

Panasonic Energy India Co. Ltd.

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ISO 9001: 2008 & ISO 14001: 2004 Certified Company

August 31, 2018

Corporate Relationship Manager
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001.

Scrip Code: 504093

Re: Company update pursuant to Regulation 30 of the Securities and Exchange Board of India (LODR) Regulations, 2015.

Dear Sir / Madam,

We would like to inform you that the Competition Commission of India (CCI) has issued an order on August 30, 2018 in a matter wherein Panasonic Energy India Co. Ltd. (Company) was a party. The order has been published on the CCI website. Details of the order are in the press release attached. As mentioned in the attached press release, the CCI through its order granted full immunity to the Company and did not impose any penalty on the Company.

The Company has still not received the order. We will disclose additional details, if any, once the Company has received and reviewed the CCI order. The Company is committed to the highest standards of corporate governance and compliance and shall take any further steps, if necessary.

Thank you

For Panasonic Energy India Co. Ltd.,


Susheela Maheshwari
Company Secretary



Encl. : As above



सत्यमेव जयते



Press Release No. 8/2018-19
30.08.2018

CCI decides another Lesser Penalty case in respect of cartelisation in Indian Zinc-Carbon Dry Cell Batteries Market

The Competition Commission of India ('CCI') passed a final order imposing penalty on Panasonic Energy India Co. Limited ('Panasonic') and Geep Industries (India) Private Limited ('Geep') for colluding to fix prices of zinc-carbon dry cell batteries in India. In respect of Panasonic, CCI granted 100 percent reduction in penalty by invoking the provisions of Section 46 of the Competition Act, 2002 ('the Act') read with the Competition Commission of India (Lesser Penalty) Regulations, 2009 ('Lesser Penalty Regulations').

The case was taken up by CCI *suo motu* under the provisions of Section 19 of the Act based on the disclosure made by Panasonic under Section 46 of the Act read with the Lesser Penalty Regulations. From the evidence collected in the case, which included an anti-competitive clause in the written agreement entered into between Panasonic and Geep for supply of batteries, and e-mail communications between the key managerial personnel of the two of them, CCI found existence of a bi-lateral ancillary cartel between Panasonic and Geep in the market of institutional sales of dry cell batteries. It was found that Panasonic, which had a primary cartel with Eveready Industries India Ltd. and Indo National Limited as established in *Suo Motu* Case No. 01 of 2016 by CCI, having fore-knowledge about the time of price increase to be affected by this primary cartel, used such fore-knowledge as leverage to negotiate and increase the basic price of the batteries sold by it to Geep. Further, Panasonic and Geep, in accordance with the prices of the primary cartel, used to agree on the market price of the batteries being sold by them, so as to maintain price parity in the market.

Based on the above, CCI found that Panasonic and Geep have indulged in the anti-competitive conduct of price co-ordination, in contravention of the provisions of Section 3 (3) (a) read with Section 3 (1) of the Act. It was observed that such conduct continued from 01.10.2010, when Panasonic and Geep entered into a written agreement, till 30.04.2016, when the last supplies were made by Panasonic to Geep.

Considering contravention of provisions of the Act, CCI computed amounts of INR 73.93 crores and INR 9.64 crores as leviable penalty on Panasonic and Geep, respectively, in terms of the *proviso* to Section 27 (b) of the Act. Further, considering all relevant factors, penalty on Panasonic was levied at the rate of 1.5 times of its profit for each year from mid 2010-11 to April, 2016-17, and on Geep at the rate of 4 percent of its turnover for each year from mid 2010-11 to April, 2016-17. Also, considering the totality of facts and circumstances of the case, penalty leviable on the individual officials of Panasonic and Geep was computed at the rate of 10 percent of the average of their income for the preceding three years. To the officials of Panasonic also, 100 percent reduction in penalty was granted under the provisions of Section 46 of the Act read with the Lesser Penalty Regulations.