities	21.52	21.52	23.91	23.91
	2,244.21	854.50	224.42	195.34
Less: Provision for doubtful advances	23.83	23.83	23.91	23.91
	<b>2,220.37</b>	<b>830.67</b>	<b>200.51</b>	<b>171.43</b>

**Note 12: Inventories** (At cost and net realizable value, whichever is lower)

	As At March 31, 2022	As At March 31, 2021
Stock in trade	161.79	295.50
	161.79	295.50
Less : provision for slow moving stock in trade	(139.93)	(196.04)
	<b>21.86</b>	<b>99.46</b>

**Note 13: Trade receivables**

	As At March 31, 2022	As At March 31, 2021
(unsecured and considered good, unless stated otherwise)		
Outstanding for a period exceeding six months from the date they were due for payment	-	-
Other receivables		
Due from related parties		
- Panasonic India Private Limited	38.19	159.84
- Panasonic AVC Networks KM SDN Bhd	2.43	-
	<b>40.62</b>	<b>159.84</b>

**Notes:****Trade Receivables ageing schedule as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –	40.62	-	-	-	-	<b>40.62</b>
(ii) Undisputed Trade receivables –	-	-	-	-	-	-
(iii) Disputed Trade receivables –	-	-	-	-	-	-
(iv) Disputed Trade receivables –	-	-	-	-	-	-
<b>Total</b>						<b>40.62</b>

**Trade Receivables ageing schedule as at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	159.84	-	-	-	-	<b>159.84</b>
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered doubtful	-	-	-	-	-	-
<b>Total</b>						<b>159.84</b>

**Note 14: Cash and bank balances**

	Non-Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
Cash and cash equivalents:				
Cash on hand	-	-	-	-
Balance with banks				
- On current accounts	-	-	143.82	311.87
- On deposits (with original maturity of 3 months or less)	-	-	1,270.12	-
Other bank balances:				
Balance with banks				
- On current account (restricted account) *	-	-	9.45	9.45
Bank deposits (with original maturity of more than 3 months but less than 12 months) **	-	-	86.00	3,167.98
Bank deposits (with original maturity of more than 12 months) **	28.96	-	-	172.02
Earmarked balances with a bank - dividend account ***	-	-	31.45	9.53
	28.96	-	1,540.84	3,670.85
Less: Amount disclosed under Other Assets (Refer Note 15)	28.96	-	-	-
	-	-	1,540.84	3,670.85
Less: Provision for doubtful bank balance	-	-	9.45	9.45
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,531.39</b>	<b>3,661.40</b>

\* pledged with sales tax authority as lien against sales tax cases.

\*\* Include bank deposits of ₹86 lakh (March 31, 2021: ₹172.02 lakh) pledged against bank guarantee.

\*\*\* This amount is as per revised confirmation received from the bank.

**Note 15: Other assets**

	Non-Current		Current	
	As At March 31, 2022	As At March 31, 2021	As At March 31, 2022	As At March 31, 2021
(Unsecured considered good, unless otherwise stated)				
Security deposits (unsecured considered good)	26.19	26.19	-	-
Property, plant and equipment held for sale (Refer Note 23)	-	-	61.36	61.36
Deposits with original maturity for more than 12 months (Refer Note 14)	28.96	-	-	-
Interest accrued on fixed deposits	0.57	-	7.43	20.66
Gratuity recoverable	-	-	34.28	49.14
Compensated absences recoverable	-	-	23.53	26.76
Other receivable	-	-	-	21.04
	55.72	26.19	126.60	178.96

**Note 16: Revenue from operations**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
Traded goods	140.95	536.90
Sale of services	130.00	525.00
<b>Total revenue from operations</b>	<b>270.95</b>	<b>1,061.90</b>
Break-up of revenue from sale of products :		
Traded goods		
Spare parts	140.95	536.90
	140.95	536.90
Break-up of revenue from sale of services :		
Technical support fees	130.00	525.00
	130.00	525.00

**Note 17: Other income**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on bank deposits	47.88	97.88
Interest income on others	0.18	0.44
Net gain on account of foreign exchange fluctuation	-	2.28
Provision for gratuity written back (Refer Note 34)	-	7.77
Liability written back	79.93	40.75
Employee's recoveries	-	28.05
Other non-operating income	2.06	0.47
	<b>130.05</b>	<b>177.64</b>

**Note 18: Changes in inventories of finished goods, work in progress and stock-in-trade**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock		
Stock-in-trade (net of provision of ₹ 196.04 lakh (March 31, 2020: ₹ 356.03 lakh))		
- Spare parts	99.46	440.35
	99.46	440.35
Less :		
Closing stock		
Stock-in-trade (net of provision of ₹ 139.93 lakh (March 31, 2021: ₹ 196.04 lakh))		
- Spare parts	21.86	99.46
	21.86	99.46
Net decrease/(increase) in inventory	<b>77.60</b>	<b>340.89</b>

**Note 19: Employee benefits**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	257.25	370.40
Contribution to provident and other funds	27.30	36.84
Gratuity expenses	14.86	-
Compensated absences	11.88	1.97
Staff welfare expenses	4.99	6.78
	<u>316.28</u>	<u>415.99</u>

**Note 20: Finance costs**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on delay in deposition of TDS & other statutory dues	0.60	0.51
	<u>0.60</u>	<u>0.51</u>

**Note 21: Depreciation and amortization**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	28.15	45.57
Amortization on intangible assets	-	0.30
	<u>28.15</u>	<u>45.87</u>

**Note 22: Other expenses**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	23.95	33.06
Rent (refer to note 32)	26.94	50.55
Repairs and maintenance		
- Plant and machinery	3.67	1.58
- Others	6.82	7.50
Insurance	23.78	32.52
Rates and taxes, excluding taxes on income	0.91	27.49
Traveling and conveyance	24.38	33.94
Legal and professional **	219.47	240.28
IT & Software Support Fee	33.29	39.88
Foreign exchange fluctuation loss (net)	1.07	-
Security charges	17.69	21.98
Telephone and communication	5.10	7.50
Corporate social responsibility (refer to note 38)	-	27.92
Provision for doubtful bank balance	-	9.45
Miscellaneous expenses	19.51	19.25
	<u>406.57</u>	<u>552.90</u>

**\*\* Legal and professional expense includes payment to auditors (excluding taxes)**

	8.00	8.00
As statutory auditor:	1.50	1.50
- For Audit	0.18	0.17
- For Taxation Matters	<u>9.68</u>	<u>9.67</u>
- Reimbursement of expenses		



**Note 23 : Assets classified as held for sale**

As described in note 24 below, the Company had discontinued & planned to dispose off its television (TV) production business and had anticipated that the disposal will be completed in near future. The directors of the Company expect that the net realisable value of the business will be higher than the aggregate book value of the related assets. Therefore, no loss has been recognised on the reclassification of the assets as held for sale as at March 31, 2022 and March 31, 2021. The major classes of assets of the television (TV) production business at the end of the reporting period are as follows:

	<u>As at March 31, 2022</u>	<u>As at March 31, 2021</u>
Property, plant and equipment	61.36	61.36
Assets of TV production business classified as held for sale	61.36	61.36
Liabilities of TV production business classified as held for sale	-	-
Net assets of TV production business classified as held for sale	<u>61.36</u>	<u>61.36</u>

**Note 24 : Discontinued Operations****Note 24.1 : Plan to close down television (TV) production business:**

The Management of the Company had decided to close down TV production business w.e.f. December 31, 2019 vide board resolution dated December 27, 2019.

**Note 24.2 : Analysis of Profit/Loss for the year from discontinued operations:**

	<u>For the Year ended March 31, 2022</u>	<u>For the Year ended March 31, 2021</u>
<b>Profit / (Loss) from ordinary activities</b>		
Revenue from discontinued operations		
Revenue from Operations		
- Scrap Sales	-	35.45
<b>Total Revenue</b>	<u>-</u>	<u>35.45</u>
<b>Expenses in respect of discontinued operations</b>		
Other expenses		
- E-Waste, Warranty and after sale service	214.64	203.69
<b>Total Expenses</b>	<u>214.64</u>	<u>203.69</u>
<b>Profit before tax from ordinary activities (discontinued operations)</b>	<b>(214.64)</b>	<b>(168.24)</b>
Tax Expenses:		
- Current tax	-	-
- Deferred tax charge/(release)	-	-
<b>Profit/(Loss) from Discontinued Operations</b>	<u><b>(214.64)</b></u>	<u><b>(168.24)</b></u>
	<u><b>As At March 31, 2022</b></u>	<u><b>As At March 31, 2021</b></u>
Carrying amount of assets as at the balance sheet date relating to the discontinued business to be disposed off	61.36	61.36
Carrying amount of liabilities as at the balance sheet date relating to the discontinued business to be settled	-	-
	<u><b>For the year ended March 31, 2022</b></u>	<u><b>For the year ended March 31, 2021</b></u>
<b>Net cash flow attributable to the discontinued business</b>		
Cash flows from operating activities	<b>(214.64)</b>	<b>(168.24)</b>
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-

**Note 25: Earnings per share****Basic earnings per share**

The calculation of basic earnings per share for the year ended March 31, 2022 was based on the Profit/ (loss) from continuing operations and total operations attributable to equity shareholders of ₹(433.15 lakh) (March 31, 2021 ₹180.88 lakh) and ₹(647.79) lakh (March 31, 2021: ₹(349.12 lakh)) respectively, and weighted average number of equity shares outstanding 50,000,007 (March 31, 2021: 50,000,007)

**Diluted earnings per share**

The calculation of diluted earnings per share for the year ended 31 March 2022 was based on the profit/(loss) from continuing operations and total operations attributable to equity shareholders of ₹(433.15 lakh) (March 31, 2021 ₹180.88 lakh) and ₹(647.79 lakh) (March 31, 2021: ₹(349.12 lakh)) respectively, and weighted average number of equity shares outstanding 50,000,007 (March 31, 2021: 50,000,007) after adjustment for the effects of all dilutive potential equity shares of Nil (March 31, 2021: Nil)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Number of equity shares outstanding at the end of the year	50,000,007	50,000,007
Weighted average number of equity shares outstanding during the year	50,000,007	50,000,007
Net profit/(loss) from continuing operation after tax available for equity shareholders (₹ in Lakh)	(433.15)	(180.88)
<b>Basic and diluted earnings (in ₹) per share from continuing operations</b>	<b>(0.87)</b>	<b>(0.36)</b>
Net profit/(loss) from total operation after tax available for equity shareholders (₹ in Lakh)	(647.79)	(349.12)
<b>Basic and diluted earnings (in ₹) per share from total operations</b>	<b>(1.30)</b>	<b>(0.70)</b>

**Note 26: Contingent liabilities:**

(to the extent not provided for)

Claims received but not acknowledged as debts:

	As At March 31, 2022	As At March 31, 2021
Excise duty demand (including penalty)	241.46	241.46
Port charges	18.03	18.03
Service tax (including penalty)	540.98	540.98
Sales tax	46.93	46.93
Income tax	6,101.50	6,101.50
	<b>6,948.90</b>	<b>6,948.90</b>

The Company has received demands/ notices from various authorities as mentioned above. The Company is contesting these and the disputes are outstanding at various levels. Pending final settlement of these cases, the Company considers all the amounts described above as contingent liability.

**Note 27: Dues to micro and small suppliers**

- a. As per Schedule III of the Companies Act, 2013, the amount due as at the year-end due to Micro and Small enterprises as defined in Micro, Small and Medium Enterprises Act, 2006 is as given below :

Particulars	As At March 31, 2022	As At March 31, 2021
Principal amounts remaining unpaid to micro and small suppliers as at the end of the year	4.97	6.69
Interest amounts remaining unpaid to micro and small suppliers as at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

- b. This information has been compiled in respect of parties to the extent they could be identified as Micro and Small Enterprises on the basis of information available with the Management as at March 31, 2022.

**Note 28:**

Estimated amount of contracts remaining to be executed on capital account not provided for amount to ₹Nil (March 31, 2021 ₹Nil).

**Note 29:**

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires the existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of the international and specified domestic transactions entered into with the associated enterprises and specified persons from April 2018 and expects such records to be in existence latest by November 2019 as required under law. The management is of the opinion that its international and specified domestic transactions are at arm's length so that 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.

**Note 30:**

Related party transactions

Related party disclosures as required under Accounting Standard 18 on 'Related Party Disclosures' is given below:

- a) Related party and nature of related party relationship where control exists:

**Ultimate Holding Company and Holding Company**

Panasonic Corporation, Japan

b) Other related parties with whom transactions have taken place during the year:

Key management personnel

Mr. Isshin Kinugawa (Managing Director)  
Mr. Kenji Kobayashi (Chief Financial Officer) (resigned w.e.f. October 31, 2020)  
Mr. Tsuyoshi Yoto (Chief Financial Officer) (appointed w.e.f. April 21, 2021)  
Mr. Neeraj Khanna (Company Secretary)

**Fellow subsidiary companies**

**Overseas fellow subsidiaries**

Panasonic Taiwan Co., Ltd.

Panasonic AVC Networks Kuala Lumpur SDN. BHD. Malaysia

Relo Panasonic Excel International Co. Ltd.

**Local fellow subsidiaries**

Panasonic India Private Limited

## C) Particulars of related party transactions:

Nature of transaction	Holding Company	Key management personnel	Fellow subsidiaries	Total
Sale of spares	- (-)	- (-)	126.50 (536.90)	126.50 (536.90)
Sale of services	- (-)	- (-)	130.00 (525.00)	130.00 (525.00)
Reimbursement of Expenses (Paid)	- (29.81)	- (-)	391.85 (290.89)	391.85 (320.70)
Reimbursement of Expenses (Received)	76.67 (90.99)	- (-)	- (0.39)	76.67 (91.38)
Managerial remuneration	- (-)	36.32 (142.92)	- (-)	36.32 (142.92)
IT & Software Support Fee	1.66 (5.35)	- (-)	18.17 (22.51)	19.83 (27.86)

Amounts in brackets represent previous year figures.

## d) Details of related parties (other than Holding Company) with whom transactions exceed 10% of the class of transactions

Particulars	Year ended March 31 2022	Year ended March 31 2021
<b>Sale of spares</b>		
-Panasonic India Private Limited	123.71	536.90
<b>Sale of services</b>		
- Panasonic India Private Limited	130.00	525.00
<b>Reimbursement of expenses (Payable)</b>		
-Panasonic India Private Limited	391.85	287.66
<b>Reimbursement of expenses (Receivable)</b>		
- Panasonic India Private Limited	-	0.39
<b>IT &amp; Software Support Fee</b>		
- Panasonic India Private Limited	18.17	22.51
<b>Managerial Remuneration</b>		
- Isshin Kinugawa	36.32	43.66
- Kenji Kobayashi	-	99.26

## e) Particulars of balances in respect of related party transactions:

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Receivables</b>		
-Fellow subsidiaries	<b>40.62</b>	<b>159.84</b>
Panasonic India Private Limited	38.19	159.84
Panasonic AVC Networks KM SDN Bhd	2.43	-
<b>Recoverable</b>		
-Holding Company	<b>14.12</b>	<b>17.42</b>
-Fellow subsidiaries	-	0.12
Panasonic India Private Limited	-	0.12
<b>Payables</b>		
-Holding Company	<b>0.92</b>	0.50
-Fellow subsidiaries	<b>34.21</b>	85.96
Panasonic India Private Limited	34.21	<b>85.96</b>

**Note 31: Segment information**

The Company is into the business of trading of spare parts related to electronic items (LCD/LED TVs, Mounted printed circuit board for air conditioner, washing machines & refrigerators) and related services at its unit located at Noida, Uttar Pradesh. The directors of the Company consider this business as single business segment as per Accounting Standard 17 of "Segment Reporting". Also, the Company is primarily operating in the single geographical location.

Basis above, the management has concluded that no separate segment disclosures are required as per Accounting standard 17 'Segment Reporting'.

**Note 32: Operating leases**

The Company has taken on lease office for registered office and residential accommodation for employees with an option of renewal at the end of the lease term and escalation clause in a few cases.

These leases are in the nature of cancellable operating leases. Lease payments amounting to ₹26.94 lakh (March 31, 2021 ₹50.55 lakh) have been charged to the Statement of Profit and Loss.

**Note 33: The Company's unhedged foreign currency exposure is given below:**

Purpose	As at March 31, 2022		As at March 31, 2021	
	Amount in foreign currency in lakh	Amount In ₹lakh	Amount in foreign currency in lakh	Amount In ₹lakh
<b>Receivable</b>	USD 0.03	2.43	-	-
<b>Payables</b>	USD 0.01	0.92	USD 0.43	21.09
	-	-	EURO 1.19	104.98

**Note 34: Disclosure pursuant to Accounting Standard 15 on "Employee Benefits"****Defined contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Employee State Insurance and Superannuation Fund, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Superannuation Fund for the year aggregated to ₹13.42 lakh (March 31, 2021 ₹19.52 lakh) and ₹13.88 lakh (March 31, 2021 ₹17.32 lakh) respectively.

**Defined benefit plans****Gratuity**

The Company operates post-employment defined benefit plans that provide for gratuity benefit and leave encashment. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Company has funded the liability towards defined benefit obligations with Life Insurance Corporation of India (LIC). Rate of return is as given by the insurance Company.

**A. The Gratuity Fund**

The following table sets forth the status of the Gratuity Plan of the Company and the amounts recognised in the Balance Sheet and Statement of Profit and Loss.

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Changes in the present value of defined benefit obligations</b>		
Projected benefit obligation at the beginning of year	88.80	113.84
Current service cost	5.48	4.32
Past service cost	-	-
Interest cost	4.00	5.46
Actuarial (gain)/loss	13.96	(1.59)
Benefits paid by the plan	(12.95)	(33.23)
<b>Projected benefit obligations at the end of the year</b>	<b>99.29</b>	<b>88.80</b>
<b>Changes in the fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	137.94	155.20
Expected return on plan assets	9.52	10.87
Contributions paid into the plan	-	-
Benefits paid in the plan	(12.95)	(33.23)
Actuarial (loss)/gain on plan assets	(0.94)	5.10
<b>Fair value of plan assets at the end of the year</b>	<b>133.57</b>	<b>137.94</b>
<b>Amount recognised in the Balance Sheet</b>		
Projected benefit obligation at the end of the year	99.29	88.80
Fair value of plan assets at the end of the year	133.57	137.94
<b>Funded status of the plans – asset/(liability)</b>	<b>34.28</b>	<b>49.14</b>
<b>Net asset/(liability) recognised</b>	<b>34.28</b>	<b>49.14</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current service cost	5.48	4.32
Past service cost	-	-
Interest cost on benefit obligation	4.00	5.46
Expected return on plan assets	(9.52)	(10.87)
Net actuarial (gain)/loss recognised in the year	14.90	(6.69)
<b>Net gratuity cost</b>	<b>14.86</b>	<b>(7.77)</b>
<b>Return on plan assets</b>		
Expected return on plan assets	9.52	10.87
Actuarial gain/(losses) on plan assets	(0.94)	5.10
<b>Actual return on plan assets</b>	<b>8.58</b>	<b>15.97</b>
<b>Plan assets</b>		
Fund managed by Insurer	100%	100%

The principal assumption used in determining the gratuity benefit obligation is as given below:

**A. Economic Assumptions**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	4.80%	4.50%
Expected rate of return on assets (p.a.)	7.00%	7.00%
Salary escalation rate (p.a.)	7.00%	6.90%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The overall expected long-term rate of return on assets is 7.00% p.a. The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based exclusively on historical returns, without adjustments.

**B. Historical Information**

	March 31 2022	March 31 2021	March 31 2020	March 31 2019	March 31 2018
Projected benefit obligation at the end of the year	99.29	88.80	113.84	602.41	646.33
Fair value of the plan assets at the end of the year	133.57	137.94	155.20	556.35	573.62
Net assets/(liability) recognised in the balance sheet	(34.28)	(49.14)	(41.36)	(46.06)	(72.71)
Experience adjustment arising on plan liabilities- (loss)/gain	(3.23)	5.72	83.87	2.76	(52.28)
Experience adjustment arising on plan assets- (loss)/gain	(0.94)	5.10	(13.92)	(4.59)	(5.29)

**Note 35: FOB value of export**

Description	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of goods	2.79	-

**Note 36: Expenditure in foreign currency (on accrual basis)**

Description	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance	-	0.56
Legal and professional	1.49	5.35
Reimbursement of Salary	-	29.31
Reimbursement of Air & Sea Freight	-	3.24
	<b>1.49</b>	<b>38.46</b>

**Note 37:** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).

The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entity identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 38: Corporate social responsibility**

As per Section 135 of Companies Act, 2013, the following is the detail of Corporate Social Responsibility liability of the company:

- Gross amount required to be spent by the Company during the year ended March 31, 2022 is ₹ Nil (March 31, 2021: ₹4.04 lakh).
- Amount spent during the year ended March 31, 2022 is ₹ Nil (March 31, 2021: Contribution to Prime Minister Relief Fund ₹27.92).
- Shortfall at the end of the year is ₹ Nil (March 31, 2021: ₹ Nil)
- Total of previous years shortfall is ₹ Nil (March 31, 2021: ₹ Nil)
- The Company does not have any ongoing projects as at March 31, 2022 and March 31, 2021.



**Note 39: Ratio Analysis**

Description	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	4.41	6.79	-35.01%	Movement on account of reduction in working capital.
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.13)	(0.07)	-5.92%	
Inventory Turnover ratio	Revenue	verage Inventory	2.32	2.12	9.57%	
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable:	1.41	1.77	-20.70%	
Trade Payable Turnover Ratio	Purchases of goods and services	Average Trade Payables	2.82	0.97	191.71%	On account of reduction in working capital
Net Capital Turnover Ratio	Revenue	Working capital *	0.09	0.16	-39.63%	Revenue reduction has resulted in detrioration in the ratio
Net Profit ratio	Net Profit after tax.	Revenue	-416.17%	-61.00%	-355.17%	Revenue reduction has resulted in detrioration in the ratio
Return on Capital Employed	Earnings before interest and taxes	Capital Employed **	-15.06%	-5.87%	20.93%	

\* Current assets – Current liabilities

\*\* Tangible Net Worth + Total Debt + Deferred Tax Liability

**Note:** Reasons have been explained for variance in which % of change is more than 25% as compared to previous year.

**Note 40:** The company has assumed that there is present obligation from the sale made in past to collect E-Waste under E-Waste Management Rules, 2016 (E-Waste Rules) issued by the Ministry of Environment, Forest and Climate Change. However, the Company had limited information in relation to external factors such as consumer willingness, consumer location, compensation payable, disposal and uncertainty over availability of enough electronic and electrical equipment ('EEE') for pickup which were essential to arrive at a reliable estimate.

However, one of its group company, Panasonic India Private Limited ("PI") had applied to Central Pollution Control Board vide its letter dated March 7, 2018 for obtaining EPR authorization and complying with the E-Waste Rules collectively for PI and the Company as all the products of the Company are supplied to PI. Accordingly, the Company has charged off E-Waste expenses of ₹214.64 lakh (March 31, 2021 ₹203.43 lakh) on the basis of debit note received from PI which as per management is in accordance with the provisions of E-Waste Rules.

**Note 41:**

Previous year figures have been regrouped and reclassified wherever considered necessary.

**For and on behalf of the Board of Directors of  
Panasonic AVC Networks India Company Limited**

Sd/-  
**(Isshin Kinugawa)**  
Chairman and Managing Director  
DIN: 07785797

Sd/-  
**(Neeraj Khanna)**  
Company Secretary  
M.No. A56723

Sd/-  
**(Tsuyoshi Yoto)**  
Director and Chief Financial Officer  
DIN: 08502986

Place of Signature : Noida  
Date: 12.07.2022

**NOTICE OF 27<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

PANASONIC AVC NETWORKS INDIA COMPANY LIMITED  
REGD. OFFICE: 13/4, OKHLA INDUSTRIAL AREA, PHASE-II, NEW DELHI-110020  
CIN: U74899DL1996PLC077330

Notice is hereby given that 27<sup>th</sup> Annual General Meeting ("AGM") of the Members of Panasonic AVC Networks India Company Limited (the "Company") will be held on Wednesday, 21<sup>st</sup> September, 2022 at 11:00 A.M. (IST) through video conferencing (VC) / other audio visual means (OAVM) to transact the following businesses:

**Ordinary Businesses**

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

**Item No. 1**

**To review, consider and adopt financial statements of the Company together with the reports of the Board of Directors ("the Board") and auditors thereon.**

"RESOLVED THAT the Balance Sheet as on March 31, 2022, Cash Flow Statement and Statement of profit and loss account for the financial year ended March 31, 2022 along with notes and schedules, together with the reports of the Board of Directors and auditors thereon, be and are hereby reviewed, considered and adopted".

**Item No. 2**

**To consider and approve the re-appointment of S.R. Dinodia & Co., LLP, as a Statutory Auditors of the Company.**

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, enactment or re-enactment thereof, for the time being in force), M/s. S.R. Dinodia & Co. LLP, Chartered Accountants, New Delhi (Firm Registration No.: 001478N/N500005) be and is hereby appointed as Statutory Auditor of the Company to hold office from the conclusion of the 27<sup>th</sup> Annual General Meeting until the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company to be held in the financial year 2026-27 at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**RESOLVED FURTHER THAT** the Directors of the Company and Mr. Neeraj Khanna, Company Secretary, be and are hereby severally authorized to do all such acts, deeds, things and matters as they may deem necessary and further to give effect to the above said resolution"

**Item No. 3**

**Re-appointment of Mr. Yasunari Anan, as a Director liable to retire by rotation.**

"RESOLVED THAT pursuant to the provisions of section 152(6) of the Companies Act, 2013, Mr. Yasunari Anan (08666068), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**Special Business**

**Item No. 4**

**Approval of Related Party Transactions for the Financial Year 2022-23.**

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

"RESOLVED THAT pursuant to the provisions of Section 188 and Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and amendments thereunder from time to time and other applicable provisions, if any, of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded, to the proposed transaction(s) being/to be undertaken between the Company and group Companies for the Financial Year 2022-23.

**RESOLVED FURTHER THAT** the estimated amount of transaction(s) to be entered in the financial year 2022-23 are as under:

Name of related party	Nature of relationship	Duration of contract	Nature of Transaction	Expected Receivable Amount	Expected Payable Amount	Final Total Amount for Approval	Base Price/ Contracted Price	Advance paid or received
Panasonic Corporation	Holding Company		<b>Total Transactions</b>			<b>1,42,25,000</b>		
		01.04.2022-31.03.2023	Reimbursement of Expenses Paid (Hotel Expenses & Travel fee etc..)		5,00,000		Based on Actual	Nil
			Patent Fee Payment		32,25,000			
			Expenses of IT Services reimbursement		5,00,000			
			Reimbursement of Expenses (Recovery ) - TDS of MD San Japan Salary	1,00,00,000				
Panasonic India Pvt. Ltd.	Fellow Subsidiary Company		<b>Total Transactions ( Income )</b>			<b>11,20,27,000</b>		
		01.04.2022-31.03.2023	Spares Sales	1,00,00,000			FOB Price as mutually agreed	Nil
			Quality Support Services for ODM Business	52,50,000			Agreement for services	
			<b>Total Transactions ( Expenses )</b>					
			Under Warranty DOA & Parts cost reimbursement		5,00,00,000		Based on Actual incld. Warranty trf.	
			E-waste Collection cost reimbursement		3,88,05,000		Based on collection estimate	
			IT service cost		30,00,000		Agreement for services	
			Shared Service Legal , Admn & HR and CFO services		44,72,000		Agreement for services	
			Reimbursement of Expenses e.g. Travel Ticket of Japanese etc.		5,00,000		Based on Actual	

**RESOLVED FURTHER** THAT Board of Directors of the Company be and are hereby severally authorized to do such other acts, deeds and things as may be necessary to give effect to the foregoing resolution."

**By order of the Board of Directors**  
**Panasonic AVC Networks India Company Limited**

Date : 12.07.2022  
Place : Noida

Sd/-  
**(Neeraj Khanna)**  
Company Secretary  
M.No. A56723

**NOTES:**

1. The relevant explanatory statement, pursuant to the provisions of Section 102(1) of the Companies Act, 2013 ('the Act'), setting out the material facts and reasons, in respect of the Special Business to be transacted at this Annual General Meeting ('AGM'), is annexed herewith. The Board of Directors of the Company considered that the special business, being unavoidable, shall be transacted at this AGM of the Company.
2. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, and Circular No. 02/2021 dated January 13, 2021, Circular No. 2/2022 dated 5<sup>th</sup> May, 2022 and all other relevant circulars issued from time to time (collectively referred to as "MCA Circulars"), physical attendance of the Members at a common venue is not required. In compliance of the above, the Annual General Meeting (AGM) of the Company is being held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for 27<sup>th</sup> AGM shall be the registered office of the Company.
3. Since the AGM is being held through VC/ OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by Members is not available, as provided in the MCA Circulars and hence the Proxy Form and attendance slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (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. who are allowed to attend the AGM without restriction on account of first come first-served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as an authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020. Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
8. The Board of Directors of the Company have engaged the services of Skyline Financial Services Private Limited and has appointed Mr. Abhishek Lamba, Proprietor at Abhishek Lamba & Associates, Company Secretaries, as the Scrutinizer for the purpose of conducting remote e-voting and venue voting process at AGM in a fair and transparent manner. The result of e-voting will be declared on or before 24<sup>th</sup> September, 2022, and will be placed on the website of the NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
9. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail numerous benefits of dematerialisation, which include transferability, easy liquidity, trading, savings in stamp duty and elimination of any possibility of loss of documents.
10. The attachment of the route map for the AGM venue is also dispensed with.
11. Institutional shareholders are encouraged to attend and vote at the AGM of the Company. Corporate/Institutional Members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scan copy of the Board Resolution/Authority Letter, etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting or during the AGM.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [neeraj.khanna@in.panasonic.com](mailto:neeraj.khanna@in.panasonic.com). The same will be replied by the Company suitably.

**THE INSTRUCTIONS FOR MEMBERS FOR JOINING AND REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on Sunday, 18<sup>th</sup> September, 2022 at 09:00 A.M. and ends on Tuesday, 20<sup>th</sup> September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 14<sup>th</sup> September, 2022, may cast their vote electronically.


**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system****A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL.</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> 
<b>Individual Shareholders holding securities in demat mode with CDSL</b>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
<b>Individual Shareholders (holding securities in demat mode) login through their depository participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.****How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [abhishek.lamba@corp-nexus.com](mailto:abhishek.lamba@corp-nexus.com) with a copy marked to [neeraj.khanna@in.panasonic.com](mailto:neeraj.khanna@in.panasonic.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai -400 013, at the designated email id – [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or [SoniS@nsdl.co.in](mailto:SoniS@nsdl.co.in) or at telephone nos.:- +91 22 24994545, +91 22 24994559, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at [neeraj.khanna@in.panasonic.com](mailto:neeraj.khanna@in.panasonic.com).

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [neeraj.khanna@in.panasonic.com](mailto:neeraj.khanna@in.panasonic.com).
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [neeraj.khanna@in.panasonic.com](mailto:neeraj.khanna@in.panasonic.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted 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 in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- The Skyline Financial Services Private Limited, Registrar and Share Transfer Agent, of the Company will be providing VC/OAVM Services.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Members will be required to grant access to the web-cam to enable two way video-conferencing.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the meeting shall register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id and mobile number along with the specific questions to be raised/ opinion to be shared with the management at [neeraj.khanna@in.panasonic.com](mailto:neeraj.khanna@in.panasonic.com) before 17<sup>th</sup> September, 2022. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

**Item No. 4**

The Board of Directors of the Company in its meeting held on 12<sup>th</sup> July, 2022 approved the related party transactions for the financial year 2022-23, now approval of Members of the Company is required for the same.

Pursuant to the provisions of Section 188 and rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and amendments thereunder from time to time and other applicable provisions, if any, of the Companies Act, 2013, approval of the members of the Company is required, to the proposed transaction(s) being/to be undertaken between the Company and group Companies for the Financial Year 2022-23. Accordingly, the Board recommends the passing of resolution set out in item no. 4 as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than the directors mentioned below, are in any way concerned or interested, financially or otherwise, in the resolution as set out in item no. 4 of the Notice.

Disclosures pursuant to the rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 are as follows:

Name of related party	Nature of relationship	Duration of contract	Nature of Transaction	Expected Receivable Amount	Expected Payable Amount	Final Total Amount for Approval	Base Price/ Contracted Price	Advance paid or received
Panasonic Corporation	Holding Company		<b>Total Transactions</b>			<b>1,42,25,000</b>		
		01.04.2022-31.03.2023	Reimbursement of Expenses Paid (Hotel Expenses & Travel fee etc..)		5,00,000		Based on Actual	Nil
			Patent Fee Payment		32,25,000			
			Expenses of IT Services reimbursement		5,00,000			
			Reimbursement of Expenses (Recovery) - TDS of MD San Japan Salary	1,00,00,000				
Panasonic India Pvt. Ltd.	Fellow Subsidiary Company		<b>Total Transactions ( Income )</b>			<b>11,20,27,000</b>		
		01.04.2022-31.03.2023	Spares Sales	1,00,00,000			FOB Price as mutually agreed	Nil
			Quality Support Services for ODM Business	52,50,000			Agreement for services	
			<b>Total Transactions ( Expenses )</b>					
			Under Warranty DOA & Parts cost reimbursement		5,00,00,000		Based on Actual incld. Warranty trf.	
			E-waste Collection cost reimbursement		3,88,05,000		Based on collection estimate	
			IT service cost		30,00,000		Agreement for services	
			Shared Service Legal , Admn & HR and CFO services		44,72,000		Agreement for services	
			Reimbursement of Expenses e.g. Travel Ticket of Japanese etc.		5,00,000		Based on Actual	

By order of the Board of Directors  
Panasonic AVC Networks India Company Limited

Sd/-

(Neeraj Khanna)

Company Secretary

M.No. A56723

Date : 12.07.2022

Place : Noida

Information of Director seeking re-appointment at the forthcoming AGM pursuant to the provisions of Companies Act, 2013 including Secretarial Standard as on the date of the Notice:

Name	Mr. Yasunari Anan
DIN	08666068
Date of Birth	07/11/1967
Age	54
Original date of appointment	10/01/2020
Qualifications	Post Graduate
Terms and conditions of appointment/ re-appointment and remuneration	As determined by the Board of directors.
Remuneration last drawn	Nil
No. of Board Meetings attended during the year	One
Shareholding in Panasonic AVC Networks India Company Limited	Nil
Relationship with other Directors, Manager and Other Key Managerial Personnel	Not applicable
Directorships held in other companies in India	Not applicable
Membership/ Chairmanship of committees in other companies in India	Not applicable

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