

Panasonic Energy India Co. Ltd.

The **Only** Panasonic Battery Company in India


We are doing
our bit towards
Environment.
Are YOU ?



Panasonic Energy India Co. Ltd.

The **Only** manufacturer of 100% eco-friendly batteries in India

BOARD OF DIRECTORS

Chairman

Mr. A. K. Lakhanpal

Managing Director

Mr. S. K. Khurana

Directors

Mr. P. P. Shah

Mr. D. J. Thakkar

Mr. G. N. Punj

Mr. C. R. Amin

Mr. H. Aota

Mr. H. Sugimura

Company Secretary

Ms. Nisha Hindocha

AUDITORS

M/s. K. C. Mehta & Co.

Chartered Accountants, Vadodara

BANKERS

State Bank of India

The Bank of Tokyo-Mitshubishi UFJ Ltd.

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.

B-102 & 103, Shangrila Complex, First Floor,

Opp. HDFC Bank, Near Radhakrishna Char Rasta,

Akota, Vadodara - 390 020, Gujarat - INDIA.

REGISTERED OFFICE

GIDC, Makarpura,

Vadodara - 390 010, Gujarat - INDIA.

WORKS

1. GIDC, Makarpura,

Vadodara - 390 010, Gujarat - INDIA.

2. Plot No. 112, Sector III,

Pithampur Industrial Area,

Dist. Dhar, Madhya Pradesh - INDIA.



40th Annual General Meeting of the Company is scheduled to be held on **Wednesday, 25th July, 2012 at 10:00 a.m. at C. C. Mehta Auditorium, M. S. University, Sayajigunj, Vadodara 390 002.**

As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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Panasonic Energy India Co. Ltd.

NOTICE is hereby given that the **40TH ANNUAL GENERAL MEETING** of the members of Panasonic Energy India Co. Ltd. will be held at C. C. Mehta Auditorium, M. S. University, Sayajigunj, Vadodara – 390 002 on Wednesday, 25th July, 2012, at 10:00 a.m. to transact, with or without modifications, as may be permissible, the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2012, and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and the Auditors' thereon.
2. To declare dividend on equity Shares for the year ended 31st March, 2012.
3. To appoint a Director in place of Mr. P. P. Shah who retires from office by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Aota who retires from office by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

6. **To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Chirayu Amin who was appointed as Director under section 262 of the Companies Act, 1956, and Article 133 of the Articles of Association of the Company to fill in the casual vacancy on the Board occasioned due to the death of Late Mr. E. B. Desai, who ceases to hold office under the said section and Article, and is eligible for re-appointment and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956, from a member signifying his intention to propose him as a candidate for the office of a Director of Company, be and is hereby appointed as Director of the Company liable to retire by rotation.”

7. **To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 314, read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of all concerned authorities, if any necessary, approval of the Company be and is hereby given to the reappointment of Mr. Ajai K. Lakhanpal as Chairman and Whole-time Director of the Company for a further period from 6th January, 2012 to 30th June, 2012, on the terms as to remuneration and otherwise as set out in the draft Agreement expressed to be made between the Company of the one part and Mr. Lakhanpal of the other part, a copy of which draft Agreement initialled by the Managing Director for the purpose of identification and submitted to this meeting, be and is hereby approved.

“FURTHER RESOLVED THAT the Directors be and are hereby authorised to revise the terms of his remuneration and in particular give annual increments in his monthly Salary in such amount as the Board thinks fit, subject to the upper limit of Rs.30,000/- with appropriate increase in perquisites relatable to monthly salary, but subject to the limitations in that behalf as per the said Schedule XIII and as specified in the said Agreement and broad details of which are given in the Explanatory Statement in respect of this item of Notice, with liberty to agree to modifications, if any, to the above terms as may be suggested by any authority wherever applicable and as agreed to by the Board of Directors and Mr. Lakhanpal and that the Agreement in terms of the draft (with such modifications, if any, made therein as aforesaid) when finalised, be executed by the Company by affixing its Common Seal thereon in accordance with the relevant provisions contained in the Articles of Association of the Company.”

8. **To consider and if thought fit, to pass with or without modification, the following resolution as a SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, and that of Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of all concerned authorities, if any necessary, and subject to the relevant guidelines issued by Central Government from time to time approval of the Company be and hereby given to the re-appointment of Mr. S. K. Khurana as Managing Director of the Company for a further period of two years with effect from 1st October, 2011 upto 30th September, 2013 on the such terms and conditions including his remuneration as set out in the draft agreement expressed to be made between the Company of the one part and Mr. Khurana of the other part, a copy of which draft agreement initialled by the Chairman for the purposes of identification and submitted to this meeting be and is hereby approved.”

“FURTHER RESOLVED THAT the Directors be and are hereby authorized to revise the terms of his remuneration and in particular give annual increments in his monthly salary in such a amount as the Board thinks fit subject to upper limit of Rs. 30,000/- per increment with appropriate increase in the perquisites related to such monthly salary. but subject to the limitations in that behalf as per the said Schedule XIII and as specified in the said Agreement and broad details of which are given in the Explanatory Statement in respect of this item of Notice, with liberty to agree to modifications, if any, to the above terms as may be suggested by any authority wherever applicable and as agreed to by the Board of Directors and Mr. Khurana and that the Agreement in terms of the draft (with such modifications, if any, made therein as aforesaid) when finalised, be executed by the Company by affixing its Common Seal thereon in accordance with the relevant provisions contained in the Articles of Association of the Company.”

“FURTHER RESOLVED THAT the shareholders be and hereby approves, re-designation of Mr. S. K. Khurana as the Chairman & Managing Director of the Company, for the remaining tenure of his term i.e. from 1st July, 2012 to 30th September, 2013.”

9. **To consider and if thought fit, to pass, with or without modification, the following resolution as a SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of section 31 of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered in the following manner:

- a) Article no. 5(b) - Share Capital: This clause is to be deleted.
- b) Article no. 156 - Meeting of Directors: The existing article would be altered by inserting following para.
Directors of a Company may participate in a meeting of Board / Committee of Directors under the provisions of Companies Act, 1956 through electronic mode.
- c) Article no. 157 - When meetings to be convened and notice thereof: The words "said Lakhanpal" appearing in line no. 7 be replaced by the words "Chairman or Managing Director".
- d) Article no. 158 - Quorum for Board Meetings: The words "The quorum for a meeting of the Board of Directors of the Company or any Committee of the Board shall not be constituted unless at least four Directors are present" would be replaced by the words "The quorum for a meeting of Board of Directors of the Company shall not be constituted unless at least two Directors are present".
- e) Article no. 160 - Appointment of Chairman of the Board: The following lines would be deleted from the present Clause.
"The said Lakhanpal so long as he is a member of the Board shall be the Chairman of the Board of Directors of the Company. So long as the said Lakhanpal is the Chairman, he shall mainly advise the Managing Director on policy matters relating to the management of the Company. Subject as aforesaid, and in his absence, the Board may elect a Chairman of a meeting and the determine period for which he is to hold office, but"

AND

The last sentence "The Chairman shall not have a casting vote" would be replaced by the words "The Chairman shall have a casting vote."

"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to implement the aforesaid resolution without being required to seek any further consent or approval of the Company or otherwise, to this end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**By Order of the Board
For Panasonic Energy India Co. Ltd.**

**Nisha Hindocha
Company Secretary & Manager (Legal)**

Mumbai, May 18, 2012

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The proxy in order to be effective should be lodged with the Company at its Registered Office atleast 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 11th July, 2012 to Wednesday, 25th July, 2012 (both days inclusive) for the purpose of determining payment of dividend.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item Nos. 6 to 9 of the accompanying Notice is annexed hereto.
4. Dividend on Equity Shares as recommended by the Directors, if declared at this Annual General Meeting, will be paid on 16th August, 2012 to those members whose names appear on the Company's Register of Members at the close of business on 25th July, 2012.
5. Dividend payment
 - a) Members holding shares in electronic mode may please note that that the dividend payable to them would be paid through National Electronic Clearing Services (NECS) at the available RBI locations. The dividend would be credited to their bank account as per the mandate given by the members to their Depository Participants (DPs). In absence of availability of NECS facility, the dividend will be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations.
 - b) In respect of shares held in physical form, members desirous of receiving dividends by way of direct credit to their bank accounts through NECS may authorize the Company with their NECS mandate. The shareholders desirous of obtaining the NECS mandate may download it from the website of the Company at www.panasonicenergy.in or may write to the Company Secretary at the Registered Office of the Company.
6.
 - a) All unclaimed dividends upto the financial year ended on 31st March, 1995 (paid in the year 1995) have been deposited with the General Revenue Account of the Central Government and shareholders may claim the same from the Registrar of Companies, Gujarat.
 - b) Unclaimed dividends for the years 1995-96 to 2003-2004 have been transferred to the Investor Education and Protection Fund pursuant to Sections 205A and 205C of the Act. And that of 2004-2005 will be transferred in July, 2012.
 - c) Shareholders who have not en-cashed their dividend warrants for the year 2004-2005 are requested to claim the amount immediately from the Company before July, 2012 and for the years from 2005-2006 to 2010-11, are requested to claim the same at the earliest.
7. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filed in nomination in the prescribed form (form 2B) to Link Intime India Pvt. Ltd., Vadodara (Company's Registrar & Share Transfer Agent) or to the Company Secretary at the Registered Office of the Company.
8. Members are requested to notify immediately:
 - (a) any change in their residential address;
 - (b) Income-Tax permanent Account Number (PAN); and/or
 - (c) Bank details – Name and address of the Bank; A/c No.; type of A/c

9. Members holding shares in more than one folio in the same order of name(s) are requested to send the details of their folios alongwith the Share Certificates so as to enable the Company to consolidate their holdings into one folio.
10. Members are requested to bring their copies of the Annual Reports along with duly filled attendance slip to the meeting.
11. Members seeking any information or clarification with regard to the accounts, are requested to write to the Company at least TEN DAYS in advance of the meeting so that the information required can be made readily available at the Meeting.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6

Pursuant to Section 262 of the Companies Act, 1956, read with Article 133 of the Articles of Association of the Company, at the meeting of Board of Directors held on 25th January, 2011, Mr. Chirayu Amin was appointed as an independent director to fill in the casual vacancy caused due to death of Late Mr. E. B. Desai.

Mr. Amin holds office of director upto the ensuing Annual General Meeting. The Company has received a Notice in writing from a member under Section 257 of the Companies Act, 1956 along with a deposit of Rs.500/-, signifying his intention to propose the appointment of Mr. Amin as Director of the Company liable to retire by rotation.

Mr. Amin is the Chairman and Managing Director of Alembic Ltd. a century old group in India & pioneer in Health care/ Pharmaceutical Industry. Mr. Amin has vast experience in the overall business management.

The Board of Directors accordingly recommends the passing of the resolution at item no. 6 of the accompanying notice.

Mr. Amin is interested in passing of the resolution relating to his appointment.

None of the other Directors are in any way concerned or interested in the said resolution.

Pursuant to the requirement of the Listing Agreement on appointment of the Director, a statement containing briefly, the details of Mr. Amin are given in Report on Corporate Governance, forming part of Directors' Report.

ITEM NO. 7

The members at their 35th Annual General Meeting held on 12th July, 2007 had approved the re-appointment of Mr. Ajai K. Lakhanpal as Chairman and Whole-time Director of the Company, which expired on 5th January, 2012.

Mr. Lakhanpal and Panasonic Corporation have decided not to renew any further the Joint Venture Agreement amongst them. Further Mr. Lakhanpal, has tendered his resignation w.e.f. 30th June, 2012. Keeping in view these facts the Board of Directors at their meeting held on 21st October, 2011 had approved the re-appointment of Mr. Lakhanpal w.e.f. 6th January, 2012 to 30th June, 2012 on the following terms and conditions:

A. Salary

Rs.1,12,500/- (Rupees one lakh twelve thousand five hundred) per month with liberty to the Board to sanction annual increments in his monthly salary in such amount as the Board think fit subject to the upper limit of Rs.30,000/- per increment with appropriate increase in the perquisites related to such monthly salary.

B. Special Allowance

Rs.1,15,000/- (Rupees one lakh fifteen thousand) per month with liberty to the Board to sanction annual increment in his monthly Special Allowance in such amount as the Board think fit, from time to time.

C. Commission

In addition to the above salary, commission payable to Mr. Lakhanpal, shall be an amount subject to the upper limit of 1% of the net profits of the Company in a particular financial year as may be determined by the Board of Directors every year.

D. Perquisites

In addition to the salary and commission, Mr. Lakhanpal shall be entitled to the following perquisites:

- I. Accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance expenses, together with utilities therefore such as gas, electricity, water, furniture, furnishings, repairs, servants salaries and property tax; medical reimbursement including surgical and hospitalization expenses, medical/accident insurance, club fees, leave travel concession, etc. in accordance with the Rules of the Company applicable to Senior Executives or in a manner and to the extent determined by the Board of Directors from time to time provided that the aggregate monetary value of such perquisites will be restricted to a maximum amount of annual salary. For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such Rules, the same shall be evaluated at actual cost.
- II. Use of Company's car and telephone at residence.
- III. Mr. Lakhanpal shall also be eligible for the following perquisites which shall not be included in computation of the ceiling on perquisites specified hereinabove.
 - i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
 - ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service ; and
 - iii. Leave: One month's leave on full pay and allowances for every eleven months of service. However, no encashment of leave shall be permitted at the end of the tenure.

EXPLANATION: "Family" means the spouse, dependent children and dependent parents of the managerial person.

E. Minimum Remuneration

Notwithstanding anything hereinabove contained, where in any particular financial year during the tenure of Mr. Lakhanpal the Company has no profits or its profits are inadequate, the Company shall pay by way of minimum remuneration the salary and perquisites as specified above subject to the restriction set forth in Section II of Part II of the amended Schedule XIII of the Companies Act, 1956.

Mr. Lakhanpal shall not be paid any sitting fees for attending the meeting of the Board or any committee thereof.

Subject to the provisions of the Act, Mr. Lakhanpal shall not while he continues to hold office of the Chairman be subject to retirement by rotation of Directors and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire, but he shall ipso facto and immediately cease to be the Chairman if he ceases to hold office of Director for any cause.

Any member desirous of having inspection of the Agreement referred to in the resolution may do so on any working day during office hours upto the date of the ensuing Annual General Meeting of the Company.

Mr. Ajai K. Lakhanpal is interested in the resolution relating to him. Mr. G. N. Punj who is his nephew may also be deemed to be concerned with the resolution, although he is not deemed to be a relative within the meaning of section 6 of the Companies Act, 1956.

None of the other Directors are in any way concerned or interested in the said resolutions.

The aforesaid Explanatory Statement concerning Mr. Ajai K. Lakhanpal setting out the terms of remuneration may also be treated as an abstract required to be circulated to the members under Section 302 of the Companies Act, 1956.

Pursuant to the requirement of the Listing Agreement on appointment of the Director, a statement containing briefly, the details of Mr. Lakhanpal are given in Report on Corporate Governance, forming part of Directors' Report.

ITEM NO. 8

The members at their 35th Annual General Meeting held on 12th July, 2007 had approved the appointment of Mr. S. K. Khurana as the Managing Director of the Company for a period of five years with effect from 1st October, 2006 to 30th September, 2011. Considering Mr. Khurana's current contribution to the Company and future challenges, Panasonic Corporation, Japan had proposed to re-appoint him for a further period of 2 years.

The Board of Directors at their meeting held on 25th July, 2011 had approved the appointment of Mr. Khurana as Managing Director for the a period for further period of 2 years i.e. from 1st October, 2011 to 30th September, 2013, on the following terms and conditions:

A. Salary:

Rs.1,41,500/- (Rupees one lac fourty one thousand five hundred) per month with liberty to the Board to sanction annual increments in his monthly salary in such amount as the Board think fit subject to the upper limit of Rs.30,000/- per increment with appropriate increase in the perquisites related to such monthly salary.

B. Special Allowance:

Rs.48,300/- (Rupees forty eight thousand three hundred thirty three) per month with liberty to the Board to sanction annual increment in his monthly Special Allowance in such amount as the Board think fit, from time to time.

C. Commission:

In addition to salary, commission payable shall be an amount subject to the upper limit of 1% of the net profits of the Company in a particular financial year as may be determined by the Board of Directors every year.

D. Perquisites:

In addition to the salary and commission, Mr. Khurana shall be entitled to perquisites:

- I. Accommodation or house rent allowance in lieu thereof; furniture, furnishings, medical expenses for self and family including surgical and hospitalisation expenses, medical/accident insurance, leave travel concession etc. in accordance with the Rules of the Company, if any, or as may be agreed to by the Directors and Mr. Khurana; the monetary value of such perquisites will be restricted to the maximum amount of annual salary. For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income-tax Rules, wherever applicable and in the absence of any such Rules, the same shall be evaluated at actual cost.
- II. Use of Company's car and telephone at residence.
- III. Mr. Khurana shall also be eligible for the following perquisites which shall not be included in computation of the ceiling on perquisites specified hereinabove.
 - i) Contribution to Provident Fund, Superannuation Fund or Annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
 - ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service with effect from 1st July, 1996 when new terms were agreed to between him and the Company on this issue;
 - iii) Leave: One month's leave on full pay and allowances for every eleven months of service. However, no encashment of leave shall be permitted at the end of the tenure; and
 - iv) Reimbursement of entertainment, hotel and other expenses actually and properly incurred for the legitimate business of the Company.

EXPLANATION: "Family" means the spouse, dependent children and dependent parents of the managerial person.

Panasonic Energy India Co. Ltd.

E. Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Khurana, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the restrictions set forth in Section II of Part II of Schedule XIII of the Companies Act, 1956.

F. Notice for termination of agreement:

Either party has option to terminate this appointment by giving a Notice in writing to the other party atleast three months in advance.

G. Compensation for loss of office:

Mr. Khurana shall be entitled to compensation for loss of office or for early retirement from the office (except where he himself terminates the Agreement on his own accord) in accordance with the provisions of Section 318 of the Companies Act, 1956.

H. Sitting fees:

Mr. Khurana shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof from the date of his appointment.

Subject to the provisions of the Act, Mr. Khurana shall not while he continues to hold office of the Managing Director be subject to retirement by rotation of Directors and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of Director or in fixing the number of Directors to retire, but he shall ipso facto and immediately cease to be the Managing Director if he ceases to hold office of Director for any cause.

Any member desirous of having inspection of the Agreement referred to in the resolution may do so on any working day during office hours upto the date of the ensuing Annual General Meeting of the Company.

Further, keeping in view the current contribution of Mr. Khurana to the Company, the Board of Directors at their meeting held on 18th May, 2012, re-designated Mr. Khurana as the Chairman & Managing Director of the Company with effect from 1st July, 2012 to 30th Sept., 2013. Mr. Khurana is being proposed to be appointed as Chairman in place of Mr. Lakhanpal who would be relinquishing his office at the end of office hours on 30th June, 2012. However rest of the terms and conditions relating to Mr. Khurana's appointment shall continue to remain the same.

Mr. S. K. Khurana is interested in the resolution relating to him.

None of the other Directors are in any way concerned or interested in the said resolutions.

The aforesaid Explanatory Statement concerning Mr. S.K. Khurana setting out the terms of remuneration may also be treated as an abstracts required to be circulated to the members under Section 302 of the Companies Act, 1956.

Pursuant to the requirement of the Listing Agreement, on appointment of the Director, a statement containing briefly, the details of Mr. S.K.Khurana is given in Report on Corporate Governance, forming part of Directors' Report.

ITEM NO. 9

The clause wise reasoning for the alteration of various clauses of the Articles of Association have been detailed below:

Article No.	Reasons for proposed Alteration
5(b)	The objective of inserting this clause at that point in time was to reflect the fact that there exists a Joint Venture Agreement among Panasonic (then MEI & MBI) and Mr. Lakhanpal. With the termination of the Joint Venture Agreement, among Panasonic Corporation and Mr. Lakhanpal, this clause has become redundant and hence needs to be deleted.
156	Recently the Ministry of Company Affairs has introduced the concept of Board meeting through video conferencing. With insertion of this clause related to having Board Meeting via video conferencing, the Company may if need be, conduct its Board meetings through video conferencing.
157	With the termination of the Joint Venture Agreement, among Panasonic Corporation and Mr. Lakhanpal, the words "Said Lakhanpal" have to be replaced by "Chairman or Managing Director".
158	For the administrative convenience we are proposing to reduce the quorum for Board Meeting from 4 directors to 2 directors. Further the word committee is being excluded, as the functioning of each committee is regulated on the terms and conditions of its individual constitution.
160	With the termination of Joint Venture the name of Mr. Lakhanpal needs to be deleted. In order to bring the Articles of Association of the Company in line with the Companies Act, 1956, it is proposed to empower the Chairman with a casting vote.

By Order of the Board
For Panasonic Energy India Co. Ltd.

Nisha Hindocha
Company Secretary & Manager (Legal)

Mumbai, May 18, 2012

To,

The Members of PANASONIC ENERGY INDIA CO. LTD.,

The Directors have pleasure in presenting their 40th Annual Report together with the Audited Annual Accounts of the Company for the year ended 31st March, 2012.

1. FINANCIAL RESULTS

(₹ in lacs)

Particulars	As at 31-March-12	As at 31-March-11
Sales Turnover	21058	19828
Profit/(Loss) before Tax	406	781
Less: Provision for Taxation (Net of Deferred Tax)	125	223
Less: Provision for taxation of earlier years (Net of refund/demand)	100	8
Profit/(Loss) after Tax	181	550
Add: Profit brought forward from previous year	150	100
Net available surplus for appropriation	331	650
APPROPRIATIONS		
Proposed Dividend	150	150
Dividend Distribution Tax	24	24
General Reserve No.1 (Statutory)	14	59
General Reserve No. 2	-	267
Surplus carried to Balance Sheet	143	150
	331	650

2. OPERATIONAL REVIEW

The Profit Before Tax (PBT) of the Company decreased by 52% and it stands at ₹ 406 lacs as compared to the previous year of ₹ 781 lacs. The Company's turnover for the year stood at ₹ 21058 lacs, which has increased by 6% as compared to the previous year. The sales quantity has increased by 6% as compared to previous year. The major factors that contributed to the reduction of profits of the Company are increased cost of procurement, rupee devaluation, etc.

During the year under review, your Company focused its efforts to sell and create awareness in the market about its improvised eco friendly products in the market. Various marketing activities of the Company were focused towards brand unification. These activities mainly includes Display In Shop Activities (DISHA) & District Development Plan (DDP). Your Company also focused on high potential urban markets under its Key Town Development Plan (KTDP). Also various awareness programs were organized by the Company for its sales force in order to make them aware about the new improved eco friendly products of the Company, their importance in protecting our environment and in turn to the society as a whole. With the help of these activities, under a highly competitive market your Company has been able to increase its market share as compared to last year. We take lot of pride in these improvised batteries as we are the only manufacturer in India making full range of eco friendly dry cells.

It gives us immense pleasure in informing you that a new milestone was achieved by your Company. In the history of the Company for the first time, we reached mark of over 540 million pieces of dry battery sales.

During the year, your Company has satisfied its charge with State Bank of India & Madhya Pradesh State Industrial Corporation, M.P and hence, now your Company is technically speaking a debt free Company.

3. DIVIDEND

Your Directors are happy to recommend dividend at ₹ 2 per equity share (previous year ₹ 2 per equity share) on 75,00,000 Equity Shares for the year ended 31st March, 2012. The dividend, when approved, will entail payment to shareholders of ₹ 150 lacs. It will be tax free income in the hands of recipients and the Company will have to pay dividend distribution tax thereon in the sum of ₹ 24 lacs.

4. MANAGEMENT DISCUSSION AND ANALYSIS

A. Business Overview

Zinc carbon batteries

This year the dry cell industry showed a negligible growth of just around 1% as compared to the previous year.

In order to sustain in stagnant and price sensitive market, your Company continued to focus on improved outlet penetration and brand building activities.

During the year, your Company has carried out various brand building activities like organized dealer Meets, DISHA activity, dealer boards, wall paintings etc. to create its brand awareness in high potential area.

Your Company would continue its efforts towards improving its outlet coverage and it would be focusing its resources to reach to the desired levels of outlet coverage. The benefits of these efforts would accrue to the Company in the coming years.

Alkaline Batteries

During the year your Company had improved its presence in alkaline range of batteries. However your Company intends to further improve its presence in this sector.

Flashlights

Keeping in view your Company's commitment towards the environment, during the year it has introduced new models of eco friendly torches along with its existing range of torches. Your Company intends to focus in this area as it's a growing segment and has immense potential.

CFL lamps

During the year your Company has also started trading of CFL lamps of "Anchor" make, being manufactured by Panasonic Group Company. The revenues that were generated from this during the year are still in its primitive stage. However your Company intends to focus on increasing its revenues from this product by utilizing its existing sales network.

B. Industry Structure and Development

As mentioned earlier, during the year, Industry was more or less stagnant. The growth rate was at a negligible rate of just around 1%.

R20 segment continued to de-grow due to change in consumer usage pattern. During the year the rate of de-growth had been around 13% as compared to previous year. R6 segment showed some positive trend and it registered a growth at around 4% as compared to previous year. R03 segment also showed a positive trend and it registered a growth at around 14% as compared to previous year. However the concern for R03 segment is that economy product market grew at a higher rate than the premium product market. The whole Indian dry battery market seems to be moving towards economy range of batteries.

C. Opportunities and Threats

Opportunities

The low per capita consumption of batteries in India indicates inherent potential of the battery market to grow. The changed usage pattern of the gadgets also provides potential for R6, R03 and Alkaline products.

Threats

There is import of huge quantity of low performance cheap Chinese AAA batteries which poses a big threat to the organized sector of the Industry.

D. Risks & concerns

The possibility of increase in input costs is a matter of concern as this would directly impact the profit margins of your Company. The devaluation of rupee to dollar is also a matter of major concern for your Company. In the coming years the usage pattern of appliances would be a determining factor for the growth of the dry battery industry. Changing consumer behavior towards dry battery operated appliances would also play a crucial role.

E. Outlook

Penetration of increased battery operated appliances should improve the dry battery consumption. The concept of compactness with portable energy need, should help more battery appliances to emerge.

F. Internal Control System

Your Company maintains an adequate and effective internal control system commensurate with its size and complexity. We believe that these internal control systems provide, among other things a reasonable assurance that the transactions are executed with management authorizations and they are recorded in material respects to permit preparation of the financial statements in conformity with established accounting principles and that the assets of the Company are adequately safeguarded against any significant misuse or loss. The Internal audit is done by an independent firm of Chartered Accountants. Internal audit and other controls are reviewed periodically by the Audit Committee and have been found to be adequate.

G. Developments in human resources and industrial relations

Directors wish to place on record their appreciation to all its employees for their sustained efforts and valuable contribution. The total employee strength of the Company as on 31st March, 2012 stood at 837.

None of the employees of the Company draw a remuneration of ₹ 5 lacs or more (where appointed for a part of the year) or ₹ 60 lacs or more (where appointed for the whole year). Hence no information is provided pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

H. Research & Development

In line with the vision of our foreign collaborators to make our products eco friendly, during the year under review your Company continued manufacturing full range of eco friendly dry batteries. You would appreciate the fact that yours is the only manufacturing Company with complete range of eco friendly batteries. Over and above these activities, efforts have also been made to successfully to reduce hazardous elements from raw materials in line with RoHS guidelines.

As a part of continual improvement process of products and processes various activities were undertaken. These were done by using important and effective Q. C. techniques like small improvement in process through Q. C. Circle and Kaizen activities. These activities were implemented through the involvement of grass root level employees. This had resulted in increasing the confidence level of employees for quality improvement and reduction of rejection during manufacturing process.

During the year, your Company has introduced new models of LED torches which are not only high quality products but are eco friendly too. Your Company is always making efforts in ensuring optimal energy utilization and thereby reducing CO₂ emission, to re-use effluent water after treatment for plantation of tree and recycling of most of the waste generated during manufacturing activities.

I. Exports

Continuous efforts are being made to boost exports, particularly in the areas of machinery spare parts and battery components. During the current financial year the Company has earned foreign exchange to the tune of ₹ 159 lacs (previous year ₹ 125 lacs). Pricing continues to be the key factor. The Company intends to further improve its exports.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors state that:

- in the preparation of the annual accounts, all applicable accounting standards have been followed;
- accounting policies as listed out in Note no. 1 to the Financial Statements have been selected and applied consistently and are reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2012 and of the profit of the Company for the year ended on that day;
- proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act, so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities; and
- the annual accounts have been prepared on a going concern basis.

6. CORPORATE GOVERNANCE

Your Company recognizes the importance and need of good corporate governance as an important step in creating shareholders confidence and thereby enhancing the long term enterprise value.

Pursuant to clause 49 of the listing agreement with stock exchange the Corporate Governance Report along with Auditors certificate regarding compliance of the conditions of corporate governance are given as part of this Annual Report.

7. STATEMENT PURSUANT TO LISTING AGREEMENT

Equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE). The Company has already paid annual listing fee for the year 2012-13 to the stock exchange.

8. DIRECTORS

In view of termination of Joint Venture Agreement with Panasonic Corporation, Mr. Lakhanpal has tendered his resignation and he would be relinquishing the office of Chairman at the end of office hours on 30th June, 2012. In view of this development, the re-appointment of Mr. Lakhanpal was approved by the Board of Directors for the remaining period of Joint Venture Agreement i.e. from 6th January, 2012 to 30th June, 2012.

The Board of Directors do hereby place on record its sincere appreciation to Mr. Lakhanpal who has made immense contribution to your Company.

During the year under review, Mr. S. K. Khurana was reappointed as Managing Director of the Company for a further period of two years w.e.f. 1st October, 2011 to 30th September, 2013. In place of Mr. Lakhanpal the Board of Directors have decided to appoint Mr. Khurana as Chairman w.e.f. 1st July, 2012.

Mr. C. R. Amin was appointed to fill in the casual vacancy caused due to the death of Late Mr. E. B. Desai, and who ceases to hold office at the ensuing Annual General Meeting. His appointment is being proposed at the ensuing Annual General Meeting as a Director liable to retire by rotation.

Mr. P. P. Shah and Mr. H. Aota, retire by rotation and, being eligible, offer themselves for reappointment.

As required by the Listing Agreement with the Stock Exchange, the relevant details in respect of the Directors proposed to be appointed/reappointed are set out in the Corporate Governance Report forming part of the Directors Report.

The Directors recommend all the resolutions placed before the members relating to Directors for their approval.

9. AUDITORS

M/s. K. C. Mehta & Co., Chartered Accountants, Vadodara retire, and being eligible, offer themselves for reappointment.

10. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation to Panasonic Corporation, Japan for their valuable support and co-operation. We also wish to thank the State and Central Govt. authorities, suppliers and bankers for their continuous co-operation. We also value the support that we received from our stockiest, wholesale dealers, retailers and consumers.

The Directors also wish to place on record their sincere thanks to the Shareholders for the confidence reposed by them in the Company.

For and on behalf of the Board

S. K. Khurana
Managing Director

D. J. Thakkar
Director

Mumbai, May 18, 2012

Annexure I to the Directors' Report

PARTICULARS AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2012.

FORM A

(A) CONSERVATION OF ENERGY

Not given as the Company is not covered under the list of specified industries. However, efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

FORM B

(A) DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT (R&D).

1 Specific areas in which R&D carried out by the Company	1. Development of coated labels to replace pvc labels. 2. Introduction of new LED torch models. 3. Development of new sources for PVC with RoHS norms compliance.
2 Benefit derived as a result of above R&D	1. Reduction in consumption of pvc. 2. Customer satisfaction. 3. Continuous supply of eco friendly products in the market & contribute to society.
3 Future plan of action	1. Introduction of additional LED torch models. 2. Reduce, reuse and recycle of natural resources. 3. Optimum use of energy to reduce the effect of global warming.
4 Expenditure on R&D	(₹. in lacs)
(i) Capital	NIL
(ii) Recurring	77.00
(iii) Total	77.00
(iv) Total R&D expenditure as a Percentage of total turnover	0.4%

(B) TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION

1. Effort in brief made towards technology absorption, adaptation and innovation.	1. Developed Eco friendly materials complying to RoHS norms. 2. Introduction of new LED torch. 3. Efforts for energy conservation.
2. Benefit derived as a result of the above efforts e.g. Product improvement, cost reduction, product development, import substitution, etc	1. Keeping pace with global trend of introducing new materials in line with RoHS compliance into the Indian market. 2. New technology with emphasis on cost reduction by developing new range of products, packaging and spares part. 3. Better cost effective dry battery.
3. Imported technology (imported during the last 5 years reckoned from the beginning of the financial year)	a) Technology imported Technology for manufacturing mercury free paste type R20 & R14 batteries b) Year of import 2010 c) Has technology been fully absorbed? Continuing

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to export initiatives taken to increase exports; development of new export markets for products and services; and export plan	During the year company earned foreign exchange through export of machinery spare parts and components.
2. Total Foreign Exchange	(₹ in lacs)
Used	4189
Earned	161

For and on behalf of the Board

Mumbai, May 18, 2012

S. K. Khurana
Managing Director

D. J. Thakkar
Director

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages the attainment of the high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally, including its interaction with employees, shareholders, creditors, consumers, and lenders and places due emphasis on regulatory compliance.

The Company believes that its systems and actions should be devoted for enhancing corporate performance and maximizing shareholders value in the long term.

2. BOARD OF DIRECTORS

a) Composition of Board of Directors

The Board of Directors is constituted as per the combination prescribed under clause 49 of the Listing Agreement with the Stock Exchange relating to the number of Independent & Non-Independent and Executive & Non-Executive Directors. The Company has a very balanced structure of Board of Directors. At the end of the financial year under review the Board consisted of 8 Directors, 4 Independent Directors and 4 Non – Independent Directors. The Non-Independent Directors include an Executive Chairman, a Managing Director and 2 Promoter Directors (Non-Executive).

All the Directors of the Company are appointed or re-appointed with requisite approvals of the Remuneration Committee, Board of Directors and shareholders as and when necessary. All Directors are subject to retirement by rotation unless otherwise specifically approved by the shareholders.

The Independent Directors on the Board are experienced, competent and highly renowned persons from their respective field. The Independent Directors take active part in the Board and Committee Meetings which add value in the decision making process of the Board of Directors.

b) Meetings, Attendance, Agenda for the Meetings and details of other Directorships, etc.

The Board generally meets 4 times during the year, with a maximum time gap of 4 months between any two meetings. During the financial year ended on 31st March, 2012 the Board of Directors had 4 Meetings. These were held on 18th May, 2011, 25th July, 2011, 21st October, 2011, 13th February, 2012. The last Annual General Meeting was held on 25th July, 2011.

The Notice convening Board Meetings are being sent to each of the Directors along with relevant papers around 7 to 10 days in advance of the meeting date, so as to enable the Board to discharge its responsibilities effectively. All significant developments and material events are brought to the notice of the Board. The Managing Director briefs the Board on the financial performance of the Company during previous quarter and trend analysis as compared to the plans and market scenario. The Board also reviews periodically the legal compliance reports prepared by the Company and the steps taken by the Company to rectify instances of non-compliances, if any.

None of the Directors of the Company are Directors in more than 15 public companies and member of more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which they are Directors.

The attendance record of the Directors at the Board Meetings during the financial year ended on 31st March, 2012 and at the last AGM along with the details of other directorships (excluding private limited companies, foreign companies and section 25 companies) and the Chairmanships and the Committee memberships (only Audit Committee and Investors' Grievance Committee included) are given below:

Name of the Director	Category of Director	No. of Board Meetings held/ Attended	Attendance at last AGM	No. of Directorships held in public companies	Committees	
					Chairman	Member
Mr. A. K. Lakhanpal*	Executive; Non-Independent (Promoter);	4/4	Yes	1	-	1
Mr. S. K. Khurana**	Executive; Non-Independent (Promoter representative);	4/4	Yes	1	-	2
Mr. D. J. Thakkar	Non-Executive; Independent;	4/4	Yes	14	5	5
Mr. P. P. Shah	Non-Executive; Independent;	4/3	Yes	13	2	8
Mr. G. N. Punj	Non-Executive; Independent;	4/2	No	6	1	-
Mr. C. R. Amin	Non-Executive; Independent;	4/3	Yes	12	1	2
Mr. H. Aota**	Non-Executive; Non-Independent (Promoter representative);	4/1	No	3	-	-
Mr. H. Sugimura**	Non-Executive; Non-Independent (Promoter representative);	4/0	No	2	-	-

* Indian Promoter; **Nominees of Panasonic Corporation, Japan;

3. Committees of the Board

a) Audit Committee

Brief Description of terms of reference

The terms of reference of the Audit Committee are as per the guidelines set out in the clause 49 of the listing agreement with BSE read with section 292A of the Companies Act, 1956. These broadly include the following:

- Effective supervision of the management's financial reporting process;
- To ensure the objectivity and independence of the independent auditor;
- To review the Company's quarterly and annual financial statements before submission to the Board for approval;
- To review the accounting and financial policies and practices;

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- To review the efficacy of the internal control mechanism and monitor risk management policies adopted by the Company and ensure compliance with regulatory guidelines;
- To review reports furnished by the internal and statutory auditors and to ensure suitable action is taken;
- To recommend appointment/removal of auditors and fix/approve fees and other payments; and
- To review significant related party transactions as per the Accounting Standard 18 (AS18).

Composition of Committee and its meetings

As per the clause 49 requirements of Listing Agreement, Audit Committee was formed in the Board Meeting held on 23rd January, 2001 and it was reconstituted at the Board Meeting held on 12th January, 2011. It comprises of 2 Independent Directors & 1 Non-Independent Director. The details of the number of meetings held & attendance of members for full financial year are detailed as under:

Sr. No.	Name of member	Status	No. of meetings held	No. of meetings attended
1	Mr. D. J. Thakkar	Chairman	4	4
2	Mr. P. P. Shah	Member	4	3
3	Mr. S. K. Khurana	Member	4	4

The Audit Committee meetings were also attended by Chairman of the Company as an invitee. Representative of the Statutory, Internal Auditors & Head of Finance Department of the Company also attends the Audit Committee meetings.

Ms. Nisha Hindocha, Company Secretary & Manager (Legal) acts as Secretary of the Audit Committee.

Mr. D. J. Thakkar, Chairman of the Audit Committee was present at the 39th Annual General Meeting of the Company held on 25th July, 2011.

The minutes of the meetings of Audit Committee are circulated to the members of the Committee and are also placed before the Board.

b) Remuneration Committee

Brief description of terms of reference

To determine, keeping in mind the interest of Company and shareholders, the remuneration packages of Executive Directors including their pension rights and compensation payments. The packages are determined by the Committee keeping in view (i) financial position of the Company; (ii) trends in the industry; (iii) appointee's qualification, experience, past performance and past remuneration etc.

Composition of Committee and its meetings

As per clause 49 of the Listing Agreement, constitution of Remuneration Committee is non-mandatory requirement. However the Company formed Remuneration Committee on 23rd January, 2004 and it was reconstituted by the Board of Directors at its meeting held on 12th January, 2011. It comprises of 3 Independent Directors. The details of the number of meetings held & attendance of members for full financial year are detailed as under:

Sr. No.	Name of member	Status	No. of meetings held	No. of meetings attended
1	Mr. P. P. Shah	Chairman	3	3
2	Mr. D. J. Thakkar	Member	3	3
3	Mr. G. N. Punj	Member	3	1

The minutes of the meetings of Remuneration Committee are circulated to the members of the Committee and are also placed before the Board.

Ms. Nisha Hindocha, Company Secretary & Manager (Legal) acts as Secretary of the Remuneration Committee.

Remuneration to Directors and shareholding of Non-Executive Directors

(i) Pecuniary Relationships

None of the non-executive Directors of your Company has any pecuniary relationships or material transactions with the Company except for sitting fees paid to them for attending Board Meetings or Committee Meetings thereof and Commission on net profits, if any.

In compliance with the requirements of Accounting Standard 18 (AS – 18) issued by ICAI, transactions with related parties have been furnished under Note No. 33 of Notes to the Accounts of the financial statements.

(ii) Remuneration to Executive Directors

The remuneration of Executive Directors comprises salary, perquisites, contribution to provident & superannuation funds and gratuity.

Sr. No.	Name & Designation	Salary (₹) (A)	Perquisites (₹) (B)	Total (₹) (C=A+B)	Contribution to PF & other funds [Exempted Perks] (₹) (D)	Total (₹) (E=C+D)
1	Mr. A. K. Lakhanpal Chairman	27,30,000	12,22,800	39,52,800	3,64,500	43,17,300
2	Mr. S. K. Khurana Managing Director	22,35,590	14,20,463	36,56,053	4,38,818	40,94,871

- Note: a. No commission was paid to the Executive Directors during the year under review.
 b. The aforesaid figures exclude the accruals for gratuity as it is funded on the basis of an actuarial valuation of the Company as a whole.

(iii) **Remuneration to Non - Executive Directors and the no. of shares held by them**

The Non-Executive Directors were paid sitting fees of Rs. 10,000 for attending each of the Board and its Committees meeting. The Chairman and Managing Director being Executive Directors of the Company are not paid any sitting fees.

Sr. No.	Name	Category of Director Non-Executive Director	Sitting Fess (₹) (A)	Commission # (₹) (B)	Total (₹) (C=A+B)	No. of shares (Nos.)
1	Mr. D. J. Thakkar	Independent	1,10,000	82,832	1,92,832	-
2	Mr. P. P. Shah	Independent	90,000	82,832	1,72,832	5,000
3	Mr. G. N. Punj	Independent	30,000	82,832	1,12,832	264
4	Mr. Chirayu R. Amin	Independent	30,000	82,832	1,12,832	-
5	Mr. H. Aota	Non-Independent; Promoter	-	82,831	82,831	-
6	Mr. H. Sugimura	Non-Independent; Promoter	-	82,831	82,831	-

Commission amount mentioned is subject to the approval of Board of Directors;

No Severance fee is payable to any of the Executive Directors.

The Company has not issued stock options to any of its Directors.

c) **Investors' Grievance Committee**

Brief description of terms of reference

As per the clause 49 requirements of Listing Agreement, Investors' Grievance Committee was formed in the Board Meeting held on 23rd January, 2001 and it was reconstituted by the Board of Directors at its meeting held on 12th January, 2011. The Committee specifically looks into issues relating to investors including share related matters and redressal thereof.

Composition of Committee and its meetings

The Committee comprises of 1 Independent Director and 2 Non-Independent Directors. The details of the number of meetings held & attendance of members for full financial year are detailed as under:

Sr. No.	Name of member	Status	No. of meetings held	No. of meetings attended
1	Mr. G. N. Punj	Chairman	1	0
2	Mr. Ajai Lakhanpal	Member	1	1
3	Mr. S. K. Khurana	Member	1	1

Ms. Nisha Hindocha, Company Secretary and Manager (Legal) has been designated as the Compliance Officer and she also acts as Secretary to the Committee.

The minutes of the meetings of Investors' Grievance Committee are circulated to the members of the Committee and are also placed before the Board.

In order to expedite the process of approving the share transfer requests the Board of Directors have at their meeting held on 27.05.2009 decided to delegate the authority to a committee constituted for said purposes. This Committee is known as "Share Transfer and Investments Committee". The Committee meets every fortnightly and approves the shares related transactions.

The minutes of the meeting of this Committee are placed before the Board.

The details of shareholder queries and requests received and replied during financial year 2011-12 are detailed as under:

Sr. No.	Nature of Correspondence	Received (Nos.)	Responded satisfactorily (Nos.)	Pending as on 31-Mar-12 (Nos.)
1	Change of Address	19	19	NIL
2	Bank Mandate	5	5	
3	Registration of NECS / ECS Details	17	17	
4	Nomination Request	NIL	NIL	
5	Stop Transfer / Procedure for Issuance of Duplicate Share Certificates	10	10	
6	Correction in Name / Address	2	2	
7	Change of Signature	NIL	NIL	
8	Stop Transfer Removal	7	7	
9	Procedure for Transmission / Deletion / Transposition	6	6	

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Sr. No.	Nature of Correspondence	Received (Nos.)	Responded satisfactorily (Nos.)	Pending as on 31-Mar-12 (Nos.)
10	Issuance of Duplicate Shares	8	8	NIL
11	Cancellation of Bank Details	NIL	NIL	
12	Transfer Requests	16	16	
13	Transmission Requests	6	6	
14	Name Deletion	2	2	
15	Revalidation / Issuance of Duplicate Dividend Warrants	87	87	
16	Registration of PAN Card	1	1	
16	Demat Requests/ Remat Requests	71	71	
17	Complaint from SEBI / Stock Exchange	NIL	NA	
TOTAL		257	257	NIL

No investor correspondence remains unattended for more than 30 days.

4. General Body Meeting

Financial Year	Date & Time	Venue	Special Resolutions passed
2008-2009 (37 th AGM)	23 rd July, 2009 11.00 AM	C. C. Mehta Auditorium, M.S.University, Vadodara	No Special Resolutions were passed at the 37 th AGM.
2009-2010 (38 th AGM)	23 rd July, 2010 11:00 AM	C. C. Mehta Auditorium, M.S.University, Vadodara	Payment of commission, in addition to the sitting fees and reimbursement of expenses, to the Non-Executive Directors for a period of five years i.e. from 1 st April, 2010 to 31 st March, 2015.
2010-2011 (39 th AGM)	25 th July, 2011 10:00 AM	C.C.Mehta Auditorium, M.S.University, Vadodara	No Special Resolutions were passed at the 39 th AGM.

All the aforesaid resolutions were passed on show of hands and generally all the resolutions are passed on voting by show of hands.

Postal ballot resolution

Four special resolutions through postal ballot were passed during the year 2011-12.

Approval was sought by voting through Postal Ballot in terms of provisions of section 192A of the Companies Act 1956, read with the provisions of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001.

Resolution No. 1	Alteration of the Main objects under Clause III(A) of the Memorandum of Association of the Company.
Resolution No. 2	Alteration in the Articles of Association of the Company.
Resolution No. 3	Payment of remuneration to Mr. Ajai K. Lakhanpal, the Chairman and Whole-time Director of the Company under Part B of Section II of Schedule XIII of the Companies Act, 1956.
Resolution No. 4	Payment of remuneration to Mr. S. K. Khurana, the Managing Director of the Company under Part B of Section II of Schedule XIII of the Companies Act, 1956.

The result of all the resolutions was declared by the Chairman at the 39th Annual General Meeting held on 25th July, 2011.

5. Disclosure

- a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

Related party transactions between Company and related parties as per the Accounting Standard (AS-18) "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given at note No. 33 of Notes to the Accounts of the Financial Statements.

Among the Related party transactions entered into by the Company from time to time in which Directors of the Company are interested are entered into the Register of Contracts maintained under section 301 of the Companies Act, 1956 and the Register is placed before the Audit Committee and Board.

In the opinion of the Management there are no related party transactions which are prejudicial to the interests of the Company.

- b) No penalties or strictures have been imposed on the Company by the Bombay Stock Exchange (BSE) or SEBI or any other statutory authority on any matter related to capital markets during last three years.
- c) The Company has complied with and adopted the mandatory requirements stipulated under clause 49 of the Listing Agreement. The Company has obtained CEO / CFO Certificate from the Managing Director and the person heading the finance function in terms of the clause 49 of the Listing Agreement entered into with the Stock Exchange.

d) **Non – Mandatory Requirements**

The Board may consider adopting the non – mandatory requirements in due course of time. However during the year under review the status of compliance with non – mandatory requirements of Clause 49 are given below:

i) **Remuneration Committee**

Details are given under the heading “Remuneration Committee”.

ii) **Audit Qualifications**

During the year under review, there were no audit qualifications in the Company’s financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

6. Code of Conduct

a) **Code of Conduct for Directors and Senior Management Personnel**

The Company has laid down the rules for Code of Conduct for the members of the Board and Senior Management personnel of the Company. The Code of Conduct has also been posted on Company’s website (www.panasonicenergy.in). In compliance with this Code, the Board members and Senior Management personnel have affirmed their compliance with the Code for the year ended on 31st March, 2012. A declaration to this effect duly signed by the Managing Director forms part of this Annual Report.

b) **Code of Conduct for Prevention of Insider Trading**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted a Code of Conduct for Prevention of Insider Trading w.e.f. 29th January 2003.

The Company Secretary acts as the Compliance Officer. This Code is applicable to all Directors and such identified employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company.

7. Means of Communications

a) Quarterly, Half yearly and Annual audited results have been submitted to BSE as well as published in dailies having wide coverage such as Economic Times (Ahmedabad edition English & Vernacular Language).

b) The results are also uploaded on the Company’s website www.panasonicenergy.in.

c) Management Discussion & Analysis forms part of the Annual Report which is posted to the shareholders of the Company.

8. Particulars of Directors seeking re-appointment at the ensuing 40th Annual general Meeting of the Company

Details of Directors who retire by rotation and seek re-appointment

Name of the Director	Mr. Ajai K. Lakhanpal	Mr. S. K. Khurana
Date of birth	25 th October, 1942	30 th June, 1947
Education qualification	Higher National Diploma (Business Studies) from London	B.E. (Mechanical), F.I.E. Chartered Engineer, P. G. Diploma for Factory Management from National Institute of Management Studies & Maintenance Management from Institute of Maintenance Management Education, Delhi.
Specific functional area	Chairman of the Company	Managing Director of the Company
Brief resume of Director	Mr. Ajai K. Lakhanpal is the Industrialist. He has done Higher National Diploma (Business Studies) from London. He had also attended various short term Management courses from India & UK. Mr. Lakhanpal has vast experience in overall management of the Company.	Mr. S.K.Khurana is a B.E. (Mechanical) F.I.E. Chartered Engineer. He has been incharge of the overall operations and management. He has deep knowledge and experience in Companies manufacturing process, formulating and implementing policies in administration, Sales & Marketing and Value Engineering etc.
Shareholding of Directors	1,00,000 (One lacs only)	3,500 (Three thousand five hundred only)
Other Directorships held	Public companies Nil Private Companies Lakhanpal Holdings Pvt. Ltd.	Public companies Nil Private Companies Nil
Other Committees of Directors were membership held.	Audit Committee Nil Investors’ Grievance Committee Panasonic Energy India Co. Ltd. (Member)	Audit Committee Panasonic Energy India Co. Ltd. (Member) Investors’ Grievance Committee Panasonic Energy India Co. Ltd. (Member)

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Name of the Director	Mr. P. P. Shah	Mr. H. Aota	Mr. C. R. Amin
Date of Birth	7 th January, 1953	13 th December, 1960	4 th December, 1946
Education Qualification	B. Com., A.I.C.W.A., A.C.A., M.B.A. (Harvard)	Graduate in Economics from Kwansei Gakuin University of Japan	M.B.A from U.S.A.
Specific functional Area	Venture Capitalist	Company Executive	Industrialist
Brief Resume of Director	<p>He has a vast experience in the field of corporate finance & private equity placement. He was the founder Managing Director of the Credit Rating Information Services of India Limited (CRISIL), India's first and largest credit rating agency. He has also assisted in founding Housing Development Finance Corporation (HDFC). He has also served as a consultant to International Agencies including the World Bank. He has been honored in Israel with a garden of a hundred trees in his name. He has been on the Board of our Company since 5th May, 1992. He is also on the Board of various other companies.</p>	<p>He is a nominee director of Panasonic Corporation, Japan. He has been associated with Panasonic Corporation in various capacities since 1983. Presently he is based at Japan and is the Business Unit Executive – Dry Battery Business Unit, Panasonic Corporation (Energy Division). He has been on the Board of our Company w.e.f. 27th May, 2009. He is also on the Board of various other companies.</p>	<p>Mr. Chirayu R. Amin, aged 64 Years is Chairman and Managing Director of Alembic Limited, a century old Group in India, pioneer in Healthcare / Pharmaceutical Industry. He is M.B.A from U.S.A. Mr. Chirayu Amin is the Former President of FICCI.</p> <p>He has a vast experience in the overall management of companies.</p>
Shareholding of Directors	5,000 (Five thousand only)	Nil	Nil
Other Directorships held	<p>Public companies BASF India Ltd. Godrej & Boyce Mfg. Ltd. Grindwell Norton Ltd. Kansai Nerolac Paints Ltd. KSB Pumps Ltd. Mukand Ltd. Pfizer Ltd. Reid & Taylor India Ltd. Shah Foods Ltd. Sonata Software Ltd. Tata Investment Corporation Ltd. Wyeth Limited</p> <p>Private Companies C3 Advisors Pvt. Ltd. C D Aviation (India) Pvt. Ltd. IndAsia Fund Advisors Pvt. Ltd. Indo-US MIM Tec P. Ltd. Pangea EcoNet Assets Pvt. Ltd. Universal Trustees Pvt. Ltd.</p> <p>Foreign Companies AMP Ind Asia Fund Advisors (Mauritius) Ltd. (Mauritius) Hardy Oil & Gas Limited (U.K) Supra Advisors (BVI) Limited (British Virgin Island)</p>	<p>Public companies Panasonic Carbon India Co. Ltd. Nippo Batteries Co. Ltd.</p> <p>Private Companies Nil</p> <p>Foreign Companies Panasonic Energy Belgium N.V. Panasonic Energy Poland S.A. Panasonic Energy Tanzania Co. Ltd. Panasonic Energy (Thailand) Co. Ltd. P.T. Panasonic Gobel Energy Indonesia Panasonic Energy Corporation of America Panasonic Energy (Wuxi) Co. Ltd. Panasonic Energy Shanghai Co.Ltd. Panasonic Carbon (Anyang) Co. Ltd.</p>	<p>Public companies Alembic Pharmaceuticals Ltd. Alembic Ltd. Alembic Exports Ltd. Shreno Ltd. Elecon Engineering Co. Ltd. Paushak Limited AGI Developers Ltd. United Phosphorus Ltd. Quick Flight Ltd. Sierra Investments Ltd. Sierra Healthcare Ltd.</p> <p>Private Companies Alembic Europe Pvt. Ltd. Nirayu Pvt. Ltd. Gujarat Flying Club.</p>

Name of the Director	Mr. P. P. Shah	Mr. H. Aota	Mr. C. R. Amin
Other Committees of Directors were membership held	<p>Audit Committee Kansai Nerolac Paints Ltd. (Chairman) BASF India Ltd. (Member) Pfizer Ltd (Member) Sonata Software Ltd. (Member) Tata Investment Corporation Ltd. (Member)</p> <p>Shareholders Grievance Committee Pfizer Ltd (Member) Wyeth Limited. (Member)</p> <p>Other Committees Tata Investment Corporation Ltd. (Member)</p>	None	<p>Audit Committee Elecon Engineering Co. Ltd. (Member)</p> <p>Shareholders Grievance Committee Paushak Limited (Chairman) Elecon Engineering Co. Ltd. (Member)</p>

9. General shareholder information

a) 40th Annual General Meeting

Day, date and time	Wednesday, 25 th July, 2012 at 10.00 A.M
Venue	C. C. Mehta Auditorium, M.S. University, Sayajigunj, Vadodara - 390 005.

b) Financial calendar

For the financial year 2012-13, financial results will be announced as per the following tentative schedule:

1 st quarter ended on 30 th June, 2012	Third week of July, 2012
2 nd quarter ended on 30 th September, 2012	Third week of October, 2012
3 rd quarter ended on 31 st December, 2012	Third week of January, 2013
Audited financial results for the year ended on 31 st March, 2013	Third week of May, 2013

c) Date of books closure

The Company's Register of Members and Share Transfer Books will remain closed from 11th July, 2012 to 25th July, 2012 (both days inclusive).

d) Dividend payment date

The dividend for the financial year 2011-12 shall be declared under agenda No. 2 of the forthcoming 40th Annual General Meeting scheduled on 25th July, 2012. The mandate date on the dividend warrants shall be 16th August, 2012.

e) Listing on Stock Exchange

Company's equity shares are listed on The Bombay Stock Exchange Ltd. (BSE)

The Company has paid the listing fees for the year 2012-13 to BSE.

f) Stock code

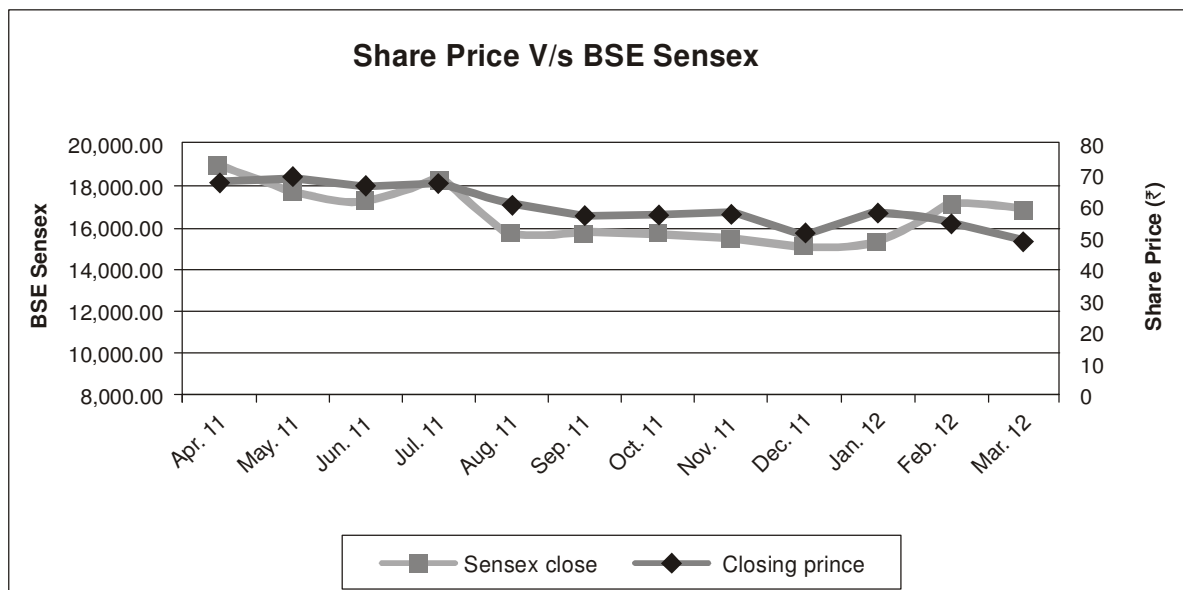
The Bombay Stock Exchange Ltd.	504093
International Securities Identification No. (ISIN)	INE795A01017

g) Market price data for the year 2011-2012 of the Company on BSE

Month	Months High price (₹)	Months low price (₹)	Sensex	
			High	Low
April'11	73.50	65.00	19,811.14	18,976.19
May'11	72.90	65.00	19,253.87	17,786.13
June'11	73.85	61.80	18,873.39	17,314.38
July'11	75.00	60.10	19,131.70	18,131.86
August'11	66.90	55.00	18,440.07	15,765.53
September'11	69.85	56.10	17,211.80	15,801.01
October'11	62.75	56.00	17,908.13	15,745.43
November'11	61.00	53.25	17,702.26	15,478.69
December'11	56.50	48.50	17,003.71	15,135.86
January'12	60.00	49.50	17,258.97	15,358.02
February'12	60.60	52.55	18,523.78	17,061.55
March'12	59.30	45.00	18,040.69	16,920.61

Panasonic Energy India Co. Ltd.

h) Company's closing share price movement during the financial year 2011 – 12 on BSE vis-à-vis Sensex



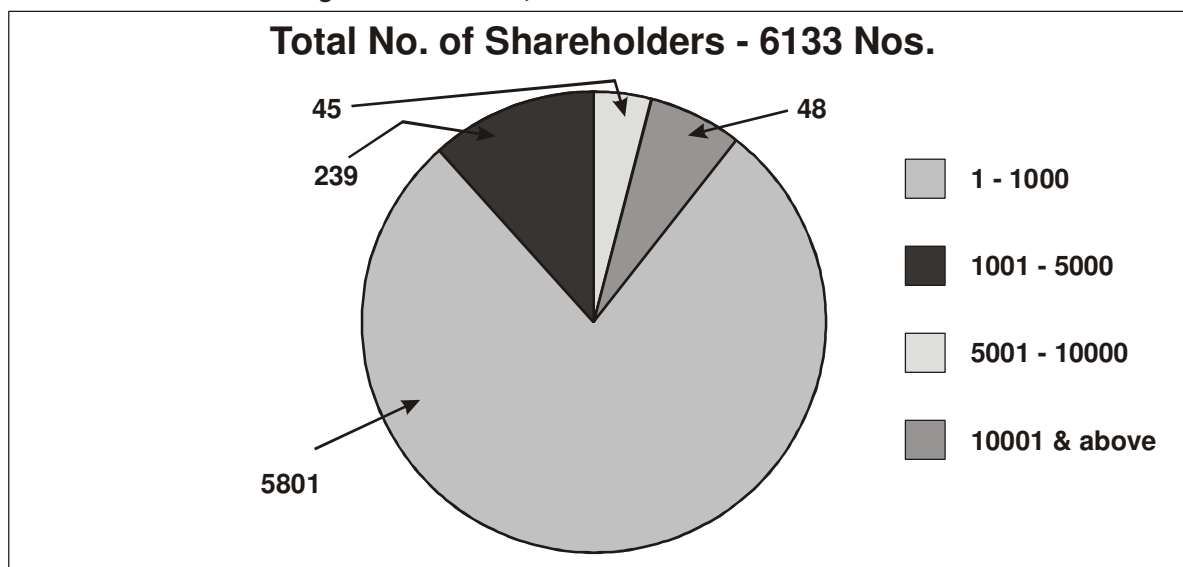
i) Registrar & Transfer Agents

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent (RTA) viz. Link Intime India Pvt. Ltd. The correspondence address of our RTA has been given elsewhere in the Corporate Governance Report.

j) Share transfer system

Share transfer request received in physical mode are normally registered within 30 days from the date of receipt and Demat requests are normally confirmed within an average of 15 days from the date of receipt.

k) Distribution of shareholding as on 31st March, 2012



l) Dematerialization of shares and liquidity

At the end of the year 66,51,853 shares were held in dematerialized form which comes to 88.69% of total capital. Trading in equity shares is permitted only in dematerialized form from 28th August, 2000 as per notification issued by Securities & Exchange Board of India. The Company has Demat connectivity with National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL).

m) Custodial fee to depositories

The Company has paid custodian fees for the year 2012-13 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

n) Audits in 2011-12

Sr. No.	Audit	Audit Firm
1	Statutory Audit	M/s. K. C. Mehta & Co., Chartered Accountants, Vadodara
2	Tax Audit	
3	Internal Audit	M/s. Talati & Talati Chartered Accountants, Vadodara
4	Cost Audit	M/s. Diwanji & Associates Cost Auditors, Vadodara
5	Reconciliation of Share Capital Audit	M/s. Vijay Bhatt & Co., Company Secretaries, Vadodara

o) Compliance officer

Ms. Nisha Hindocha, Company Secretary & Manager (Legal) is the Compliance Officer of the Company. Contact details have been given elsewhere in this report.

p) Plant locations

Location	Address
Gujarat	G.I.D.C., Makarpura, Vadodara - 390 010, Gujarat.
Madhya Pradesh	Plot No. 112, Sector III, Pithampur Industrial Area, Dist. Dhar (M.P.)

q) Address for correspondence

Registered Office	Registrar & Share Transfer Agent
Company Secretary Panasonic Energy India Co. Ltd. G.I.D.C., Makarpura, Vadodara – 390 010, Gujarat, India. Tele.: (0265) 264 2661/ 263 8888 Fax: (0265) 263 8890 E-mail:nisha.hindocha@in.panasonic.com Website:www.panasonicenergy.in	Link Intime India Pvt. Ltd. B-102 & 103, Shangrila Complex, First Floor Opp HDFC Bank, Near Radha Krishna Char Rasta, Akota, Vadodara - 390 020,Gujarat, India. Tele.: (0265) 325 6573/ 235 6794 Fax: (0265) 235 6791 E-mail:alpesgh.gandhi@linkintime.co.in Website:www.linkintime.co.in

r) Information on dividend of past years

Pursuant to section 205A of the Companies Act, 1956 dividend that remained unpaid or unclaimed for the financial year ended on 31st March, 2004 will be transferred to “Investor Education & Protection Fund” (IEPF) a fund constituted by the Central Government under section 205C of the Companies Act, 1956.

While the Company has already written to the members about the due dates for transfer to IEPF, attention of the members is again drawn to this matter through this Annual Report.

Year	Rate of Dividend (%)	Last date for claiming
2004-05	30	17.07.2012
2005-06	15	17.07.2013
2006-07	15	11.07.2014
2007-08	30	17.07.2015
2008-09	10	22.07.2016
2009-10	20	22.07.2017
2010-11	20	24.07.2018

For the claims lodged after the last date mentioned above the Company does not take any responsibility for payment, as the amount lying unpaid and unclaimed shall be transferred to IEPF.

s) Other facilities of interest to shareholders holding shares in physical form

(i) Nomination facility

Shareholders who wish to make / change the nomination in respect of their shares as permitted under section 109A of the Companies Act, 1956, may submit to the Company / Registrar & Share Transfer Agent, the prescribed form 2B. Form 2B can be downloaded from the Company’s website at www.panasonicenergy.in

(ii) Bank details

Shareholders are requested to notify / send the following details to the Company / RTA to facilitate better services:

- a) Any change in their address: and
- b) Bank Account details or any change thereto.

Shareholders are advised that respective bank details and address be furnished by them to the Company as it would be printed on their dividend warrants as a measure of protection against fraudulent encashment.

(iii) NECS facility

Shareholders who are desirous of receiving dividends by way of direct credit to their bank account through ECS may authorize the Company by way of their ECS mandate. The shareholders desirous to obtain ECS mandate form may download it from the website of the Company at www.panasonicenergy.in or may write to the Company Secretary at the Registered Office of the Company.

(iv) PAN card

Pursuant to SEBI circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/ transmission of name/ transposition of name.

- t) **Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).**

For and on behalf of the Board

S. K. Khurana
Managing Director

D. J. Thakkar
Director

Mumbai, May 18, 2012

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To
The Members of
PANASONIC ENERGY INDIA COMPANY LIMITED

We have examined the compliance of conditions of Corporate Governance by Panasonic Energy India Co. Ltd., for the year ended March 31, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expressions of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Vijay Bhatt & Co.
Company Secretaries

V. J. Bhatt
Proprietor
CP:2265

Place : Vadodara
Date : 18th May, 2012

CEO CERTIFICATE

This is to certify that the Company has laid down the rules for code of conduct for the members of the Board and Senior Management, as per the revised Clause 49 of the Listing Agreement.

I hereby further certify that the Company has obtained certificate for compliance of rules of code of conduct, from the Board Members and Senior Management personnel for the financial year ended on 31st March, 2012.

For Panasonic Energy India Co. Ltd.,

S. K. Khurana
Managing Director

Vadodara, May 9, 2012

**TO THE MEMBERS OF
PANASONIC ENERGY INDIA COMPANY LIMITED**

1. We have audited the attached Balance Sheet of **Panasonic Energy India Company Limited** as at 31st March, 2012 and also the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - a. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of accounts as required by the law have been kept by the company so far as appears from our examination of the books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in compliance with Accounting Standard referred to in Section 211(3C) of the Companies Act, 1956, to the extent applicable;
 - e. on the basis of the written representations received from the directors of the Company, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f. in our opinion, and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - i. in the case of Balance Sheet, the state of affairs of the Company as at 31st March, 2012;
 - ii. in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W**

**Vishal P. Doshi
Partner
Membership No. 101533**

**Place: Mumbai
Date: 18th May, 2012**

(ANNEXURE TO THE AUDITORS' REPORT)

(referred to in paragraph (3) thereof)

- i. (a) The Company has maintained proper records showing full particulars, quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of fixed assets which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. According to the information and explanations give to us, no material discrepancies were noticed on such verification.
- (c) The Company has not disposed of a substantial part of its fixed assets during the year and therefore, do not affect the going concern assumption.
- ii. (a) During the year, the inventories have been physically verified by the management except for inventory lying with third parties where confirmations have been received in most of the cases. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of inventory and according to the information and explanations given to us, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- iii. According to the information and explanations given to us, the company has not granted / taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act,1956 and therefore, the provisions of clause (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business with regard to purchase of inventories and fixed assets and sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
- v. (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs.5 lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits during the year from the public within the meaning of provisions of section 58A and 58AA of the Companies Act,1956 and the rules framed there under and therefore, the provisions of clause (vi) of the Order are not applicable to the Company.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of material, labour & other items of cost and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- ix. (a) The Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, investor education protection fund, income-tax, sales-tax, wealth tax, service tax, custom duty and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty and excise duty were in arrears, as at 31st March, 2012 for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, and the records of the company examined by us, the particulars of income tax, excise, sales tax and service tax as at 31st March, 2012 which have not been deposited on account of dispute pending are as under:

Nature of dues	Amount (in ₹ Lacs)	Period to which the amount relates	Forum where pending
Service Tax	66.31	2004-2005	Assessing Authorities, Commissioner (Appeals) and CESTAT, Ahmedabad
Central Excise	1.66	September 2004 to March 2010	Assistant Commissioner and Commissioner (Appeals)
Sales Tax	164.48	1986 to 2009-10	Sales tax Tribunal, Commissioner of Sales Tax (Appeals), Dy. Commissioner of Commercial Tax at different Jurisdictions.

- x. In our opinion and according to information and explanations given to us, the company does not have any accumulated losses as at the end of the year. The Company has not incurred cash losses during the financial year and in immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the Company has not obtained any borrowings from bank, financial institutions or by way of debentures and therefore, the provisions of clause (xi) of the Order are not applicable to the Company.
- xii. According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- xiii. In our opinion and according to information and explanations given to us, the company is not a chit fund or a nidhi / mutual benefit fund society and therefore, the provisions of clause (xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments and therefore, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions and therefore, the provisions of clause (xv) of the Order are not applicable to the Company.
- xvi. According to the information and explanations given to us, the company did not have any term loans outstanding during the year and therefore, the provisions of clause (xvi) of the Order are not applicable to the Company.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the funds raised on short term basis have not been used for long term investment.
- xviii. The company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under section 301 of the Companies Act, 1956 and therefore, the provisions of clause (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us, during the period of audit the Company has not issued any secured debentures and therefore, the provisions of clause (xix) of the Order are not applicable to the Company.
- xx. The company has not raised any money by public issues during the year and therefore, the provisions of clause (xx) of the Order are not applicable to the Company.
- xxi. According to information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For K. C. Mehta & Co.
Chartered Accountants
Firm's Registration No. 106237W

Vishal P. Doshi
Partner
Membership No. 101533

Place: Mumbai
Date: 18th May, 2012

Panasonic Energy India Co. Ltd.

(Amount in ₹ in lacs)

	Note No.	As at 31 st March, 2012	As at 31 st March, 2011
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2	750.00	750.00
(b) Reserves and Surplus	3	6,036.74	6,030.11
2 Non-current liabilities			
(a) Deferred tax liabilities (Net)		253.99	237.64
(b) Long-term provisions	4	398.82	507.48
3 Current liabilities			
(a) Trade payables	5	482.83	429.80
(b) Other current liabilities	6	1,355.18	1,507.87
(c) Short-term provisions	7	290.05	214.08
TOTAL		9,567.61	9,676.98
II ASSETS			
1 Non - Current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		1,841.75	2,013.88
(ii) Intangible Assets		131.06	194.77
(iii) Capital Work in Progress		0.79	3.31
(b) Non - Current Investments	9	17.00	17.00
(c) Long term loans & advances	10	51.08	52.39
(d) Other Non - Current Assets	11	14.82	-
2 Current Assets			
(a) Inventories	12	1,968.17	1,794.27
(b) Trade receivables	13	1,984.08	1,758.42
(c) Cash and Bank Balances	14	2,078.97	2,345.18
(d) Short-term loans and advances	15	1,440.36	1,439.80
(e) Other current assets	16	39.53	57.96
TOTAL		9,567.61	9,676.98
Significant Accounting Policies and Notes	1 to 41		

As per our report of even date attached.

For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533
Place : Mumbai
Date : 18th May, 2012

For and on behalf of the Board of Directors

S. K. Khurana
Managing Director

D. J. Thakkar
Director

Nisha Hindocha
Company Secretary & Manager (Legal)
Place : Mumbai
Date : 18th May, 2012

(Amount in ₹ in lacs)

	Note No.	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
I. Revenue from operations			
(a) Sale of products	17	21,057.99	19,827.60
Less: Excise Duty		2,574.54	2,301.30
		18,483.45	17,526.30
(b) Other operating Revenues		26.47	33.71
		18,509.92	17,560.01
II. Other income	18	231.10	182.89
III. Total Revenue (I + II)		18,741.02	17,742.90
IV. Expenses			
Cost of materials consumed	19	10,540.85	10,604.37
Purchases of Stock-in-Trade	20	1,513.53	385.02
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	(176.79)	8.08
Other Manufacturing Expenses	22	576.34	542.60
Employee benefits expense	23	2,078.21	1,858.50
Finance costs	24	12.87	7.80
Depreciation and amortization expense		302.59	319.43
Other expenses	25	3,472.00	3,284.07
Total expenses		18,319.60	17,009.87
V. Profit before Prior period items, exceptional items and tax (III-IV)		421.42	733.03
VI. Less: Prior period items	26	15.96	(5.80)
VII. Profit before exceptional items and tax (V-VI)		405.46	738.83
VIII. Less: Exceptional items		-	(41.94)
IX. Profit before tax (VII - VIII)		405.46	780.77
X. Tax expense:			
(a) Current tax		108.87	161.73
(b) Deferred tax		16.34	60.79
(c) Taxation adjustments for earlier years		99.29	7.93
XI. Profit for the period		180.96	550.32
XII. Earnings per equity share:			
(a) Basic		2.41	7.34
(b) Diluted		2.41	7.34
Significant Accounting Policies and Notes	1 to 41		

As per our report of even date attached.

For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533
Place : Mumbai
Date : 18th May, 2012

For and on behalf of the Board of Directors

S. K. Khurana
Managing Director

D. J. Thakkar
Director

Nisha Hindocha
Company Secretary & Manager (Legal)

Place : Mumbai
Date : 18th May, 2012

(Amount in ₹ in lacs)

	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	405.46	780.76
Adjustments for:		
Prior period expense / (Income)	-	(5.80)
Provision for wealth tax	0.06	-
Exceptional items	-	(41.94)
Reversal of provision for doubtful debt	(6.25)	-
Depreciation / Amortisation	302.59	319.43
Interest received	(184.39)	(128.65)
Interest paid	6.07	0.23
Provision for doubtful debt and guarantee	6.04	12.29
Profit on sale of fixed assets	(4.52)	(13.71)
Loss on sale of fixed assets	3.39	1.53
Cash flow from operations before working capital changes	528.42	924.14
Increase / (Decrease) in current liabilities:		
Trade payables	53.04	33.28
Other liabilities	(152.68)	(66.78)
Provisions	(32.69)	(73.01)
(Increase)/Decrease in current assets:		
Inventories	(173.90)	(122.18)
Trade receivables	(219.42)	(357.00)
Loans and advances and other assets	(17.18)	16.55
Cash flow from operations after working capital changes	(14.42)	354.99
Direct Taxes Paid	(135.90)	(192.08)
Net cash flow from operating activities	(150.32)	162.91
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(70.37)	(115.28)
Investment in capital WIP	-	53.78
Investment in fixed deposits	(14.82)	-
Sale of tangible assets	7.27	66.96
Interest received	137.37	113.08
Proceeds from maturity of bonds	-	33.05
Net cash flow from investing activities	59.45	151.59
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of sales tax deferred loan	-	(41.92)
Interest paid	(1.00)	(0.23)
Dividend paid	(174.33)	(174.91)
Net cash flow from financing activities	(175.33)	(217.06)
Net increase/(decrease) in cash and cash equivalents	(266.21)	97.44
Opening cash & cash equivalents	2,345.18	2,247.74
Closing cash & cash equivalents	2,078.97	2,345.18

Notes:

- 1 Cash and cash equivalents comprise of:
Cash/cheques on hand

Cash/cheques on hand	5.39	5.96
Balance with scheduled banks in current accounts	658.62	516.94

Closing cash and cash equivalents 664.01 522.89

Earmarked balances with banks 16.83 13.27

Fixed deposits/margin money 1,398.13 1,809.01

Cash and cash balance at the end of year 2,078.97 2,345.18

- 2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS 3) "Cash Flow Statement".
- 3 Previous year figures have been regrouped wherever necessary.

For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533

Place : Mumbai
Date : 18th May, 2012

For and on behalf of the Board of Directors

S. K. Khurana
Managing Director

D. J. Thakkar
Director

Nisha Hindocha
Company Secretary & Manager (Legal)

Place : Mumbai
Date : 18th May, 2012

Accompanying notes to the financial statements

1 Significant accounting policies

i) Basis of preparation of financial statements

The financial statements are prepared as per historical cost convention and in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 1956 and the applicable accounting standards.

ii) Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimates are recognized in the period in which the same are known/materialized.

iii) Revenue recognition

a. Sales

Sales are recognized on invoicing of goods.

b. Other Income

Other Income is recognized only when it is reasonably certain that the ultimate collection will be made. Insurance claims lodged with the insurance company in respect of risks covered are accounted for as and when admitted by the insurance company.

c. Interest Income

Interest income is booked on a time proportion basis taking into account the amounts invested and the rate of interest.

iv) Fixed Assets

Fixed Assets are stated at cost, net of CENVAT / VAT credit, if any, after reducing accumulated depreciation until the date of Balance Sheet. Direct costs are capitalized until the assets are ready for use and include financing costs relating to any borrowing attributable to acquisition. Capital work-in-progress includes the cost of fixed assets that are not yet ready for the intended use and the cost of assets not put to use before the balance sheet date.

v) Depreciation

Depreciation on tangible assets has been provided as under:

Vadodara unit:

Cost of leasehold land is amortized over the period of lease.

On assets purchased prior to January 1st, 1987 on written down value method at the rates specified under the Income Tax Rules and on assets purchased subsequent to January 1st, 1987 on written down value method at the rates specified in Schedule XIV of the Companies Act, 1956, on pro-rata basis.

Pithampur unit:

Cost of leasehold land is amortized over the period of lease.

Depreciation is provided on straight-line method at the rates specified in Schedule XIV of the Companies Act, 1956, on pro-rata basis, and in case of capitalization of exchange fluctuations, over the remaining life of such assets.

vi) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

vii) Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized over the estimated period of benefit, not exceeding ten years.

viii) Investments

Investments meant for long term are carried at cost together with all incidental cost of acquisition. However, when there is decline, other than temporary in the value of a long term investments, the carrying amount is reduced to recognize the decline.

ix) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. The basis of determining cost for various categories of inventories is as follows:

Inventories	Cost Formula
Raw materials	First-In-First-Out basis.
Material & Consumables in Transit	At invoice price.
Work-in-process	At raw material cost plus conversion cost, wherever applicable.
Finished goods	Cost represents material, labour and manufacturing expenses and other incidental costs to bring the inventory in present location and condition.
Consumable stores, spares and tools	First-In-First-Out basis.

x) Foreign Currency Transactions

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the translation of such monetary assets and liabilities and also the exchange differences on settlement of foreign currency transactions are recognized in the statement of profit and loss.

xi) Research & Development

Expenditure on the design and production of prototypes relating to research & development has been charged to profit & loss account. Capital expenditure relating to research & development is treated as fixed assets.

xii) Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the statement of profit and loss on accrual basis.

xiii) Taxation

a. Current tax

Provision for income tax is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961.

b. Deferred tax

Deferred tax assets and liabilities are recognised for future tax consequence attributable to timing differences between taxable income and accounting income that are measured at relevant enacted tax rates. However, deferred tax assets on the timing differences when unabsorbed depreciation and losses carried forward exist, are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. At each balance sheet date the company reassesses unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

xiv) Employee benefits

a. Post-employment benefits

i. Defined contribution plan

Company's contribution paid/payable for the year to defined contribution retirement benefit schemes are charged to the statement of profit and loss.

ii. Defined benefit plan

Company's liabilities towards defined benefit schemes are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognized in the statement of profit and loss in the period of occurrence of such gains and losses. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise it is amortized on straight-line basis over the remaining average period until the benefits become vested.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

b. Short-term employee benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized undiscounted during the period employee renders services. These benefits include special allowance.

c. Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at present value of the defined benefit obligation at the balance sheet date.

xv) Government grants

State subsidy received from Madhya Pradesh State Industrial Development Corporation for setting up unit in the specified backward area has been credited to Capital State Subsidy Reserves Account.

xvi) Provisions contingent liabilities and contingent assets

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed.

2 Share Capital

a. Share capital consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Authorised		
1,00,00,000 Equity shares of ₹ 10/- each	1,000.00	1,000.00
Issued, Subscribed and Paid Up		
75,00,000 Equity shares of ₹ 10/- each	750.00	750.00

b. Right, preferences and restrictions attached to shares

For all matters submitted to vote in a shareholders meeting of the Company every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

c. A reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:

(Amount in ₹ in lacs)

Particulars	No. of Shares	Share Capital (₹)
As at 1 st April, 2010	7,500,000	750.00
Additions/(Reductions)	-	-
As at 31 st March, 2011	7,500,000	750.00
As at 1st April, 2011	7,500,000	750.00
Additions/(Reductions)	-	-
As at 31st March, 2012	7,500,000	750.00

d. Shares held by holding & other associated companies are as under:

Particulars	As at 31 st March, 2012		As at 31 st March, 2011	
	No. of shares	Extent of Holding	No. of shares	Extent of Holding
Holding Company:				
Panasonic Corporation	3,825,000	51.00%	3,825,000	51.00%

e. Shares in the company held by shareholders holding more than 5% are as under:

Particulars	As at 31 st March, 2012		As at 31 st March, 2011	
	No. of shares	Extent of Holding	No. of shares	Extent of Holding
Panasonic Corporation	3,825,000	51.00%	3,825,000	51.00%

Panasonic Energy India Co. Ltd.

3 Reserves & surplus

Reserves & surplus consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Capital Reserve	12.89	12.89
Capital State Subsidy Reserve	25.00	25.00
Securities Premium Account	928.12	928.12
General Reserve		
Opening balance	4,914.10	4,588.11
(+) Transfer from statement of profit and loss	14.00	325.99
Closing balance	4,928.10	4,914.10
Surplus in statement of Profit and Loss		
Opening balance	150.00	100.00
(+) Net profit for the current year	180.96	550.32
(-) Proposed dividends	150.00	150.00
(-) Corporate dividend tax	24.33	24.33
(-) Transfer to general reserve	14.00	325.99
Closing balance	142.63	150.00
Total	6,036.74	6,030.11

4 Long term provisions

Long term provisions consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Provision for employee benefits	398.82	507.48
Total	398.82	507.48

5 Trade payables

Trade payables consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Trade payables		
Due to micro & small enterprise	26.20	11.58
Due to others	456.63	418.22
Total	482.83	429.80

The amount due to Micro & Small Enterprise, as defined under the "Micro Small and Medium Enterprise Development Act, 2006" stated above is based on the information available with the Company. Payment made to suppliers beyond the due dates during the year was ₹ **45.64 Lacs** (Previous Year ₹ 20.85 Lacs). No interest during the year has been paid to Micro and Small Enterprise on delayed payments. Further interest accrued and remaining unpaid at the year end ₹ **0.25 Lacs** (Previous year ₹ 0.24 Lacs) is not provided in the books as the management is of the opinion that due to contractual terms they will not be required to pay the same.

6 Other current liabilities

Other current liabilities consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Advance from customers	4.51	30.90
Unpaid dividends*	13.27	13.27
Security deposits	23.95	28.21
Advance from scrap traders	0.99	1.08
Expenses payable	882.45	1,045.81
Duties & taxes payable	405.81	370.87
Other payables	24.20	17.73
Total	1,355.18	1,507.87

* No amount is due for payment to Investor Education & Protection Fund.

7 Short term provisions

Short term provisions consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Provision for employee benefits scheme	115.72	39.75
Proposed dividend	150.00	150.00
Provision for corporate dividend tax	24.33	24.33
Total	290.05	214.08

8 Fixed assets consists of following:

(Amount in ₹ in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
	Cost as at 1-4-2011	Additions during the year	Sales/ Deductions during the year	Cost as at 31-3-2012	Amount as at 1-4-2012	Depreciation for the year	Adjustment during the year	Depreciation upto 31-3-2012	As at 31-3-2012	As at 31-3-2011
TANGIBLE ASSETS										
Freehold land	-	-	-	-	-	-	-	-	-	-
Building	919.77	-	-	919.77	573.80	24.75	-	598.55	321.22	345.96
Leasehold land	38.30	-	-	38.30	8.78	0.41	-	9.19	29.11	29.52
Plant & Machinery	8,312.49	14.24	1.35	8,325.38	6,818.84	170.08	1.29	6,987.63	1,337.75	1,493.66
Dies	162.22	0.79	-	163.01	131.72	6.67	-	138.39	24.62	30.50
Electric Installation	122.02	0.86	0.10	122.78	108.61	1.69	0.06	110.24	12.54	13.41
Computers	210.44	40.98	80.37	171.05	188.69	21.27	76.22	133.74	37.31	21.75
Air conditioners & Refrigerators	42.32	0.75	5.64	37.43	32.51	1.06	5.24	28.33	9.10	9.82
Furniture & Fixtures	161.44	0.76	0.41	161.79	146.94	1.79	0.33	148.40	13.39	14.50
Office Equipments & Other Equipments	99.84	0.11	0.98	98.97	74.97	3.17	0.84	77.30	21.67	24.85
Vehicles & Delivery Equipments	131.26	14.40	19.34	126.32	101.36	8.00	18.08	91.28	35.04	29.91
								Total (A)	1,841.75	2,013.88
INTANGIBLE ASSETS										
Know - how	590.00	-	-	590.00	414.46	58.51	-	472.97	117.03	175.54
Software	41.24	-	-	41.24	22.02	5.19	-	27.21	14.03	19.23
								Total (B)	131.06	194.77
TOTAL	10,831.34	72.89	108.19	10,796.04	8,622.70	302.59	102.06	8,823.23	1,972.81	2,208.65
Previous Year	10,802.15	115.28	86.10	10,831.33	8,376.52	319.43	73.26	8,622.69	2,208.64	
Capital Work in progress	-	-	-	-	-	-	-	-	0.79	3.31

9 Non current investments

Non current investments consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Other Investments		
Investment in bonds or debentures		
Rural Electrification Corporation (REC) Bonds [170 units (P.Y. 170 units) of ₹ 10000/- each fully paid up maturing on 1 st August, 2013]	17.00	17.00
Total	17.00	17.00

All the above investments are unquoted investments and valued at cost.

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Aggregate amount of unquoted Investments	17.00	17.00

Panasonic Energy India Co. Ltd.

10 Long term loans & advances

Long term loans & advances consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Unsecured considered good		
Security deposits	49.49	46.59
Advance to employees	1.34	5.80
Capital advances	0.25	-
Total	51.08	52.39

11 Other non current assets

Other non current assets consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Bank Deposits		
Balance held as margin money against guarantee	14.82	-
Total	14.82	-

12 a. Inventories consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Raw materials	836.33	844.26
Work-in-Progress	103.83	116.09
Finished goods	721.20	573.73
Stores & spares	130.07	131.59
Stock in trade		
- Stores & spares	2.41	1.06
- Others	167.00	122.06
Goods in transit		
- Raw materials	7.33	0.77
- Others	-	4.71
Total	1,968.17	1,794.27

Refer note 1(ix) of significant accounting policies for basis of valuation

b. Inventory details have been classified under broad heads as follows:

(Amount in ₹ in lacs)

Particulars	Closing Inventory	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
[A] Finished goods		
Dry cell batteries	721.21	578.44
Total [A]	721.21	578.44
[B] Stock in trade		
Flashlight	93.69	86.58
Alkaline rechargeable lithium battery	23.22	27.50
Dry cell batteries	31.31	-
Others*	21.20	9.04
Total [B]	169.42	123.12
Total [A+B]	890.63	701.56

*None of the items individually account for more than 10% of total purchase of traded goods.

13 Trade receivables

Trade receivables consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Trade Receivables not due/overdue for a period less than 6 months		
Unsecured considered good	1,973.36	1,725.96
Trade Receivables overdue for a period more than 6 months		
Unsecured considered good	10.72	32.46
Doubtful	-	6.25
Less: Provision for doubtful debts	-	(6.25)
	10.72	32.46
Total	1,984.08	1,758.42

14 Cash & bank balances

Cash & bank balances consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
[A] Cash & cash equivalents		
a. Balances with banks	278.43	330.15
b. Cheques / Drafts on hand	2.36	3.15
c. Cash on hand	3.03	2.81
d. Remittance in transit	380.19	186.79
Total [A]	664.01	522.90
[B] Other bank balances		
(i) Earmarked balances with banks	16.83	13.27
(ii) Bank deposits		
a. Bank deposits with maturity more than 3 months but less than 12 months		
- Balance held as margin money against guarantees	27.31	2.19
- Other bank deposits	1,270.82	1,050.00
b. Bank deposits with maturity more than 12 months		
- Balance held as margin money against guarantees	-	26.82
- Other bank deposits	100.00	730.00
Total [B]	1,414.96	1,822.28
Total[A+B]	2,078.97	2,345.18

15 Short term loans & advances

Short term loans & advances consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Unsecured considered good		
Advance to suppliers	46.39	53.68
Advance to employees	25.65	18.06
Prepaid expenses	44.76	28.42
Balances with government authorities	96.62	84.08
Deposits	5.15	3.47
Advance tax (Net of provisions)	1,221.79	1,252.09
Total [A]	1,440.36	1,439.80
Unsecured considered doubtful		
Bank guarantees with custom department	12.08	6.04
Less: Provision for doubtful advances	12.08	6.04
Total [B]	-	-
Total [A+B]	1,440.36	1,439.80

Panasonic Energy India Co. Ltd.

16 Other current assets

Other current assets consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012	As at 31 st March, 2011
Accrued interest	30.21	55.66
Discount receivable	9.32	2.30
Total	39.53	57.96

17 Sale of products

Sale of product details have been classified under broad heads as follows:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
[A] Finished goods		
Dry cell batteries	18,880.24	19,404.50
Total [A]	18,880.24	19,404.50
[B] Traded Goods		
Flashlight	453.14	208.05
Dry cell batteries	1,381.60	0.19
Alkaline rechargeable lithium battery	87.06	87.16
Dry cell components	103.28	85.61
Others*	152.67	42.09
Total [B]	2,177.75	423.10
Total [A+B]	21,057.99	19,827.60

*None of the items individually account for more than 10% of total sales value of traded goods.

18 Other income

Other income consists of the following:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Interest income		
- Long term investments	1.02	0.68
- Others	183.36	125.85
	184.38	126.53
Profit on sale of fixed assets	4.53	13.71
Other non-operating income	42.19	42.65
Total	231.10	182.89

19 Cost of material consumed

Material consumed has been classified under broad heads as follows:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Zinc	2,715.25	2,783.59
Printed metal sheets	1,670.25	1,704.39
Others*	6,155.35	6,116.39
Total	10,540.85	10,604.37

*None of the items individually account for more than 10% of total consumption.

20 Purchase of stock in trade

Stock-in-trade purchased has been classified under broad heads as follows: (Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Flashlight	369.85	278.64
Dry cell batteries	961.74	-
Alkaline rechargeable lithium battery	44.45	58.82
Others*	137.49	47.56
Total	1,513.53	385.02

*None of the items individually account for more than 10% of total Purchase.

21 (Increase)/decrease in inventories of finished goods work-in-progress and Stock-in-Trade

Changes in inventories consists of the following: (Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Opening stock		
Work-in-Process	116.09	106.72
Stock-in-trade	123.12	98.82
Finished goods	578.44	620.19
Total [A]	817.65	825.73
Less:		
Closing stock		
Work-in-Process	103.83	116.09
Stock-in-trade	169.41	123.12
Finished goods	721.20	578.44
Total [B]	994.44	817.65
Total [A-B]	(176.79)	8.08

22 Other manufacturing expenses

Other manufacturing expenses consists of the following: (Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Consumption of stores and spare parts	115.28	110.80
Power & fuel	226.33	203.88
Repairs to buildings	10.13	12.37
Repairs to machinery	62.06	62.24
Duties & taxes	42.56	45.61
Water gas & oil expense	119.98	107.70
Total	576.34	542.60

23 Employee benefits expenses

Employee benefits expenses consists of the following: (Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Salaries & wages	1,599.63	1,443.91
Contribution to provident & other funds	202.45	160.98
Staff welfare expenses	276.13	253.61
Total	2,078.21	1,858.50

Panasonic Energy India Co. Ltd.

24 Finance costs

Finance costs consists of the following:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Interest expense	6.07	0.23
Other finance costs	6.80	7.57
Total	12.87	7.80

25 Other expenses

a. Other expenses consists of the following:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Rent*	52.77	39.99
Insurance	22.09	18.11
Rates and taxes	94.83	96.58
Net loss on foreign currency translation & transactions	42.26	7.85
Transportation expense	481.31	477.22
Travelling & conveyance expense	648.67	570.33
Sales promotion expense	1,282.83	1,133.45
Royalty & brand fees	536.36	584.26
General repairs	18.23	15.81
Post, telegrams & telephone expenses	59.36	53.24
Printing & stationary	19.04	21.47
Directors' commission	4.97	3.23
Bad debt written off	-	5.25
Provision for doubtful debt and guarantee	6.04	12.29
Meeting & conference expenses	19.65	18.56
Legal & professional fees	80.90	94.39
License and registration	1.96	2.88
Software expenses	2.86	2.76
R & D expenses	6.46	8.13
Loss on sale of fixed assets	3.39	1.53
Donation	0.64	0.04
Directors' sitting fee	2.60	2.70
Miscellaneous expenses	84.78	114.00
Total	3,472.00	3,284.07

*All lease payments are recognized under the head "Rent"

b. Details of payment to auditors is classified as under:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Payment to auditors (excluding service tax)		
- As auditor	2.55	2.55
- For tax audit	0.80	0.80
- For other services (Certification & taxation)	6.25	4.49
- For reimbursement of expenses	0.69	0.43
Payment to Cost Auditors (excluding service tax)		
- As auditor	0.90	0.85
- For other services (Certification)	-	0.03
- For reimbursement of expenses	0.08	0.10

26 Prior period items

Prior period items consists of the following:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
[A] Prior period expenses		
Infrastructure cost to GIDC	15.56	-
Welfare expenses	0.12	-
Freight inward	0.13	-
Legal and professional expenses	0.15	-
Total [A]	15.96	-
Less: [B] Prior period income		
Interest on income tax refund	-	5.80
Total [B]	-	5.80
Total [A-B]	15.96	(5.80)

27 Estimated amount of contracts remaining to be executed and not provided for (net of advances) is ₹ Nil (Previous year ₹ Nil).

28 Contingent liabilities not provided for

Details of claims against the company not acknowledged as debts consists of the following:

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Disputed excise/ service tax pending before Assessing / appellate authorities.	-	1.04
Bank guarantees	42.55	44.52
Income tax	1,320.58	1,212.90
Sales tax / VAT	156.63	151.88
Others	46.03	3.46

29 Dividend

The details of dividend distributed to the shareholders consists of the following:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012		As at 31 st March, 2011	
	Dividend per share ₹	Total Dividend	Dividend per share ₹	Total Dividend
To equity shareholders				
- Proposed dividend	2	150.00	2	150.00

30 Additional details:

a. CIF value of imports

(Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Raw materials (including material in transit)	3,690.52	2,590.72
Total	3,690.52	2,590.72

b. Imported and indigenous raw materials & stores & spares are classified as follows:

Particulars	For the year ended 31 st March, 2012		For the year ended 31 st March, 2011	
	%	(Amount in ₹ in lacs)	%	(Amount in ₹ in lacs)
Raw materials				
Imported	29.22	3,080.22	25.37	2,690.08
Indigenous	70.78	7,460.62	74.63	7,914.29
Total	100.00	10,540.84	100.00	10,604.37

Particulars	For the year ended 31 st March, 2012		For the year ended 31 st March, 2011	
	%	(Amount in ₹ in lacs)	%	(Amount in ₹ in lacs)
Stores & spares				
Imported	0.00	-	0.16	0.18
Indigenous	100.00	115.29	99.84	110.62
Total	100.00	115.29	100.00	110.80

c. Details of earnings in foreign exchange is as follows: (Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Exports - FOB	158.75	125.04
Freight	2.49	1.95

d. Details of expenditure in foreign currency paid or payable is as follows: (Amount in ₹ in lacs)

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Royalty (including Brand Fee) for current year (Net of tax)	477.20	519.89
Foreign travel	10.24	4.57
Foreign bank charges	1.59	0.38
Communication charges & others	9.55	9.63

e. Details of dividend remitted in foreign currency during the year is as follows:

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Remittance on account of dividend for the year ended 31 st March, 2011 (Amount in ₹ in lacs)	76.50	-
Remittance on account of dividend for the year ended 31 st March, 2010 (Amount in ₹ in lacs)	-	76.50
Number of equity share holders (in Nos.)	1	1
Number of shares held (in Nos.)	3,825,000	3,825,000

31 Employee benefits

a. Post employment benefits consists of the following:

i Defined contribution plans:

The Company makes contributions towards provident fund and superannuation fund to defined contribution retirement benefit plan for qualifying employees. The superannuation fund is administered by the trust owned and managed by the company. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The provident fund plan is operated by the "Panasonic Energy India Company Limited Employees Provident Fund Trust" (the "Trust"). Eligible employees receive benefits from the said Provident Fund Trust which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The minimum interest rate payable by the Trust to the beneficiaries every year is being notified by the Government. The Company has an obligation to make good the short fall, if any, between the return from the investments of the trust and the notified interest rate.

The Company recognized ₹ 104.96 Lacs (previous year ₹ 87.23 Lacs) for provident fund contributions and ₹ 4.46 Lacs (previous year ₹ 4.05 Lacs) for superannuation contribution in the Statement of profit and loss.

ii Defined benefit plan:

The Company makes annual contributions to the Employees' Gratuity Fund Scheme and leave encashment scheme of the Life Insurance Corporation of India, a funded defined benefit plan for

qualifying employees. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognized in the same manner as gratuity.

b. Reconciliation in present value of obligations (PVO) defined benefit obligation: (Amount in ₹ in lacs)

Particulars	Gratuity (Funded)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Current service cost	25.32	29.89
Interest cost	48.99	42.46
Actuarial (gain)/loss	1.00	(44.83)
Benefits paid	(21.57)	(17.31)
PVO at the beginning of the year	576.31	566.10
Present value of defined benefit obligation at year end	630.05	576.31

c. Change in fair value of plan assets: (Amount in ₹ in lacs)

Particulars	Gratuity (Funded)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Expected return on plan assets	18.91	12.34
Actuarial gain/(loss)	1.67	(11.65)
Contributions by the employer	59.48	84.85
Benefits paid	(21.57)	(17.31)
Fair value of plan assets at the beginning of the year	222.50	154.27
Fair value of plan assets at end of year	280.99	222.50

d. Reconciliation of PVO and fair value of plan assets: (Amount in ₹ in lacs)

Particulars	Gratuity (Funded)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
PVO at end of period	630.05	576.31
Fair value of planned assets at end of year	280.99	222.50
Liabilities recognized in balance sheet	349.06	353.81

e. Net cost for the year ended: (Amount in ₹ in lacs)

Particulars	Gratuity (Funded)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Current service cost	25.32	29.89
Interest cost	48.99	42.46
Expected return on plan assets	(18.91)	(12.34)
Actuarial (gain)/loss	(0.67)	(56.49)
Net cost	54.73	3.52

f. Category of assets as at the year end:

Particulars	Gratuity (Funded)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Insurer managed funds (100%)	100.00%	100.00%

Panasonic Energy India Co. Ltd.

g. Assumption used in accounting for the gratuity plan:

Particulars	Gratuity (Funded)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Mortality table (LIC)	1994 - 96 (Ultimate)	1994 - 96 (Ultimate)
Discount rate (per annum)	8.75%	8.50%
Expected rate of return on plan assets (per annum)	8.75%	8.50%
Rate of escalation in salary (per annum)	5.00%	6.50%

h. Experience adjustment:

(Amount in ₹ in lacs)

Particulars	Gratuity (Funded)	
	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
On plan liabilities - Loss/(Gain)	73.06	4.13
On plan assets - Loss/(Gain)	(1.67)	(2.68)

In absence of the availability of information relating to experience adjustment on plan liabilities and plan assets for the year ended 31st March 2010, 2009 and 2008, the same have not been furnished above.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors mainly, the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan asset management.

32 Research & development

Research & development related expenses amounting to ₹ **76.94 Lacs** (Previous year - ₹ 136.25 Lacs) have been debited to respective heads of account. Additions to fixed assets include addition to research & development department ₹ **NIL** (Previous year - ₹ Nil).

33 Related party disclosures

a. Disclosures as required by Accounting Standard -18 are given below:

Name of related parties	Nature of relationship
Panasonic Corporation	Holding company
Panasonic Carbon India Co. Ltd	Joint Venture of Holding Company
P.T. Panasonic Gobel Energy Indonesia	Joint Venture of Holding Company
Pt. Panasonic Gobel Battery Indonesia	Joint Venture of Holding Company
Panasonic Trading Asia	Joint Venture of Holding Company
Panasonic Asia Pacific Pte. Ltd.	Joint Venture of Holding Company
Panasonic Energy Tanzania Co. Ltd.	Joint Venture of Holding Company
Panasonic Energy Thailand Co. Ltd.	Joint Venture of Holding Company
Panasonic Energy Poland S.A.	Joint Venture of Holding Company
Panasonic AVC Networks India Co. Ltd.	Joint Venture of Holding Company
Panasonic Manufacturing Malaysia Berhad	Joint Venture of Holding Company
Panasonic Peruana SA	Joint Venture of Holding Company
Panasonic India Pvt. Ltd	Joint Venture of Holding Company
Nippo Batteries Co Ltd	Joint Venture of Holding Company
Mr. Ajai K. Lakhanpal	Whole-time Director
Mr. S. K. Khurana	Whole-time Director

- b. **The following transactions were carried out with the related parties in ordinary course of business during the year.** (Amount in ₹ in lacs)

Nature of transaction	Holding Company	Joint venture of holding company	Key Management Personnel	Total
Export of Spare parts	- (10.19)	55.47 (29.24)	- -	55.47 (39.43)
Dividend Paid	76.50 (76.50)	- -	- -	76.50 (76.50)
Royalty (Including Brand Use Fee)	536.36 (584.26)	- -	- -	536.36 (584.26)
Communication charges	(9.63)	-	-	(9.63)
Purchase - Carbon Rods	- -	755.10 (766.30)	- -	755.10 (766.30)
Export of Raw Material	- -	103.28 (85.61)	- -	103.28 (85.61)
Import of Raw Material	711.34 -	163.34 (50.57)	- -	874.68 (50.57)
Reimbursement of Expenses	34.78 (102.38)	2.09 (1.95)	- -	36.87 (104.33)
Training Expenses Reimbursed	3.87 -	- -	- -	3.87 -
Import of Appliances / Parts	62.96 (80.54)	- -	- -	62.96 (80.54)
Purchase of CFL	- -	107.16 (13.88)	- -	107.16 (13.88)
Sale of Dry Cell	- -	457.99 (14.65)	- -	457.99 (14.65)
Purchase of Brand Building Articles	- -	13.56 (18.78)	- -	13.56 (18.78)
Remuneration to Whole-time Directors (including commission, if applicable)	- -	- -	86.72 (77.76)	86.72 (77.76)
Balance as on 31 st March				
Receivables	11.12 (24.96)	172.36 (56.94)	- -	183.48 (81.90)
Payables	- -	22.04 (53.38)	3.87 (3.14)	25.91 (56.52)

(Previous year figures are in brackets)

34 Earnings per share

Basic and diluted earnings per share is calculated as under:

Particulars	For the year ended 31 st March, 2012	For the year ended 31 st March, 2011
Profit after tax as per profit and loss statement (Amount in ₹ in lacs)	180.96	550.32
Weighted average number of equity shares (in Nos.)	75.00	75.00
Nominal value per share (Amount in ₹)	10.00	10.00
Basic & Diluted earnings per share (Amount in ₹)	2.41	7.34

Panasonic Energy India Co. Ltd.

35 Deferred Tax Provision:

The deferred tax liabilities/(assets) arising out of significant timing differences are as under:

(Amount in ₹ in lacs)

Particulars	As at 31 st March, 2012		As at 31 st March, 2011	
	Deferred Tax Asset	Deferred Tax Liability	Deferred Tax Asset	Deferred Tax Liability
Difference between book depreciation and tax depreciation	-	347.01	-	391.14
Unpaid liability allowable on payment basis under Section 43B of Income Tax act, 1961	92.73	-	153.50	-
Others	0.29	-	-	-
Total	93.02	347.01	153.50	391.14
Net Deferred Tax Liability/(Asset)	-	253.99	-	237.64

- 36 The Company has obtained certain premises for its business operations (including furniture and fittings, therein as applicable) under operating leases or leaves and license agreements. These are generally not non-cancelable and range between 11 months to 9 years under leave and licenses or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms.
- 37 Exceptional items of previous year includes profit on sale of property.
- 38 The operations of the Company are limited to one segment, namely, Dry cell batteries.
- 39 In the opinion of the management and to the best of their knowledge and belief the value on realization of current assets, loans & advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
- 40 Balances of Trade receivable and Trade payable are subject to confirmation, reconciliation and consequential adjustment, if any.
- 41 Figures of the previous year have been regrouped/re-cast wherever necessary.

For K. C. Mehta & Co.
Chartered Accountants

Vishal P. Doshi
Partner
Membership No. 101533
Place : Mumbai
Date : 18th May, 2012

For and on behalf of the Board of Directors

S. K. Khurana D. J. Thakkar
Managing Director Director

Nisha Hindocha
Company Secretary & Manager (Legal)
Place : Mumbai
Date : 18th May, 2012

Panasonic Energy India Co. Ltd.

GIDC, Makarpura, Vadodara - 390 010, Gujarat - INDIA.

ATTENDANCE SLIP

NAME OF THE SHAREHOLDER:			
FOR PHYSICAL HOLDING	FOR ELECTRONIC FORM (DEMAT)		NO. OF SHARES
LF NO.	DP ID	CLIENT ID	

I hereby record my presence at the 40TH ANNUAL GENERAL MEETING, held at C. C. Mehta Auditorium, M. S. University, Sayajigunj, Vadodara - 390 002 on WEDNESDAY, 25TH JULY, 2012 at 10:00 a.m. as a Shareholder/Proxy*.

*NAME OF PROXY IN BLOCK LETTERS

*SIGNATURE OF THE SHAREHOLDER/PROXY

Notes:

1. Shareholder/Proxy holder wishing to attend the meeting must bring duly signed attendance slip to the meeting and hand over the same at the entrance.
2. Shareholder/Proxy holder desiring to attend the meeting should carry his copy of the Annual Report for reference at the meeting.

Panasonic Energy India Co. Ltd.

GIDC, Makarpura, Vadodara - 390 010, Gujarat - INDIA.

PROXY

NAME OF THE SHAREHOLDER:			
FOR PHYSICAL HOLDING	FOR ELECTRONIC FORM (DEMAT)		NO. OF SHARES
LF NO.	DP ID	CLIENT ID	

I/We, _____ of _____ being a Member/Members of Panasonic Energy India Co. Ltd. hereby appoint _____ of _____ or failing him _____ of _____ as my/our Proxy to vote for me/us and on my/our behalf at the 40TH ANNUAL GENERAL MEETING, held at C. C. Mehta Auditorium, M. S. University, Sayajigunj, Vadodara - 390 002 on WEDNESDAY, 25TH JULY, 2012 at 10:00 a.m. and at any adjournment thereof.

Signed this day of June / July 2012.

Date of Receipt June / July 2012.

Signature.....

Affix
Re. 1/-
Revenue
Stamp

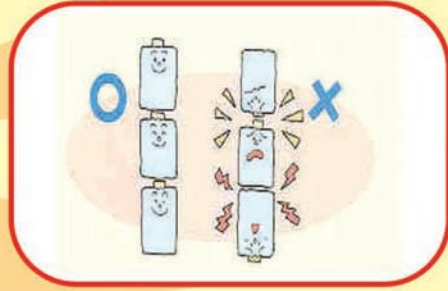
(For office use only)

N.B. Proxies to be valid must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the meeting.

DO's & DON'Ts FOR DRY BATTERY



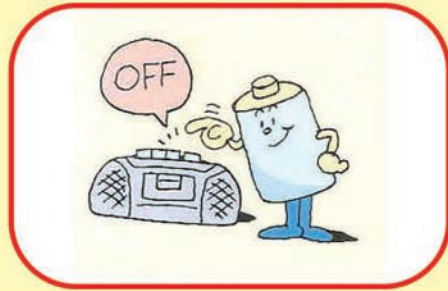
Use same type of batteries



Do not install batteries with reverse polarity



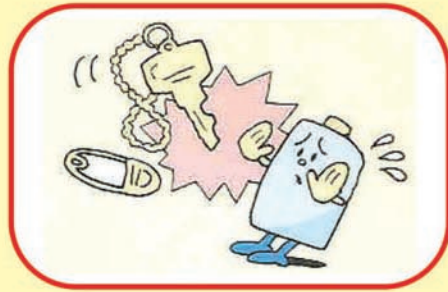
Ensure proper storage



Be sure to switch off device after use



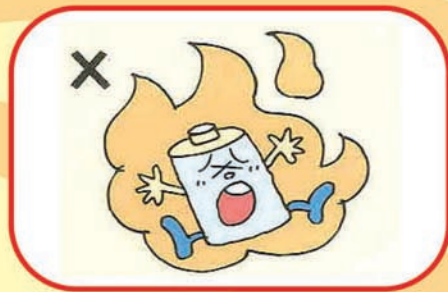
Never charge dry batteries



Do not short-circuit the batteries



Remove batteries immediately once they are exhausted



Do not disassemble /dispose of batteries into fire

Book - Post

To,



If undelivered, Please return to:

Panasonic Energy India Co.Ltd.

G.I.D.C., Makarpura, Vadodara - 390 010, Gujarat-INDIA.



Panasonic
ideas for life
Batteries & Torches