



WHIRLPOOL OF INDIA LIMITED  
(CIN NO. : L29191PN1960PLC020063)

CORPORATE OFFICE : PLOT NO. 40, SECTOR 44, GURUGRAM (GURGAON) - 122 002 (HARYANA), INDIA. TEL: (91) 124-4591300, FAX: (91) 124-4591301.  
REGD. OFF. : PLOT NO. A-4 MIDC, RANJANGAON, TAL. SHIRUR, DIST. PUNE 412 220. TEL: (91) 2138-660100, FAX: (91) 2138-232376.  
Website : www.whirlpoolindia.com, E-mail : info\_india@whirlpool.com

Date: 23rd July, 2020

The Manager Listing The BSE Ltd. Phiroz Jeejeebhoy Towers Dalal Street Mumbai - 400 001	The Manager Listing National Stock Exchange Ltd, Exchange Plaza, Bandra kurla Complex, Bandra (East), Mumbai - 400051
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**Subject: Annual Report for the financial year ended 31<sup>st</sup> March, 2020**

Dear Sir,

In furtherance to our letter dated 16<sup>th</sup> July, 2020 wherein the Company had informed that the 59<sup>th</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on Friday, 21<sup>st</sup> August, 2020 at 11:00 AM through Video Conference/Other Audio-Visual Means, in accordance, with the General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 read with General Circular No. 14/2020 and 17/2020 dated 08<sup>th</sup> April, 2020 and 13<sup>th</sup> April, 2020 respectively (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") and applicable Circular issued by Securities and Exchange Board of India ("SEBI Circular"). The venue of AGM shall be deemed to be the registered office of the Company i.e. A-4, MIDC, Ranjangaon, Taluka - Shirur, Dist. - Pune, Maharashtra - 412220.

In terms of the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company including the Business Responsibility Report and the Notice of AGM for the financial year 2019-20, which is also being sent only through electronic mode to the Members whose email addresses were registered with the Company/Depositories on Thursday, 23rd July, 2020. The Annual Report containing the Notice of Annual General Meeting is also uploaded on the Company's website at [www.whirlpoolindia.com](http://www.whirlpoolindia.com).

Further, pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Register of Members and Share Transfer Books will remain closed from Saturday, 08<sup>th</sup> August, 2020 to Friday, 21<sup>st</sup> August, 2020 (both days inclusive) for the purpose of Annual General Meeting and payment of final dividend, if approved by the shareholders at the AGM.

In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rules, 2014 (as amended), the Company has fixed 14<sup>th</sup> August, 2020 as the cut-off date to determine the eligibility of the members to cast their vote by remote e-voting and e-voting during the AGM. The remote e-voting period begins at 09:00 A.M. on Tuesday, 18<sup>th</sup> August, 2020 and will end at 05:00 P.M. on Thursday 20<sup>th</sup> August, 2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> August, 2020 may cast their vote by remote e-voting. Further the facility for casting vote through e-voting during AGM is also being provided by the Company.

The above is for your information and records.

**For Whirlpool of India Limited**

**Roopali Singh**

**Sr. Director Legal and Company Secretary**

The background of the entire page is a photograph of a man with a beard and a grey t-shirt styling a woman's dark hair. He is using a hairbrush and a hair tie. The woman is wearing a white top with black polka dots. The setting appears to be a kitchen or dining area with a white countertop and a black chair in the background.

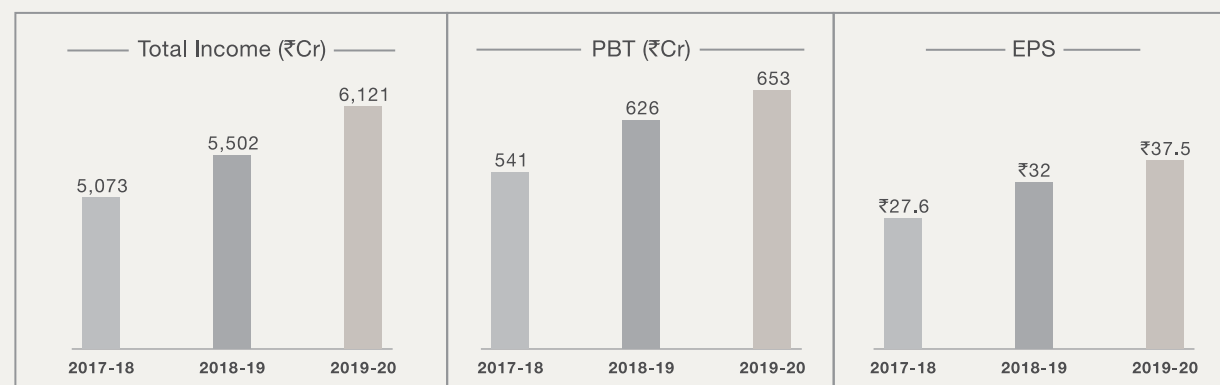
# Every day, care.

Annual Report 2019-20

# Who we are. Where we operate.

Whirlpool of India Limited (CIN: L29191PN1960PLC020063) is a part of the world's renowned Whirlpool Group of Companies. Whirlpool Corporation, the Ultimate Holding Company (NYSE: WHR) is the world's leading manufacturer of home appliances, with approximately \$20 billion in annual sales, 77,000 employees and 59 manufacturing and technology research centers in 2019. The company markets Whirlpool, KitchenAid, Maytag, Consul, Brastemp, Amana, Bauknecht, JennAir, Indesit and other major brand names in nearly every country throughout the world.

Whirlpool of India Limited (NSE: WHIRLPOOL, BSE: 500238) is one of the leading manufacturers and marketers of major home appliances in the country. The company owns three state-of-the-art manufacturing facilities at Faridabad, Puducherry and Pune.



## CONTENTS

### OVERVIEW

Message to Shareholders	03
Products	05
Manufacturing Insight	17
CSR Initiatives	19
Award and Accolades	21
Corporate Information	23

### REPORTS

Report on Corporate Governance	25
Board's Report	43
Annexures to Board's Report	54

### FINANCIAL & STATEMENTS

#### Financial Statements Standalone

Independent Auditor's Report	83
Balance Sheet	95
Statement of Profit & Loss	96
Cash Flow Statement	97
Statement of Changes in Equity	98
Notes on Accounts	99

#### Financial Statements Consolidated

Independent Auditor's Report	154
Balance Sheet	160
Statement of Profit & Loss	161
Cash Flow Statement	162
Statement of Changes in Equity	163
Notes on Accounts	164
AOC-I	221

# Message to shareholders



VISHAL BHOLA

MANAGING DIRECTOR - WHIRLPOOL OF INDIA LIMITED

"Dear Shareholders,

I am pleased to share with you an update on the company's performance for 2019-2020. Undoubtedly, it has been an unprecedented year. The beginning of the year saw a stable macro environment combined with a good summer but by the end of the year besides extreme volatility on crude and currency, we saw the biggest disruption seen yet with the novel coronavirus. It has not only affected human health but has also tested the resilience of the best of businesses.

Against this backdrop, Whirlpool of India has delivered yet another successful year. We continue to deliver **consistent, profitable** and **competitive** growth which is the hallmark of any business wanting to create long term value for its stakeholders.

A lot was achieved during the year. Consumer centric product innovation is at the heart and soul of any consumer durable business. There were a series of launches through the year with some of the notable ones being our new range of **IceMagic PRO** single door refrigerators, the **Advanced Frost Free Refrigerator with 5-in-1 Convertible Freezer** and the latest **3D Cool Inverter Air Conditioners**. It is therefore no surprise that we were recognized by "**Superbrands 2019-20**", the World's largest arbiter of branding for all refrigerators and washing machines.

Our go-to-market organization continues to drive increased reach in Tier 2 and Tier 3 cities while executing flawlessly on the shopfloor in the large towns. This has been well supported with our factories driving the golden triangle of cost, quality and safety. Strong digitization initiatives across the organization especially in the logistics function have ensured a much higher fill rate for our customers in order for us to be present consistently across channels. Our service organization continues to evolve in line with changing customer preferences for their service needs.

2020-21 will be a test for many companies as they grapple with the challenges posed by the external environment. With the strong momentum behind us and a very clear strategy to win, we are confident that we would continue to grow.

I would like to thank our employees, our trade and supply chain partners and most importantly you, our shareholders for your continued support and trust in the business."

"This has been another outstanding year for our company despite the lockdown in March. We continued to deliver strong results across all financial levers as well as market share gains in the mass market segments.

I would like to thank Mr. Sunil D'Souza, who has decided to move on, for his strong leadership over the last 4 years. Our company has created significant value for our stakeholders under his leadership.

The COVID19 pandemic is a grave health and economic crisis in our country. Every crisis presents an opportunity and I have no doubt that we will come out much stronger from this."

ARVIND UPPAL

CHAIRMAN - WHIRLPOOL OF INDIA LIMITED



"2019 - 20 was another year of strong performance for Whirlpool. We achieved a total income of Rs 6121 cr, which is a growth of 11% over previous year. The growth percentage would have read even better had the lockdown not impacted in the later part of March 2020. This strong growth was driven by both volume and mix actions. PAT for the year was Rs 476 cr, up 17% vs previous year. We continued to work on cost optimization actions across levels. We ploughed back resources into strengthening the brand and efficiency enhancement projects in supply chain and service. We continued with investments to meet our growth aspirations in the years to come. The total addition to Fixed Assets at Rs 304 cr was 72% higher vs previous year. This includes the capitalization of the new Refrigerator line in Pune to add to the overall capacity with state of the art technology. Throughout the year, we were able to drive multiple efficiencies in working capital management. Riding on a strong performance over the years, we closed March 2020 with a healthy cash balance of Rs 1274 cr in our books. With a strong balance sheet, Whirlpool is as ready as ever to maximise the value generation for all its stakeholders in the coming years"

YATIN MALHOTRA

CHIEF FINANCIAL OFFICER - WHIRLPOOL OF INDIA LIMITED





# Every day, care.



Not once a week. Not once a birthday.  
Not once an anniversary. But every day. In  
every little day-to-day way.

Whether it's a bedtime story for the little  
one after a long day. Or that home-made  
pizza you surprise Dadu with.

Whether it's that crisp white shirt on  
the hanger for her first day on the job.  
Or that extra ginger you put in your  
sister's tea.

You show you care, every day. In your  
own, very special way.

That's why we make our appliances  
with 6<sup>TH</sup> SENSE® Technology,  
to sense what you need and help  
you care for the ones you love.  
Making it just a little easier.

Every moment. Every hour. Every day.



# Care is adapting to the many different needs.

WHIRLPOOL  
**IntelliFresh**  
CONVERTIBLE<sup>#</sup>

When it comes to our loved ones, we do everything possible to show that we care. We sense their needs and then adapt to them. Similarly, IntelliFresh is equipped to understand all our needs. Convertible Freezer has five different modes. The All-season mode, Chef mode, Dessert mode, Party mode and Deep Freeze mode.

So, whatever be the occasion, it's there for you. It'll turn into anything you want, to help you care with just the touch of a button.



Care is the  
gentle  
nudge  
that brings  
out the best.

WHIRLPOOL  
\* 360° BLOOMWASH  
PRO+

When it comes to the people we care for, sometimes all that's needed is a soft touch. Just the right nudge at just the right time. And we do it every day, because roughing it up rarely gives the best results. The same way, the Bloomwash Pro+ ensures that your clothes get the best cleaning results with the softest wash, with minimal fabric abrasion.

It also has an Automatic Detergent and Softener Dispenser that senses the load and dispenses the perfect amount of detergent and softener, for up to 30\* cycles.

Because sometimes, all you need is to be gentle. And that's how we care, every day.



\*Results based on internal lab tests done on select models under standard test conditions and may vary depending on testing conditions and programmes.

WHIRLPOOL

**3D COOL**

INVERTER AC

When it comes to the ones we care for the most, we make sure we listen, and that we listen well. That's how we know what they need and just when they need it. The same way, the 3D Cool Inverter AC is equipped to respond to your voice. Just ask, and you'll get it. Without having to move an inch. Plus, its 3D Cool Technology gives 60%\* faster cooling, even at extreme temperatures. All you need to do is ask. And that's how we care for you, every day.



Making sure  
to listen,  
always.  
That's care.





When you add care to the best things in life, they taste even better.



WHIRLPOOL   
**MagiCook™**  
OVEN TOASTER GRILLER

When it comes to the ones we care for, we do all we can just to make everything better for them. Better in whatever way we can. Because they deserve that. And so, just like that, the Magicook Oven Toaster Griller makes sure that all your tasty treats are tastier, crunchier and juicier than ever. With 20%\* faster cooking, it also ensures that you get all of that yummy goodness much quicker. With a taste that's better than ever. And that's how we care for you, every day.



\*Results based on external lab tests done on select recipes in select models vs. competing brands in this segment under specific testing conditions and may vary depending on testing conditions.

Freshness  
doesn't just  
come from  
nature, it  
comes  
from care.

**WHIRLPOOL**  
**ICEMAGIC PRO**  
REFRIGERATOR

When it comes to the people we care for, we want the best that nature has to offer. A healthy lifestyle needs the goodness of nature to sustain. And so, the IceMagic Pro Refrigerator keeps all your veggies and fruits absolutely garden fresh for up to 7 days\*. So, you can have the crunchiest lettuce, whenever you want. And all of that in a stunning package that will be the centerpiece of your house. And that's how we care for you, every day.



\*Results are based on internal lab testing done on select models under standard test conditions and may vary depending on testing conditions and models. Internal lab test conducted on select vegetables.



# Raising the bar of care

We strongly believe that constantly improving quality and manufacturing capacity is the reason behind our continued success and unmatched customer satisfaction. With that ideology, we have created & executed low-cost Robot Systems for Automated Assemblies, that are manufacturing better products with increased output. These affordable automation systems are flexible, adaptable and require minimum programming.



# Extending care to the community

## COMMUNITY DEVELOPMENT PROGRAM

Caring for the community brings about a positive change in the society. That's why, in villages adjoining our manufacturing facilities at Pune, Faridabad and Puducherry, the often neglected subjects of health, hygiene, nutrition and education are taken care of under our programs. With our constant efforts, we have set benchmarks and we plan to expand these flagship programs to more areas.



## EMPLOYEE ENGAGEMENT

We feel that employees are the most important part of the Whirlpool family. And that's why, we organise special programs to make them feel valued. This year's Social Connect Program gave our employees the opportunity to connect with our social projects and understand the contribution that we make to the society. We were overwhelmed by the love and warmth that was showered upon us by the community.



## COVID-19 SUPPORT

COVID-19 has come as an unprecedented challenge. As a part of the community, Whirlpool has done everything it takes to show it cares. From donating to the PM CARES Fund to distributing medical supplies like ventilators, N-95 & triple-layer masks, PPE kits, sanitisers, gloves, non-contact thermometers, we're constantly working towards flattening the curve.



## SKILL DEVELOPMENT

With more than 4000 students trained in more than 30 cities in the vocational courses of skill development, we are tirelessly working towards changing the workforce environment to make it all skilled.





# Our wall of glory



Dun & Bradstreet Corporate Awards 2019 Consumer Durables & Appliances Industry



Great Place to Work India's 25 Best Workplaces to Work in Manufacturing 2019



Awarded Superbrand 2019-20 Washing Machine and Refrigerator Category



Great Place to Work India's 30 Best Workplaces in Manufacturing 2020



Great Place to Work India's Best Companies to Work for 2020



Indian Education Network Best Corporate - Innovation on Skill Development



CSR Project of the Year Corporate Social Responsibility Summit and Awards 2019



Indian Education Network Best Corporate - Innovation on Skill Development



# Corporate information

## BOARD OF DIRECTORS:

Mr. Arvind Uppal  
Mr. Vishal Bhola  
Mr. AHBN Reddy  
Mr. Anil Berera  
Mr. Pradeep Banerjee  
Mr. Rahul Bhatnagar  
Ms. Sonu Halan Bhasin

Chairman & Non-Executive Director  
Managing Director<sup>^</sup>  
Executive Director  
Non Executive Director  
Independent Director<sup>^^</sup>  
Independent Director<sup>^^</sup>  
Independent Director

<sup>^</sup>Appointed w.e.f. 4th April, 2020.  
<sup>^^</sup>Appointed w.e.f. 19th June, 2019.

## CHIEF FINANCIAL OFFICER

Mr. Yatin Malhotra

## COMPANY SECRETARY

Ms. Roopali Singh

## STATUTORY AUDITORS

M/s MSKA & Associates (Firm Registration Number: 105047W), Chartered Accountants

## COST AUDITOR

R. J. Goel & Co. (Firm Registration Number: 000026), Cost Accountants

## SECRETARIAL AUDITOR

N.C. Khanna, Practicing Company Secretary (C. P. No. 5143)



Whirlpool Range of Home Appliances

## BANKERS:

Citibank, N.A., BNP Paribas, The Hongkong and Shanghai Banking Corporation Limited, State Bank of India, Bank of America, N.A., The Bank of Nova Scotia, MUFG Bank, HDFC Bank Limited, RBL Bank Limited, Punjab National Bank, Bank of India

## REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited  
Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block,  
Near Savitri Market, Janakpuri, New Delhi-110058

## REGISTERED OFFICE:

Plot No. A- 4, MIDC, Ranjangaon, Taluka- Shirur,  
District- Pune, Maharashtra-412 220.

## CORPORATE OFFICE:

Plot No. 40, Sector- 44,  
Gurugram, Haryana-122 002

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### THE COMPANY'S GOVERNANCE PHILOSOPHY

Whirlpool is committed to operating sustainably and to creating shareholder value over the long-term. The Company believes that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. We have a sound corporate governance structure in place to oversee this commitment.

Our Board of Directors are committed to overseeing Company's integration of environmental, social, and governance principles throughout the Company. We believe we have a responsibility to leave the world a better place now and for generations to come and we forge ahead as we have always done: doing the right thing, the right way, with integrity.

Your Company has in place an Integrity Manual (Code of Conduct) for its employees including the Managing Director and the Executive Directors. Your Company also has a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act").

Your Company is in compliance with the requirements stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

### Board of Directors

#### Composition

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors. As on 31<sup>st</sup> March, 2020, the Board comprised of seven directors, consisting of a non-executive and non-independent Chairman, a Non-Executive Director, two Executive Directors and three Independent Directors, including Ms. Sonu Bhasin, a woman Director. The profile of Directors can be accessed at [https://corporate.whirlpoolindia.com/discover/board\\_of\\_directors](https://corporate.whirlpoolindia.com/discover/board_of_directors). The Board members have diverse experience and expertise and provide external perspective and strategic direction to the Company's management. The Board periodically evaluates its structure.

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. During the year following changes were made to the Board of Directors:

- Pursuant to the provisions of the Act, Ms. Sonu Halan Bhasin was appointed as an Independent Director of the Company for the first term of 5 years from 01<sup>st</sup> April, 2014 till 31<sup>st</sup> March, 2019 at the 53<sup>rd</sup> Annual General Meeting of the Company held on 14<sup>th</sup> August, 2014. Board of Directors of the Company at its meeting held on 04<sup>th</sup> February, 2019, pursuant to the provisions of the Act and subject to approval of the shareholders by way of Special Resolution, after considering the performance evaluation and the recommendation of the Nomination and Remuneration Committee, approved her re-appointment as Independent Director for a second term of five consecutive years from 01<sup>st</sup> April, 2019 upto 31<sup>st</sup> March, 2024. Her re-appointment was thereafter approved by the shareholders at the 58<sup>th</sup> Annual General meeting held on 13<sup>th</sup> August, 2019.
- On 19<sup>th</sup> June, 2019, the Company adopted a retirement policy for the Directors. As per the policy, the retirement age for the managing director and executive directors is 60 years and for the independent or non-executive directors is 70 years.
- Pursuant to above and due to personal reasons, Mr. Anand Narain Bhatia and Mr. Sanjiv Verma, tendered their resignation as Independent Director of the Company effective from 19<sup>th</sup> June, 2019 and confirmed that there were no other material reasons for their resignation.
- On the recommendation of the Nomination and Remuneration Committee and subject to approval of the shareholders, the Board of Directors at its meeting held on 19<sup>th</sup> June, 2019, appointed Mr. Rahul Bhatnagar (DIN: 07268064) and Mr. Pradeep Jyoti Banerjee (DIN: 02985965) as Independent Directors of the Company with effect from 19<sup>th</sup> June, 2019 pursuant to Section 161(1) and Section 149 of the Act, for a term of five consecutive years to hold office from 19<sup>th</sup> June, 2019 till 18<sup>th</sup> June, 2024. Their appointment was confirmed by shareholders at the 58<sup>th</sup> Annual General Meeting of the Company held on 13<sup>th</sup> August, 2019.
- On the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 07<sup>th</sup> November, 2019 approved the appointment of Mr. Anil Berera as Executive Director for the period 03<sup>rd</sup> November, 2019 to 31<sup>st</sup> December, 2019. The Board also approved the continuation of his directorship as Non-Executive director with effect from

01<sup>st</sup> January, 2020. The said appointment of Mr. Anil Berera as Executive Director is subject to approval of the shareholders at the ensuing Annual General meeting.

- Mr. Sunil D'Souza, then Managing Director of the Company, decided to pursue interests outside the organisation and accordingly pursuant to his resignation, he ceased to be a director on the board of the Company with effect from 03<sup>rd</sup> April, 2020.
- On the recommendation of the Nomination and Remuneration Committee and subject to approval of the shareholders, the Board of Directors at its meeting held on 07<sup>th</sup> February, 2020 appointed Mr. Vishal Bhola (DIN: 08668079) as Additional Director designated as Managing Director with effect from 04<sup>th</sup> April, 2020 for a term of five consecutive years to hold office from 04<sup>th</sup> April, 2020 till 03<sup>rd</sup> April, 2025.

Further details of the Directors seeking appointment/re-appointment are available in the Director's Report and the Notice of the 59<sup>th</sup> Annual General Meeting.

Details of Category, attendance, directorship and committee position of Directors as on 31<sup>st</sup> March, 2020:

Name of Director	Category	No. of Board Meeting held during the year 2019-20		Whether attended last AGM held On Tuesday 13 <sup>th</sup> August, 2019	No. of directorship in other companies	No. of committee position held in other public companies	
		Held	Attended			Chairman	Member
Mr. Arvind Uppal	Chairman Non-Executive Non-Independent	6	6	Yes	4	1	1
Mr. Sunil D'Souza	Managing Director	6	6	Yes	1	-	-
Mr. Anil Berera*	Non-Executive Director	6	6	Yes	-	-	-
Mr. Anand Bhatia**	Non-Executive Independent Director	6	1	NA	NA	NA	NA
Mr. Sanjiv Verma**	Non-Executive Independent Director	6	1	NA	NA	NA	NA
Ms. Sonu Bhasin***	Non-Executive Independent Director	6	6	Yes	5	1	-
Mr. AHBN Reddy	Executive Director	6	6	Yes	-	-	-
Mr. Rahul Bhatnagar****	Non-Executive Independent Director	6	5	Yes	3	2	-
Mr. Pradeep Banerjee****	Non-Executive Independent Director	6	2	No	3	-	2

\*Change in designation from Executive to Non-Executive Director with effect from 01<sup>st</sup> January, 2020.

\*\*Ceased to be a Director with effect from 19<sup>th</sup> June, 2019.

\*\*\* Re-appointed as Independent Director with effect from 01<sup>st</sup> April, 2019.

\*\*\*\*Appointed as Independent Director with effect from 19<sup>th</sup> June, 2019.

#### Note:

- Directorship above excludes directorship in foreign companies and companies under Section 8 of the Act.
- As on 31<sup>st</sup> March, 2020, our Non Executive and Independent Directors hold directorship in following listed entities:

Name of Director	Name of Listed Entity	Category of Directorship
Arvind Uppal	<ul style="list-style-type: none"> <li>Akzo Nobel India Limited</li> <li>Gulf Oil Lubricants India Limited</li> </ul>	Independent Director
Sonu Halan Bhasin	<ul style="list-style-type: none"> <li>Sutlej Textiles and Industries Limited</li> <li>Berger Paints India Limited</li> </ul>	Independent Director
Rahul Bhatnagar	<ul style="list-style-type: none"> <li>Rossell India Limited</li> <li>Akzo Nobel India Limited</li> </ul>	Independent Director
Pradeep Banerjee	<ul style="list-style-type: none"> <li>Gabriel India Limited</li> <li>Chambal Fertilisers and Chemicals Limited</li> </ul>	Independent Director
Anil Berera	NIL	---

- As per Regulation 17A of SEBI Listing Regulations, all directors meet the criteria of maximum number of directorship i.e., none of the directors hold directorship in more than seven listed entities or serve as an independent director in more than seven listed entities. Further, the Managing Director of the Company does not serve as an Independent Director in any listed entity.
- None of the Director is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

During the Financial Year 2019-20 the Board of Directors met six times on (i) 24<sup>th</sup> May, 2019 (ii) 19<sup>th</sup> June, 2019 (iii) 12<sup>th</sup> August, 2019 (iv) 07<sup>th</sup> November, 2019 (v) 16<sup>th</sup> December, 2019 and (vi) 07<sup>th</sup> February, 2020. The maximum gap between two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of the SEBI Listing Regulations and Secretarial Standards issued by ICSI ("Secretarial Standards").

The directors are not related to each other. Non-Executive Directors do not hold any shares in the Company.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. A formal letter of appointment as provided in the Act has been issued to the Independent Directors and disclosed on the website of the Company viz. [https://corporate.whirlpoolindia.com/discover/board\\_of\\_directors](https://corporate.whirlpoolindia.com/discover/board_of_directors)

#### Familiarization Programme

New Independent Directors inducted to the Board are familiarized through a structured induction programme. The said programme familiarizes the independent directors with the history and culture of Whirlpool, the trajectory of the Company, its growth journey, the present structure and an overview of the businesses. As part of this Programme the Managing Director also provides insights into the long term vision, strategy and plans of the Company. As a part of the induction programme, the Independent Directors also visit the Company's manufacturing locations. The details regarding Independent Directors' Familiarization Programme are given under the Investor section on the website of the Company and can be accessed at <https://corporate.whirlpoolindia.com/dam/images/discover-whirlpool/updated-pdfs/familiarization-programme-for-independent-directors.pdf>

#### Separate Meeting of Independent Directors

During the financial year, a meeting of the Independent Directors of the Company, without the presence of Executive Directors or Management representatives was held on 24<sup>th</sup> May, 2019, at the Corporate Office of the Company and was attended by all Independent Directors. The Independent Directors inter-alia discussed the performance of Non-Independent Directors; the Board & the Chairperson of the Company and also the quality, quantity and timely flow of information to the Board.

### 3. Committees of the Board

#### (i) Audit Committee

##### Composition, Meetings and Attendance

As on 31<sup>st</sup> March, 2020 the Audit Committee comprised of 4 (Four) Non-Executive Directors including 3 (three) Independent Directors. The constitution of the Committee is in line with the provisions of Sec 177 of the Act and SEBI Listing Regulations.

During the Financial Year 2019-20, the Audit Committee met four times on (i) 24<sup>th</sup> May, 2019 (ii) 12<sup>th</sup> August, 2019 (iii) 07<sup>th</sup> November, 2019 and (iv) 07<sup>th</sup> February, 2020. The time gap between any two meetings was less than one hundred and twenty days.

The details of the member, Chairperson and attendance at meetings are as under:

Name of Member	Category	Status	No. of meetings held during the financial year 2019-20	Attended
Mr. Anand Bhatia*	Independent Non- Executive Director	Chairman	4	1
Mr. Sanjiv Verma*	Independent – Non-Executive Director	Member	4	1
Ms. Sonu Bhasin	Independent Non-Executive Director	Member	4	4
Mr. Arvind Uppal	Non-Independent Non-Executive Director	Member	4	4
Mr. Rahul Bhatnagar**	Independent Non-Executive Director	Chairman	4	3
Mr. Pradeep Banerjee**	Independent Non-Executive Director	Member	4	2

\*Ceased to be a member with effect from 19<sup>th</sup> June, 2019.

\*\* Appointed with effect from 19<sup>th</sup> June, 2019.

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Act and Regulation 18 of SEBI Listing Regulations, as applicable, besides other terms as referred by the Board of Directors.

During the year, the Committee was reconstituted wherein Mr. Anand Bhatia and Mr. Sanjeev Verma ceased to be members of the Committee with effect from 19<sup>th</sup> June, 2019. Mr. Rahul Bhatnagar and Mr. Pradeep Banerjee were appointed as members of the Committee with effect from 19<sup>th</sup> June, 2019. Further Mr. Rahul Bhatnagar was appointed as Chairperson of the Audit Committee. Mr. Bhatnagar is an astute professional possessing great depth of experience and sound financial and accounting knowledge.

Members of this Committee are financially literate and possess a sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Internal Auditors and the representative of the Statutory Auditors are permanent invitees to the Audit Committee meetings. The Chairperson, by practice, extends the invite for the meeting to the Managing Director and Chief Financial Officer.

The previous Annual General Meeting ("AGM") of the Company was held on 13<sup>th</sup> August, 2019 and was attended by the Chairman of the Audit Committee.

#### Terms of Reference

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by Regulation 18 of SEBI Listing Regulations. The functioning and terms of reference of the Audit Committee including the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of the Act and SEBI Listing Regulations.

The role & responsibilities and terms of reference of the Audit Committee inter alia include:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements



- Disclosure of any related party transactions
  - Qualifications in the draft audit report
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with internal auditors of any significant findings and follow up thereon;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Discussion with statutory auditors, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii. Reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Committee is regularly updated on the statutory and regulatory amendments including Act and SEBI Listing Regulations and the enhanced role and responsibilities of the Committee.

## (ii) Nomination and Remuneration Committee

### Composition, meetings and attendance

As on 31<sup>st</sup> March, 2020 the Nomination and Remuneration Committee of the Company comprised of 5 (five) Non-Executive Directors including 3 (three) Independent Directors, Chairman being Non-Executive and Independent Director. The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

The details of the member, Chairperson and attendance at meetings are as under:

Name of Member	Category	Status	No. of meetings held during the financial year 2019-20	Attended
Mr. Anand Bhatia*	Independent – Non-Executive Director	Chairman	5	1
Mr. Sanjiv Verma*	Independent – Non-Executive Director	Member	5	1
Ms. Sonu Bhasin	Independent – Non-Executive Director	Member	5	5
Mr. Arvind Uppal	Non-Executive Director	Member	5	5

Name of Member	Category	Status	No. of meetings held during the financial year 2019-20	Attended
Mr. Rahul Bhatnagar**	Independent – Non-Executive Director	Member	5	3
Mr. Pradeep Banerjee**	Independent – Non-Executive Director	Chairman	5	1
Mr. Anil Berera***	Non-Executive Director	Member	5	1

\*Ceased to be a member with effect from 19<sup>th</sup> June, 2019.

\*\*Appointed with effect from 19<sup>th</sup> June, 2019.

\*\*\*Appointed with effect from 07<sup>th</sup> February, 2020.

During the year under review, five meetings of the Nomination and Remuneration Committee were held on (i) 24<sup>th</sup> May, 2019 (ii) 19<sup>th</sup> June, 2019 (iii) 07<sup>th</sup> November, 2019 (iv) 16<sup>th</sup> December, 2019 and (v) 07<sup>th</sup> February, 2020.

During the year, the Committee was reconstituted wherein Mr. Anand Bhatia and Mr. Sanjiv Verma ceased to be members of the Nomination & Remuneration Committee with effect from 19<sup>th</sup> June, 2019 and Mr. Rahul Bhatnagar and Mr. Pradeep Jyoti Banerjee were appointed as members of the Committee with effect from 19<sup>th</sup> June, 2019. Further Mr. Pradeep Banerjee was appointed as Chairman of the Nomination & Remuneration Committee w.e.f. 19<sup>th</sup> June, 2019. Mr. Anil Berera was also appointed as member of the Nomination & Remuneration Committee w.e.f. 07<sup>th</sup> February, 2020.

The Company complies with the provisions related with Nomination and Remuneration Committee in terms of Regulation 19 of SEBI Listing Regulations as well as in terms of the provisions of Section 178 of the Act.

**Terms of reference** of the Nomination and Remuneration Committee are as per the guidelines set out in the Act and SEBI Listing Regulations that inter alia includes:

- a. The formation of policy for determining qualifications, positive attributes and independence of a director and remuneration for the directors, key managerial personnel and other Senior Management and recommending the same to the Board;
- b. The formulation of criteria for evaluation of performance of independent directors and the board of directors;
- c. Devising a policy on diversity of Board of Directors;
- d. Identification of persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria as per the policy approved by the Board;
- e. The formulation of criteria and carryout evaluation of each Director's performance and performance of the Board as a whole;
- f. The recommendation of remuneration for the Directors and Senior Management to remain competitive in the industry, to attract and retain good talent and appropriately reward the employees and directors for their performance and contribution to the business.

### Core skills, expertise & competencies

The Company has eminent individuals from diverse fields as Directors on its Board, who bring in the required skills, competence and expertise that are required for making effective contributions to the Board. The Board of Directors in the context of the Company's business, identified the below set out core skills/ expertise/ competencies for effective functioning of the Board:

- **Leadership:** Ability and experience in leading critical areas for large corporations and having astute knowledge of the business environment, complex business processes, strategic planning, risk management, etc.  
**Names of Directors:** Arvind Uppal, Anil Berera, Pradeep Banerjee, Rahul Bhatnagar, Vishal Bhola.
- **Strategic Insights:** Expertise and experience of evaluating business strategic opportunities to determine long term strategic fit with business, strong value creation, potential and clear execution capabilities.  
**Names of Directors:** Arvind Uppal, Anil Berera, Pradeep Banerjee, Rahul Bhatnagar, Sonu Halan Bhasin, Vishal Bhola.

- **Innovation & Product Development knowledge:** Product leadership is key to Company's growth and success. Directors with expertise in understanding emerging trends and innovations can provide unique perspectives on product development and innovation strategy which makes business more competitive and sustainable.

**Names of Directors:** Arvind Uppal, AHBN Reddy, Vishal Bhola

- **Financial Acumen:** Commercial and financial acumen to critique Company's financial performance and evaluate Company's strategies and action plans in the context of their financial outcomes. Proficiency and experience of complex financial reporting processes, internal controls, risk management frameworks and emerging financial trends.

**Names of Directors:** Anil Berera, Rahul Bhatnagar, Sonu Halan Bhasin

- **Understanding of industry and operations:** Experience and knowledge of the operations, key growth drivers, distribution and manufacturing strategies, business environment and changing trends in the consumer industry.

**Names of Directors:** Arvind Uppal, Anil Berera, AHBN Reddy, Pradeep Banerjee, Vishal Bhola

- **Governance and Regulatory Knowledge:** Understanding of the legal ecosystem, regulations, which impact the Company and possess knowledge on matters of regulatory compliance, governance.

**Names of Directors:** Arvind Uppal, AHBN Reddy, Anil Berera, Pradeep Banerjee, Rahul Bhatnagar, Sonu Halan Bhasin, Vishal Bhola.

#### Performance Evaluation

In terms of the requirement of the Act and the SEBI Listing Regulations, an annual performance evaluation was undertaken to assess the performance, with the aim to improve the effectiveness of the Board and the Committees. During the year, the Board Evaluation cycle was completed by the Company internally which included the evaluation of the Board as a whole, Committees and individual Directors. Basis the evaluation, the Board of Directors expressed their satisfaction with the performance evaluation process. Further based on the affirmation received from the independent directors, the Board is of the opinion that the independent directors fulfill the conditions specified in the SEBI Listing Regulations and the Act and are independent of the management.

#### Remuneration Policy

In adherence of section 178(1) of the Act, the Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee had approved and adopted the policy for directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a director.

The broad parameters covered under the Policy are – Company Philosophy, Guiding Principles, Nomination Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (Other than Managing/ Whole-time Directors), Key-Executives and Senior Management. The detailed terms of reference of the Nomination and Remuneration Committee is contained in the "Nomination and Remuneration Committee Charter" which is available under the Investor section on the website of the Company at [https://corporate.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/charter-nrc\\_whirlpool\\_r-vised-pdf/Charter-NRC\\_Whirlpool\\_R-vised.pdf](https://corporate.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/charter-nrc_whirlpool_r-vised-pdf/Charter-NRC_Whirlpool_R-vised.pdf)

#### Director's Remuneration

##### Non-Executive-Non Independent Directors and Independent Directors

The Non-Executive-Non Independent Directors and Independent Directors are entitled to sitting fees for attending meetings of the Board, and its Committees. They were paid a sitting fee of INR 1,00,000 for every meeting of the Board and the Audit Committee and INR 75,000 for each Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee meeting.

They are also reimbursed all travelling and other expenses incurred by them in connection with attending meetings of the Board of Directors or of Committees thereof or which they may otherwise incur in the performance of their duties as Directors. Apart from above, Independent Directors do not have any pecuniary relationship or transaction with the Company.

#### Remuneration paid to Executive Directors in financial year 2019-20

(INR in Lacs)

Name of the Director	Basic Salary	Allowances	Perquisites	Performance Bonus	PF Contribution	Cash Incentive	ESOP from Whirlpool Corporation	Total
Mr. Sunil D'Souza, Managing Director	75.01	181.12	55.30	156.49	9.00	22.56	231.15	730.63
Mr. Anil Berera, Executive Director (upto 31 <sup>st</sup> December, 2019)	72.47	259.75	3.94	–	8.69	7.69	32.63	385.17
Mr. AHBN Reddy, Executive Director	34.14	60.74	1.93	17.03	4.10	–	10.71	128.65

#### Other Terms

- Performance Bonus are based on performance review of the Key Responsibility Areas (KRAs) and other measurable indicators along with performance of the organization, profitability and other financial indicators.
- Notice Period – 3 Months, Severance Fees – NIL, Stock Options – NIL
- ESOP from Whirlpool Corporation, ultimate holding company.
- Total remuneration above does not include Gratuity and Leave encashment.

#### (iii) Stakeholders' Relationship Committee

##### Composition, meetings and attendance

As on 31<sup>st</sup> March, 2020 the Stakeholders Relationship Committee comprised of 3 (three) members who are all Non-Executive Directors. The Company Secretary of the Company acts as Secretary of the Stakeholders Relationship Committee.

The name of the members, Chairperson and attendance of members, is given below:

Name	Category	Status	No. of meetings held during the financial year 2019-20	Attended
Mr. Anand Bhatia*	Independent – Non Executive Director	Chairman	6	2
Mr. Arvind Uppal**	Non- Executive Director	Chairman	6	6
Mr. Anil Berera	Non-Executive Director	Member	6	5
Mr. Pradeep Banerjee***	Independent – Non Executive Director	Member	6	2

\*Ceased to be a member with effect from 19<sup>th</sup> June, 2019.

\*\*Appointed as Chairman with effect from 19<sup>th</sup> June, 2019.

\*\*\*Appointed with effect from 19<sup>th</sup> June, 2019.

During the Financial Year 2019-20, the Committee met six times on (i) 15<sup>th</sup> April, 2019 (ii) 24<sup>th</sup> May, 2019 (iii) 12<sup>th</sup> August, 2019 (iv) 11<sup>th</sup> October, 2019 (v) 07<sup>th</sup> November, 2019 and (vi) 07<sup>th</sup> February, 2020

Ms. Roopali Singh, Company Secretary is the Compliance Officer of the Company.

Consequent to resignation from Directorship of the Company w.e.f. 19<sup>th</sup> June, 2019, Mr. Anand Bhatia ceased to be a member of the Stakeholder Relationship Committee. Mr. Pradeep Banerjee was appointed as a Member and Mr. Arvind Uppal was appointed as the Chairman of the Stakeholder Relationship Committee w.e.f. 19<sup>th</sup> June, 2019.



**Terms of Reference**

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, issuance of duplicate shares, exchange of new share certificates, recording dematerialization/ rematerialization of shares and related matters.

The Committee reviews the measures taken for effective exercise of voting rights by shareholders and adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent. The Committee also reviews the various measures taken for reducing the quantum of unclaimed dividends and ensures timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Company attends to the investors' grievances/ correspondence expeditiously except in the cases that are constrained by disputes or legal impediments. Details of complaints received and resolved by the Company during the Financial Year 2019-20 are given below:

No. of shareholders complaints at the beginning of the year 01 <sup>st</sup> April, 2019.	3
No. of shareholders complaints received during the year ended 31 <sup>st</sup> March, 2020	19
No. of complaints resolved during the year ended 31 <sup>st</sup> March, 2020	22
Number of complaints pending as on 31 <sup>st</sup> March, 2020.	0

**(iv) Corporate Social Responsibility (CSR) Committee****Composition, meetings, and attendance**

As on 31<sup>st</sup> March, 2020 the Corporate Social Responsibility Committee comprised of 3 (three) members who are all Non-Executive Directors. The Company Secretary of the Company acts as Secretary of the Corporate Social Responsibility Committee.

The name of members, Chairperson and attendance at meeting are given below:

Name	Category	Status	No. of meetings held during the financial year 2019-20	Attended
Mr. Arvind Uppal	Non-Executive Director	Chairman	1	1
Mr. Anil Berera	Non-Executive Director	Member	1	1
Mr. Sanjiv Verma*	Independent – Non-Executive Director	Member	1	1
Mr. Rahul Bhatnagar**	Independent – Non-Executive Director	Member	1	NA

\*Ceased to be a member with effect from 19<sup>th</sup> June, 2019.

\*\*Appointed with effect from 19<sup>th</sup> June, 2019.

During the Financial Year 2019-20 the Committee met once on 24<sup>th</sup> May, 2019.

Consequent to the resignation of Mr. Sanjiv Verma, from Directorship of the Company w.e.f. 19<sup>th</sup> June, 2019, he ceased to be a member of the Corporate Social Responsibility Committee. Mr. Rahul Bhatnagar was appointed as a member of the Corporate Social Responsibility Committee.

**Terms of Reference**

Terms of Corporate Social Responsibility (CSR) Committee are as per the provisions of section 135 of the Act and SEBI Listing Regulations which inter alia include formulation and recommendation to the Board, a CSR Policy and recommendation on the amount of expenditure to be incurred on the various CSR activities and monitoring of the CSR Policy of the Company.

**(v) Executive Committee of the Board**

The Board has an Executive Committee to look into the operational matters viz management of Bank account, authority matrix, authorization for business purposes etc. As on the date of this report the members of the Committee are Mr. Vishal Bhola, Managing Director and Mr. AHBN Reddy, Executive Director.

Mr. Anil Berera and Mr. Sunil D'Souza ceased to be members of the Committee with effect from 07<sup>th</sup> February, 2020 and 03<sup>rd</sup> April, 2020 respectively. Mr. Vishal Bhola was appointed as a member of the Committee with effect from 04<sup>th</sup> April, 2020.

**(vi) Risk Management Committee of the Board**

Pursuant to requirements of SEBI Listing Regulations, the Board of Directors at their meeting held on 04<sup>th</sup> February, 2019 constituted the Risk Management Committee. As on 31<sup>st</sup> March, 2020 Mr. Sunil D'Souza, Mr. AHBN Reddy and Mr. Yatin Malhotra were members of the Committee.

Mr. Anil Berera and Mr. Sunil D' Souza ceased to be members of the Committee with effect from 07<sup>th</sup> February, 2020 and 03<sup>rd</sup> April, 2020 respectively. The Board appointed Mr. Vishal Bhola as member of the Committee with effect from 04<sup>th</sup> April, 2020. As on the date of this report the members of the Committee are Mr. Vishal Bhola, Managing Director, Mr. AHBN Reddy, Executive Director and Mr. Yatin Malhotra, Chief Financial Officer. Mr. Vishal Bhola is the Chairman of the Committee and the Company Secretary acts as the Secretary of the Committee.

During the financial year ended 31<sup>st</sup> March, 2020, the Risk Management Committee met once on 24<sup>th</sup> May, 2019 for reviewing the Company level risks and mitigation plans and actions.

The **Terms of Reference** of the Risk Management Committee broadly covers:

- Reviewing the Risk Management Framework of the Company, risk management processes and practices followed and to ensure that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- Evaluate significant risk exposures including Cyber risks. Assess adequacy of the insurance coverage and assess management's actions to mitigate the exposures.
- Report & recommend to the Board annually on the effectiveness of the Risk Management system and the mitigation plans.

**4. GENERAL BODY MEETINGS**

Details of the Annual General Meeting held in the last three years along with special resolutions passed thereat:

Year	Day, Date & Time	Place	Particulars of Special Resolutions passed
2017	Monday, 18 <sup>th</sup> September, 2017 at 11:00 A.M.	Whirlpool of India Ltd. Plot No. A-4 , MIDC, Ranjangaon, Taluka: Shirur, Dist : Pune, Maharashtra	No resolution was passed as Special Resolution.
2018	Monday, 17 <sup>th</sup> September, 2018 at 11:00 A.M.	Whirlpool of India Ltd. Plot No. A-4 , MIDC , Ranjangaon, Taluka: Shirur, Dist : Pune, Maharashtra	1. Remuneration payable to Mr. Arvind Uppal (DIN: 00104992) as Non-Executive Chairman of the Company. 2. Appointment of Mr. Arumalla Hari Bhavanarayana Reddy (DIN: 08060227) as Executive Director. 3. Revision in remuneration payable to Mr. Anil Berera (DIN: 00306483), Executive Director.
2019	Tuesday, 13 <sup>th</sup> August, 2019 at 11:00 A.M.	Whirlpool of India Ltd. Plot No. A-4 , MIDC, Ranjangaon, Taluka: Shirur, Dist : Pune, Maharashtra	Re-appointment of Ms. Sonu Halan Bhasin (DIN: 02872234) as Independent Director of the Company.

No resolution was passed by postal ballot during the year under review and none of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing of a resolution by way of Postal Ballot.

**5. MEANS OF COMMUNICATION**

The quarterly, half yearly and annual results of the Company are published in leading newspapers which include Financial Express (English) for All India editions and Loksatta (Marathi) Pune editions. The information regarding Financial Results, Statutory Notices, Press Releases and Presentations made to the institutional investors/analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) as well as uploaded on the Company's website.

The said information is uploaded on Company's website www.whirlpoolindia.com in the Investor Section.

**6. SHAREHOLDERS INFORMATION**
**(i) Annual General Meeting for financial year 2019-20**

Day & Date	Time	Venue
Friday, 21 <sup>st</sup> August, 2020	11:00 A.M.	Pursuant to MCA circular dated 05 <sup>th</sup> May, 2020 the Company is conducting its AGM through video conferencing/other audio visual means and hence Registered office of the Company is deemed to be the venue of the AGM.

**(ii) Financial Calendar – Financial Year – 01<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021**

Tentative dates for adoption of Quarterly Results for the quarter ending\*

June 30, 2020	August, 2020 (1 <sup>st</sup> Week)
September 30, 2020	November, 2020 (1 <sup>st</sup> Week)
December 31, 2020	February, 2021 (1 <sup>st</sup> Week)
March 31, 2021	Unaudited between April, 2021 (3 <sup>rd</sup> / 4 <sup>th</sup> week) or Audited Annual Results in May, 2020 (4 <sup>th</sup> week).

\*the Company may change or extend the date but will ensure to meet statutory timelines at all times.

**iii. Book Closure Date**

 From 08<sup>th</sup> August, 2020 to 21<sup>st</sup> August, 2020 (both days inclusive)

**iv. Dividend Payment Date**

 On or before 19<sup>th</sup> September, 2020.

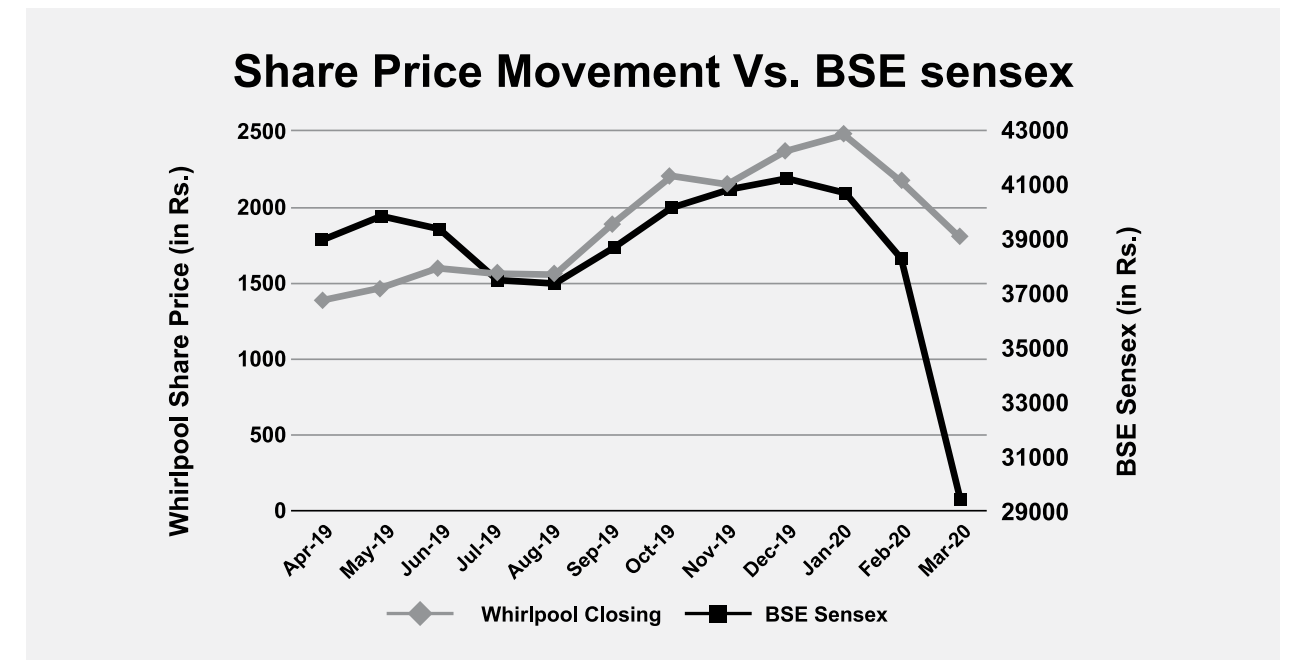
**(v) Listing on Stock Exchanges & Stock Code**

Name and address of the stock exchange	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
Stock Code	500238	WHIRLPOOL
ISIN No. for shares in DEMAT form	INE716A01013	

Annual listing fees for the financial year 2019-20 have been paid to above mentioned Stock Exchanges.

**(vi) Market Price Data**

Months	BSE		NSE	
	High Price	Low Price	High Price	Low Price
Apr-19	1,546.10	1,369.00	1,549.80	1,375.00
May-19	1,502.90	1,325.35	1,503.00	1,325.00
June-19	1,594.85	1,459.25	1,594.00	1,447.15
Jul-19	1,666.70	1,451.00	1,666.60	1,447.20
Aug-19	1,553.85	1,485.00	1,560.60	1,481.00
Sep-19	1,975.35	1,546.30	1,976.00	1,539.85
Oct-19	2,225.00	1,876.30	2,224.95	1,876.00
Nov-19	2,330.00	1,986.55	2,339.35	1,990.00
Dec-19	2,494.75	2,107.00	2,498.00	2,105.00
Jan-20	2,570.00	2,220.00	2,510.40	2,213.10
Feb-20	2,551.55	2,150.00	2,555.00	2,150.00
Mar-20	2,255.15	1,343.00	2,256.00	1,343.80

**(vii) WHIRLPOOL share price performance on monthly closing basis with S&P BSE SENSEX, for the Year 2019-20.**

**(viii) Registrar & Transfer Agents (For both shares held in physical and electronic mode)**

Link Intime India Private Limited, Noble Heights, 1st Floor, Plot NH-2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, Phone: +91 11 4141 0592, Fax: +91 11 4141 0591, Contact Person: Mr. Bharat Bhushan & Mr. Swapan Naskar.

**(ix) Share Transfer System**

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to the Registrar and Transfer Agent (RTA).

In terms of the SEBI Listing Regulations, effective from 1<sup>st</sup> April, 2019, securities of listed companies can only be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1<sup>st</sup> April, 2019 and returned due to deficiency in the document. Shareholders are advised to dematerialise their shares held by them in physical form. Requests for dematerialisation of shares are processed by RTA and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

A summary of all the transfers/ transmissions and other requests and complaints etc. are placed before the Stakeholder Relationship Committee at its meeting. The Company obtains a certificate from a Company Secretary in practice on half yearly basis on compliance with Regulation 40(9) of the SEBI Listing Regulations, and the same is filed with the Stock Exchanges.

**(x) Shareholding Pattern as on 31<sup>st</sup> March, 2020**

Category	Total Shares	Percent (%) to paid up capital
Foreign Promoter Company	95,153,872	75.00
Mutual Funds	10,339,919	8.15
Alternate Investment Funds	1,746,896	1.38
Foreign Portfolio Investor	4,796,204	3.78
Financial Institutions/Banks	229,105	0.18
Insurance Companies	1,136,692	0.90
Foreign Bank	85	0.00

Central Government/State Government	633	0.00
Public	10,227,979	8.06
NBFCs registered with RBI	26,000	0.02
Others - i) Trusts	2,010	0.00
ii) Foreign Nationals	39	0.00
iii) Hindu Undivided Family	343,375	0.27
iv) Non Resident Indians	626,134	0.49
v) Clearing Members	106,784	0.08
vi) Bodies Corporate	2,136,103	1.68
<b>TOTAL</b>	<b>126,871,830</b>	<b>100.00</b>

**(xi) Distribution of Shareholding as on 31<sup>st</sup> March, 2020 (folio wise)**

No. of Equity Shares		No. of Shareholders		No. of Shares	
From	To	Number	% Total	Number	% Total
1	500	59,509	94.5909	4,533,869	3.5736
501	1000	1,861	2.9581	1,361,808	1.0734
1001	2000	732	1.1635	1,056,983	0.8331
2001	3000	242	0.3847	611,418	0.4819
3001	4000	94	0.1494	334,573	0.2637
4001	5000	81	0.1288	372,400	0.2935
5001	10000	137	0.2178	983,025	0.7748
10001	above	256	0.4069	117,617,754	92.7060
<b>TOTAL</b>		<b>62,912</b>	<b>100.00</b>	<b>126,871,830</b>	<b>100.00</b>

**(xii) Dematerialization & Liquidity of Shares**

The Company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). As on 31<sup>st</sup> March, 2020 12,57,20,837 equity shares of the Company, forming 99.09% of total paid up equity shares are in dematerialized mode.

**(xiii) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instrument, conversion date and likely impact on equity:-**

The Company does not have any Outstanding GDRs/ ADRs/ Warrants or any Convertible Instrument.

**(xiv) Plant Locations of the Company**

1	28 N.I.T., Faridabad -121001, Haryana
2	A-4 MIDC Ranjangaon, Taluka – Shirur, District – Pune – 412220, Maharashtra
3	Village Thirubhuvanai, Puducherry- 605001

**(xv) Address for Correspondence**

The shareholders may address their communications/ suggestions/ grievances/ queries to:

<b>Registered Office</b> Whirlpool of India Limited Plot No. A-4 MIDC, Ranjangaon, Taluka- Shirur Distt. - Pune, Maharashtra - 412220 Telephone No. 02138-660100, Fax No. 02138-232376 Email: compliance_officer@whirlpool.com	<b>Corporate Office</b> Whirlpool of India Limited Plot No. 40, Sector- 44, Gurugram- 122 002 Telephone No. 0124-4591300 Fax No. 0124-4591301 Email: compliance_officer@whirlpool.com
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**(xvi) Credit Rating**

Company has not issued any debt instruments or any fixed deposit programme and has not obtained any Credit Ratings for the same.

**7. OTHER DISCLOSURES****(i) Related Party Transactions**

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of the Act and Regulation 23 of SEBI Listing Regulations. Further, the Company also reviewed the said Policy during the year.

The policy has been disclosed on the website of the Company at [www.whirlpoolindia.com](http://www.whirlpoolindia.com). Web link for the same is <https://corporate.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/related-party-transaction-policy-pdf/related-party-transaction-policy.pdf>

The Company has not entered into any transactions of material nature during the year (exceeding 10% of the annual consolidated turnover of the Company) with its Directors, Key Managerial Personnel or any other related party that may have a potential conflict with the interests of the Company.

**Policy for determining 'material' subsidiaries**

Company does not have any subsidiary and will formulate policy for determining 'material' subsidiaries as and when required.

**(ii) Compliance by the Company**

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India (the SEBI) including:

- Corporate governance requirements as specified under sub-para 2 to 10 of the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015;
- Regulation 17 to 27 and clauses (b) to (i) of sub-regulation 45 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015; and
- Accounting Standards issued by the Institute of Chartered Accountants of India.

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to Capital Market transactions during the last three financial years.

**(iii) Integrity Manual/Whistle Blower Policy/Vigil Mechanism**

The Company's Integrity Manual (Code of Ethics), is its statement of values and represents the standard of conduct which all employees are expected to observe in their business endeavours. The Integrity Manual translates our value of integrity into action and reflects the Company's commitment to principles of integrity, transparency and fairness.

The Company has a robust Whistle Blower Policy that provides a formal mechanism for employees of the Company to approach their Supervisor/ Respective HR/ Legal Department or through a dedicated Hotline numbers and make protective disclosures about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct/ Integrity Manual. The Whistle Blower Policy is an extension of the Whirlpool's Integrity Manual, which requires every employee to promptly report any actual or possible violation of the Code. The disclosures reported are addressed in a timely manner. During the year under review, no employee was denied access to the Audit Committee.

The copy of the Integrity Manual is available on the website of the Company at [https://corporate.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/code-of-conduct-and-ethics-policy-whistle-blower-policy\\_vigil-mechanism-pdf/code-of-conduct-and-ethics-policy-whistle-blower-policy\\_vigil-mechanism.pdf](https://corporate.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/code-of-conduct-and-ethics-policy-whistle-blower-policy_vigil-mechanism-pdf/code-of-conduct-and-ethics-policy-whistle-blower-policy_vigil-mechanism.pdf)

All Board members and Senior Management personnel have affirmed compliance with Code of Conduct/ Manual. The Managing Director has also confirmed and certified the same. This certification is reproduced at the end of this Report and marked as Annexure I.

A certificate from Managing Director and Chief Financial Officer on the financial statements of the Company was provided to the Board.



**(iv) Secretarial Audit Report**

The Company has undertaken Secretarial Audit for the Financial Year 2019-20 which inter alia includes audit of compliance of the Act, and the Rules made thereunder, SEBI Listing Regulations and applicable regulations prescribed by the SEBI and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit report forms part of this Report.

**(v) Commodity price risk or foreign exchange risk and hedging activities**

The Company has an adequate risk assessment and minimization system in place including for commodities. Considering the business portfolio of the Company, its exposure in none of the individual commodities which are either used as inputs for components / parts of its Products or in the Products itself, is material in the context of its overall operations, and also in terms of the 'Policy for determination of materiality of events and information for disclosure to the Stock Exchanges', as approved by the Board. The Company does not have any exposure hedged through commodities during the financial year 2019-20.

**(vi) Compliance with Discretionary Requirements**

During the year Company has complied with the mandatory requirements of the Corporate Governance as per SEBI Listing Regulations. Further Company has adopted clause C and E of the Part E of Schedule II of SEBI Listing Regulations - the non mandatory requirements.

**Modified opinion(s) in audit report (Clause C):** Audit qualifications: Company's financial statements are unqualified.

**Reporting of internal auditor (Clause E):** The internal auditor reports to the audit committee on functional matters.

**(vii) Details of utilization of funds**

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review

**(viii) Directors Non-Disqualification Certificate**

The Company has obtained a certificate from Mr. N C Khanna a company secretary in practice confirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority.

**(ix) Recommendation of the Board Committees**

All recommendations of the various committees were accepted by the Board.

**(x) Fees paid to Statutory Auditors**

During the financial year the Company paid a total fee of INR 36 Lac to M/s. MSKA & Associates, Chartered Accountants (ICAI Registration No- 105047W), Statutory Auditors of the Company which includes Statutory Audit, Consolidation Fees, Limited Review and other statutory certification fees.

**(xi) Prevention of Sexual Harassment at Workplace**

The Company values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse.

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, your Company has constituted Internal Complaint Committees (ICC) and has a well defined policy. The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. During the year, the Company has not received any complaint under the Policy.

**(xii) Dividend Policy**

The Company has adopted a Dividend Policy which has been displayed on the Company's website and can be accessed at [https://corporate.whirlpoolindia.com/dam/images/new-pdfs/Dividend\\_Distribution\\_POLICY\\_min.pdf](https://corporate.whirlpoolindia.com/dam/images/new-pdfs/Dividend_Distribution_POLICY_min.pdf)

The Dividend Distribution Policy describes the Company's philosophy of maximization of shareholders' wealth from a long term perspective. Thus, the Company would first utilize its profits for its business requirements, capital expenditure for expansion and / or diversification, earmarking cash for potential inorganic growth opportunities and thereafter distributing the surplus profits in the form of dividends to the shareholders.

It has laid down the regulatory framework for distribution of dividend, dividend declaration process and parameters for declaring dividend which includes:

- a. External Parameters – General Economic and Capital market conditions, statutory restrictions and the industry trends.
- b. Internal Parameter – Future fund requirement, provisions, retention of minimum cash for contingencies, business seasonality / volatility and other financial parameters.

It also lays down that the Company may follow any of the residual, stability, or a hybrid method while deciding on recommendation and payment of dividends.

**(xiii) Legal Compliance Reporting**

The Board of Directors reviews, on a quarterly basis, the report of compliance with respect to all applicable laws and regulations. The Company has initiated an upgrade of the Legal Compliance System.

**(xiv) Demat suspense Account**

Company does not have any shares in Demat suspense account/unclaimed suspense account.

Parameters of Statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from Statutory Auditors confirming compliance with the requirements of SEBI Listing Regulations forms part of the Annual Report.

**DECLARATION FOR CODE OF CONDUCT**

Annexure I

**Declaration for Code of Conduct**

Pursuant to Schedule V (Clause D) of the SEBI Listing Regulations, it is hereby declared that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management for the year ended March 31, 2020.

**For Whirlpool of India Limited****Vishal Bhola**  
Managing Director  
DIN No. 08668079Place: Gurugram  
Date: 18<sup>th</sup> June, 2020**Independent Auditors' Certificate on Corporate Governance****To the Members of Whirlpool of India Limited**

We, the Statutory Auditors of Whirlpool of India Limited (the 'Company'), have examined the compliance of conditions of Corporate Governance by the Company for the year ended March 31, 2020 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 ('the Regulations') and as amended from time to time.

**Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

**Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of relevant records and information and according to the explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, during the year ended March 31, 2020, as applicable.

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 MSKA & Associates**Chartered Accountants  
Firm Registration No. 105047WManish P Bathija  
Partner  
Membership No. 216706  
UDIN: 20216706AAAAC1528Place: Gurugram  
Date: June 18, 2020



**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the 59<sup>th</sup> Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended 31<sup>st</sup> March, 2020.

**Financial Results**

(INR in lacs)

Particulars	Standalone For the year ended		Consolidated For the year ended	
	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2020	31 <sup>st</sup> March 2019
Revenue from Operations	599,252	539,765	599,252	539,765
Other Income	12,871	10,470	12,871	10,470
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	80,206	74,687	80,206	74,687
Less: Depreciation/ Amortization/ Impairment	12,932	11,131	12,932	11,131
Profit /loss before Finance Costs, Exceptional items and Tax Expense	67,274	63,556	67,274	63,556
Less: Finance Costs	1,985	909	1,985	909
Profit /loss before Exceptional items and Tax Expense	65,289	62,647	65,289	62,647
Add/(less): Exceptional items	-	-	-	-
Profit before share of profit of Joint Venture and tax	65,289	62,647	65,289	62,647
Share of profit/(loss) of a Joint Venture	-	-	1,390	269
Profit before tax	65,289	62,647	66,679	62,916
Less: Tax Expense (Current & Deferred)	17,660	21,942	17,660	21,942
Profit /loss for the year (1)	47,629	40,705	49,019	40,974
Total Comprehensive Income/loss (2)	(237)	(518)	(238)	(516)
Total (1+2)	47,392	40,187	48,781	40,458
Balance of profit /loss for earlier years	180,242	146,174	180,513	146,174
Less: Transfer to Debenture Redemption Reserve	-	-	-	-
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	6,344	5,076	6,344	5,076
Less: Dividend paid on Preference Shares	-	-	-	-
Less: Dividend Distribution Tax	1,304	1,043	1,304	1,043
Balance carried forward	219,986	180,242	221,646	180,513

**Performance of the Company**

The year 2019-20 was another year of improved operating performance & financial growth. The Company had a strong revenue growth driven by both internal and external factors. Strong macroeconomic indicators drove the overall durable industry growth. In addition, our continuous focus on product leadership, channel expansion and sales execution helped us grow ahead of industry. The Company's performance has been very encouraging with 11.02% increase in Revenue from operations and 4.2% increase in Profit before Tax vs. previous year. The Company significantly scaled up its investment in fixed assets. Cost management continued to be a high focus area for the Company.

**Key Financial Ratios**

Particular	31 March 2020	31 March 2019
Debtor Turnover ratio	22.3	21.8
Inventory Turnover ratio	3.5	4.0
Interest coverage ratio	-	-
Current Ratio	2.09	1.80
Debt Equity Ratio	-	-
Operating Profit margin	9.08	9.84
Net Profit Margin	7.95	7.54
Return on Net Worth	18.70	19.00

No significant changes were reported in the above key financial ratios from previous year.

**Dividend & Transfer to Reserves**

Your Directors at its meeting held on 18<sup>th</sup> June, 2020 as per the Dividend Distribution Policy of the Company recommend the payment of a final dividend at the rate of INR 5 per share for the year ended 31<sup>st</sup> March, 2020 (previous year INR 5/- per equity share) on 126,871,830 equity shares of INR 10/- each. During the financial year, there was no amount proposed to be transferred to the Reserves.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders and accordingly payment will be made after deduction of tax at source.

The dividend recommended is in line with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is disclosed in the Corporate Governance Report and is also available at the website of the Company at <https://www.whirlpoolindia.com/dam/images/discover-whirlpool/investors/dividend-distribution-policy-pdf/Dividend%20Distribution%20Policy.pdf>.

**Share Capital**

The paid up capital of the Company as on 31<sup>st</sup> March, 2020 was INR 12,687.18 lacs. During the year under review, the Company did not issue any class or category of shares, employee stock options, convertible securities and consequently there is no change in the capital structure since previous year.

**Subsidiaries, Joint Ventures or Associate Companies**

The Company does not have any subsidiary during the period of reporting.

**Joint Venture/Associate Company**

During the year the Company held 49% shareholding of Elica PB India Private Limited (Elica India) consisting of 2,368,997 equity shares of INR 10 each. Elica India is in the business of manufacturing and selling kitchen equipment such as kitchen hoods, hobs, built in ovens, refrigerators, built in microwave ovens, dishwashers, barbecue fryers, kitchen sinks, and waste disposers.

The investment is aligned with the Company's strategy of expanding cooking and built-in business.

**Business Performance of Joint Venture - Elica PB India Private Limited**

The year 2019-20 was another year of improved operating performance & financial growth. The revenue from operations during the financial year 2019-20 increased by 15.6% over previous year.

**Capacity Enhancement**

During the year under review, the Company enhanced its Refrigerator manufacturing capacity at Pune plant by adding a new line and also increased the Refrigerator manufacturing capacity at Faridabad plant. The said expansion will help the Company to maintain and strengthen its product portfolio.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Indian durables industry started the financial year on a strong note with a good summer combined with increased access to the category with e-commerce expansion into larger delivery footprints. However, sentiments declined in the later quarters with slowdown in the economy along with a direct impact of the liquidity crisis on retail financing.

Recent developments on account of the spread of novel coronavirus in India and across the world is an unprecedented experience for all of us and we continue to monitor the developments closely and its impact on our business. From a business perspective, there are a few early themes that are emerging - change in media consumption habits, increased digital marketplace adoptions, contactless solutions, importance of hygiene are clear immediate behaviors with perhaps longer term implications on convenience of home chores, resource efficiency and carbon footprint. This situation has also drawn the consumer's focus back to homes and intent of making their home equipped with all appliances to drive convenience and make life comfortable at home.

It is expected that there will be some short term blips while the new normal emerges but the durables industry will continue to see long term growth as the fundamentals continue to be strong. The main factors that can help drive the industry in India are overall per capita growth, India's demographic divide and growth opportunities due to lower penetration rate. Experience based or next-segment purchase aspirations are fast converging across multiple categories and better access to both information along with products and services due to online channels will help fuel this further.

## CONSUMER TRENDS, DEVELOPING MARKETS / SEGMENTS

Since 2018, India's working population has grown larger than the dependent population. This reduces the dependency rate to less than 50% and increases the disposable income. The period of demographic dividend is going to continue till 2055 which will further support the growth. In contrast, the current penetration in India - is around 33% for Refrigerators, 14% for Washers and 5% for Air conditioners. With the demographic dividend, much higher growth in the overall penetration of these appliances across markets is expected.

This growth will be fuelled by organisations innovating constantly to meet the ever-evolving needs of Indian consumers. Most consumers today are adopting information centric buying and refer to an average of 3 touchpoints for gathering information before actual purchase. They are looking for product-based solutions that fit into the overall home ecosystem and are open to technology like connected appliances and products that satisfy the increasing convenience and comfort needs. The overarching goal of being able to care for both family and environment also influences appliance buying decisions. The growth and innovation spurts that most middle-income economies witnessed at the per capita income of USD 3000, India is set to witness it much before that (current per-capita income : USD 2340 as per IMF reports).

## SALES & MARKETING

Whirlpool as a brand exists to enable care. The Brand philosophy is the driving force for everything the Company does. Every feature that we innovate and every technology we provide is designed to be simple and intuitive so that it's easy to care. Our products reflect forward thinking in design, technology and utility with an underlying care for our consumers.

The above was echoed by the consumers in India when Whirlpool was recognized by **'Superbrands 2019-20'**, world's largest independent arbiter of branding, for all refrigerators and washing machines. It is an immense achievement being chosen as a Superbrand as it validates the strength of the Company's products.

During the year, along with focusing on strengthening the Company's foothold in all its categories, the Company also ensured a notable presence in the premium segments with the launch of advanced global products that are a perfect blend of design, technology and innovation. Products that not just delight with their performance, but are also reflective of the contemporary lifestyle.

- The Company launched the latest range of **3D Cool Inverter Air Conditioners**. Designed to offer Every Day Care for its consumers, the Air Conditioners are equipped with 3D Cool Technology. The unique 3-air-intake vents in the air conditioner help in faster removal of hot air from the room that ensures faster cooling even in the peak of summer. Aiding ease of usage, it can be operated via Google Home and Wifi, also equipped with 8-in-1 Intelli-convert modes that help to switch between different modes with the touch of a button and In-Built Air Purifier which purifies the air.
- The Company constantly strives to offer solutions that are meaningful and advanced while ensuring they are environmentally friendly. The Company launched the widest range of **5 Star range of Semi-Automatic** and **Top Load Washing Machines** with its proprietary 6th Sense logic to provide an incomparable wash experience.
- The Company, with the focus on offering the latest in design philosophy, extended the Bloomwash Pro design philosophy to the **Stainwash range** to capture new audiences. With the intent to infuse excitement in the Washers Category, the company introduced new colors across the WhiteMagic Classic and TurboDry ranges. These state-of-the-art machines with the new colors ensured heightened consumer interest in our offerings at the shopfloor.
- The Company introduced a new range of Single Door refrigerators, **IceMagic Pro**. Offering contemporary design, breathtaking CFMs and advanced craftsmanship, the product strikes a harmonious balance between design and performance. With its advanced 6th Sense IntelliFrost Technology, powered by Intellisensor and advanced Microprocessor, it lets the consumer enjoy freedom from defrosting and gives more uniform cooling.
- The Frost Free Refrigerator segment witnessed the launch of the Intellifresh Range with an advanced 5-in-1 Convertible Freezer. Designed to deliver utmost convenience and utility, it enables consumers to utilize the freezer space depending on their storage needs according to occasions and seasons. With the objective of driving Premium Imagery, the Company launched India's first **Premium Metallic Grey Interiors**. The product also offered **Satin chrome trims and bins** to enhance the inner aesthetics.
- With the focus on making a strong presence in the Cooking Segment, the company launched a wide range of SOLO Microwaves across capacities and offered advanced features specially designed to make every day cooking easy. Whirlpool also introduced a **range of Oven Toaster Grillers** aimed at consumers seeking convenient and fast options of cooking crunchy, tasty and juicy treats at home. This innovative range of OTG offers motorized rotisserie which helps in uniform cooking of food along with an advanced feature to control and customise temperature to ensure a perfect output.

## International Business

With the objective of increasing the market shares in SAARC nations as well as make inroads in to untapped markets, the company has undertaken several initiatives during the year.

Company's focus this year was on growing the margins, introduction of new categories and improving the efficiencies in the partner's processes.

The Company introduced a new range of Front Load washers, Air Conditioners, Chest Freezers, Microwave-ovens, etc across the SAARC markets.

All the above initiatives taken by the Company will help in setting up foundation for a consistent, sustainable business with market share gains in the coming years

## Consumer Services

The Company endeavours to build its consumer service as a competitive advantage and in this respect it took various initiatives since the last few years. In pursuit of this vision, the Company took initiatives which included "Service Promise", "Top 100 town uniform Service Strategy" & "Enhance Call Centre Experience".

Consumers have always been the center of our initiatives and the Company is continuously looking to upgrade its services for its consumers. The Company is in the process of jump shifting its Service Promise to next level. We have embarked on a digital transformation journey in Consumer Service. During the year, the Company launched a new state of the art CRM 'Magicare NXT' powered by SAP C4C. The new CRM comes with much more new possibilities to service our consumer, like Omni Channel, Real time Spares visibility & ordering, real time integration with backend system and also provides opportunities to integrate our CRM with our channels.

The Company is excited about its digital transformation journey and believes this transformation will support our vision to position Whirlpool service as a competitive advantage.

## People Excellence – Our Competitive Advantage

The Company witnessed another year of growth in business performance which is indicated by our improved performance across all key metrics - volume, revenue and EBIT. This was achieved through a strong focus on our business objectives, excellence in execution at all levels and the entire organization coming together as **'One Whirlpool'**.

The Company's HR Team has been a key strategic business partner in this journey & worked very closely with the leadership team. Our People Excellence model which forms a critical part of Whirlpool's Strategic Architecture defines key imperatives for HR. In this endeavor, various people initiatives were designed and deployed to create an **"inclusive & engaged"** workforce, creating a **high performance culture**, building a **future talent pipeline** & supporting business in adding key capacities for future growth.

## Building an Inclusive Work Environment and Engaged workforce

With ambitious growth plans and constant change in the business environment it is important that the Company has a highly **engaged & inclusive workforce**. This has been a key priority for us. The Company partnered with India's leadership team to chalk out the journey of building a highly engaged workforce. As a first step, the entire leadership team got together and identified key engagement focus areas which was based on employee engagement scores, inputs from town halls/skips and inputs from the leadership team. A year long engagement plan was rolled out focussing on providing career opportunities to employees, building a learning culture, creating a listening organisation and celebrating wins. Rigorous focus on executing plans and high involvement of the India leadership team ensured that Whirlpool India witnessed one of the highest engagement scores ever which is 90+. This coupled with the fact that there was unprecedented increase in scores related to questions concerning learning, career visibility and speed of executing plans- Thought to action.

The year gone by also witnessed a very high focus on Inclusion & Diversity actions. In this journey building an inclusive mindset was the starting point. To achieve this, a full one day workshop (**Men Advocating Real Change- MARC**) was organized with the entire India leadership team to articulate and become more aware of various unconscious biases. This led to further articulating key actions to be taken at organization level with regard to diversity actions. To ensure that there is higher sensitivity towards inclusive mindsets and behavior further down the organization levels similar workshops were conducted for people managers. There is a special focus on **building inclusion nudges** in the people processes to ensure that there is continuous and holistic focus on inclusion and diversity agenda at organizational level.

There is a very high focus on deploying communication strategy to ensure that we as an organization continuously live the moments of building an inclusive work environment and highly engaged workforce.

### Creating High Performance Organization Culture

For a growing organization like ours it is very important that we have a thriving high performance culture. In this endeavor our performance management system “**Everyday Performance Excellence**” plays an important role. During the financial year, a huge focus was on ensuring that the Company looked at performance of organization and employees holistically. Focussing on the above critical elements was fundamental in not only creating a high performance culture but also its sustained embedment. This entailed focus on embedding not only “**What**” of performance but also “**How**” part of performance. This led to holistic conversations around every aspect of performance. People leaders played an important role in these conversations. The Company continues to be on this journey of **enabling every employee in Whirlpool to bring out the best.**

### Talent - Creating a Competitive Advantage

To fuel and sustain our business growth, the Company is also focussed on creating a leadership pipeline at all levels of the organization. This required us to identify high potential talent and put in place a holistic developmental plan which covers various aspects of creating ‘**leaders of tomorrow**’.

Whirlpool’s journey of building leaders at all levels has further gained momentum in 2019. Taking the journey of ‘**Aarohan - Ascend to Excellence**’ (A structured 1 year leadership development programme for our high potential employees at middle management) forward, we launched the next batch and took the momentum of talent development forward. First batch saw a huge success and we expect to continue the impact.

In our journey in creating a learning organization we launched an online learning platform “**We Learn**”. This unique platform would enable employees to develop core functional skills & will give them a complete “On the go” access to a repertoire of knowledge & resources in the form of Videos, Articles, Audiobooks & E-Books. Whirlpool has always strived to provide learning opportunities to its employees and this intervention will go a long way in fulfilling this promise.

### Building a future pipeline

Continuing with our focus on creating a leadership pipeline at all levels, we leverage university hiring. The ‘**Young Leaders Program**’ is our flagship University Hiring Program under which we hire Management & Engineering Graduates from top tier campuses to create a future talent pipeline at the entry level of the organization. This channel of hiring serves as an important ground to acquire & groom talent for building a robust leadership pipeline for the future.

### Internal Control Systems and Adequacy

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The Company has in place adequate internal control systems and procedures to commensurate with the size and nature of business. These procedures are designed to ensure that:

- all assets and resources are acquired economically, used efficiently and are adequately protected;
- significant financial, managerial and operating information is accurate, reliable and is provided timely;
- all internal policies and statutory guidelines are complied with.

The composition and competencies of the audit team and effectiveness of internal controls is continuously reviewed by the Audit Committee. The scope of internal audit extends to all functions and locations of the Company.

### Covid-19

In the last few months of financial year 2019-20, the COVID-19 pandemic developed rapidly into a global crisis and impact of the same was also visible in India; with the government being forced to enforce lock-downs. During these difficult times the focus of your Company has been the health and safety of its employees as well taking adequate precaution to minimizing disruption to business. These are unprecedented times through which we continue to monitor the developments closely and also the consequent impact on us. Our continued focus is to ensure business continuity and your leadership team is tirelessly working to mitigate the risks.

### BOARD MEETINGS

During the Financial Year 2019-20, 6 (six) Board Meetings were held. Details of the same are available in the section ‘Meetings of the Board of Directors’, in the Corporate Governance Report.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Directors intrinsically believe in the philosophy of Corporate Governance and are committed to it for the effective functioning of the Board. Your Directors, Key Managerial Personnel and Senior Management have confirmed compliance with the Company’s Code of Conduct and Integrity Manual.

During the year under review and till the date of signing of the Director’s Report the following changes took place in the Board of Directors & Key Managerial Personnel:

- i. The Board of Directors based on performance evaluation and recommendation of Nomination and Remuneration Committee (NRC), re-appointed Ms. Sonu Bhasin as Independent Director for a term of 5 years with effect from 01<sup>st</sup> April, 2019.
- ii. The Board of Directors based on the recommendation of NRC, at its meeting held on 19<sup>th</sup> June, 2019, appointed Mr. Rahul Bhatnagar and Mr. Pradeep Banerjee as Independent Director of the Company for a term of 5 years with effect from 19<sup>th</sup> June, 2019.
- iii. Mr. Anand Bhatia and Mr. Sanjeev Verma demitted office as an Independent Director of the Company with effect from 19<sup>th</sup> June, 2019. The Board places on record its appreciation towards valuation contribution made by Mr. Bhatia and Mr. Verma during their tenure as Director of the Company.
- iv. On the recommendation of NRC and subject to approval of shareholders, Mr. Anil Berera was re-appointed as Executive Director for the period 03<sup>rd</sup> November, 2019 to 31<sup>st</sup> December, 2019. Thereafter, Mr. Anil Berera was appointed as Non-Executive Director with effect from 01<sup>st</sup> January, 2020 by the Board of Directors of the Company.
- v. Mr. Sunil D’Souza tendered his resignation as Managing Director of the Company with effect from 03<sup>rd</sup> April, 2020 to pursue interests outside the Company. The Board took note of his resignation and acknowledged his remarkable contribution towards the Company’s business.
- vi. On the recommendation of NRC and subject to approval of shareholders, Mr. Vishal Bhola was appointed as Managing Director of the Company for a term of 5 years with effect from 04<sup>th</sup> April, 2020.

The relevant resolutions, disclosures and explanatory statement are provided in the notice of 59<sup>th</sup> Annual General Meeting.

The Independent Directors of the Company have furnished certificates of Independence stating that they fulfill the criteria of independence as per the provisions of Section 149 (6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### KEY MANAGERIAL PERSONNEL

As on 31<sup>st</sup> March, 2020, Company had following Key Managerial Personnel in compliance with the provisions of Section 203 of the Companies Act, 2013.

1. Mr. Sunil D’Souza – Managing Director
2. Mr. AHBN Reddy – Executive Director
3. Mr. Yatin Malhotra – Chief Financial Officer
4. Ms. Roopali Singh – Company Secretary

However as on date of this report the Company has following Key Managerial Personnel in compliance with provisions of Section 203 of the Companies Act, 2013:

1. Mr. Vishal Bhola – Managing Director
2. Mr. AHBN Reddy – Executive Director
3. Mr. Yatin Malhotra – Chief Financial Officer
4. Ms. Roopali Singh – Company Secretary

### DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134 (5) of the Companies Act, 2013, with respect to Directors’ Responsibility Statement, the Directors to the best of their knowledge hereby state and confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DIRECTOR RETIRING BY ROTATION**

In accordance with the provisions of the Companies Act, 2013 and the Article 115 of the Articles of Association of the Company, Mr. Anil Berera retires by rotation and being eligible offers himself for re-appointment.

Proposal for his appointment is set out in the explanatory statement annexed to the notice of the 59<sup>th</sup> Annual General Meeting. The Board recommends his re-appointment.

#### **POLICY ON DIRECTOR'S APPOINTMENT & REMUNERATION**

The Board has framed a policy for nomination of any Board & Committee member and compensation of the Company's Executive Directors, Senior Management (all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager Including Chief Executive Officer/Manager, in case they are not part of the board and shall specifically include Company Secretary and Chief Financial Officer), Non-Executive Directors and Independent Directors. Pursuant to requirement of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Nomination and Remuneration Committee also recommended the remuneration of Senior Management which was approved by the Board of Directors.

The Board of Directors have identified the core skills/expertise/competencies in the context of the Company's business required from a Director for effective functioning of the Company. The adopted skills/expertise/competencies shall act as guiding factor to the Nomination and Remuneration Committee while considering candidature for the post of Director of the Company.

Remuneration Policy of the Company is based on the fundamental principles of payment for performance, potential, growth and aligning remuneration with the longer term interests of the Company and its shareholders, promoting a culture of merit recognition and creating a linkage to corporate and individual performance. The detailed terms of reference of the Nomination and Remuneration Committee is available on the website of the Company at [https://www.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/charter-nrc\\_whirlpool\\_r-vised-pdf/Charter-NRC\\_Whirlpool\\_R-vised.pdf](https://www.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/charter-nrc_whirlpool_r-vised-pdf/Charter-NRC_Whirlpool_R-vised.pdf)

#### **PERFORMANCE EVALUATION OF DIRECTORS**

The criteria for performance evaluation of Directors cover the areas relevant to their functioning as member of Board or its Committees thereof. The manner in which the performance evaluation of the Board, its Committees, the Chairman and the Directors individually has been carried out have been explained in the Corporate Governance Report.

#### **RELATED PARTY DISCLOSURES**

The Related Party Transactions during the financial year were reviewed and approved by the Audit Committee and were also placed before the Board. The Company has developed a related party transactions manual, standard operating procedures for the purpose of identification and monitoring of such transactions.

The Board has approved policy for related party transactions which is available on Company's website at <https://www.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/related-party-transaction-policy-pdf/related-party-transaction-policy.pdf>

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company at large.

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the prescribed form (Form AOC-2) is attached as **Annexure - A**.

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

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

#### **AUDIT COMMITTEE**

As on 31<sup>st</sup> March, 2020, the Audit Committee comprises 4 (Four) Non-Executive Directors, namely, Mr. Rahul Bhatnagar, Mr. Arvind Uppal, Mrs. Sonu Bhasin and Mr. Pradeep Banerjee. Powers and role of the Audit Committee are included in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors. Mr. Rahul Bhatnagar, Chairman of the Committee has adequate financial and accounting knowledge.

The Chief Financial Officer, Internal Auditor and the Statutory Auditors of the Company are permanent invitees to the meetings of the Audit Committee. It is a practice of the Committee to extend an invitation to the Managing Director and Cost Auditor to attend the meeting as and when required.

Ms. Roopali Singh, Company Secretary, acts as Secretary of the Audit Committee.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company aims to protect the environment and nurture its community for sustainable growth and development of its products and processes thereby increasing the stakeholder value. In line with this objective, the Company has been helping the community which has always been an integral part of Whirlpool's value system. The same is also imbibed in our CSR policy which was recommended by the CSR Committee and approved by the Board of Directors of the Company. There has been no change in the Policy during the given financial year. During the year under review, the Company's effort in the field of CSR have also been recognized by independent assessors such as UBS Forums & Indian Education Network for its projects in Skill Development.

The main initiatives undertaken by us, under our CSR Policy are:

1. Promoting employment, enhancing vocational skills for employability of youth.
2. Cultivating community development plans based on needs and priorities of the communities.
3. Any other project or aid which the committee considers suitable for the welfare of society or humanity at large, within the purview of Schedule VII (Section 135) or as authorized by Government.

It's been another year of successful social journey, touching the lives of those who needed a helping hand. The Company has kept the narrative unchanged building on from its journey of the last five years.

#### **Skill Development Program:**

Over the years, the Company has worked closely with its training partners to understand the needs and revamped the course contents to have a blend of both classroom as well as on the job training.

With the revamped course content we have seen a credible improvement in the pass percentage. We have received positive feedback from the students, emphasizing that on the job training provides them the opportunity to test their knowledge and also hone their skills.

With more than 4000 students trained in vocational courses in more than 30 cities this year, we are tirelessly working towards changing the workforce environment to all skilled workforce.

With passing percentage of close to 80% and placement percentage also showing significant improvement, this continues to be our flagship social intervention project.

Under this program, our focus remains on the quality of training provided and we along with our training partners keep on improving upon the content and method of training. With this purpose in view, we will continue this project in the coming year as well.

#### **Community Development Program:**

Community Development Programs are being implemented in villages/communities adjoining our manufacturing facilities at Pune, Faridabad and Puducherry. The programs are designed to address the most common issues of the community which can be handled by way of behavioral changes.

14 Schools and almost 1500 students are direct beneficiary of our health and educational intervention in Ranjangaon and adjoining villages in Pune. In rural areas often neglected subject of health, hygiene & nutrition is the focus of this project. The effects and awareness is spread to school going children (age 5 to 16 years) which cascades to their family and entire community.

After the successful completion of the school infrastructure development project last year at Puducherry, this year we started working with the second school in the vicinity, this project is near completion and will help us strengthen our resolve to do better for education. With our focussed approach we were able to set benchmarks in social welfare programs in the Puducherry area this year.

Sellangal Canal desilting project, that started last year, continued in second year by adding up the tributaries of the main canal. Another 15 km length of feeder channels were cleared in order to complete the project holistically. This initiative was supported by the office of the Lt. Governor of Puducherry, and won “Swachhta Award” from Puducherry Government.

Faridabad area has a dense urban setting with low income group communities and presents many challenges in availability of quality primary education to children of daily wages workers or people with little means available to spend on education. Whirlpool’s intervention with partner NGO Pratham Education Foundation has been trying to address this concern for five years now through 12 learning centres in 5 localities of Faridabad. A balanced mix of fun & learning helps students to understand the basic concepts of maths, science & language. In this year we reached out to another 2000 such students to help through their learning process, hence reducing chances of drop outs. With a large number of immigrant population in the area, we will keep focusing on this area of importance, that is education.

As per the provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, the Company has undertaken activities as per the CSR Policy (available on Company’s website: [www.whirlpoolindia.com](http://www.whirlpoolindia.com)) and further details of the CSR activities are contained in **Annexure - B** forming part of this Report.

#### **RISK MANAGEMENT POLICY**

As on 31<sup>st</sup> March 2020, the Risk Management Committee comprises of two Executive Directors i.e. Mr. Sunil D’Souza and Mr. AHBN Reddy and Chief Financial Officer of the Company, Mr. Yatin Malhotra. The Committee has been formed with the objective to assist the Board of Directors in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational, compliance, financial and reporting and external environment risks including cyber security risks.

Company’s Risk Management policy, broadly categorized Risks into Strategic, Operational, Compliance and Financial & Reporting Risks. The policy outlines the parameters for identification, assessment, monitoring and mitigation of risks.

The scope of the Risk Management Committee broadly covers:

- Reviewing the Risk Management Framework of the Company, risk management processes and practices followed and to ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- Evaluate significant risk exposures of the Company and assess management’s actions to mitigate the exposures in a timely manner.
- Reviews the adequacy of the insurance coverage on the Company’s risks.
- Report & recommend to Board annually on the effectiveness of the Risk Management system and the required mitigation plans.

Mr. Sunil D’Souza was the Chairman of the Committee till 03<sup>rd</sup> April, 2020. However, with effect from 04<sup>th</sup> April, 2020, Mr. Vishal Bholra, Managing Director was appointed as Chairman of the Committee. Ms. Roopali Singh, Company Secretary is the Secretary to the Risk Management Committee.

#### **VIGIL MECHANISM**

The Company has established a vigil mechanism through which directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company’s Code of Conduct/Integrity Manual etc without fear of reprisal.

Further information on the subject can be referred to in section ‘Disclosures - Whistle-Blower Policy’ of the Corporate Governance Report and on Company’s website: [www.whirlpoolindia.com](http://www.whirlpoolindia.com)

#### **AUDITORS AND AUDITORS’ REPORT**

##### **Statutory Auditors**

Shareholders of the Company at its 56<sup>th</sup> Annual General Meeting approved appointment of M/s MSKA & Associates (Firm Registration No.: 105047W), Chartered Accountants, as Statutory Auditors of the Company, in place of the retiring auditors M/s. S. R. Batliboi & Co. LLP (Firm Registration No.: 301003E/ E300005), Chartered Accountants, from the conclusion of the 56<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 61<sup>st</sup> AGM, subject to ratification by members every year. The requirement of ratification of appointment of Statutory Auditors have been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 with effect from May 07, 2018.

The Report given by M/s. MSKA & Associates, Chartered Accountants (ICAI Registration No.: 105047W), Statutory Auditors on the financial statement of the Company for the financial year 2019-20 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

##### **Secretarial Auditors**

Pursuant to Section 204 of Companies Act, 2013, Mr. N. C. Khanna (ICSI membership No.: 4268 & certificate of practice No.: 5143) a Practising Company Secretary was reappointed as Secretarial Auditors of the Company for the financial year ending 31<sup>st</sup> March, 2020. The Secretarial Audit Report submitted by them in the prescribed form MR-3 is attached as **Annexure - C** and forms part of this report.

There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in their Report.

##### **Cost Auditors**

Pursuant to the provisions of Section 141 read with Section 148 of the Companies Act, 2013 and Rules made thereunder M/s R. J. Goel & Co., Cost Accountants (Firm Registration No.: 00026) were reappointed as the cost auditors of the Company for the financial year ending 31<sup>st</sup> March, 2020 to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules.

The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee. The requisite resolution for approval of remuneration of Cost Auditors by members of the Company has been set out in the Notice of the ensuing Annual General Meeting. Further, on the recommendation of the Audit Committee, the Board of Directors have also reappointed them as Cost Auditors for financial year 2020-21, to conduct cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules.

The Cost Audit Report for the financial year 2018-19, issued by M/s R. J. Goel & Co., Cost Auditors, in respect of the various products prescribed under Cost Audit Rules was filed with the Ministry of Corporate Affairs (MCA) during the year.

##### **Reporting of Frauds by Auditors**

During the year under review, the Statutory Auditors, Cost Auditors and the Secretarial Auditor have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

##### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

In terms of the provisions of Section 124 and 125 of the Companies Act, 2013 read with the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016/Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, during the financial year there was no unclaimed amount or shares that were required to be transferred to the Investor Education and Protection Fund (IEPF) established by Central Government.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company at [www.whirlpoolindia.com](http://www.whirlpoolindia.com) under Investor’s section.

##### **INSURANCE**

The Directors confirm that Fixed Assets and Stocks of the Company are adequately insured against fire and allied risk.

##### **LISTING OF SHARES**

The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

##### **CORPORATE GOVERNANCE**

Your Company upholds the standards of governance and is compliant with the Corporate Governance provisions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance along with Compliance Certificate issued by Statutory Auditors is enclosed as part of Corporate Governance Report.

##### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

In accordance with the requirements of Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, statement showing particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are annexed hereto as **Annexure - D** and form part of this report.

##### **PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure-E** which forms part of this report. The information showing names and other particulars of employees as per Rule 5(2) and 5(3) of the



aforesaid Rules forms part of this report. However, as per Section 136 of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company and others entitled thereto. The said information is available for inspection by members at the registered office of the Company during business hours on all working days upto the date of ensuing Annual General Meeting. Any member interested in obtaining a copy thereof, may also write to the Company Secretary at the registered office of the Company.

#### EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT-9 forms part of the Board's Report and is annexed herewith as **Annexure - F**. The annual return of the Company as required under the Companies Act, 2013 will be available on the website of the Company at [www.whirlpoolindia.com](http://www.whirlpoolindia.com)

#### PUBLIC DEPOSITS

During the Financial Year 2019-20 your Company has not accepted any public deposits in terms of Chapter V of the Companies Act, 2013.

#### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future. There have been no material changes and commitments which affect the financial position of the Company between the end of the financial year and the date of this report including change in capital structure.

#### BUSINESS RESPONSIBILITY REPORT

In terms of the requirements of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Business Responsibility forms part of this Annual Report in the format prescribed by SEBI and is annexed herewith as **Annexure-G**.

#### APPRECIATION

The Board places on record its appreciation for the continued cooperation and support extended to the Company by customers, vendors, regulators, banks, stock exchanges and depositories, auditors, legal advisors, consultants and business associates. The Directors also take this opportunity to place on record their appreciation for the efficient services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible.

Your Directors look forward to the long term future with confidence.

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

**Place of signature : Gurugram, Haryana**  
**Date : June 18, 2020**

**Arvind Uppal**  
**Chairman & Non-Executive Director**  
**DIN: 00104992**

**Vishal Bhola**  
**Managing Director**  
**DIN: 08668079**

#### Annexure A

##### Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

Name(s) of the related party and nature of Relationship	Nature of contracts/ Arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or Arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangement or transactions	Date(s) of approval by the Board	Amount paid as advances	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
Whirlpool Corporation (Ultimate Holding Company)	Common IT Services	Ongoing	Availing of free IT services (approx. INR 2,445 lacs)	Sharing common global IT infrastructure	31 <sup>st</sup> October, 2014	NIL	NA

#### 2. Details of material contracts or arrangements or transactions at arm's length basis

The Company did not enter into any material contracts or arrangements with related parties

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

**Place of signature : Gurugram, Haryana**  
**Date : June 18, 2020**

**Arvind Uppal**  
**Chairman & Non-Executive Director**  
**DIN: 00104992**

**Vishal Bhola**  
**Managing Director**  
**DIN: 08668079**

**Annexure B**
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR policy and projects or programs:	CSR Activities of the Company are focused to: <ol style="list-style-type: none"> <li>Promote employment enhancing vocational skills for employability of youth.</li> <li>Cultivate community development plans in the vicinity of our factories based on needs and priorities of the host communities.</li> <li>Any other project or aid which the committee considers suitable for the welfare of society or humanity at large, within the purview of Schedule VII (Section 135) or as authorized by Government.</li> </ol> Whirlpool of India's CSR Policy is in compliance with the provisions of Companies Act, 2013 Web link for CSR policy <a href="http://www.whirlpoolindia.com/csr-policy">http://www.whirlpoolindia.com/csr-policy</a>
2	The Composition of the CSR Committee	Mr. Arvind Uppal (Chairman) Mr. Anil Berera Mr. Rahul Bhatnagar
3	Average net profit of the Company for last three financial years	INR 54,525 lacs
4	Prescribed CSR expenditure (two per cent of the amount as in item 3 above)	INR 1091 lacs
5	Details of CSR spent during the financial year <ol style="list-style-type: none"> <li>Total amount to be spent for the F.Y.2019-20</li> <li>Amount unspent, if any:</li> <li>Manner in which the amount spent during the financial year</li> </ol>	Details: <ol style="list-style-type: none"> <li>INR 1091 lacs</li> <li>Nil</li> <li>Detailed below</li> </ol>

**(c) Manner in which the amount was spent during the financial year:**

(INR In Laacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SL	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH PROJECT IS COVERED	PROJECTS OR PROGRAMS 1. LOCAL AREA OR OTHER 2. SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMS ARE UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECTS OR PROGRAMS WISE	AMOUNT SPENT ON PROJECTS OR PROGRAMS SUB HEADS: 1. DIRECT EXPENDITURE ON PROJECTS 2. OVERHEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT: DIRECT OR THROUGH IMPLEMENTING AGENCY
1	Integrated Child Development Program	Education, Health & Community Development	Local Area : District : Pune State : Maharashtra	20.00	(1) 18.50	18.50	Implementing agency - HCJMRC
2	Integrated Community Development Program	Community Development & Healthcare	Local Area : District : Puducherry State : Pondicherry	40.00	(1) 56.00	56.00	Implementing agency - FXB India Suraksha
3	Basic Learning through Library Intervention Program	Education	Local Area : District : Faridabad State : Haryana	40.00	(1) 45.00	45.00	Implementing agency - Pratham Education Foundation
4	Other Community Help Program	Community Development Local (Faridabad)	Local (Faridabad) Local (Mumbai) Local (Kerala)	40.00	(2) 03.50	03.50	Implementing agencies - (1) St. Jude (2) Direct

(INR In Laacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SL	CSR PROJECT OR ACTIVITY IDENTIFIED	SECTOR IN WHICH PROJECT IS COVERED	PROJECTS OR PROGRAMS 1. LOCAL AREA OR OTHER 2. SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMS ARE UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECTS OR PROGRAMS WISE	AMOUNT SPENT ON PROJECTS OR PROGRAMS SUB HEADS: 1. DIRECT EXPENDITURE ON PROJECTS 2. OVERHEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT: DIRECT OR THROUGH IMPLEMENTING AGENCY
5	Skill Development Program	Skill Development	PAN India (List below)*	920.00	(1) 943.00	943.00	Implementing Agencies: (1) Funfirst Global Skillers Pvt Ltd (ESSCI partner) (2) Teamlease Education Foundation
6	Cumulative Overhead	Cumulative overhead for CSR	-	31.00	(2) Overheads	25.00	Direct
<b>Total</b>						<b>1091.00</b>	

\* List Of Locations where Skill Development Programmes were conducted

Delhi (DL)	Kolkata (WB)	Noida (UP)	Faridabad (HR)
Bengaluru (KA)	Mumbai (MH)	Lucknow (UP)	Amritsar (PB)
Hyderabad (AP)	Pune (MH)	Ludhiana (PB)	Jaipur (RJ)
Chennai (TN)	Nashik (MH)	Dadri (UP)	Agra (UP)
Coimbatore (TN)	Cochin (KL)	Kanpur (UP)	Baroda (GJ)
Gurugram (HR)	Kozhikode (KL)	Madurai (TN)	Ahmedabad (GJ)
Bhuvneshwer (OR)	Patna (BR)	Vijaywada (AP)	Nagpur (MH)
Trichy (KL)	Calicut (KL)	Ghaziabad (UP)	Surat (GJ)

- Company spent over two per cent of the average net profit of the last three financial years on dedicated CSR projects as detailed in point 5(c).
- CSR projects detailed above, are implemented and monitored as per the Company's CSR policy and is compliant with Section 135 of Companies Act, 2013.

**For and on behalf of the Board of Directors**
**Place of signature : Gurugram, Haryana**  
**Date : June 18, 2020**
**Arvind Uppal**  
**Chairman & Non-Executive Director**  
**DIN: 00104992**
**Vishal Bhola**  
**Managing Director**  
**DIN: 08668079**

## Annexure C

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2020**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members  
WHIRLPOOL OF INDIA LIMITED  
CIN: L29191PN1960PLC020063  
A-4, MIDC, RANJANGAON, TALUKA-SHIRUR  
DIST: PUNE, MAHARASHTRA-412220

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **WHIRLPOOL OF INDIA LIMITED** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification (to the extent possible due to the lockdown announced by Government of India on account of COVID-19) of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2020, the Company has complied with the statutory provisions listed hereunder, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018\*;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014\*;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008\*;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.  
Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009\*; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018\*;  
\*Not applicable as there was no reportable event held during the financial year under review;

- (vi) Other laws applicable to the Company namely:-

We have examined the entire framework, processes and procedures of compliance of Environmental Laws, Labour Laws & other General Laws. The reports, compliances etc. with respect to these laws have been examined by us on test check basis.

**Industry Specific laws applicable to the Company**

The Company has identified the following laws as specifically applicable to the Company:

- (a) The Legal Metrology Act, 2009
- (b) E-waste (Management) Rules, 2016
- (c) The Bureau of Indian Standard Rules, 1987
- (d) The Indian Electricity Rules, 1956 (BEE guidelines).

The company has a proper monitoring system for compliance of Industry specific laws.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) and The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors of the schedule of the Board and Committee Meetings and the agenda & detailed notes on agenda were sent at least seven days in advance except for the meetings where consent of the Directors was obtained for receiving notice and agenda and notes to agenda less than seven days before the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, following major events have occurred:-

- i. Due to personal reasons, Mr. Anand Narain Bhatia (DIN: 00148983) and Mr. Sanjiv Verma (DIN: 00079498), Independent Directors, resigned from the Board of Directors of Company w.e.f 19<sup>th</sup> June, 2019. Further Mr. Rahul Bhatnagar (DIN: 07268064) and Mr. Pradeep Jyoti Banerjee (DIN: 02985965) were appointed as Independent Directors w.e.f. 19<sup>th</sup> June, 2019 for a period of 5 consecutive years up to 18<sup>th</sup> June, 2024.
- ii. Mr. Sunil D'Souza (DIN: 07194259), Managing Director, resigned from the board of directors of the Company w.e.f 03<sup>rd</sup> April, 2020 and Mr. Vishal Bhola (DIN: 08668079) was appointed as Managing Director w.e.f 04<sup>th</sup> April, 2020.

Place: New Delhi  
Date: 18/06/2020

**For N C Khanna, Company Secretaries**

NC Khanna  
FCS No. 4268  
CP No. 5143  
UDIN: F004268B000343851

This Report is to be read with our letter of even date which is annexed as **Annexure A** to this Report and forms an integral part of this Report.

**Annexure A to the Secretarial Audit Report,**

To,  
The Members,  
WHIRLPOOL OF INDIA LIMITED  
CIN:L29191PN1960PLC020063  
A4 MIDC, RANJANGAON  
DIST. PUNE, MAHARASHTRA-412220

Our Secretarial Audit Report of even date, for the financial year ended 31<sup>st</sup> March 2020 is to be read along with this letter.

**Management's Responsibility**

- It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

- Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

- The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

**For N C Khanna, Company Secretaries**

N C KHANNA  
PRACTICING COMPANY SECRETARY  
C P No. 5143  
FCS No. 4268

Place : NEW DELHI

Date : 18/06/2020

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

**(A) Conservation of energy-**

Information required	Pune Plant	Faridabad Plant	Puducherry Plant
(i) the steps taken or impact on conservation of energy;	(i) Thermoforming & Extrusion machine cycle time reduction. Results in savings of 6.35 Lacs kWh PA (ii) Replacement of conventional AC technology to VRV system. Results in savings of 0.52 Lacs kWh PA (iii) Compressor Air pressure load/unload optimized through SMART Controller. Results in savings of 1.90 Lacs kWh PA (iv) Thermo hydraulic power pack upgradation. Results in savings of 1.98 Lacs kWh PA (v) Optimization of utility running on non production days. Results in savings of 4.6 Lacs kWh PA (vi) Energy efficient pumps for compressor cooling & drinking water. Results in savings of 0.50 Lacs kWh PA (vii) Energy efficient battery charges for forklift charging. Results in savings of 0.43 Lacs kWh PA	(i) Replacement of water rinse type vacuum pumps in thermoforming machine with energy efficient screw type vacuum pumps results in savings of 5.7 Lacs kWh PA (ii) Elimination of compressed air leakages through the plants results in savings of 2.54 Lacs kWh PA (iii) Replacement of standard motors with IE3 class energy efficient motors results in savings of 0.8 Lacs kWh PA (iv) Switching OFF of unused heaters in thermoforming machines results in savings of 0.6 Lacs kWh PA. (v) Upgradation of design of heating system from indirect heating to direct heating results in savings of 2.19 Lacs SCM PNG gas PA.	(i) VRV AC System introduced replacing high energy consuming Conventional type AC, resulting in energy saving of 0.24 Lacs kWh PA (ii) Optimization of LED lights based on the Lux level in production block, admin office and street lights, resulting in energy saving of 0.23 Lacs kWh PA (iii) Optimization of Press motors, Light & Fan running on non production hours, results in savings of 0.18 Lacs kWh PA (iv) Compressor running hour reduction by effective Air leak monitoring resulting in energy saving of 0.08 Lacs kWh PA (v) Optimization oil temperature at Press chiller, resulting in energy saving of 0.12 Lacs kWh PA
(ii) the steps taken by the company for utilizing alternate sources of energy;	(i) Energy generation through Roof Top Solar Power Station results in power saving of 12.19 Lacs KWH PA ( 987 kW Solar Power Station) (ii) Installation of ABT meter for Open access	Energy generation through Roof Top Solar Power Station results in power saving of 8.34 Lacs KWH PA ( 800 kW Solar Power Station)	-
(iii) the capital investment on energy conservation equipments;	Rs. 81.80 Lacs	Rs.40.90 Lacs	Rs 21.05 Lacs

**(B) Technology absorption-**

Information required	Pune Plant	Faridabad Plant	Puducherry Plant
(i) the efforts made towards technology absorption;	(i) Energy upgradation by 1 Star in all models through efficient sealed system (ii) New blue finish implementation (iii) Glass door and grey liner implementation (iv) Process readiness for introduction of new platform to meet a. Energy 2020 b. Aesthetic (v) Energy efficient motors- IE3/IE4 for new line. (vi) Screw type energy efficient vacuum pumps (vii) Screw type air compressors (viii) Electrical screw drivers for screwing on assembly lines (ix) Installation of 12 No.s robots for pick and place on Line 3 and 2 No.s robots on Line 2. (x) Pneumatic to servo pneumatic technology in Line 3.	(i) Process readiness for introduction of new platform to meet a. Energy 2020 b. Aesthetic (ii) New Color, Finish & Material changes in all Single Door models. (iii) Implementation of global wide internal parts and aesthetic upgrade. (iv) Energy upgradation by 1 star in all models through efficient sealed system.	(i) Launched new fully automatic washing machine (Bloomwash Pro) with new Bloomwash Prime Mover, smooth glide dispenser, dynamix detergent mixing and soft close technology. (ii) Launched fully automatic washing machine (Bloomwash/Stainwash) with soft close technology. (iii) Launched new twin tub 9 kg model with best in class aesthetics (iv) Five star energy implemented in Fully Automatic & Twin Tub as per new BEE standards (v) Launched new fully automatic washing machine with BPM motor technology.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	(i) Improved experienced and perceived quality. (ii) Improved fit and finish, robust build, reliable and quality products. (iii) Environment friendly foam and ROHS compliance. (iv) Products meeting stringent energy standards. (v) Extensive usage of simulation and prototypes to reduce development time and predict failures. (vi) More user friendly electronic solutions with better aesthetics and build quality. (vii) Product Leadership on Cost and Quality.		
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)  (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL		
The expenditure incurred on research & development	<b>Particulars</b>	<b>(INR in Lacs)</b>	
	Capital	190	
	Recurring	4,250	
	Total	4,440	
	Total R&D expenses as % of total turnover	0.7%	

**(C) Foreign Exchange Earnings and outgo for the year ended March 31, 2020**
**(INR in lacs)**

<b>Foreign Exchange Earnings:</b>	
FOB value of sales, service & other income	<b>28,077</b>
<b>Foreign Exchange Outgo:</b>	
CIF value of imports- Raw materials, Components, tools, spare parts and capital goods	<b>1,45,846</b>
Others	<b>10,395</b>



**Annexure E**

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No.	Particulars	Disclosures
(i)	ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year;	Sunil D'Souza - 40:1 Anil Berera - 22:1* AHBN Reddy - 12:1 Yatin Malhotra - 14:1 Roopali Singh - 9:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Sunil D'Souza - 0% Anil Berera - Not Applicable AHBN Reddy - 6.0% Yatin Malhotra - 7.5% Roopali Singh - 7.5%
(iii)	The percentage increase in the median remuneration of employees in the financial year;	5.41%
(iv)	The number of permanent employees on the rolls of the Company;	1883
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for the increase;	Average Increase for Employees - 10.13% Average Increase for KMP - 3.14%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed

\*Mr. Anil Berera ceased to be an Executive Director with effect from 31<sup>st</sup> December, 2019, however he continues to be on the board as Non-Executive Director.

**Notes:**

- Independent Directors are only paid sitting fees and have not been considered for the above disclosures.
- The above calculations & informations are based on white collar employee data.

**Annexure F**
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L29191PN1960PLC020063
2.	Registration Date	09/07/1960
3.	Name of the Company	Whirlpool of India Limited
4.	Category/Sub-category of the Company	Company having Share Capital
5.	Address of the Registered office & contact details	A-4, MIDC, Ranjangaon, Taluka-Shirur, Dist: Pune, Maharashtra – 412220, Phone – (91) 2138-660100
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any	Link Intime India Private Limited, Noble Heights, 1 <sup>st</sup> Floor, Plot No. NH-2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 Phone: +91 11 4141 0592, Fax: +91 11 4141 0591 Contact Person: Mr. Bharat Bushan and Swapan Naskar

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE Company (All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service*	% to total turnover of the Company
1.	Refrigerator	27501	62
2.	Washing Machine	27501	22
3.	Air Conditioner	27509	6

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	NAME and ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	Whirlpool Mauritius Ltd.C/o IQ EQ Corporate Services (Mauritius) Ltd. 33, Edith Cavell Street, Port Louis-11324, Republic of Mauritius	NA	Holding	75	2(46)
2.	Elica PB India Private Limited	(CIN: U29300PN2010PTC136095)	Associate	49	2(6)

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Shareholding**

Sr No	Category of Shareholders	Shareholding at the beginning of the year 2019-2020				Shareholding at the end of the year 2019-2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Shareholding of Promoter and Promoter Group</b>										
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Sub Total (A)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Bodies Corporate	95153872	0	95153872	75.0000	95153872	0	95153872	75.0000	0.0000
	Sub Total (A)(2)	95153872	0	95153872	75.0000	95153872	0	95153872	75.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	95153872	0	95153872	75.0000	95153872	0	95153872	75.0000	0.0000
<b>(B) Public Shareholding</b>										
[1]	Institutions									
(a)	Mutual Funds / UTI	10150452	4055	10154507	8.0038	10335864	4055	10339919	8.1499	0.1461
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	1458641	0	1458641	1.1497	1746896	0	1746896	1.3769	0.2272
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	6047590	0	6047590	4.7667	4796204	0	4796204	3.7804	-0.9863
(f)	Financial Institutions / Banks	291198	12157	303355	0.2391	216948	12157	229105	0.1806	-0.0585
(g)	Insurance Companies	0	0	0	0.0000	1136692	0	1136692	0.8959	0.8959
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Foreign Bank	85	0	85	0.0001	85	0	85	0.0001	0.0000
	Sub Total (B)(1)	17947966	16212	17964178	14.1593	18232689	16212	18248901	14.3837	0.2244
[2]	Central Government/ State Government(s)/ President of India									
	Central Government / State Government(s)	0	633	633	0.0005	0	633	633	0.0005	0.0000
	Sub Total (B)(2)	0	633	633	0.0005	0	633	633	0.0005	0.0000
[3]	Non-Institutions									

Sr No	Category of Shareholders	Shareholding at the beginning of the year 2019-2020				Shareholding at the end of the year 2019-2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	5883134	1125154	7008288	5.5239	6684351	1022485	7706836	6.0745	0.5506
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2531696	108498	2640194	2.0810	2447445	73698	2521143	1.9872	-0.0938
(b)	NBFCs registered with RBI	63550	0	63550	0.0501	26000	0	26000	0.0205	-0.0296
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Trusts	175970	0	175970	0.1387	2010	0	2010	0.0016	-0.1371
	Foreign Nationals	39	0	39	0.0000	39	0	39	0.0000	0.0000
	Hindu Undivided Family	342137	0	342137	0.2697	343375	0	343375	0.2706	0.0009
	Non Resident Indians (Non Repat)	249481	0	249481	0.1966	284270	0	284270	0.2241	0.0275
	Non Resident Indians (Repat)	287708	1374	289082	0.2279	340490	1374	341864	0.2695	0.0416
	Clearing Member	48284	0	48284	0.0381	106784	0	106784	0.0842	0.0461
	Bodies Corporate	2898730	37392	2936122	2.3142	2099512	36591	2136103	1.6837	-0.6305
	Sub Total (B)(3)	12480729	1272418	13753147	10.8402	12334276	1134148	13468424	10.6158	-0.2244
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	30428695	1289263	31717958	25.0000	30566965	1150993	31717958	25.0000	0.0000
	Total (A)+(B)	125582567	1289263	126871830	100.0000	125720837	1150993	126871830	100.0000	0.0000
<b>(C) Non Promoter - Non Public</b>										
(C1) Shares Underlying DRs										
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
(C2) Shares Held By Employee Trust										
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	125582567	1289263	126871830	100.0000	125720837	1150993	126871830	100.0000	0.0000

**ii) Shareholding of Promoter-**

S. No.	Shareholder's Name	Shareholding at the beginning of the year 2019-2020			Shareholding at the end of the year 2019-2020			% Change During the year 2019-20
		No. of Shares	% of total Shares of the company	%of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / Encumbered to total shares	
1.	Whirlpool Mauritius Ltd.	95153872	75%	0.00	95153872	75%	0.00	NIL

**iii) Change in Promoters' Shareholding-**

There was no change in Promoter's shareholding during the year.

**iv) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of ADRs and GDRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019-2020		Transactions during the year		Cumulative Shareholding at the end of the year 2019-2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
1	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND	2170909	1.7111			2170909	1.7111
	Transfer			12 Apr 2019	(300000)	1870909	1.4746
	Transfer			30 Aug 2019	495000	2365909	1.8648
	Transfer			06 Sep 2019	12000	2377909	1.8743
	Transfer			11 Oct 2019	(80000)	2297909	1.8112
	AT THE END OF THE YEAR					2297909	1.8112
	2	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE EQUITY HYBRID '95 FUND	2561656	2.0191			2561656
Transfer				12 Apr 2019	(518)	2561138	2.0187
Transfer				26 Apr 2019	(7100)	2554038	2.0131
Transfer				03 May 2019	(7170)	2546868	2.0074
Transfer				17 May 2019	(7300)	2539568	2.0017
Transfer				31 May 2019	200000	2739568	2.1593
Transfer				07 Jun 2019	(3631)	2735937	2.1565
Transfer				21 Jun 2019	(7000)	2728937	2.1509
Transfer				12 Jul 2019	(11900)	2717037	2.1416
Transfer				19 Jul 2019	(13934)	2703103	2.1306
Transfer				26 Jul 2019	3319	2706422	2.1332
Transfer				02 Aug 2019	(10000)	2696422	2.1253
Transfer				09 Aug 2019	(11300)	2685122	2.1164
Transfer				16 Aug 2019	(13500)	2671622	2.1058
Transfer				23 Aug 2019	30000	2701622	2.1294
Transfer				11 Oct 2019	(3638)	2697984	2.1265
Transfer				18 Oct 2019	(4004)	2693980	2.1234
Transfer				25 Oct 2019	(51013)	2642967	2.0832
Transfer				01 Nov 2019	(108417)	2534550	1.9977
Transfer				20 Dec 2019	50000	2584550	2.0371
Transfer				27 Dec 2019	(46785)	2537765	2.0003
Transfer				10 Jan 2020	(113052)	2424713	1.9112
Transfer				24 Jan 2020	(7559)	2417154	1.9052
Transfer				31 Jan 2020	(7733)	2409421	1.8991
Transfer				07 Feb 2020	(25356)	2384065	1.8791
Transfer				14 Feb 2020	(50725)	2333340	1.8391
Transfer				21 Feb 2020	(124490)	2208850	1.7410
Transfer				06 Mar 2020	(25000)	2183850	1.7213
Transfer				13 Mar 2020	(28515)	2155335	1.6988
Transfer				20 Mar 2020	(41839)	2113496	1.6659
Transfer				27 Mar 2020	9601	2123097	1.6734

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019-2020		Transactions during the year		Cumulative Shareholding at the end of the year 2019-2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
3	AT THE END OF THE YEAR					2123097	1.6734
	SUNDARAM MUTUAL FUND A/C SUNDARAM MID CAP FUND	817641	0.6445			817641	0.6445
	Transfer			12 Apr 2019	293533	1111174	0.8758
	Transfer			03 May 2019	354	1111528	0.8761
	Transfer			10 May 2019	6917	1118445	0.8816
	Transfer			17 May 2019	1000	1119445	0.8823
	Transfer			24 May 2019	900	1120345	0.8831
	Transfer			31 May 2019	167	1120512	0.8832
	Transfer			07 Jun 2019	5926	1126438	0.8879
	Transfer			27 Sep 2019	34604	1161042	0.9151
	Transfer			04 Oct 2019	15000	1176042	0.9270
	Transfer			18 Oct 2019	(12250)	1163792	0.9173
	Transfer			01 Nov 2019	(17895)	1145897	0.9032
	Transfer			15 Nov 2019	23461	1169358	0.9217
	Transfer			06 Dec 2019	(21725)	1147633	0.9046
	Transfer			20 Dec 2019	(8000)	1139633	0.8983
	Transfer			31 Dec 2019	(2973)	1136660	0.8959
	Transfer			03 Jan 2020	(5371)	1131289	0.8917
	Transfer			10 Jan 2020	(3000)	1128289	0.8893
	Transfer			17 Jan 2020	(5184)	1123105	0.8852
	Transfer			24 Jan 2020	(6145)	1116960	0.8804
	Transfer			31 Jan 2020	(14267)	1102693	0.8691
	Transfer			07 Feb 2020	(13250)	1089443	0.8587
	Transfer			06 Mar 2020	286	1089729	0.8589
	Transfer			20 Mar 2020	2000	1091729	0.8605
	AT THE END OF THE YEAR					1091729	0.8605
	4	UTI-MNC FUND	552727	0.4357			552727
Transfer				03 May 2019	2000	554727	0.4372
Transfer				29 Jun 2019	3263	557990	0.4398
Transfer				05 Jul 2019	(2000)	555990	0.4382
Transfer				06 Sep 2019	(2000)	553990	0.4367
Transfer				27 Sep 2019	148933	702923	0.5540
Transfer				04 Oct 2019	(3000)	699923	0.5517
Transfer				11 Oct 2019	(3436)	696487	0.5490
Transfer				18 Oct 2019	30	696517	0.5490
Transfer				25 Oct 2019	(3380)	693137	0.5463
Transfer				08 Nov 2019	(21516)	671621	0.5294
Transfer				29 Nov 2019	23316	694937	0.5477
Transfer				06 Dec 2019	(2000)	692937	0.5462
Transfer				20 Dec 2019	(9950)	682987	0.5383
Transfer				24 Jan 2020	(35481)	647506	0.5104
Transfer				07 Feb 2020	(10000)	637506	0.5025
Transfer				14 Feb 2020	90283	727789	0.5736
Transfer			21 Feb 2020	45800	773589	0.6097	
Transfer			28 Feb 2020	11368	784957	0.6187	
Transfer			06 Mar 2020	23290	808247	0.6371	

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019-2020		Transactions during the year		Cumulative Shareholding at the end of the year 2019-2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
	Transfer			13 Mar 2020	22806	831053	0.6550
	Transfer			20 Mar 2020	10000	841053	0.6629
	Transfer			27 Mar 2020	18523	859576	0.6775
	AT THE END OF THE YEAR					859576	0.6775
5	HDFC LIFE INSURANCE COMPANY LIMITED	0	0.0000			0	0.0000
	Transfer			19 Apr 2019	275000	275000	0.2168
	Transfer			31 May 2019	1427	276427	0.2179
	Transfer			07 Jun 2019	930	277357	0.2186
	Transfer			21 Jun 2019	(263)	277094	0.2184
	Transfer			05 Jul 2019	(28)	277066	0.2184
	Transfer			19 Jul 2019	1662	278728	0.2197
	Transfer			02 Aug 2019	1874	280602	0.2212
	Transfer			09 Aug 2019	(70)	280532	0.2211
	Transfer			16 Aug 2019	(66)	280466	0.2211
	Transfer			23 Aug 2019	(66)	280400	0.2210
	Transfer			30 Aug 2019	(64)	280336	0.2210
	Transfer			06 Sep 2019	(1050)	279286	0.2201
	Transfer			20 Sep 2019	(24)	279262	0.2201
	Transfer			27 Sep 2019	(47)	279215	0.2201
	Transfer			04 Oct 2019	(48)	279167	0.2200
	Transfer			11 Oct 2019	(133)	279034	0.2199
	Transfer			18 Oct 2019	(86)	278948	0.2199
	Transfer			25 Oct 2019	(42)	278906	0.2198
	Transfer			01 Nov 2019	(109)	278797	0.2197
	Transfer			15 Nov 2019	(136)	278661	0.2196
	Transfer			22 Nov 2019	(220)	278441	0.2195
	Transfer			29 Nov 2019	(90)	278351	0.2194
	Transfer			06 Dec 2019	(87)	278264	0.2193
	Transfer			13 Dec 2019	(51)	278213	0.2193
	Transfer			20 Dec 2019	9354	287567	0.2267
	Transfer			27 Dec 2019	70310	357877	0.2821
	Transfer			31 Dec 2019	44703	402580	0.3173
	Transfer			03 Jan 2020	(521)	402059	0.3169
	Transfer			10 Jan 2020	4674	406733	0.3206
	Transfer			17 Jan 2020	(178)	406555	0.3204
	Transfer			24 Jan 2020	(436)	406119	0.3201
	Transfer			07 Feb 2020	50	406169	0.3201
	Transfer			14 Feb 2020	45250	451419	0.3558
	Transfer			21 Feb 2020	50025	501444	0.3952
	Transfer			28 Feb 2020	25	501469	0.3953
	Transfer			06 Mar 2020	61617	563086	0.4438
	Transfer			13 Mar 2020	14269	577355	0.4551
	Transfer			20 Mar 2020	127364	704719	0.5555
	Transfer			27 Mar 2020	118873	823592	0.6492
	Transfer			31 Mar 2020	24109	847701	0.6682
	AT THE END OF THE YEAR					847701	0.6682

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019-2020		Transactions during the year		Cumulative Shareholding at the end of the year 2019-2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
6	CANARA ROBECO MUTUAL FUND A/C CANARA ROBECO EMERGING EQUITIES	852155	0.6717			852155	0.6717
	Transfer			26 Apr 2019	(14004)	838151	0.6606
	Transfer			03 May 2019	(7180)	830971	0.6550
	Transfer			10 May 2019	(5929)	825042	0.6503
	Transfer			17 May 2019	(86700)	738342	0.5820
	Transfer			24 May 2019	(15000)	723342	0.5701
	Transfer			31 May 2019	(3000)	720342	0.5678
	Transfer			14 Jun 2019	(2922)	717420	0.5655
	Transfer			26 Jul 2019	(20500)	696920	0.5493
	Transfer			23 Aug 2019	55000	751920	0.5927
	Transfer			20 Sep 2019	8000	759920	0.5990
	Transfer			27 Sep 2019	64000	823920	0.6494
	Transfer			04 Oct 2019	(17377)	806543	0.6357
	Transfer			11 Oct 2019	(32500)	774043	0.6101
	Transfer			18 Oct 2019	(90845)	683198	0.5385
	Transfer			01 Nov 2019	(25112)	658086	0.5187
	Transfer			22 Nov 2019	5000	663086	0.5226
	Transfer			29 Nov 2019	89000	752086	0.5928
	Transfer			13 Dec 2019	(941)	751145	0.5921
	Transfer			20 Dec 2019	(38259)	712886	0.5619
	Transfer			27 Dec 2019	(14942)	697944	0.5501
	Transfer			31 Dec 2019	(24088)	673856	0.5311
	Transfer			03 Jan 2020	(13943)	659913	0.5201
	Transfer			10 Jan 2020	(2750)	657163	0.5180
	Transfer			14 Feb 2020	(2395)	654768	0.5161
	Transfer			21 Feb 2020	(13292)	641476	0.5056
	Transfer			28 Feb 2020	22100	663576	0.5230
	Transfer			06 Mar 2020	25461	689037	0.5431
	Transfer			13 Mar 2020	12500	701537	0.5529
	Transfer			20 Mar 2020	15700	717237	0.5653
	Transfer			27 Mar 2020	21636	738873	0.5824
	AT THE END OF THE YEAR					738873	0.5824
7	ITPL - INVESCO INDIA GROWTH FUND	152375	0.1201			152375	0.1201
	Transfer			26 Apr 2019	2803	155178	0.1223
	Transfer			03 May 2019	11762	166940	0.1316
	Transfer			17 May 2019	22361	189301	0.1492
	Transfer			31 May 2019	166867	356168	0.2807
	Transfer			07 Jun 2019	2747	358915	0.2829
	Transfer			14 Jun 2019	13703	372618	0.2937
	Transfer			21 Jun 2019	12981	385599	0.3039
	Transfer			12 Jul 2019	24785	410384	0.3235
	Transfer			19 Jul 2019	7687	418071	0.3295
	Transfer			26 Jul 2019	12590	430661	0.3394

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019-2020		Transactions during the year		Cumulative Shareholding at the end of the year 2019-2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
	Transfer			02 Aug 2019	1844	432505	0.3409
	Transfer			09 Aug 2019	(400116)	32389	0.0255
	Transfer			16 Aug 2019	414187	446576	0.3520
	Transfer			30 Aug 2019	18470	465046	0.3665
	Transfer			06 Sep 2019	13421	478467	0.3771
	Transfer			20 Sep 2019	4622	483089	0.3808
	Transfer			27 Sep 2019	34933	518022	0.4083
	Transfer			11 Oct 2019	28904	546926	0.4311
	Transfer			18 Oct 2019	(8894)	538032	0.4241
	Transfer			25 Oct 2019	925	538957	0.4248
	Transfer			01 Nov 2019	5029	543986	0.4288
	Transfer			08 Nov 2019	4899	548885	0.4326
	Transfer			29 Nov 2019	(607)	548278	0.4322
	Transfer			06 Dec 2019	24654	572932	0.4516
	Transfer			20 Dec 2019	(5374)	567558	0.4473
	Transfer			27 Dec 2019	3614	571172	0.4502
	Transfer			10 Jan 2020	19710	590882	0.4657
	Transfer			17 Jan 2020	(7068)	583814	0.4602
	Transfer			31 Jan 2020	670	584484	0.4607
	Transfer			28 Feb 2020	4067	588551	0.4639
	Transfer			06 Mar 2020	4983	593534	0.4678
	Transfer			20 Mar 2020	6213	599747	0.4727
	Transfer			27 Mar 2020	527	600274	0.4731
	Transfer			31 Mar 2020	(197)	600077	0.4730
	AT THE END OF THE YEAR					600077	0.4730
8	INDIA MIDCAP (MAURITIUS) LTD.	549355	0.4330			549355	0.4330
	Transfer			05 Jul 2019	(15008)	534347	0.4212
	Transfer			30 Sep 2019	(22183)	512164	0.4037
	AT THE END OF THE YEAR					512164	0.4037
9	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS MIDCAP FUND	0	0.0000			0	0.0000
	Transfer			20 Sep 2019	22418	22418	0.0177
	Transfer			27 Sep 2019	27412	49830	0.0393
	Transfer			30 Sep 2019	2686	52516	0.0414
	Transfer			11 Oct 2019	72908	125424	0.0989
	Transfer			18 Oct 2019	3299	128723	0.1015
	Transfer			25 Oct 2019	55277	184000	0.1450
	Transfer			01 Nov 2019	38000	222000	0.1750
	Transfer			15 Nov 2019	35000	257000	0.2026
	Transfer			22 Nov 2019	38000	295000	0.2325
	Transfer			29 Nov 2019	2228	297228	0.2343
	Transfer			13 Dec 2019	36252	333480	0.2628
	Transfer			31 Dec 2019	18520	352000	0.2774

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019-2020		Transactions during the year		Cumulative Shareholding at the end of the year 2019-2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
	Transfer			14 Feb 2020	16198	368198	0.2902
	Transfer			06 Mar 2020	73229	441427	0.3479
	Transfer			20 Mar 2020	20557	461984	0.3641
	Transfer			27 Mar 2020	42855	504839	0.3979
	AT THE END OF THE YEAR					504839	0.3979
10	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	411253	0.3241			411253	0.3241
	Transfer			26 Apr 2019	(10834)	400419	0.3156
	Transfer			03 May 2019	28932	429351	0.3384
	Transfer			14 Jun 2019	12863	442214	0.3486
	Transfer			21 Jun 2019	5805	448019	0.3531
	Transfer			13 Sep 2019	1371	449390	0.3542
	Transfer			08 Nov 2019	6140	455530	0.3590
	Transfer			15 Nov 2019	10010	465540	0.3669
	Transfer			06 Dec 2019	23666	489206	0.3856
	Transfer			13 Dec 2019	3334	492540	0.3882
	Transfer			20 Dec 2019	8850	501390	0.3952
	AT THE END OF THE YEAR					501390	0.3952
11	KOTAK STANDARD MULTICAP FUND	540047	0.4257			540047	0.4257
	Transfer			31 May 2019	(2930)	537117	0.4234
	Transfer			07 Jun 2019	(2526)	534591	0.4214
	Transfer			14 Jun 2019	(2474)	532117	0.4194
	Transfer			05 Jul 2019	(5000)	527117	0.4155
	Transfer			30 Sep 2019	(10000)	517117	0.4076
	Transfer			04 Oct 2019	(10000)	507117	0.3997
	Transfer			11 Oct 2019	(21061)	486056	0.3831
	Transfer			18 Oct 2019	(33225)	452831	0.3569
	Transfer			25 Oct 2019	(8404)	444427	0.3503
	Transfer			01 Nov 2019	(2622)	441805	0.3482
	Transfer			06 Dec 2019	(37279)	404526	0.3188
	Transfer			20 Dec 2019	(15302)	389224	0.3068
	Transfer			27 Dec 2019	(54224)	335000	0.2640
	AT THE END OF THE YEAR					335000	0.2640
12	TATA AIA LIFE INSURANCE CO LTD-WHOLE LIFE MID CAP EQUITY FUND-ULIF 009 04/01/07 WLE 110	518538	0.4087			518538	0.4087
	Transfer			17 May 2019	(4550)	513988	0.4051
	Transfer			31 May 2019	(15096)	498892	0.3932
	Transfer			14 Jun 2019	(1000)	497892	0.3924
	Transfer			21 Jun 2019	(18560)	479332	0.3778
	Transfer			29 Jun 2019	(1000)	478332	0.3770
	Transfer			12 Jul 2019	(17090)	461242	0.3635
	Transfer			08 Nov 2019	(16028)	445214	0.3509



Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year – 2019-2020		Transactions during the year		Cumulative Shareholding at the end of the year 2019-2020	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
	Transfer			15 Nov 2019	(36328)	408886	0.3223
	Transfer			22 Nov 2019	(39469)	369417	0.2912
	Transfer			29 Nov 2019	(71876)	297541	0.2345
	Transfer			06 Dec 2019	(90000)	207541	0.1636
	Transfer			20 Dec 2019	(28516)	179025	0.1411
	Transfer			28 Feb 2020	(20000)	159025	0.1253
	AT THE END OF THE YEAR					159025	0.1253
13	NATIONAL WESTMINSTER BANK PLC AS TRUSTEE OF THE JUPITER INDIA FUND	640678	0.5050			640678	0.5050
	Transfer			26 Jul 2019	(9819)	630859	0.4972
	Transfer			02 Aug 2019	(28742)	602117	0.4746
	Transfer			09 Aug 2019	(4469)	597648	0.4711
	Transfer			16 Aug 2019	(35072)	562576	0.4434
	Transfer			23 Aug 2019	(77317)	485259	0.3825
	Transfer			30 Aug 2019	(485259)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
14	SBI MAGNUM GLOBAL FUND	570000	0.4493			570000	0.4493
	Transfer			19 Apr 2019	(175000)	395000	0.3113
	Transfer			03 May 2019	(37388)	357612	0.2819
	Transfer			17 May 2019	(50571)	307041	0.2420
	Transfer			24 May 2019	(4966)	302075	0.2381
	Transfer			31 May 2019	(302075)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

**Note:**

1. Paid up Share capital of the Company (Face Value Rs. 10.00) at the end of the year is 126871830 shares.
2. The details of holding has been clubbed based on PAN
3. % of total shares of the Company is based on the paid up capital of the Company at the end of the year.

**v) Shareholding of Directors and Key Managerial Personnel**

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year 2019-2020		Shareholding at the end of the year 2019-2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. AHBN Reddy-Executive Director				
	At the beginning of the year (April 1 2019)	1	0.00%	1	0.00%
	Date wise increase/decrease in shareholding during the year	NIL			
	Specifying the reasons for increase/decrease (eg. allotment/transfer/bonus/sweat equity etc):	NA			
	At the end of the year (March 31 2020)	1	0.00%	1	0.00%

No other Director/KMP held any shares of the Company during the financial year 2019-20.

**V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.**  
NIL**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -****A. Remuneration to Whole Time Directors**

(INR in lacs)

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Sunil D'Souza	Mr. Anil Berera	Mr. AHBN Reddy	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	435.18	339.91	111.91	887.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	55.30	3.94	1.93	61.17
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	--	--	--	--
2	Stock Option	231.15	32.63	10.71	274.49
3	Sweat Equity	--	--	--	--
4	Commission - as % of profit - others, specify	--	--	--	--
5	Others – (PF & Superannuation)	9.00	8.69	4.10	21.79
	<b>Total (A)</b>	<b>730.63</b>	<b>385.17</b>	<b>128.65</b>	<b>1244.45</b>
	Ceiling as per the Act	The managerial remuneration is within the ceiling limits of 5% of the Net profit to one managing or whole time director or manager and 10% of the net profit if there is more than one such director.			

**B. Remuneration to other Directors**

(INR in lacs)

S. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors (from 01 <sup>st</sup> April, 2019 to 19 <sup>th</sup> June, 2019)	Mr. Sanjeev Verma	Mr. Anand Bhatia	
	Fees for attending board and committee meetings	3.50	4.25	
	Commission	--	--	
	Others, please specify	--	--	
	Total (1)	3.50	4.25	<b>7.75</b>
2	Independent Directors (from 19 <sup>th</sup> June, 2019 to 31 <sup>st</sup> March, 2020)	Mr. Rahul Bhatnagar	Mr. Pradeep Banerjee	
	Fees for attending board and committee meetings	10.25	6.25	
	Commission	--	--	
	Others, please specify	--	--	
	Total (2)	10.25	6.25	<b>16.50</b>
3.	Independent Directors (from 01 <sup>st</sup> April, 2019 to 31 <sup>st</sup> March, 2020)	Ms. Sonu Bhasin		
	Fees for attending board and committee meetings	13.75		
	Commission	--		
	Others, please specify	--		
	Total (3)	13.75		<b>13.75</b>
	Total remuneration to Independent Directors (1+2+3)			<b>38.00</b>

(INR in lacs)

S. No.	Particulars of Remuneration	Name of Directors		Total Amount
4.	Other Non-Executive Directors	Mr. Arvind Uppal	Mr. Anil Berera (wef 01 <sup>st</sup> Jan, 2020)	
	Fees for attending Board and committee meetings	19.00	1.75	
	Commission	--	--	
	Others, please specify	--	--	
	Total (4)	19.00	1.75	<b>20.75</b>
	<b>Total (B)=1+2+3+4</b>			<b>58.75</b>
	Total Managerial remuneration			<b>58.75</b>
	Overall Ceiling as per the Act	The sitting fees and remuneration paid to other Directors are within the maximum prescribed limits.		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR/MANAGER/WHOLE TIME DIRECTOR**

(INR in lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Ms. Roopali Singh, Company Secretary	Mr. Yatin Malhotra, Chief Financial Officer	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	111.62	156.65	268.27
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	1.24	1.32	2.56
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	--	--	--
2	Stock Option	4.95	11.28	16.23
3	Sweat Equity	--	--	--
4	Commission - as % of profit	--	--	--
5	Others, specify	--	--	--
6	Others (PF & Superannuation)	3.53	5.25	8.78
	<b>Total</b>	<b>121.34</b>	<b>174.50</b>	<b>295.84</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

During the year under review there were no penalty/punishment or compounding of offences for breach of provisions of Companies Act, 2013 against the Company or its Directors or other Officers in Default.

**Annexure G. BUSINESS RESPONSIBILITY REPORT 2019-2020**

**SECTION A: GENERAL INFORMATION ABOUT THE COMPANY**

S. No	Particulars	Details		
1	Corporate Identity Number (CIN) of the Company	L29191PN1960PLC020063		
2	Name of the Company	Whirlpool of India Limited		
3	Registered address	A-4, MIDC, Ranjangaon, Taluka- Shirur. Dist.: Pune, Maharashtra -412220		
4	Website	www.whirlpoolindia.com		
5	Email id	info_india@whirlpool.com		
6	Financial year reported	2019-20		
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturer and Traders of domestic electric appliances such as refrigerators, washing machines, etc.		
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	<b>S. No.</b>	<b>Name and Description of main products/services</b>	<b>NIC code of the Product/service</b>
		1	Refrigerator	27501
		2	Washing Machine`	27501
		3	Air Conditioner	27509
9	Total number of locations where business activity is undertaken by the Company (a) Number of International locations (provide details of major 5) (b) Number of national locations	(a) Nepal Liaison Office  (b) 3 Manufacturing Plants (Faridabad, Pune and Puducherry), Branches across India & distribution network.		
10	Markets served by the Company	All India, certain countries in SAARC, ASEAN countries		

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

S. No	Particulars	Details (INR In Lacs)
1	Paid up Capital (INR):	12,687
2	Total Turnover (INR)	5,99,252
3	Total profit after taxes (INR)	47,629
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1091 Lacs (2.00%)
5	List of activities in which expenditure in 4 above has been incurred	Skill Development, Education & Community Development

**SECTION C: OTHER DETAILS**

S. No	Particulars	Details
1	Does the Company have any subsidiary company/companies	No, the Company does not have any subsidiary.
2	Total Turnover (INR)	Not applicable
3	Total profit after taxes (INR)	Not applicable
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Not applicable
5	Does the Subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary companies	Not applicable
6	Do any other entity/entities (eg. suppliers, distributors etc) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? (less than 30%, 30-60%, more than 60%)	The company encourages its suppliers, dealers and other stakeholders to support various initiatives taken by the Company towards its business responsibility.

**SECTION D: BR INFORMATION**

## 1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR Policy/Policies: India Management team under the leadership of Managing Director reviews the BR Policies on a periodic basis. The same is also presented to the Board on an annual basis.

(b) Details of the BR head

S. No.	Particulars	Details
1	DIN Number (if applicable)	08668079
2	Name	Vishal Bhola
3	Designation	Managing Director
4	Telephone number	0124- 4591300
5	e-mail id	info_india@whirlpool.com

*NOTE: During the financial year, BR head was Mr. Sunil D'Souza. Mr. Vishal Bhola is the BR head with effect from 04<sup>th</sup> April, 2020.*

## 2. Principle-wise (as per NVGs) BR Policy/Policies

(a) Details of compliance (Reply in Y/N)

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Product Sustainability	Employees Well being	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
1	Do you have a policy/policies for	YES								
2	Has the policy been formulated in consultation with the relevant stakeholders?	YES								
3	Does the Policy confirm to any national/international standards? If yes, specify (50 words)	The Policies have been derived, adopted and principled on Whirlpool Corporation's (Ultimate Holding Company) Global Policies.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	The Company's policies, including modifications from time to time, when approved by the Committee or respective authority is released for implementation to the Senior leadership including Executive Directors of the Company. These policies are then administered under the overall supervision of Managing Director.								
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The Company has a CSR Committee which oversees the CSR Policy. Matters reported under Business Ethics Policy are presented to the Audit Committee and Board. The rest of the Policies are administered by the designated officials of the Company.								
6	Indicate the link for the policy to be viewed online?	Integrity Manual (Business Ethics Policy) can be viewed at <a href="https://www.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/code-of-conduct-and-ethics-policy-whistle-blower-policy_vigil-mechanism-pdf/code-of-conduct-and-ethics-policy-whistle-blower-policy_vigil-mechanism.pdf">https://www.whirlpoolindia.com/dam/images/discover-whirlpool/investors/common-updates/code-of-conduct-and-ethics-policy-whistle-blower-policy_vigil-mechanism-pdf/code-of-conduct-and-ethics-policy-whistle-blower-policy_vigil-mechanism.pdf</a> CSR Policy can be viewed at <a href="https://www.whirlpoolindia.com/csr-policy">https://www.whirlpoolindia.com/csr-policy</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies are disseminated to new joiners at the time of their induction and form part of their employment contract. Policies are also available on intranet. External stakeholders are also informed about the policies relevant to them. Regular trainings are also conducted for stakeholders.								
8	Does the company has in-house structure to implement the policy/policies?	YES								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	YES								

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Product Sustainability	Employees Well being	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Company carries out internal audit of the principles embodied in the policies along with evaluation of implementation by Managing Director and Senior Leadership including Executive Directors from time to time as part of their business review.								

(b) If the answer to the question at serial number 1 against any principle, is 'No', please explain why: (tick upto 2 options):

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics	Product Sustainability	Employees Well being	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
1	The Company has not understood the Principles	NA								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within next 1 year									
6	Any other reason (please specify)									

## 3. Governance related to BR

S. No.	Particulars	Details
1	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, more than 1 year	Annually
2	Does the Company publish a BR or a sustainability report? What is the hyperlink for viewing this report? How frequently is it published?	Company has published Business Responsibility Report as part of its Annual Report and is also available on the Company's website <a href="http://www.whirlpoolindia.com">www.whirlpoolindia.com</a> . Whirlpool Corporation's (ultimate holding company) sustainability report is available at <a href="http://www.whirlpoolcorp.com/environmental-sustainability/">http://www.whirlpoolcorp.com/environmental-sustainability/</a>

**SECTION E: PRINCIPLE -WISE PERFORMANCE**
**Principle 1:**
**Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

The Company's Integrity Manual relating to ethics, bribery & corruption covers the Company. The values of the Company's Integrity Manual is embodied in the Supplier code of conduct and covers Suppliers/Contractors and other third parties who deal with the Company.

The principles of the policy are also embodied in the policy of the Company's Associate Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the financial year, as mentioned in the Corporate Governance report 19 complaints were received from the shareholders/investors, and all were replied/resolved satisfactorily. Complaints from all other stakeholders are addressed and dealt with appropriately.

#### Principle 2:

##### Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
  - A. Energy efficient products complying to schedule V of BEE energy regulation for Single Door refrigerators.
  - B. Products complying ROHS requirements as per India E-waste (Management) Rule-2016 for all washers and refrigerators.
  - C. Steps taken for conservation of energy by the Company at its plants are mentioned in the **Annexure-D** to Directors Report.
  - D. Steps taken to conserve water in the manufacturing process.
  - E. Energy efficient products with 5 star rating and meeting water requirements as per BEE standards implemented in fully automatic and semi automatic washers.
2. Does the company have procedures in place for sustainable sourcing (including transportation)?
  - (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Whirlpool approves its suppliers through strictly laid out procedures and engages with them according to the non-negotiable minimum standards described in the Whirlpool's Supplier Code of Conduct (SCOC).

The principle requirements of Business Integrity, Human Rights (labor standards), Health and Safety, Child labor, Women Rights and following Sustainable environmental standards in business, production processes, services provision etc as enshrined in the Whirlpool's SCOC, apply to all Suppliers of Whirlpool.

Stringent guidelines on product quality, rigorous systems, processes & critical material management compliance like RoHS are put in place to monitor and control quality of raw materials and products before finished goods are released to the market. The incoming material is ensured to be as per Whirlpool technical standards and in compliance with any applicable external regulations.

3. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?
  - (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
 

Whirlpool actively engages with local and MSME suppliers around its manufacturing facilities in Faridabad, Pune & Puducherry in addition to other parts of India as per the requirements of the products manufactured and sold by the Company in India.

Company has regular supplier development & up-gradation discussions and training focused on aspects like Quality, Health & Safety, Environment, Productivity, Capacity, Capability improvement, etc. There is a constant endeavour made by the Company's sourcing organization to help its suppliers upgrade capabilities with the latest technology and processes in order to deliver world class products.
4. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.
 

The Company has a procedure for segregation of manufacturing waste (Hazardous & non Hazardous) at site and disposal of waste following applicable legal regulations. In 2019-20 around 99% of manufacturing waste was sent for recycling. There is continuous focus on reduction of plastic packaging, wastage in raw material & finished goods.

The company also has a mechanism of collection and disposal of products for end of life as per applicable regulations.

#### Principle 3:

##### Businesses should promote the well being of all employees

S. No.	Particulars	Details
1	Please indicate the Total number of employees	2842
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	4613*
3	Please indicate the Number of permanent women employees	223
4	Please indicate the Number of permanent employees with disabilities	4
5	Do you have an employee association that is recognized by management	Yes at all three plants (Faridabad, Pune and Puducherry).
6	What percentage of your permanent employees are members of this recognized employee association?	38%

\* excludes sales resources

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No. of complaints filed during the financial year ended 31 <sup>st</sup> March 2020	No. of complaints pending as on end of the financial year ended 31 <sup>st</sup> March 2020
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

S. No.	Particular	Comments
a	Permanent Employees	All categories of employees are given training on safety & skill up-gradation on periodic basis.
b	Permanent Women Employees	
c	Casual/Temporary/Contractual Employees	
d	Employees with Disabilities	

#### Principle 4:

##### Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders? Yes/No  
Yes.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?  
Yes.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.  
All the activities under CSR programme of Whirlpool are designed keeping in mind the disadvantaged, vulnerable & marginalized stakeholders. Details of the program as per **Annexure-B** of Board's report.

#### Principle 5:

##### Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?  
The Policy covers the Company and all suppliers, sub suppliers, contractors, employees and third parties who deal with the Company.



2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The company did not receive any complaints pertaining to violation of human rights in the financial year 2019-20.

**Principle 6:**

**Business should respect, protect, and make efforts to restore the environment**

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.  
The Policy covers the Company and all suppliers, sub suppliers, contractors, employees and third parties who deal with the Company.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.  
Sustainability is embedded in Whirlpool of India's Corporate Social Responsibility Policy. Several initiatives have been taken on the use of alternate sources of energy, reduction in water consumption and waste management. Further details can be found at <https://www.whirlpoolofindia.com/sustainability>
3. Does the company identify and assess potential environmental risks?  
Yes, Company continuously invests in research and development and develops products which are energy efficient and environment friendly.
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?  
No
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.  
The initiatives undertaken by the Company in this regard are :-
- 20.53 kWh energy utilization through Roof Top Solar Systems and Solar Systems.
  - Use of energy efficient vacuum pumps, Servo Drives driven Fixtures instead of Hydraulic Fixture, LED Lighting, VRV - AC
  - STP wastewater reuse for garden purpose resulting in reduction of raw water consumption by 30KL per day
  - All plants are maintaining compliance by following the Environment Management System as per ISO 14001:2015 Version.
  - Further details can be found at <https://www.whirlpoolofindia.com/sustainability>.
6. Are the Emissions/Waste generated by the company within the permissible limits given by Central Pollution Control Board/ State Pollution Control Board (CPCB/SPCB) for the financial year being reported?  
There have been no material breach of the permissible limits of emission/waste prescribed by the CPCB/SPCB during the financial year 2019-20.
7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.  
No show cause/ legal notices received from CPCB/SPCB for financial year 2019-20 are pending.

**Principle 7:**

**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
- a. FICCI : Federation of Indian Chambers of Commerce and Industries
  - b. FIEO : Federation of Indian Export Organization
  - c. CEAMA : Consumer Electronics Appliance Manufacturer Association
  - d. EEPC : Engineering Export Promotion Council

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The company supports initiatives of these bodies on advancement/improvement of public good.

**Principle 8:**

**Businesses should support inclusive growth and equitable development**

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.  
Yes. The Company works in the areas of Education, Skill Development and Other Community Development initiatives the details of the initiatives are available on Company's website and can be accessed at <https://corporate.whirlpoolindia.com/discover/sustainability>.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?  
Projects are undertaken in partnership with various Social development organizations with credible experience. The projects are monitored by Company's CSR team.
3. Have you done any impact assessment of your initiative?  
Yes, impact assessment is done on a periodic basis as part of review mechanism of projects.
4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.  
These are detailed in **Annexure - B** to the Board's Report.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.  
CSR activities were pursued in line with the Company's policy and framework. The first step in the process is to identify communities that require our intervention through stakeholder engagement. The Company has continual interactions with the relevant stakeholders so that its interventions are sustainable and is accepted and adopted by the key stakeholders

**Principle 9:**

**Businesses should engage with and provide value to their customers and consumers in a responsible manner**

1. What percentage of customer complaints/consumer cases are pending as on the end of the financial year.  
0.01 % consumer complaints/ consumer cases are pending as on the end of the financial year.
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)  
Yes, apart from the mandated declarations, additional declarations are furnished on the products/labels relating to the products and their usage.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.  
Nil.
4. Did your company carry out any consumer survey/ consumer satisfaction trends?  
Yes.

**INDEPENDENT AUDITOR'S REPORT**

To the members of Whirlpool of India Limited

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of Whirlpool of India Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2020, and the statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended (“Ind-AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 43 to the standalone financial statements which states that the management has made an assessment of the impact of COVID-19 on the Company’s operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Description of Key Audit Matter****Evaluation of uncertain tax positions (Direct Tax and Indirect Tax)**

The Company has transactions with related parties in other countries and hence is subject to transfer pricing regulations as specified under Income-Tax Act, 1961 in India. Certain transactions with related parties and various tax positions taken by the Company are challenged by the relevant tax authorities. Further certain tax positions relating to reporting of taxable turnover, selection of tax rates, non-collection of statutory forms, etc. in indirect tax are challenged by relevant tax authorities.

Management has assessed the Litigations/ Assessments status and has applied judgement in classifying/ taking appropriate actions as required under ‘Ind AS 37 - Provisions, Contingent Liabilities, and Contingent Assets’.

Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12-Income Taxes has been added by Ministry of Corporate Affairs, via notification dated 30 March, 2019. Management has further assessed the appropriateness of accounting and disclosure in standalone financial statements with respect to litigations on income taxes.

We have determined this matter to be key audit matter due to the significance of the amounts and judgements involved.

**Description of Auditor’s Response**

Our audit procedure in respect of this area included:

- Analysed the list of ongoing litigations, Management’s assessment of the possible outcome of the case and related accounting in the standalone financial statements.
- Verified the completeness of the information by corroborating prior year work papers and changes, if any, to tax litigations status with the underlying documents.
- Auditor’s expert was involved to reassess Management’s assessment of the possible outcome.
- Litigations on income taxes was assessed in terms of recognition and measurement criteria mentioned in Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12-Income Taxes.
- Assessed the appropriateness of presentation/ disclosures in the standalone financial statements in accordance with Ind AS 37 and Ind AS 12 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman’s statement, Director’s report, etc but does not include the standalone financial statements and our auditor’s report thereon.

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

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

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

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor’s Responsibilities for the Audit of the Standalone Financial Statements**

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

We give in “Annexure A” a detailed description of Auditor’s responsibilities for Audit of the Standalone Financial Statements.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind-AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Manish P Bathija**  
Partner  
Membership No.: 216706  
UDIN: 20216706AAAACR1937

Place : Gurugram  
Date : June 18, 2020

## ANNEXURE A TO THE INDEPENDENT AUDITOR’S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF WHIRLPOOL OF INDIA LIMITED

### AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Manish P Bathija**  
Partner  
Membership No.: 216706  
UDIN: 20216706AAAACR1937

Place : Gurugram  
Date : June 18, 2020

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF WHIRLPOOL OF INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2020**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant and Equipment).
  - All the fixed assets (Property, Plant and Equipment) have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified during the year by the management except for inventories in transit aggregating to INR 21,151 lacs as on March 31, 2020. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stock and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant as specified by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to it.
  - According to the information and explanations given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, custom duty, cess and other statutory dues on account of any dispute, are as follows:

Amount in INR Lacs

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period (Financial Year)	Forum where dispute is pending
Central Excise Act, 1994	Differential duty demanded by the department on washers	17	-	2000-03	CESTAT
Customs Act, 1962	Denial of exemption on account of classification issue of water purifiers	36	-	2010-11	
Service Tax Rule, 1994	Disallowance of input credit on Research expenditure	135	-	2005-07	
	Disallowance of input credit on rent a cab service	9	-	2003-05	Commissioner Appeal
Income tax Act, 1961	Penalty under section 271 (1)(c) (Appeal filed by tax Department)	148	-	2004-05	ITAT

Amount in INR Lacs

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period (Financial Year)	Forum where dispute is pending
Andhra Pradesh General Sales Tax Act, 1957	Tax levied on optional service contacts	7	4	2000-01	Tribunal
		14	14	2001-02	Sales tax officer
		19	10	2002-03	High Court
		9	5	2003-04	Additional Commissioner
Andhra Pradesh Value Added Tax Act, 2005	Dispute on tax rate on gas	4	4	2006-07	Sales tax officer
		3	3	2007-08	Sales tax officer
Bihar Value Added Tax Act, 2005	Entry Tax	13	-	2016-17	Assessing Authority
	Tax on discount through credit note	52	-	2016-17	Assessing Authority
	Tax on discount through credit note	21	-	2017-18	Assessing Authority
	CAG objection	47	14	2013-14	Revision with Commissioner
	Tax on discount through credit note	8	8	2009-10	Joint Commissioner
		15	15	2009-10	Tribunal
		40	40	2010-11	Tribunal
	Entry tax	7	7	2009-10	Deputy Commissioner
	Forms short	25	25	2009-10	Tribunal
		71	71	2010-11	Tribunal
		4	1	2006-07	Sales tax officer
	Road permit mismatch	1	#	2014-15	Commissioner
	Non submission of forms	1	-	2005-06	Deputy Commissioner
	Penalty	1	-	2011-12	Deputy Commissioner
		67	20	2014-15	Commissioner
		31	-	2015-16	Commissioner
	Tax on discount through credit note	101	30	2012-13	Joint Commissioner
	Tax on discount through credit note	85	26	2014-15	Revision with Commissioner
	Sales return disallowed	47	19	2013-14	Revision with Commissioner
	Tax on discount through credit note	24	24	2012-13	Joint Commissioner
Tax on discount through credit note	26	16	2011-12	Joint Commissioner	
Tax on discount through credit note	6	-	2008-09	Commissioner of sales tax	
	10	-	2009-10	Commissioner of sales tax	
	3	-	2010-11	Commissioner of sales tax	
Tax on discount through credit note	43	-	2005-06	Sales tax officer	
	1	-	2006-07	Deputy Commissioner	
	34	-	2006-07	Sales tax officer	
Bihar Sales Tax Act, 1959	Entry Tax	1	-	2003-04	Sales tax officer
	Check post Penalty	4	1	2002-03	Tribunal
	Rebate disallowed	1	-	2004-05	Deputy Commissioner
Bombay Sales Tax Act, 1959	Tax on CQB excess claimed and non-submission of C forms	11	3	2004-05	Joint Commissioner

Amount in INR Lacs

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period (Financial Year)	Forum where dispute is pending
Haryana General Sales Tax Act, 1973	Enhancement of turnover by taxing on maximum retail price value	9	9	2002-03	Joint Commissioner
	Interest under section 59 of the sales tax act	17	17	1982-83	High Court
		16	16	1983-84	High Court
		82	82	1984-85	High Court
		42	42	1985-86	High Court
Haryana Value Added Tax Act, 2003	Entry Tax	59	-	2007-08	High Court
	C forms	66	-	2014-15	Excise & Taxation Officer
	Short payment of tax and interest for unverified forms	98	-	2015-16	Joint Excise & Taxation Commissioner (A)
J & K GST Act, 1962	Rejection of claim	5	5	2002-03	Remand
J & K Value Added Tax Act, 2005	Penalty at Check Post	2	-	2012-13	Deputy Commissioner
	Rejection of claim of HUPS sale	3	3	2008-09	Deputy Commissioner
		6	6	2009-10	Deputy Commissioner
		2	2	2012-13	Sales tax officer
Jharkhand SGST Act	Penalty	1	-	2018-19	Joint Commissioner
Kerala General Sales Tax Act, 1963	Check post Penalty	1	1	2015-16	Intelligence
	Check post Penalty	15	-	2010-11	Tribunal
	Mismatch in Closing Stock	30	9	2010-11	Tribunal
Kerala Value Added Tax Act, 2005	Penalty at Check Post	2	-	2006-11	Deputy Commissioner
		1	-	2009-11	Intelligence
		7	7	2010-11	Sales tax officer
Maharashtra Value Added Tax Act, 2005	Vendor mismatch	37	2	2014-15	Joint Commissioner
MP Commercial Tax Act, 1944	Rejection of claim on discounts	28	15	2002-03	Additional Commissioner
		26	3	2003-04	Additional Commissioner
	Non submission of forms	#	-	2004-05	Sales tax officer
	Rejection of credit notes	13	4	1998-99	Tribunal
		18	4	2001-02	High Court
	Rejection of forms	#	#	2003-04	Additional Commissioner
	Rejection of sales return	3	1	1999-00	Tax Board
MP Value Added Tax Act, 2005	Forms short	2	#	2011-12	Additional Commissioner
	Rejection of sales return	20	6	2005-06	Additional Commissioner

Amount in INR Lacs

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period (Financial Year)	Forum where dispute is pending
Orissa Sales Tax Act, 1947	Enhancement of turnover	7	6	2001-02	High Court
	Non submission of forms	2	2	1996-97	High Court
		1	1	1997-98	Sales tax officer
		2	-	1998-99	Tribunal
		3	1	1999-00	Tribunal
		1	#	2000-01	Tribunal
		1	1	2001-02	Tribunal
		1	1	1999-00	Tribunal
	Rejection of sales return	6	2	2000-01	Tribunal
		1	1	1999-00	Tribunal
Road Permit	1	1	2001-02	Sales tax officer	
Entry Tax	3	-	2002-03	Tribunal	
Orissa Value Added Tax Act, 2005	Tax on entry of goods	217	109	2008-09	High Court
UP Goods and Services Tax Act (State)	Truck Detention	4	2	2019 -2020	Assistant Commissioner
Rajasthan Entry Tax Act, 2005	Rejection of surcharge on tax on turnover	12	-	2013-14	Deputy Commissioner
	Entry Tax	13	7	2013-14	Entry Tax Oct to March 2014
		27	-	2007-08	Deputy Commissioner
		25	-	2008-09	Deputy Commissioner
Rajasthan Sales Tax Act, 1954	CSD form short	6	-	2015-16	Assessing Authority
	Rejection of surcharge	6	5	2000-01	Sales tax officer
	CSD form short	40	4	2016-17	Assessing Authority
Punjab Value Added Tax Act, 2005	Penalty at Check Post	1	#	2006-07	Deputy Commissioner
		#	#	2010-11	Sales tax officer
	Tax on freight charged on invoices	31	8	2005-06	First Appeal, Sales tax officer
		235	59	2006-07	Tribunal
	Turnover enhanced and taxable sales claimed in return rejected on the basis of difference in gross turnover declared	535	#	2010-11	First Appeal, Sales tax officer
Rajasthan Value Added Tax Act, 2005	CSD form short	2	2	2010-11	Deputy Commissioner
	Rejection of claim on credit notes for discount	35	35	2006-07	High Court
		47	47	2007-08	High Court
		17	17	2008-09	High Court
Tamil Nadu Value Added Tax Act, 2006	C Form short deposited	2	1	2012-13	Joint Commissioner
	Penalty at Check Post	8	-	2014-15	Joint Commissioner
	Forms C and F short submitted	44	27	2010-11	Sales tax officer
	Penalty at Roadside	8	8	2010-11	Joint Commissioner
	Rejection of Stock Transfer and C-form short	5	5	2008-09	Commercial Tax Officer
	Penalty at Check Post	17	-	2015-16	Deputy State Tax Officer
Telangana Vat Act	Forms verification	1	#	2014-15	First Appeal, Sales tax officer



Amount in INR Lacs

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period (Financial Year)	Forum where dispute is pending
The Jharkhand Value Added Tax Act, 2003	CSD form short	3	-	2015-16	Joint Commissioner (Appeals)
	Interest and Penalty	1	-	2005-06	Sales tax officer
	Non submission of forms	1	-	2006-07	Sales tax officer
	Penalty at Check Post	6	6	2011-12	Commissioner of sales tax
Tamil Nadu General Sales Tax Act, 1959	Penalty at Check Post	23	8	1994-95	High Court
		10	3	1995-96	High Court
		9	8	1996-97	High Court
		28	11	1997-98	High Court
	Demand on imported goods taxed at higher rate	53	16	2002-03	High Court
		50	12	2003-04	High Court
	Demand on statutory form	1	-	2016-17	Deputy Commissioner
	Entry Tax	1	-	2001-02	Tribunal
	Penal interest on late payment of Entry tax	3	-	2002-03	High Court
	Truck Detention	8	-	2018-19	First Appeal, Sales tax officer
Rejection of Discount and F-Form short	1	1	2005-06	Sales tax officer	
UP Value Added Tax Act, 2008	Enhancement of turnover	3	3	2007-08	Tribunal
	F-Form short & sales turnover increased	3	3	2011-12	Tribunal
	Penalty at Check Post	1	1	2007-08	Assistant Commissioner
		6	6	2008-09	Tribunal
		#	-	2009-10	Commercial Tax Officer
		4	4	2009-10	Tribunal
		#	#	2010-11	Joint Commissioner
		2	-	2013-14	Joint Commissioner
		9	9	2014-15	Deputy Commissioner
	Turnover enhanced	22	22	2014-15	Deputy Commissioner
Turnover increment as per departmental stock inspection	71	71	2011-12	Tribunal	
Uttarakhand Value Added Tax Act, 2005	Tax on gas sales	1	1	2008-09	First Appeal, Sales tax officer
		1	1	2009-10	First Appeal, Sales tax officer
		2	2	2010-11	First Appeal, Sales tax officer
UP Entry Tax Act, 2007	Entry Tax	213	180	2008-09	Appeal filed with High Court
	Entry tax & interest	54	47	2009-10	Tribunal
West Bengal Value Added Tax Act, 2005	Export disallowed, Mismatch with customer	26	4	2013-14	First Appeal, Sales tax officer
	Increased in turnover due to form rejection	2	-	2010-11	Joint Commissioner
	Sales reversal rejected	116	18	2012-13	First Appeal, Sales tax officer
	Wrong computation	1	#	2013-14	First Appeal, Sales tax officer

# Amount less than round off norm.

- viii. The Company does not have any loans or borrowings from any financial institution, banks, government, or debenture holders during the year. Accordingly, the provision stated in paragraph 3 (viii) of the Order is not applicable to the Company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3 (xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Manish P Bathija**  
Partner  
Membership No.: 216706  
UDIN: 20216706AAAACR1937

Place : Gurugram  
Date : June 18, 2020

## ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF WHIRLPOOL OF INDIA LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to Members of Whirlpool of India Limited on the Standalone Financial Statements for the year ended March 31, 2020]

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

#### Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial

statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Manish P Bathija**  
Partner  
Membership No.: 216706  
UDIN: 20216706AAAACR1937

Place : Gurugram  
Date : June 18, 2020

**STANDALONE BALANCE SHEET AS AT 31 MARCH 2020**

Particulars	Notes	(INR in lacs)	
		As at 31 March 2020	As at 31 March 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A, 3B	70,348	50,319
Capital work in progress	3A	4,408	4,333
Intangible assets	4	543	502
Investment in joint venture	5	17,222	17,222
Financial assets	5		
i) Investment		-	34,578
ii) Loans		1,812	1,815
iii) Others		11	1,232
Deferred tax assets (net)	19	3,749	3,440
Other non-current assets	6	8,102	11,092
		<u>106,195</u>	<u>124,533</u>
<b>Current assets</b>			
Inventories	7	119,889	88,860
Financial assets			
i) Trade receivables	8	28,160	25,562
ii) Cash and cash equivalents	9	127,416	105,311
iii) Bank balances other than (ii) above	10	985	789
iv) Investment	5	37,833	13,833
v) Loans	5	674	263
vi) Others	5	2,063	1,375
Other current assets	11	11,152	10,378
		<u>328,172</u>	<u>246,371</u>
		<u>434,367</u>	<u>370,904</u>
<b>Total assets</b>			
<b>Equity and liabilities</b>			
Equity			
Equity share capital	12	12,687	12,687
Other equity	13	242,001	201,580
<b>Total equity</b>		<u>254,688</u>	<u>214,267</u>
<b>Non-current liabilities</b>			
Financial Liabilities	15		
i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		193	170
ii) Other payables		1,472	520
Provisions	16	20,738	18,636
Government grants	17	507	564
		<u>22,910</u>	<u>19,890</u>
<b>Current liabilities</b>			
Financial liabilities	15		
i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		1,891	3,649
- total outstanding dues of creditors other than micro enterprises and small enterprises		141,024	119,973
ii) Other payables		1,747	431
Other liabilities	15 A	7,563	8,556
Provisions	16	3,767	3,351
Government grants	17	57	57
Deferred revenue	18	720	730
		<u>156,769</u>	<u>136,747</u>
		<u>179,679</u>	<u>156,637</u>
		<u>434,367</u>	<u>370,904</u>
<b>Total liabilities</b>			
<b>Total equity and liabilities</b>			
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the standalone financial statements			
As per our report of even date			

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
Partner  
Membership No. 216706

Place of Signature : Gurugram  
Date : 18 June, 2020

For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**

**Arvind Uppal**  
Chairman  
DIN:00104992

**Yatin Malhotra**  
Chief Financial Officer

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Roopali Singh**  
Company Secretary

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

Particulars	Notes	(INR in lacs)	
		31 March 2020	31 March 2019
<b>Income</b>			
Revenue from operations	20	599,252	539,765
Other income	21	12,871	10,470
<b>Total income</b>		<u>612,123</u>	<u>550,235</u>
<b>Expenses</b>			
Cost of raw material and components consumed	22	324,375	296,970
Purchase of traded goods		64,268	46,458
Changes in inventories of finished goods, work in progress and stock in trade	23	(23,653)	(5,975)
Employee benefits expense	24	58,963	49,305
Depreciation and amortisation expense	25	12,932	11,131
Other expenses	26	107,964	88,790
Finance costs	27	1,985	909
<b>Total expense</b>		<u>546,834</u>	<u>487,588</u>
<b>Profit before tax</b>		<u>65,289</u>	<u>62,647</u>
(1) Current tax	19	18,116	22,320
(2) Adjustment of tax relating to previous years	19	(227)	(6)
(3) Deferred tax	19	(229)	(372)
Income tax expense		<u>17,660</u>	<u>21,942</u>
<b>Profit for the year</b>		<u>47,629</u>	<u>40,705</u>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement losses on defined benefit plans	29	(317)	(796)
Income tax effect		80	278
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>		<u>(237)</u>	<u>(518)</u>
<b>Other comprehensive income for the year, net of tax</b>		<u>(237)</u>	<u>(518)</u>
<b>Total comprehensive income for the year, net of tax</b>		<u>47,392</u>	<u>40,187</u>
Earnings per share	30		
Basic and Diluted computed on the basis of profit attributable to equity holders of the Company		37.54	32.08
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the standalone financial statements			
As per our report of even date			

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
Partner  
Membership No. 216706

Place of Signature : Gurugram  
Date : 18 June, 2020

For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**

**Arvind Uppal**  
Chairman  
DIN:00104992

**Yatin Malhotra**  
Chief Financial Officer

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Roopali Singh**  
Company Secretary

**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Notes	(INR in lacs)	
		31 March 2020	31 March 2019
<b>Operating activities</b>			
Profit before tax		65,289	62,647
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of property, plant and equipment	25,28	12,105	11,231
Amortisation of intangible assets	25	224	201
Depreciation of Right-of-use assets	25	900	-
Employee stock options	24	629	499
Cash incentives	24	48	66
Unrealised foreign exchange differences		(1,484)	(2,760)
Gain on disposal of property, plant and equipment	21	(132)	(51)
Provision no longer required written back	21	(65)	(35)
Allowances for doubtful debts and advances	26	177	374
Interest income	21	(9,741)	(8,850)
Finance costs	27	1,985	909
Deferred income on Government Grant	17	(57)	(57)
<b>Working capital adjustments:</b>			
Increase in inventories	7	(31,029)	(7,848)
Increase in trade receivables	8	(2,637)	(1,630)
Decrease in financial assets	5,10	120	432
Decrease/(Increase) in other assets	6,11	5,108	(2,476)
Increase in trade payables, other payables and other liabilities	15, 15A	16,744	8,735
Increase in provision and deferred revenue	16,18	473	2,456
		58,657	63,843
Income tax paid		(20,635)	(23,595)
<b>Net cash flows from operating activities</b>		<b>38,022</b>	<b>40,248</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment including intangibles and capital work in progress	3A	(30,725)	(18,725)
Proceeds from sale of property, plant and equipment		236	87
Proceeds from redemption of unquoted debt securities	5	13,774	-
Investment in bank deposits (having original maturity of more than 3 months)	5,10	(171)	59
Investment in unquoted equity shares	5	-	(16,311)
Interest received	21	9,688	8,700
<b>Net cash flows used in investing activities</b>		<b>(7,198)</b>	<b>(26,190)</b>
<b>Financing activities</b>			
Interest paid others	27	(117)	(129)
Interest on lease liabilities	27	(150)	-
Payment of lease liabilities	15	(804)	-
Dividend paid	13	(6,344)	(5,020)
Dividend distribution tax	13	(1,304)	(1,043)
<b>Net cash flows used in financing activities</b>		<b>(8,719)</b>	<b>(6,192)</b>
Net increase in cash and cash equivalents		22,105	7,866
Cash and cash equivalents at the beginning of the year		105,311	97,445
Cash and cash equivalents at the end of the year	9	127,416	105,311

As per our report of even date

 For **MSKA & Associates**  
 Chartered Accountants  
 ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
 Partner  
 Membership No. 216706

 Place of Signature : Gurugram  
 Date : 18 June, 2020

 For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**
**Arvind Uppal**  
 Chairman  
 DIN:00104992

**Yatin Malhotra**  
 Chief Financial Officer

**Vishal Bhola**  
 Managing Director  
 DIN: 08668079

**Roopali Singh**  
 Company Secretary

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	No. in lacs	INR in lacs
<b>a. Equity Share Capital (refer note12):</b>		
Equity shares of INR 10 each issued, subscribed and fully paid		
At 1 April 2018	1,269	12,687
Changes during the year	-	-
At 31 March 2019	1,269	12,687
Changes during the year	-	-
At 31 March 2020	1,269	12,687

**b. Other Equity**

For the year ended 31 March 2020

Particulars	(INR in lacs)							Total
	Share premium	Share based payments reserves	Capital redemption reserve	Capital reserve	Capital subsidy	Cash incentive reserve	Retained earnings	
<b>As at 1 April 2019</b>	1,269	4,439	15,234	46	1	349	180,242	201,580
Profit for the year	-	-	-	-	-	-	47,629	47,629
Other comprehensive income (refer note 29)	-	-	-	-	-	-	(237)	(237)
Cash dividends (refer note 14)	-	-	-	-	-	-	(6,344)	(6,344)
Dividend distribution tax (DDT) (refer note 14)	-	-	-	-	-	-	(1,304)	(1,304)
<b>Total comprehensive income</b>	-	-	-	-	-	-	39,744	39,744
Share based payments (refer note 24)	-	629	-	-	-	-	-	629
Incentives for the year (refer note 24)	-	-	-	-	-	48	-	48
<b>At 31 March 2020</b>	<b>1,269</b>	<b>5,068</b>	<b>15,234</b>	<b>46</b>	<b>1</b>	<b>397</b>	<b>219,986</b>	<b>242,001</b>

For the year ended 31 March 2019

Particulars	(INR in lacs)							Total
	Share premium	Share based payments reserves	Capital Redemption Reserve	Capital reserve	Capital Subsidy	Cash incentive reserve	Retained earnings	
<b>As at 1 April 2018</b>	1,269	3,940	15,234	46	1	283	146,174	166,947
Profit for the year	-	-	-	-	-	-	40,705	40,705
Other comprehensive income (refer note 29)	-	-	-	-	-	-	(518)	(518)
Cash dividends (refer note 14)	-	-	-	-	-	-	(5,076)	(5,076)
Dividend distribution tax (DDT) (refer note 14)	-	-	-	-	-	-	(1,043)	(1,043)
<b>Total comprehensive income</b>	-	-	-	-	-	-	34,068	34,068
Share based payments (refer note 24)	-	499	-	-	-	-	-	499
Incentives for the year (refer note 24)	-	-	-	-	-	66	-	66
<b>At 31 March 2019</b>	<b>1,269</b>	<b>4,439</b>	<b>15,234</b>	<b>46</b>	<b>1</b>	<b>349</b>	<b>180,242</b>	<b>201,580</b>

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date

 For **MSKA & Associates**  
 Chartered Accountants  
 ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
 Partner  
 Membership No. 216706

 Place of Signature : Gurugram  
 Date : 18 June, 2020

 For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**
**Arvind Uppal**  
 Chairman  
 DIN:00104992

**Yatin Malhotra**  
 Chief Financial Officer

**Vishal Bhola**  
 Managing Director  
 DIN: 08668079

**Roopali Singh**  
 Company Secretary



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****1. Corporate information**

Whirlpool of India Limited (“the Company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 as replaced by the Companies Act, 2013, applicable in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange and has its principal place of business located at Plot No. 40, Sector - 44, Gurugram, Haryana - 122002.

The Company is a leading manufacturer of home appliances. It is primarily engaged in manufacturing and trading of Refrigerators, Washing Machines, Air Conditioners, Microwave Ovens, built in and Small appliances and caters to both domestic and international markets. The Company also provides services in the area of product development and procurement services to Whirlpool Corporation, USA and other group companies.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on 18 June, 2020.

**2. Significant accounting policies****I. Basis of preparation**

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments, and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

**II. Summary of significant accounting policies****a) Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****b) Foreign currencies**

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). The standalone financial statements are presented in Indian Rupee (INR), which is the Company’s functional and presentation currency.

**Transactions and balances**

Transactions in foreign currencies are initially recorded at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item [i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively].

**c) Fair Value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 31, 40, 41)
- Financial instruments (including those carried at amortised cost) (note 5, 8, 9, 10, 15, 39, 40, 41)

**d) Revenue from contract with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 31.

**Sale of products**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the product. The normal credit term is 0 to 135 days from delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of product, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

**i) Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of products provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

**a) Rights of return**

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue reversal, the Company recognises a refund liability, a right of return asset (and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer).

**b) Volume rebates**

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

**c) Service-type Warranty**

The Company does not have any service type warranty which could be accounted for as service-type warranties and as separate financial obligation to which Company allocates the portion of transaction price.

**e) Other revenue streams****Interest Income**

For all debt instruments measured at amortised cost, interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in "other income" in the Statement of Profit and Loss.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**Export incentives benefits**

Export benefits income is recognised in the Statement of Profit and Loss, when the right to receive the benefits amount is established as per the terms of the relevant scheme and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**f) Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**g) Taxes****Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generate taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**h) Property, plant and equipment**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset, if any, after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the following assets:

Type of Asset	Useful lives estimated by the Management (years)
Building	
- Factory building	30
- Other than factory building (RCC Frame Structure)	60
Plant and equipment (other than production)	15
Trolleys and other equipment (included in Plant and equipment)	2
Moulds and tools (included in Plant and equipment)	6

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Type of Asset	Useful lives estimated by the Management (years)
Office equipment	5
Computers	3
Furniture and Fixtures	10
Vehicles	8

Plant and equipment used in production, depreciation is calculated based on units produced, unless units produced drop below a minimum threshold at which point depreciation is recorded using the straight-line method. This method is referred as modified units of production (MUOP) in the books of account.

The amount paid for leasehold land is amortised over the lease period of 99 years and depreciation on leasehold improvement, which includes temporary structures, is provided over the unexpired period of lease or estimated useful life of 3 years, whichever is lower.

The Company, based on technical assessment made by technical expert and Management estimate, depreciates certain items of plant and equipment i.e. Trolleys and other equipment and Moulds and tools over the period of 2 years and 6 years respectively, which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Considering the proprietary nature of assets and historical data, the Management has estimated the salvage value of the assets to be nil for the purpose of computing depreciation. Further, the residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**i) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

**Software**

Cost of software is amortised over its useful life of 60 months starting from the month of project implementation.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**Research and development costs**

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

All expenses incurred on research and development activities are expensed as incurred by the Company since these do not meet the recognition criteria as listed above.

**j) Leases**

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing as on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March, 2019 have not been adjusted and therefore will continue to be reported as per Ind AS 17.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Other payables (refer note 15).

**iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of office building

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

and warehouses (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office building and warehouses that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**k) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

**l) Impairment of non-financial assets**

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) net selling price and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus, if any, taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

**m) Provisions****General**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Warranty provisions**

Provisions for product warranty related costs are recognised when the product is sold to the customer. The provision is determined on the basis of valuation carried out by an independent actuary as at the year end.

**n) Retirement and other employee benefits****Provident fund**

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Superannuation Fund**

Retirement benefit in the form of Superannuation Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognises contribution payable to the relevant scheme as expenditure, when an employee renders the related service. The Company has arrangement with Insurance Company to administer its superannuation scheme.

**Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. The Company has created an approved Gratuity Fund, which has taken a group gratuity cum insurance policy with an Insurance company to cover the gratuity liability of the employees and premium on contribution paid to such insurance company is charged to the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

**Welfare schemes:**

- The Company provides for liability in respect of other long term benefit schemes offered to the employees of the Faridabad Refrigeration Operations on the basis of year end actuarial valuation. This is an unfunded defined benefit scheme.
- The Company provides for liability in respect of long term service award scheme for its employees at the Faridabad Refrigeration Operations and Puducherry Washers Operations on the basis of year end actuarial valuation. This is an unfunded defined benefit scheme.

The cost of providing benefits under the welfare schemes is determined using the projected unit credit method.

**Compensated absences:**

The Company treats accumulated leave to be carried forward beyond twelve months as long term employee benefit for measurement purposes, such long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at year end. The Company presents the leave as current liability in the Balance Sheet to the extent it does not have an unconditional right to defer its settlement beyond twelve months from the reporting date.

**o) Share-based Payments**

Employees (including senior executives) of the Company receive remuneration from the Ultimate Holding Company in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

**Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised as employee benefits expense in the Statement of Profit and Loss together with a corresponding increase in other equity as 'Share based payments reserve' in lines with requirement as per Ind AS 102 (Share based payments), over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through Statement of Profit and Loss.

**Cash Incentives to employees**

The Ultimate Holding Company gives performance based cash incentives to certain employees including key Management personnel on account of their contribution towards Company's growth. As the amount is paid to employees after a period of 3 years, therefore the cost of cash incentive is recognised on an accrual basis based on the best possible estimate by the Management. Such cost is recognised as a part of employee benefits expense in the Statement of Profit and Loss with a corresponding increase in other equity as 'Incentive reserve'.

**p) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets****Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt Instrument at Fair Value through profit and loss (FVTPL)
- Debt Instruments at fair value through other comprehensive income (FVTOCI)
- Equity Instruments at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade receivables, security deposits and other receivables. For more information on receivables, refer note 5 & 8.

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payments of Principal and Interest.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated, forward exchange contracts taken by the Company to mitigate the foreign exchange risk, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits and bank balance. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date, except to the individual cases where recoverability is certain:

	Less than or equal to 180 days	More than 180 days
Default rate	0%	100%

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The Balance Sheet presentation for financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and loss, trade & other payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The Company's financial liabilities include trade and other payables and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives, if any, are also classified as held for trading unless they are designated as effective hedging instruments.

*Gains or losses on liabilities held for trading are recognised in the profit or loss.*

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's Senior Management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Original classification	Revised classification	Accounting treatment
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**q) Derivative financial instruments****Initial recognition and subsequent measurement**

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges (if any), which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

**r) Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**s) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**t) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**III. Changes in accounting policies and disclosures****New and amended standards**

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

**i) IND AS 116 Leases**

Ind AS 116 supersedes Ind AS 17 *Leases* including its appendices (Appendix C of Ind AS 17 *Determining*

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

whether an Arrangement contains a Lease, Appendix A of Ind AS 17 *Operating Leases-Incentives* and Appendix B of Ind AS 17 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/(decrease)) is, as follows:

The Company has lease contracts for various items of warehouses and office building. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note j: Leases for the accounting policy beginning 1 April 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Company

- Leases previously classified as finance leases**

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from 1 April 2019.

- Leases previously accounted for as operating leases**

The Company has recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 was 7.22% ~ 7.52%.

Based on the above, as at 1 April 2019:

- Right-of -use assets of INR 2,651 lacs were recognised and presented in the balance sheet under Note 3: Property, Plant and equipment.
- Lease liabilities of INR 2,651 lacs were recognised.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March, 2019, as follows:

	INR Lacs
Operating lease commitments (non-cancellable) as at 31 March 2019	5,128
<b>Add:</b> Cancellable lease qualifies for IND AS 116	766
<b>Less:</b> Lease commitments not qualified under IND AS 116	2,494
<b>Undiscounted Lease liabilities as at 1 April 2019</b>	<b>3,400</b>
Weighted average discount as at 1 April 2019*	7.36%
Discounted operating lease commitments as at 1 April 2019	2,651

\*Considering range of discount (7.22% ~ 7.52%) used for different leases.

**ii) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment**

The Appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgment in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix has an impact on its standalone financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance, transfer pricing study and views expressed by its internal experienced personnel that it is probable and its tax treatments will be eventually accepted by the taxation authorities. The Appendix does not have an impact on the standalone financial statements of the Company.

- iii)** Several other amendments apply for the first time for the year ended as at 31 March, 2020, but do not have an impact on the Standalone financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****3. Property, plant and equipment****A Owned Assets**

(INR in lacs)

Particulars	Freehold land	Leasehold land	Leasehold improvements	Building	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total property, plant and equipment	Capital work in progress
<b>Cost</b>										
<b>At 1 April 2018</b>	1,356	387	296	7,193	54,049	6,518	316	18	70,133	3,305
Additions*	-	-	-	997	14,389	2,240	19	-	17,645	18,724
Disposals/Transfer	-	-	-	-	(1,140)	(305)	-	-	(1,445)	(17,696)
<b>At 31 March 2019</b>	1,356	387	296	8,190	67,298	8,453	335	18	86,333	4,333
Transition impact of IND AS 116	-	(387)	-	-	-	-	-	-	(387)	-
<b>Restated at 31 March 2019</b>	1,356	-	296	8,190	67,298	8,453	335	18	85,946	4,333
Additions*	-	-	-	6,203	22,646	1,453	78	6	30,386	30,725
Disposals/Transfer	(3)	-	-	(19)	(3,582)	(413)	-	(6)	(4,023)	(30,650)
<b>At 31 March 2020</b>	1,353	-	296	14,374	86,362	9,493	413	18	1,12,309	4,408
<b>Depreciation</b>										
<b>At 1 April 2018</b>	-	15	219	911	21,681	3,231	131	4	26,192	-
Charge for the year**	-	5	51	374	9,205	1,548	44	4	11,231	-
Disposals	-	-	-	-	(1,121)	(288)	-	-	(1,409)	-
<b>At 31 March 2019</b>	-	20	270	1,285	29,765	4,491	175	8	36,014	-
Transition impact of IND AS 116	-	(20)	-	-	-	-	-	-	(20)	-
<b>Restated at 31 March 2019</b>	-	-	270	1,285	29,765	4,491	175	8	35,994	-
Charge for the year**	-	-	13	522	10,001	1,531	33	5	12,105	-
Disposals	-	-	-	(9)	(3,510)	(393)	-	(6)	(3,918)	-
<b>At 31 March 2020</b>	-	-	283	1,798	36,256	5,629	208	7	44,181	-
<b>Net book value</b>										
At 31 March 2020	1,353	-	13	12,576	50,106	3,864	205	11	68,128	4,408
At 31 March 2019	1,356	367	26	6,905	37,533	3,962	160	10	50,319	4,333

(\*includes additions to fixed assets for research & development activities amounting to INR 190 lacs (31 March 2019: INR 769 lacs))

(\*\*includes depreciation pertaining to research & development activities amounting to INR 297 lacs (31 March 2019: INR 301 lacs))

**Notes**

- i.** Plant and equipment includes moulds lying with the third parties amounting to INR 26,643 lacs (31 March 2019: INR 31,724 lacs) with a net book value of INR 11,847 lacs (31 March 2019: INR 11,825 lacs)

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****ii. Building constructed on leasehold land:**

Particulars	INR in lacs	
	31 March 2020	31 March 2019
Gross block	8,826	5,010
Accumulated depreciation	3,014	2,811
Depreciation for the year	203	151
Net book value	5,812	2,199

**iii. Assets under construction**

Capital Work In Progress (CWIP) as at 31 March, 2020 comprises expenditure for the plant and building in the course of construction. These expenditures relates to the various projects undertaken for new models and modification to the existing models of the Company. Total amount of CWIP is INR 4,408 lacs (31 March 2019: INR 4,333 lacs).

**B Leased Assets**

Particulars	INR in lacs		
	Leasehold land	Building	Total Right of Use Assets
<b>Cost</b>			
<b>At 31 March 2019</b>	387	-	387
Addition on account of transition IND AS 116 1 Apr 2019	-	2,651	2,651
Additions	-	993	993
Disposals/Transfer	-	(997)	(997)
<b>At 31 March 2020</b>	387	2,647	3,034
<b>Depreciation</b>			
At 31 March 2019	20	-	20
Charge for the year	5	895	900
Disposals	-	(106)	(106)
<b>Balance as At 31 March 2020</b>	25	789	814
<b>Net book value as At 31 March 2020</b>	362	1,858	2,220

- a. With the effect from 1 April 2019, the Company has adopted Ind AS 116 - Leases using the modified retrospective approach. As a result, Company has recognised "Right of Use Assets" amounting to INR. 2,651 lacs and Lease liability of INR 2,651 lacs as at the transition date. Further, the expenses towards such lease are now recorded as amortisation on "Right of Use Assets" and finance cost on "Lease liability", instead of rent expense.
- b. The Company's leases mainly comprise of land and buildings. The Company has lease of land and buildings for manufacturing, warehouse and office facilities. Right of Use Assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The lease terms for leasehold buildings ranges between 3 years to 9 years.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

- c. Reconciliation for the effects of the transactions on Statement of Profit and Loss for the year ended 31 March, 2020 are as follows :

Adjustments to increase/(decrease) in profit before tax	INR in lacs		
	31 March 2020 (comparable basis)	Changes due to Ind AS 116 increase/(decrease)	31 March 2020 (as reported)
Other expenses	108,918	(954)	107,964
Finance cost	1,835	150	1,985
Depreciation and amortisation	12,032	900	12,932
<b>Profit before tax</b>	<b>65,385</b>	<b>96</b>	<b>65,289</b>

**4. Intangible assets**

Particulars	(INR in lacs)	
	Software	Total
<b>Cost</b>		
<b>At 1 April 2018</b>	1,012	1,012
Additions	52	52
Disposals	-	-
<b>At 31 March 2019</b>	1,064	1,064
Additions	265	265
Disposals	-	-
<b>At 31 March 2020</b>	<b>1,329</b>	<b>1,329</b>
<b>Amortisation</b>		
<b>At 1 April 2018</b>	361	361
Amortisation	201	201
Disposals	-	-
<b>At 31 March 2019</b>	562	562
Amortisation	224	224
Disposals	-	-
<b>At 31 March 2020</b>	<b>786</b>	<b>786</b>
<b>Net book value</b>		
At 31 March 2020	543	543
At 31 March 2019	502	502

**5. Financial assets**

(Considered good- unsecured unless stated otherwise)

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>(i) Investments</b>		
<b>(a) Investment in joint venture</b>		
<b>Unquoted equity shares</b>		
2,368,997 (31 March 2019: 2,368,997) equity shares of Elica PB India Private Limited	17,222	17,222
<b>(b) Other investments</b>		
<b>Unquoted debt securities</b>		
3.8% Senior Notes (USD Nil (31 March 2019: USD 20 million)) of Whirlpool Corporation, the Ultimate Holding Company*	-	13,833
3.8% Senior Notes (USD 50 million (31 March 2019: USD 50 million)) of Whirlpool S.A. Brazil, Fellow Subsidiary Company**	37,833	34,578
	37,833	48,411
<b>Total Investments (a+b)</b>	<b>55,055</b>	<b>65,633</b>
Current	37,833	13,833
Non-Current	17,222	51,800



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

\*In year 2017, the Company had purchased 4 senior notes of USD 5 million each amounting to USD 20 million, issued by the Ultimate Holding Company i.e. Whirlpool Corporation, on 30 November, 2016. These securities have a maturity period of three years from the date of issue with one year lock-in. These notes were redeemed during the year.

\*\*In year 2018, the Company has purchased 10 senior notes of USD 5 million each amounting to USD 50 million, issued by Whirlpool S.A. Brazil on 14 September, 2017. These securities have a maturity period of three years from the date of issue with one year lock-in.

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>(ii) Loans</b>		
<b>(a) Loans to employee</b>		
- considered good	65	48
- credit impaired	9	122
	<u>74</u>	<u>170</u>
Less: Impairment allowance (allowance for bad and doubtful loans)	9	122
	<u>65</u>	<u>48</u>
<b>(b) Security deposits</b>		
- considered good	2,421	2,030
- credit impaired	10	14
	<u>2,431</u>	<u>2,044</u>
Less: Impairment allowance (allowance for bad and doubtful deposits)	10	14
	<u>2,421</u>	<u>2,030</u>
<b>Total loans (a+b)</b>	<u>2,486</u>	<u>2,078</u>
Current	674	263
Non-Current	1,812	1,815
<b>(iii) Others</b>		
<b>(a) Derivative instruments at fair value through profit or loss</b>		
Derivatives not designated as hedges		
Foreign exchange forward contracts	795	1,230
<b>(b) Bank deposits</b>		
Deposits with maturity of more than 12 months (receipts pledged with banks and government departments)	11	2
<b>(c) Interest accrued on bank deposits and investment</b>	1,268	1,361
<b>(d) Insurance claim receivable</b>	-	14
<b>Total others (a+b+c+d)</b>	<u>2,074</u>	<u>2,607</u>
Current	2,063	1,375
Non-Current	11	1,232
<b>Total financial assets (i + ii + iii)</b>	<u>59,615</u>	<u>70,318</u>
Current	40,570	15,471
Non-Current	19,045	54,847

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected return on investments.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Break up of financial assets carried at amortised cost**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
Investments	55,055	65,633
Loans to employee	65	48
Security deposits	2,421	2,030
Bank deposits	11	2
Interest accrued on bank deposits and investment	1,268	1,361
Insurance claim receivable	-	14
Trade receivables (refer note 8)	28,160	25,562
Cash and cash equivalents (refer note 9)	127,416	105,311
Other bank balances (refer note 10)	985	789
<b>Total financial assets carried at amortised cost</b>	<u>215,381</u>	<u>200,750</u>

**6. Other Non-Current assets**

(Considered good-Unsecured, unless stated otherwise)

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>Capital advances</b>	1,418	6,223
<b>Advances recoverable in cash or kind</b>	204	263
<b>Others</b>		
Advances paid under protest		
- considered good	1,617	2,669
- credit impaired	96	96
	<u>1,713</u>	<u>2,765</u>
Less: Impairment allowance (allowance for bad and doubtful advances)	96	96
	<u>1,617</u>	<u>2,669</u>
Advance tax, tax deducted and collected at source (net)	4,683	1,937
Gratuity fund (Net) (refer note 32)	180	-
<b>Total other Non-Current assets</b>	<u>8,102</u>	<u>11,092</u>

**7. Inventories (valued at lower of cost and net realisable value)**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
Raw materials and components (INR 12,549 lacs (31 March 2019: INR 4,220 lacs) in transit)	24,763	17,582
Work in progress	190	42
Finished goods (INR 867 lacs (31 March 2019: INR 3,714 lacs) in transit)	66,451	49,104
Stock in trade (INR 6,173 lacs (31 March 2019: INR 2,467 lacs) in transit)	19,633	14,199
Spares for finished goods (INR 1,562 lacs (31 March 2019: INR 1,095 lacs) in transit)	8,475	7,751
Stores and spares	377	182
<b>Total inventories</b>	<u>119,889</u>	<u>88,860</u>

During the year ended 31 March 2020: INR 1,493 lacs (31 March 2019: INR (167 lacs)) was recognised as an expense/(income) for inventories carried at net realisable value.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**8. Trade receivables**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Trade receivables	35,600	32,150
Receivables from related parties (refer note 35)	2,485	4,406
	<b>38,085</b>	36,556
Less: Provision for trade discounts	9,925	10,994
<b>Total Trade receivables</b>	<b>28,160</b>	<b>25,562</b>
<b>Break-up for security details:</b>		
Considered good-Unsecured	28,160	25,562
Receivables - credit impaired	1,298	1,122
	<b>29,458</b>	26,684
Less: Impairment allowance (allowance for bad and doubtful debts)		
Trade Receivables - credit impaired	(1,298)	(1,122)
<b>Total Trade receivables</b>	<b>28,160</b>	<b>25,562</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 0 to 135 days. For terms and conditions relating to related party receivables, refer note 35.

**9. Cash and cash equivalents**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Balances with banks:		
- In current accounts	377	3,032
- In cash credit account	1,742	1,228
- Deposits with original maturity of less than three months	125,295	101,050
Cash on hand	2	1
	<b>127,416</b>	<b>105,311</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

At 31 March 2020, the Company had available INR 48,984 lacs (31 March 2019: INR 65,356 lacs) of undrawn borrowing facilities (covering overdraft, cash credit, letter of credit etc.).

**10. Other bank balances**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
-Deposits with original maturity of more than 3 months but less than 12 months*	895	733
- In unpaid dividend account**	90	56
	<b>985</b>	<b>789</b>

\*These are pledged with banks and government departments.

\*\*The Company can utilise these balances only toward settlement of the respective unpaid dividend.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**11. Other current assets**

(Considered good - Unsecured unless stated otherwise)

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Advances recoverable in cash or kind</b>		
- considered good	6,175	6,550
- credit Impaired	42	147
	<b>6,217</b>	6,697
Less: Impairment allowance (allowance for bad and doubtful advances)	42	147
	<b>6,175</b>	6,550
<b>Balances with government authorities</b>		
- considered good	4,977	3,828
- credit Impaired	-	41
	<b>4,977</b>	3,869
Less: Impairment allowance (allowance for bad and doubtful deposits)	-	41
	<b>4,977</b>	3,828
<b>Total other current assets</b>	<b>11,152</b>	<b>10,378</b>

**12. Equity Share capital**
**Particulars**
**Authorised share capital**

	Equity shares		Preference shares	
	No. in lacs	INR in lacs	No. in lacs	INR in lacs
<b>At 1 April 2018</b>	1,500	15,000	1,550	15,500
Increase/(decrease) during the year	-	-	-	-
<b>At 31 March 2019</b>	1,500	15,000	1,550	15,500
Increase/(decrease) during the year	-	-	-	-
<b>At 31 March 2020</b>	<b>1,500</b>	<b>15,000</b>	<b>1,550</b>	<b>15,500</b>

**Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if declared, are paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Issued equity share capital**

	No. in lacs	INR in lacs
<b>Equity shares of INR 10 each issued, subscribed and fully paid</b>		
<b>At 1 April 2018</b>	1,269	12,687
Changes during the year	-	-
<b>At 31 March 2019</b>	1,269	12,687
Changes during the year	-	-
<b>At 31 March 2020</b>	<b>1,269</b>	<b>12,687</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(INR in lacs)

	31 March 2020	31 March 2019
<b>Shares of the Company held by holding company</b>		
Whirlpool Mauritius Ltd, the holding company		
952 lacs (31 March 2019: 952 lacs) equity shares of INR 10 each	9,515	9,515

**Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	No. in lacs	% holding in the class	No. in lacs	% holding in the class
<b>Equity shares of INR 10 each fully paid</b>				
Whirlpool Mauritius Ltd	952	75	952	75

**13. Other equity**

Particulars	(INR in lacs)
<b>Share premium</b>	
<b>At 1 April 2018</b>	1,269
Increase/(decrease) during the year	-
At 31 March 2019	1,269
Increase/(decrease) during the year	-
At 31 March 2020	1,269
<b>Share based payments reserve</b>	
<b>At 1 April 2018</b>	3,940
Add: Compensation options granted during the year (refer note 24)	499
At 31 March 2019	4,439
Add: Compensation options granted during the year (refer note 24)	629
At 31 March 2020	5,068

The ultimate holding company provides various share-based payment schemes to the employees of the Company including key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as a part of their remuneration. Refer note 33 for further details.

It represents amount of parent equity employee stock option outstanding/transferred/exercised during the year.

Particulars	(INR in lacs)
<b>Capital redemption reserve</b>	
<b>At 1 April 2018</b>	15,234
Increase/(decrease) during the year	-
At 31 March 2019	15,234
Increase/(decrease) during the year	-
At 31 March 2020	15,234

In an earlier year, pursuant to the redemption of non-cumulative preference share, the Company had created capital redemption reserve out of available profits as per the relevant provisions of the erstwhile Companies Act.

Particulars	(INR in lacs)
<b>Capital reserve</b>	
<b>At 1 April 2018</b>	46
Increase/(decrease) during the year	-
At 31 March 2019	46
Increase/(decrease) during the year	-
At 31 March 2020	46

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	(INR in lacs)
<b>Capital subsidy</b>	
<b>At 1 April 2018</b>	1
Increase/(decrease) during the year	-
At 31 March 2019	1
Increase/(decrease) during the year	-
At 31 March 2020	1

Particulars	(INR in lacs)
<b>Incentive reserve</b>	
<b>At 1 April 2018</b>	283
Increase/(decrease) during the year (refer note 24)	66
At 31 March 2019	349
Increase/(decrease) during the year (refer note 24)	48
At 31 March 2020	397

The ultimate holding company gives performance based cash incentives to certain employees including key management personnel during the year. The incentive reserve is used to recognise the value of payments provided to employees as a part of their remuneration.

Particulars	(INR in lacs)
<b>Retained earnings</b>	
<b>At 1 April 2018</b>	146,174
Add: Profit for the year	40,705
Less: Other comprehensive income (refer note 29)	(518)
Less: Cash dividends (refer note 14)	(5,076)
Less: Dividend distribution tax (refer note 14)	(1,043)
At 31 March 2019	180,242
Add: Profit for the year	47,629
Add: Other comprehensive income (refer note 29)	(237)
Less: Cash dividends (refer note 14)	(6,344)
Less: Dividend distribution tax (refer note 14)	(1,304)
At 31 March 2020	219,986

	31 March 2020	31 March 2019
<b>Total other equity</b>	242,001	201,580

**14. Distribution made and proposed**

Particulars	31 March 2020	31 March 2019
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on 31 March 2019: INR 5 per share (31 March 2018: INR 4 per share)	6,344	5,076
Dividend distribution tax on final dividend	1,304	1,043
	7,648	6,119
<b>Proposed dividends on Equity shares:</b>		
Final cash dividend for the year ended on 31 March 2020: INR 5 per share (31 March 2019: INR 5 per share)	6,344	6,344
Dividend distribution tax on proposed dividend	-	1,304
	6,344	7,648

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**15. Financial Liabilities**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>(i) Trade payables</b>		
Trade payables		
• Total outstanding dues of micro enterprises and small enterprises (refer note 37 for details of dues to micro and small enterprises)	1,891	3,649
• Total outstanding dues of creditors other than micro enterprises and small enterprises	141,217	120,143
	<u>143,108</u>	<u>123,792</u>
Current	142,915	123,622
Non-Current	193	170
<b>(ii) Other payables</b>		
Sundry deposits	284	520
Payables for capital goods	899	375
Unclaimed dividend (refer note (a) below)	90	56
Lease Liability (refer note (b) below)	1,946	-
	<u>3,219</u>	<u>951</u>
Current	1,747	431
Non-Current	1,472	520

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled as per agreed credit terms

Other payables are non-interest bearing and have an average term varying from 0 to 180 days

The range of interest rate for lease liabilities is 5.31% to 7.52%, with maturity between 2021-2025

For explanations on the Company's credit risk management processes, refer note 41.

Notes

a) There are no amount due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

b) The carrying amounts of lease liabilities and the movements during the period:

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>As at 1 April</b>	2,651	-
Additions	993	-
Accretion of Interest	150	-
Deletion	(894)	-
Payment	(954)	-
<b>As at 31 March</b>	<u>1,946</u>	<u>-</u>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(INR in lacs)

Break up of financial liabilities carried at amortised cost	31 March 2020	31 March 2019
Trade payables	143,108	123,792
Other payables	3,219	951
<b>Total financial liabilities carried at amortised cost</b>	<u>146,327</u>	<u>124,743</u>

**15A. Other liabilities**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
(i) Contract liabilities (Advance from customers)	2,933	2,484
(ii) Other		
Tax deducted at source (TDS) payable	2,774	2,088
Goods and service tax (GST)	1,338	3,599
Other statutory dues	518	385
	<u>4,630</u>	<u>6,072</u>
<b>Total other liabilities (i + ii)</b>	<u>7,563</u>	<u>8,556</u>
Current	7,563	8,556
Non-Current	-	-

**16. Provisions**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>(i) Provision for employee benefits</b>		
Provision for staff benefit schemes	404	406
Provision for gratuity (refer note 32)	-	269
Provision for compensated absence	2,081	1,847
	<u>2,485</u>	<u>2,522</u>
<b>Breakup of provision for employee benefits</b>		
Current	524	603
Non-Current	1,961	1,919
<b>(ii) Others</b>		
Provisions for product warranties (refer below)	18,308	13,931
Provisions for litigations (refer below)	3,712	5,534
	<u>22,020</u>	<u>19,465</u>
<b>Total provisions (i + ii)</b>	<u>24,505</u>	<u>21,987</u>
Current	3,767	3,351
Non-Current	20,738	18,636

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Movement in other provisions**

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Provision for product warranties</b>		
<b>At 1 April</b>	13,931	10,280
Arising during the year	6,503	5,582
Utilised	(3,284)	(2,837)
Unused amounts reversed	(561)	126
Unwinding of discount due to passage of time	1,719	780
<b>At 31 March</b>	<b>18,308</b>	<b>13,931</b>
Current	3,243	2,748
Non-Current	15,065	11,183

**Provision for product warranties**

Provision for warranties is recognized on actuarial basis for expected warranty claims on products sold. It is expected that most of this cost will be paid over the warranty period as per warranty terms ranging from 1 to 10 years. Assumptions used to calculate the provision for warranties were based on current and previous year sales level and the failure trend in respect of defective products.

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Provisions for litigations (refer note 34)</b>		
<b>At 1 April</b>	5,534	5,357
Arising during the year	1,296	716
Unused amounts reversed	(3,118)	(539)
<b>At 31 March</b>	<b>3,712</b>	<b>5,534</b>
Current	-	-
Non-Current	3,712	5,534

**Provisions for litigations**

In view of large number of cases, it is not practicable to disclose individual details. Above provisions are affected by numerous uncertainties and management has taken all efforts to make a best estimate. Timing of economic benefit outflow will depend upon timing of decision of cases in litigation which is highly uncertain based on past experience of the management in other litigations. Hence, it is not possible to determine the exact period of outflow, if any, of funds for these litigations. Therefore, provision has been recorded at the gross value of liabilities.

**17. Government grants**

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Particulars</b>		
<b>At 1 April</b>	621	678
Received during the year	-	-
Amortisation during the year	57	57
<b>At 31 March</b>	<b>564</b>	<b>621</b>
Current	57	57
Non-Current	507	564

Government grant has been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****18. Deferred revenue**

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Particulars</b>		
<b>At 1 April</b>	730	647
Deferred during the year	1,298	1,539
Released to the statement of profit and loss	1,308	1,456
<b>At 31 March</b>	<b>720</b>	<b>730</b>
Current	720	730
Non-Current	-	-
	<b>720</b>	<b>730</b>

The deferred revenue relates to the advance received for the annual maintenance contract (AMC) charges from the customer.

**19. Income Tax**

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

**Statement of Profit and Loss:****Profit or loss section**

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Current income tax:</b>		
Current income tax charge	18,116	22,320
Adjustments in respect of current income tax of previous year	(227)	(6)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(229)	(372)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>17,660</b>	<b>21,942</b>

**OCI section**

Deferred tax related to items recognised in OCI during in the year:

	(INR in lacs)	
	31 March 2020	31 March 2019
Net gain on remeasurements of defined benefit plans	(80)	(278)
Income tax charged to OCI	(80)	(278)



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for 31 March 2020 and 31 March 2019:

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Accounting profit before income tax</b>	<b>65,289</b>	62,647
At statutory income tax rate of 25.168% (31 March 2019: 34.944%)	<b>16,432</b>	21,891
Adjustments in respect of current income tax of previous years	<b>(227)</b>	(6)
<i>Non-deductible expenses/ additional allowances for tax purposes:</i>		
Employee stock option	<b>158</b>	175
Cash Incentives	<b>12</b>	23
Interest and penalty charges	<b>10</b>	16
Weighted deduction claimed for research & development expenses	<b>-</b>	(479)
CSR expenditure	<b>274</b>	322
Effect of change in rates	<b>962</b>	-
Others	<b>39</b>	-
At the effective income tax rate of 27.048% (31 March 2019: 35.025%)	<b>17,660</b>	21,942
Income tax expense reported in the Statement of Profit and Loss	<b>17,660</b>	21,942
	<b>17,660</b>	21,942

During the year, the Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the Company has recognised provision for Income tax for the year ended 31 March, 2020 and re-measured its Deferred Tax Asset basis the rate prescribed in the said section.

**Deferred tax**

Deferred tax relates to the following:	Balance Sheet		Statement of Profit and Loss	
	(INR in lacs)		(INR in lacs)	
Impact of Profit and Loss	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting purpose	<b>(106)</b>	(1,003)	<b>(897)</b>	131
Impact of expenditure charged to the statement of profit & loss in current year/earlier years but allowable for tax purpose on payment basis	<b>2,189</b>	2,635	<b>446</b>	(133)
Provision for doubtful debts and advances	<b>367</b>	731	<b>364</b>	(119)
Deferred grant	<b>166</b>	251	<b>85</b>	20
Discounting of warranty provisions	<b>508</b>	106	<b>(402)</b>	(273)
Lease liabilities (net)	<b>24</b>	-	<b>(24)</b>	-
Others	<b>-</b>	-	<b>(3)</b>	2
<b>Impacting OCI</b>				
Re-measurement gains on defined benefit plans	<b>601</b>	720	<b>-</b>	-
Effect of change in rates	<b>-</b>	-	<b>202</b>	-
Deferred tax income	<b>-</b>	-	<b>(229)</b>	(372)
Net deferred tax assets	<b>3,749</b>	3,440	<b>3,749</b>	3,440

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

	(INR in lacs)	
Reflected in the balance sheet as follows:	31 March 2020	31 March 2019
Opening balance as of 1 April	<b>3,440</b>	2,790
Tax income during the period recognised in profit or loss	<b>229</b>	372
Tax income during the period recognised in OCI	<b>80</b>	278
Closing balance as at 31 March	<b>3,749</b>	3,440

**20. Revenue from operations****(A) Revenue from contracts with customers**

	(INR in lacs)	
Particulars	31 March 2020	31 March 2019
Sale of products	<b>578,878</b>	520,691
Sale of services	<b>19,283</b>	17,837
<b>Total</b>	<b>598,161</b>	538,528

**20.1 Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	(INR in lacs)	
Segment	31 March 2020	31 March 2019
<b>Sale of goods</b>		
Revenue from external customers (transferred at point of time)	<b>578,878</b>	520,691
<b>Total revenue from contracts with customers</b>	<b>578,878</b>	520,691
India	<b>567,154</b>	503,404
Outside India	<b>11,724</b>	17,287
<b>Total revenue from contracts with customers</b>	<b>578,878</b>	520,691
<b>Sale of Services</b>		
Revenue from external customers (transferred over time)	<b>19,283</b>	17,837
<b>Total revenue from contracts with customers</b>	<b>19,283</b>	17,837
India	<b>2,142</b>	2,323
Outside India	<b>17,141</b>	15,514
<b>Total revenue from contracts with customers</b>	<b>19,283</b>	17,837

**20.2 Contract balances**

	(INR in lacs)	
Particulars	31 March 2020	31 March 2019
Trade receivables	<b>28,160</b>	25,562
Contract liabilities	<b>2,933</b>	2,484

Trade receivables are non interest bearing. Credit period generally falls in the range of 0 to 135 days.

Contract liabilities consist of short-term advances received to supply goods from customer.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**20.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Revenue as per contracted price	727,491	657,577
<b>Less: Adjustments</b>		
Sales return	(1,934)	(7,196)
Discount	(127,396)	(111,853)
Revenue from contracts with customers	<u>598,161</u>	<u>538,528</u>

**20.4 Performance obligations**

The performance obligation is satisfied upon delivery of the product and payment is generally due within 0 to 135 days from delivery.

The performance obligation for sale of services is satisfied over the period of time as per contract with customer.

**(B) Other operating income**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Export incentives	1,091	1,237
<b>Total</b>	<u>1,091</u>	<u>1,237</u>
<b>Grand Total ((A)+ (B))</b>	<u>599,252</u>	<u>539,765</u>

**21. Other income**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Interest income on		
Bank deposits	7,868	6,816
Investments in unquoted debt securities	1,728	1,880
Financial assets valued at amortised cost	138	121
Others	7	33
Other non-operating income		
Government grants (refer note 17)	57	57
Net gain on disposal of property, plant and equipment	132	51
Exchange differences (net)	2,594	842
Provision no longer required written back	65	35
Miscellaneous	282	635
	<u>12,871</u>	<u>10,470</u>

Government grant has been received for the purchase of certain assets of plant and equipment in the prior years. There are no unfulfilled conditions or contingencies attached to these grants.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**22. Cost of raw material and components consumed**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Inventory at the beginning of the year	17,582	15,623
Add: Purchases	342,519	307,410
	<u>360,101</u>	<u>323,033</u>
Less: Sale of raw material and components	10,963	8,481
Less: Inventory at the end of the year	24,763	17,582
Cost of raw material and components consumed	<u>324,375</u>	<u>296,970</u>

**23. Changes in inventories of finished goods, work in progress and stock in trade**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Inventory at the beginning of the year</b>		
Work in progress (a)	42	44
Spares for finished goods (b)	7,751	7,322
Finished goods (c)	49,104	37,284
Stock in trade (d)	14,199	20,471
	<u>71,096</u>	<u>65,121</u>
<b>Inventory at the end of the year</b>		
Work in progress (e)	190	42
Spares for finished goods (f)	8,475	7,751
Finished goods (g)	66,451	49,104
Stock in trade (h)	19,633	14,199
	<u>94,749</u>	<u>71,096</u>
<b>(Increase)/Decrease in Inventories</b>		
Work in progress (a-e)	(148)	2
Spares for finished goods (b-f)	(724)	(429)
Finished goods (c-g)	(17,347)	(11,820)
Stock in trade (d-h)	(5,434)	6,272
	<u>(23,653)</u>	<u>(5,975)</u>

**24. Employee benefits expense**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Salaries, wages and bonus	53,870	44,554
Cash Incentives (refer note 13)	48	66
Contribution to provident and other funds	1,585	1,474
Employee stock option (refer note 33)	629	499
Other post employment benefits	75	114
Gratuity (refer note 32)	365	315
Staff welfare	2,391	2,283
	<u>58,963</u>	<u>49,305</u>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**25. Depreciation and amortisation expense**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
Depreciation of tangible assets (refer note 3A)	11,808	10,930
Amortisation of intangible assets (refer note 4)	224	201
Depreciation of Right-of-use assets (refer note 3B)	900	-
	<b>12,932</b>	<b>11,131</b>

**26. Other expenses**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
Consumption of stores and spares	656	606
Processing charges	283	449
Customer service	11,447	9,585
Power and fuel	4,214	3,715
Freight and forwarding	37,724	32,701
Rent	7,102	7,415
Rates and taxes	806	88
Insurance	428	340
Repairs and maintenance		
Plant and machinery	1,386	1,328
Buildings	947	540
Others	2,108	1,317
Corporate social responsibility (CSR) (refer details below)	1,091	921
Advertising and sales promotion	11,227	6,921
Royalty	5,679	5,080
Travelling and conveyance	3,219	3,441
Legal and professional	3,111	1,821
Technical Know-How	3,076	2,454
Directors' sitting fees	59	56
Payment to auditor (refer details below)	38	33
Allowances for doubtful debts and advances	177	374
Research expenses (refer note 28)	4,250	3,523
Fair value loss on financial instruments at fair value through profit or loss	2,360	636
Miscellaneous	6,576	5,446
	<b>107,964</b>	<b>88,790</b>

Fair value loss on financial instruments at fair value through profit or loss relates to foreign exchange forward contracts that did not qualify for hedge accounting and embedded derivatives.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**Payment to Auditors\***

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>As auditor:</b>		
Audit fee (Including limited review)	34	29
<b>In other capacity:</b>		
Other services (certification fees)**	2	3
Reimbursement of expenses	2	2
	<b>38</b>	<b>34</b>

\* Excludes applicable taxes.

\*\*31 March 2019 includes INR 1 lac relating to earlier year

**Details of CSR expenditure:**

(INR in lacs)

Particulars		31 March 2020	31 March 2019
(a) Gross amount required to be spent by the Company during the year		1,091	916
(b) Amount spent during the year ending on 31 March 2020:	<b>In cash</b>	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	1,078	13	1,091
(b) Amount spent during the year ending on 31 March 2019:	<b>In cash</b>	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	699	222	921

**27. Finance costs**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
Interest		
- on lease liabilities	150	-
- others	28	46
Bank charges	89	83
Unwinding of discount due to passage of time (refer note 16)	1,718	780
<b>Total finance costs</b>	<b>1,985</b>	<b>909</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****28. Research expenses**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
The Company has four in-house research and development centres, which undertakes the research and development activities for the Company. Research and development costs that are not eligible for capitalisation are expensed in the period incurred and are recognised in other expenses. Breakup of such expenses are as under-		
<b>Particulars</b>		
Raw Materials & components, finished goods and spares consumed	1,347	1,113
Salaries, wages and bonus	1,287	1,176
Contribution to provident and other funds	47	42
Other post employment benefits	19	17
Staff welfare	78	65
Travelling and conveyance	337	298
Depreciation and amortisation expense (refer note 3A)	297	301
Others	838	511
	<u>4,250</u>	<u>3,523</u>

**29. Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI in equity is shown below:

(INR in lacs)

Particulars	31 March 2020	31 March 2019
Re-measurement losses on defined benefit plans (net of tax effect thereon)	(237)	(518)
	<u>(237)</u>	<u>(518)</u>

**30. Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

Particulars	31 March 2020	31 March 2019
Profit attributable to equity holders of the Company for basic and diluted earnings (INR in lacs)	47,629	40,705
Weighted average number of Equity shares for basic and diluted EPS	126,871,830	126,871,830
Basic and Diluted EPS (in INR)	37.54	32.08

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****31. Significant accounting judgements, estimates and assumptions**

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements.

**Revenue from contracts with customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue of contract with customers:

**Determining method to estimate variable consideration and assessing the constraint:**

Certain contracts for the sale of products include a right to return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use the most appropriate method based on which Company can predict the amount of consideration to which it will be entitled.

The Company determined that the expected value method is the most appropriate method in estimating the variable consideration for the sale of products with rights of return and volume rebates, given the large number of customer contracts that have similar characteristics.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic condition. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Share-based payments**

The Company measures the cost of equity-settled transactions with employees by ultimate holding company using a Black Scholes Options Pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For equity-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 33.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 32.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 40 and 41 for further disclosures.

**Product warranties accruals**

The provisions for product warranties, on account of goods sold, recorded in the balance sheet on the basis of actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and failure rates. Due to the complexities involved in the valuation and its long-term nature, a provision for product warranty is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the product warranty provision.

The failure rate is based on actual number of calls received by the Company from customers on account of complaints.

Further details about provisions for product warranties are given in note 16.

**32. Gratuity and other post-employment benefit plans**

Gratuity (being administered by a Trust) is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employee completing 5 years of service. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited, to a Gratuity Trust Fund established to provide gratuity benefits. The Trust has taken an Insurance policy, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/liability in the books of account on the basis of actuarial valuation carried out by an independent actuary.

The Company also provide certain additional retirement benefits to the employees of the Faridabad Refrigeration Operations where INR 35,000 is paid to employee on retirement. This retirement benefit is an unfunded defined benefit scheme. The Company makes provision of such liability on the basis of actuarial valuation carried out by an independent actuary.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the net funded status and amounts recognised in the balance sheet for the respective plans:

**Additional Employee benefit**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
Current service cost	3	-
Interest cost on benefit obligation	8	4
Net actuarial loss recognised in the year	19	14
<b>Net benefit expense</b>	<b>30</b>	<b>18</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Changes in the present value of the defined benefit obligation of additional employee benefits are as follows :

	(INR in lacs)
<b>Defined benefit obligation at 1 April 2018</b>	<b>152</b>
Interest cost	4
Service cost	-
Benefits paid	(12)
Actuarial (gains) / losses on obligation	14
<b>Defined benefit obligation at 31 March 2019</b>	<b>158</b>
Interest cost	8
Service cost	3
Benefits paid	(23)
Actuarial(gains) / losses on obligation	19
<b>Defined benefit obligation at 31 March 2020</b>	<b>165</b>

## Gratuity Plan

	Gratuity cost charged to the Statement of Profit and Loss		Remeasurement gains/(losses) in other comprehensive income			Experience adjustments		Sub-total included in OCI		Contributions by employer		31 March	
	1 April	Service cost	Net interest expense/ (Income)	Increase (decrease) due to effect of any business combination, divestitures, transfers	Sub-total included in profit or loss (refer note 24)	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions					

**Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2020:**

Defined benefit obligation	(8,197)	(439)	(484)	(6)	(929)	851	-	(214)	(179)	(392)	-	(8,668)
Fair value of plan assets	7,928	-	545	-	545	(851)	75	-	-	75	1,151	8,848
<b>Benefit liability</b>	<b>(269)</b>				<b>(384)*</b>					<b>(317)</b>		<b>180</b>

\* Includes expenses reclassified as research expenses of INR 19 lacs.

**Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2019:**

Defined benefit obligation	(7,316)	(385)	(446)	-	(831)	846	-	(58)	(838)	(896)	-	(8,197)
Fair value of plan assets	7,032	-	496	-	496	(846)	100	-	-	100	1,146	7,928
<b>Benefit liability</b>	<b>(284)</b>				<b>(335)*</b>					<b>(796)</b>		<b>(269)</b>

\* Includes expenses reclassified as research expenses of INR 20 lacs.

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	31 March 2020	31 March 2019
<b>Unquoted investments:</b>		
Insurance Scheme Products	8,848	7,928
<b>Total</b>	<b>8,848</b>	<b>7,928</b>



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The principal assumptions used in determining gratuity and post-employment benefit obligations for the Company's plans are shown below:

	(INR in lacs)	
	31 March 2020	31 March 2019
	%	%
<b>Discount rate:</b>		
Gratuity plan	6.30	7.00
Additional Employee benefit	6.30	7.00
<b>Future salary increases:</b>		
Gratuity plan	6.0	6.0
Additional Employee benefit	NA	NA
<b>Life expectation for:</b>	Years	Years
Gratuity plan	6.30	7.00
Additional Employee benefit	NA	NA

A quantitative sensitivity analysis for significant assumption as at 31 March, 2020 and 31 March, 2019 is as shown below:

**Gratuity plan:**
**Impact on defined benefit obligation**

Assumptions	(INR in lacs)			
	Discount rate		Future salary increases	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity Level				
31 March 2020	154	(161)	(161)	155
31 March 2019	144	(150)	(151)	146

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Within the next 12 months (next annual reporting period)	2,854	2,568
Between 2 and 5 years	4,887	4,769
Between 5 and 10 years	3,713	3,854
<b>Total expected payments</b>	<b>11,454</b>	<b>11,191</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.42 years (31 March 2019: 13.47 years).

**33. Share-based payments**

The Company does not provide any share-based compensation to its employees. However, the ultimate holding company, Whirlpool Corporation, USA has provided various share-based payment schemes to employees.

**A. Details of these plans are given below:**
**I. Employee Stock Options**

A stock option gives an employee, the right to purchase shares of Whirlpool Corporation at a fixed price for a specific period of time. The grant price (or strike price) is fixed based on the closing price of Whirlpool Corporation common stock on the date of grant. Stock options vest in three equal annual installments and expire in ten years from the date they are granted.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**II. Restricted Stock Units (RSU) & Performance Stock Units (PSU)**

- Performance** - These are the units of stock granted to employee at nil exercise price. It converts one for one shares of Whirlpool Corporation at the end of the vesting period of three years.
- Time based** - These are the units of stock granted to employee at nil exercise price. It converts one for one shares of Whirlpool Corporation at the end of the vesting period. One third of the option vests after one year, another one third vests after two years and final one third will vests after three years.

The expense recognised for employee services received during the year is shown in the following table:

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Expense arising from equity-settled share-based payment transactions	629	499
<b>Total expense arising from share-based payment</b>	<b>629</b>	<b>499</b>

There were cancellations in employee stock options and Restricted Stock Units (RSU) and Performance Stock Units (PSU). Refer below movement for details.

**Movements during the year**

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements during the year:

**(a) Employee Stock Option**

	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	Number	WAEP	Number	WAEP
Outstanding at 1 April	33,273	\$ 145.15	37,251	\$ 139.25
Granted during the year	-	-	-	-
Forfeited during the year	(376)	\$ 166.57	(604)	\$ 191.32
Exercised during the year	(814) <sup>1</sup>	\$ 93.87	(3,374) <sup>1</sup>	\$ 71.73
Expired during the year	(1,245)	\$ 170.78	-	-
Outstanding at 31 March	<u>30,838</u>	<u>\$ 145.21</u>	<u>33,273</u>	<u>\$ 145.15</u>
Exercisable at 31 March	<u>29,535</u>	<u>\$ 144.02</u>	28,116	\$ 139.69

<sup>1</sup>The weighted average share price at the date of exercise of these options was \$ 35.27 (31 March 2019: \$ 142.29)

The weighted average remaining contractual life for the share options outstanding as at 31 March 2020 was 4.96 years (31 March 2019: 5.96 years).

The weighted average fair value of options granted during the year was \$ Nil (31 March 2019: \$ Nil).

The range of exercise prices for options outstanding at the end of the year was \$ 71.03 to \$ 213.23 (31 March 2019: \$ 71.03 to \$ 213.23).

For year ended 31 March 2020 and 31 March 2019: No options have been granted.

**(b) Restricted Stock and Performance Share Units**

	31 March 2020	31 March 2019
	Number of options	
Outstanding at the beginning of the year	22,421	17,017
Granted during the year	5,719	8,098
Transfer/ Expired/ Forfeited during the year	1,042	297
Exercised during the year	4,410	2,397
Outstanding at the end of the year	<b>22,688</b>	22,421

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****34. Commitments and contingencies****a. Leases****Operating lease commitments – Company as lessor**

The Company has entered into operating lease for a specific area of its building located at Faridabad (having net book value of INR 9.46 lacs as at 31 March 2020 and INR 11 lacs as at 31 March 2019). The lease is renewable with mutual consent of both the parties. The income recognised in the Statement of profit and loss under the head “Other Income” is INR 96 lacs (31 March 2019: INR 96 lacs).

**b. Commitments**

Capital work contracted but still under execution (net of advances) is estimated at INR 2,250 lacs (31 March 2019: INR 5,452 lacs).

**c. Contingent liabilities****I. Direct tax litigations****(INR in lacs)**

Particulars	31 March 2020	31 March 2019
Transfer Pricing adjustments (refer note (a))	131,258	124,714
Other than transfer pricing adjustments (refer note (b))	5,634	4,199
<b>Total</b>	<b>136,892</b>	<b>128,913</b>

a) In the earlier years, For AY 2004-05 to 2005-06, the assessing officer made additions of INR 17,703 lacs (31 March 2019: INR 17,703 lacs) on account of Transfer Pricing adjustment for differences between the arm's length price and prices charged/received by the Company from associated enterprises.

For AY 2008-09 to 2016-17, Transfer Pricing (TP) adjustments were made by the Transfer Pricing Officer/ Assessing Officer amounting to INR 113,555 lacs (31 March 2019: INR 107,001 lacs) on account of alleged excess expenditure on Advertisement, Marketing and Sales Promotion (AMP) expenses incurred by the Company for promotion of ‘Whirlpool’ brand owned by the holding company. During the FY 2018-19 to 2019-20, the Company has received appellate order(s) for AY 2009-10 to AY 2015-16, from Hon'ble ITAT setting aside the order(s) of the Assessing Officer / Transfer Pricing officer. The appellate orders are based on the order of Hon'ble High Court for AY 2008-09 where it was held that there was no international transaction between the Company and its Associates Enterprises and consequently, no transfer pricing adjustment is called for. However, the Tax Department has challenged the order of the Hon'ble High Court for A.Y 2008-09 by filing a Special Leave Petition (SLP) before the Hon'ble Supreme Court. Accordingly, the final consequence of TP adjustments involved for A.Y. 2008-09 to AY 2015-16 on account of AMP expenses adjustments will depend on the acceptance / outcome of the pending SLP of Tax Department for A.Y 2008-09. During the FY 2019-20, the Company had also received Draft Assessment Order for AY 2016-17 with additions on account of transfer pricing of INR 6,544 lacs. The Company has filed objections with the Dispute Resolution Panel (DRP).

b) In the Income-tax assessments for preceding assessment years, the Assessing Officer has made disallowances of various expenses. These matters pertain to AY 1994-95 to 2016-17.

All of the above mentioned matters are pending with various judicial/appellate authorities including DRP, CIT(A), ITAT, High Court and Supreme Court. For some of the matters, judicial/appellate authorities have decided the cases in favor of the Company. However, these are being contested again by the Department of Income tax.

The Company believes that it has merit in these cases and it is only possible, but not probable, that these cases may be decided against the Company. Hence, these have been disclosed as contingent liability and no provision for any liability has been deemed necessary in the financial statements.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****II. Other litigations****(INR in lacs)**

Particulars	31 March 2020	31 March 2019
i. Claims against the Company not acknowledged as debts: These claims are in respect of various cases filed by ex-employees, consumers and trade partners. The legal proceedings are on going and therefore it is not practicable to state the timing of any payment. The management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been recognised in these financial statements.	620	602
ii. Others – Pending litigations		
- Excise duty and service tax	18	2,010
- Sales tax/ value added tax assessments	840	3,110
In view of large number of cases, it is not practicable to disclose individual details of all the cases. On the basis of current status of individual case and as per legal advice obtained by the Company, wherever applicable, the Company is confident of winning the above cases and is of view that no provision is required in respect of these litigations. The Company has also submitted bank guarantees with respective government authorities towards some of these pending litigations which have been included in point (d) below.		

**III. Other Contingency****(INR in lacs)**

Particulars	31 March 2020	31 March 2019
i. Letter of credits with bank	16,265	12,539
ii. Bank Guarantees for performance commitment (excluding financial guarantees given to Government Authorities).	398	156

**IV. Government of India - Ministry of Environment, Forest and Climate Change amended the E-Waste (Management) Rules 2016 and issued E-Waste (Management) Amendment Rules, 2018 (“E-waste Rules”). As per the E-Waste Rules, Companies dealing in certain categories of products as specified therein are required to undertake specific activities to channelize a specified quantity of E-Waste.**

Based on the estimates made by the management in accordance with the relevant provisions of the E-Waste Rules, the Company was required to channelize 24,600MT (31 March 2019 : 12,403 MT) of E-waste out of which 24,609 MT (31 March 2019 :12,497 MT) has been channelised during the year by the Company.

**d. Financial guarantees**

Bank Guarantees given to Government Authorities for various tax litigations amounts to INR 1,296 lacs (31 March 2019: INR 1,382 lacs).

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**35. Related party transactions**

Following are the Related Parties and transactions entered with related parties for the relevant financial year:

Key Management Personnel	1. Mr. Arvind Uppal, Chairman & Non-Executive Director 2. Mr. Vishal Bhola, Managing Director (w.e.f 04 April, 2020) 3. Mr. Sunil D'Souza, Managing Director (till 03 April, 2020) 4. Mr. Anil Berera, Non-Executive Director (Executive Director till 31 December, 2019) 5. Mr. AHB Narayana Reddy, Executive Director 6. Mrs. Roopali Singh, Company Secretary 7. Mr. Sanjiv Verma, Independent Director (till 19 June, 2019) 8. Mr. Anand Bhatia, Independent Director (till 19 June, 2019) 9. Mr. Yatin Malhotra, Chief Financial Officer 10. Mrs. Sonu Bhasin, Independent Director 11. Mr. Pradeep Jyoti Banerjee (w.e.f 19 June 2019) 12. Mr. Rahul Bhatnagar (w.e.f 19 June 2019)
Parties having direct or indirect control over the Company	1. Whirlpool Corporation (Ultimate Holding Company) 2. Whirlpool Mauritius Limited (Holding Company)
Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.	a. Whirlpool S.A. b. Whirlpool Southeast Asia Pte c. Whirlpool (Hong Kong) Limited d. Whirlpool (China) Investment Co. Ltd. e. Guangdong Whirlpool Electrical Appliances Co. Ltd. f. Whirlpool Product Development (Shenzhen) Co. Ltd. g. Whirlpool (Australia) Pty Limited h. Whirlpool Asia LLP i. Whirlpool Europe S.R.L. j. Whirlpool South Africa (Pty) Ltd. k. Beijing Embraco Snowflake Compressor Co. Ltd. (till June, 2019) l. Whirlpool EMEA S.p.a m. Whirlpool Maroc s.a.r.l n. Whirlpool (Taiwan) Co. Ltd o. Whirlpool Slovakia Spol s.r.o p. Whirlpool Properties Inc. q. Whirlpool Microwave Products Development Limited r. Whirlpool France S.A.S. s. Whirlpool Overseas Hong Kong Ltd. t. Indesit Company Polska Sp.z.oo. u. Whirlpool (China) Co. Ltd v. Whirlpool Argentina S.A w. Kitchen Aid Australia Pty Ltd. x. Kitchen Aid Trading Co. Ltd. y. Whirlpool Company Polska z. Joint Stock Company Indesit In
Companies where Joint control exists and with whom transaction have taken place during the year	1. Elica PB India Private Limited
Entities under Significant influence of Key management personnel	1. Whirlpool of India Gratuity Fund 2. Whirlpool of India Superannuation Scheme

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Ultimate Holding Company/Holding Company (INR in Lacs)		Enterprises under common control (INR in Lacs)		Companies where Joint control exists (INR in Lacs)		Entities under Significant influence of Key management personnel	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>A) Transactions</b>								
<b>(1) Purchase of raw materials, spare parts (net of returns) and services</b>								
- Whirlpool Corporation	23	17	-	-	-	-	-	-
- Whirlpool Microwave Products Development Limited	-	-	2	11	-	-	-	-
- Whirlpool (China) Co. Ltd.	-	-	1,479	-	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	88	141	-	-	-	-
- Beijing Embraco Snowflake Compressor Co. Ltd.	-	-	868	4,832	-	-	-	-
- Whirlpool (China) Investment Co. Ltd.	-	-	-	112	-	-	-	-
- Whirlpool Asia LLP	-	-	951	951	-	-	-	-
- Others	-	-	-	1	-	-	-	-
<b>Total</b>	<b>23</b>	<b>17</b>	<b>3,388</b>	<b>6,048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Purchase of trading goods (net of returns)</b>								
- Whirlpool Corporation	240	567	-	-	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	417	1,634	-	-	-	-
- Whirlpool (China) Co., Ltd	-	-	701	620	-	-	-	-
- Whirlpool Microwave Products Development Limited	-	-	292	576	-	-	-	-
- Whirlpool Slovakia Spol Sro	-	-	642	1,272	-	-	-	-
- Elica PB India Private Limited	-	-	-	-	793	203	-	-
- Whirlpool Company Polska	-	-	493	-	-	-	-	-
- Joint Stock Company Indesit In	-	-	439	-	-	-	-	-
- Others	-	-	-	175	-	-	-	-
<b>Total</b>	<b>240</b>	<b>567</b>	<b>2,984</b>	<b>4,277</b>	<b>793</b>	<b>203</b>	<b>-</b>	<b>-</b>
<b>(3) Purchase of capital goods</b>								
- Whirlpool (China) Investment Co. Ltd.	-	-	-	1,156	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(4) Sale of manufactured goods (net of returns)</b>								
- Whirlpool Corporation	19	-	-	-	-	-	-	-
- Whirlpool Europe S.R.L.	-	-	-	13	-	-	-	-
- Whirlpool Southeast Asia Pte	-	-	2,375	3,850	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	987	1,128	-	-	-	-
- Whirlpool Maroc s.a.r.l	-	-	93	533	-	-	-	-
- Whirlpool (Australia) Pty Limited.	-	-	316	544	-	-	-	-
- Elica PB India Private Limited	-	-	-	-	1,283	1,485	-	-
- Others	-	-	-	135	-	-	-	-
<b>Total</b>	<b>19</b>	<b>-</b>	<b>3,771</b>	<b>6,203</b>	<b>1,283</b>	<b>1,485</b>	<b>-</b>	<b>-</b>
<b>(5) Reimbursement of expenses incurred on behalf of the parties by Company</b>								
- Whirlpool Corporation	1,568	1,737	-	-	-	-	-	-
- Whirlpool Asia LLP	-	-	211	122	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	12	66	-	-	-	-
- Others	-	-	344	316	-	-	-	-
<b>Total</b>	<b>1,568</b>	<b>1,737</b>	<b>567</b>	<b>504</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Ultimate Holding Company/Holding Company (INR in Lacs)		Enterprises under common control (INR in Lacs)		Companies where Joint control exists (INR in Lacs)		Entities under Significant influence of Key management personnel	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	<b>(6) Reimbursement of expenses incurred on behalf of the Company by parties</b>							
- Whirlpool Corporation	173	1,177	-	-	-	-	-	-
- Whirlpool Product Development (Shenzhen) Co. Ltd	-	-	-	40	-	-	-	-
- Whirlpool Asia LLP	-	-	-	176	-	-	-	-
- Whirlpool (China) Co. Ltd.	-	-	142	125	-	-	-	-
- Others	4	86	-	-	-	-	-	-
<b>Total</b>	<b>173</b>	<b>1,177</b>	<b>146</b>	<b>427</b>	-	-	-	-
<b>(7) Sale of services</b>								
- Whirlpool Corporation	13,812	13,349	-	-	-	-	-	-
- Others	-	-	3,329	2,218	-	-	-	-
<b>Total</b>	<b>13,812</b>	<b>13,349</b>	<b>3,329</b>	<b>2,218</b>	-	-	-	-
<b>(8) Royalty fee (Brand Assistance)</b>								
- Whirlpool Properties Inc.	-	-	5,679	5,080	-	-	-	-
<b>Total</b>	-	-	<b>5,679</b>	<b>5,080</b>	-	-	-	-
<b>(9) Technical know-how fee (Brand Assistance)</b>								
- Whirlpool Corporation	3,076	2,454	-	-	-	-	-	-
<b>Total</b>	<b>3,076</b>	<b>2,454</b>	-	-	-	-	-	-
<b>(10) Contributions made by the Company</b>								
- Whirlpool of India Limited Gratuity Fund	-	-	-	-	-	-	300	300
- Whirlpool of India Superannuation Scheme	-	-	-	-	-	-	66	79
<b>Total</b>	-	-	-	-	-	-	<b>366</b>	<b>379</b>
<b>(11) Dividend paid during the year</b>								
Whirlpool Mauritius Limited	4,758	3,807	-	-	-	-	-	-
<b>Total</b>	<b>4,758</b>	<b>3,807</b>	-	-	-	-	-	-
<b>(12) Redemption of Investment in unquoted debt securities*</b>								
- Whirlpool Corporation	13,712	-	-	-	-	-	-	-
<b>Total</b>	<b>13,712</b>	-	-	-	-	-	-	-
<b>(13) Interest income on unquoted debt securities</b>								
- Whirlpool Corporation	355	532	-	-	-	-	-	-
- Whirlpool S.A.	-	-	1,373	1,348	-	-	-	-
<b>Total</b>	<b>355</b>	<b>532</b>	<b>1,373</b>	<b>1,348</b>	-	-	-	-
<b>B) Balance outstanding at the year end:</b>								
Trade receivables*								
- Whirlpool Corporation	356	1,698	-	-	-	-	-	-
- Whirlpool Southeast Asia Pte	-	-	250	357	-	-	-	-
- Whirlpool Europe S.R.L.	-	-	-	35	-	-	-	-
- Whirlpool South Africa (Pty) Ltd	-	-	2	9	-	-	-	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Ultimate Holding Company/Holding Company (INR in Lacs)		Enterprises under common control (INR in Lacs)		Companies where Joint control exists (INR in Lacs)		Entities under Significant influence of Key management personnel	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	- Whirlpool Overseas Hong Kong Ltd.	-	-	284	352	-	-	-
- Elica PB India Private Limited	-	-	-	-	455	1,261	-	-
- Whirlpool (Taiwan) Co. Ltd	-	-	474	24	-	-	-	-
- Others	-	-	609	741	-	-	-	-
<b>Total</b>	<b>356</b>	<b>1,698</b>	<b>1,619</b>	<b>1,518</b>	<b>455</b>	<b>1,261</b>	-	-
<b>Trade payables*</b>								
- Whirlpool Corporation	825	2,024	-	-	-	-	-	-
- Whirlpool Properties Inc.	-	-	1,137	1,190	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	323	927	-	-	-	-
- Whirlpool Microwave Products Development Limited	-	-	111	103	-	-	-	-
- Beijing Embraco Snowflake Compressor Co. Ltd.	-	-	-	2,446	-	-	-	-
- Whirlpool Slovakia Spol s.r.o	-	-	129	457	-	-	-	-
- Whirlpool (China) Co. Ltd.	-	-	427	1,563	-	-	-	-
- Elica PB India Private Limited	-	-	-	-	36	99	-	-
- Others	-	-	163	24	-	-	-	-
<b>Total</b>	<b>825</b>	<b>2,024</b>	<b>2,290</b>	<b>6,710</b>	<b>36</b>	<b>99</b>	-	-
<b>Investment in unquoted debt securities*</b>								
- Whirlpool Corporation	-	13,712	-	-	-	-	-	-
- Whirlpool S.A.**	-	-	32,030	32,030	-	-	-	-
<b>Total</b>	-	<b>13,712</b>	<b>32,030</b>	<b>32,030</b>	-	-	-	-
<b>Investment in unquoted equity shares</b>								
- Elica PB India Private Limited #	-	-	-	-	16,244	16,244	-	-
<b>Total</b>	-	-	-	-	<b>16,244</b>	<b>16,244</b>	-	-
<b>Interest receivable on unquoted debt securities</b>								
- Whirlpool Corporation	-	258	-	-	-	-	-	-
- Whirlpool S.A.	-	-	793	745	-	-	-	-
<b>Total</b>	-	<b>258</b>	<b>793</b>	<b>745</b>	-	-	-	-

\* Exclusive of reinstatement due to exchange fluctuation.

\*\* The ultimate holding company has given the guarantee against the investment.

# The amount does not include the cost incurred by the Company at time of acquisition of shares which has been reported in the total investment amount in the financial statements.

**Terms and conditions of transactions with related parties**

All the above mentioned transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables other than the letter of comfort which has been given by the ultimate holding company, Whirlpool Corporation, to respective banks against bank overdraft, cash credit, letter of credit etc. facilities provided to the Company.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Transactions with key management personnel****Compensation of key management personnel of the Company**

	(INR in lacs)	
	31 March 2020	31 March 2019
Short-term employee benefits	1,250	1,235
Post-employment benefits	27	5
Other long-term benefits	23	4
Share-based payment	291	201
Director sitting fees	59	56
Legal and professional fees	-	27
<b>Total</b>	<b>1,650</b>	<b>1,528</b>

The amounts disclosed above are the amounts recognised as an expense during the reporting period related to key management personnel.

**36. Segment information**

The Company's operations predominantly comprise of only one segment i.e. Home Appliances. The management also reviews and measures the operating results taking the whole business as one segment and accordingly, makes decision about resource allocation. In view of the same, separate segmental information is not required to be given as per the requirements of Ind AS 108 on "Operating Segments".

**Geographical Information**

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Revenue from external customers</b>		
<b>Sale of Products</b>		
Within India	567,154	503,404
Outside India	11,724	17,287
<b>Total</b>	<b>578,878</b>	<b>520,691</b>

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Sale of Services</b>		
Within India	2,142	2,323
Outside India	17,141	15,514
<b>Total</b>	<b>19,283</b>	<b>17,837</b>

The revenue information above is based on the locations of the customers.

**Non-current operating assets**

The Company has common non-current operating assets for domestic as well as overseas market. Hence, separate figures for these assets are not required to be furnished.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****37. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:-**

	(INR in lacs)	
	31 March 2020	31 March 2019
The Principal amount and the Interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal Amount	1,864	3,604
Interest due on above	27	45
Interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	11	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	16	45
Amount of interest accrued and remaining unpaid at the end of each accounting year		
FY 2016-17	-	5
FY. 2017-18	2	15
FY. 2018-19	9	45
FY. 2019-20	16	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	27	65

**38. Hedging activities and derivatives****Derivatives not designated as hedging instruments**

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as hedge instrument and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally for the following period:

- From one to five months in case of vendor payments
- From one to three years in case of investment in senior notes (including interest).

**39. Fair values**

The management assessed that cash and cash equivalents, trade receivables, loans, other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The loss allowance on the financial assets as at 31 March 2020: INR 19 lacs (31 March 2019: INR 136 lacs) provided in the books on account of uncertainty of recoverability for the amount.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Security Deposits disclosed under loans are evaluated by the Company based on parameters such as interest rates, risk factors, risk characteristics and individual creditworthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected credit losses of these security deposits.



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****40. Fair values hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:**

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		INR in lacs			
<b>Financial assets measured at fair value through profit &amp; loss</b>					
Derivatives Financial Instrument	31 March 2020	795	-	795	-
Financial assets measured at amortised cost:					
Investment	31 March 2020	55,055	-	-	55,055
Loans and deposits		2,486	-	-	2,486
Bank Deposits		11	-	-	11
Interest accrued on bank deposits and investment		1,268	-	-	1,268
Trade receivables		28,160	-	-	28,160
Cash and cash equivalents		127,416	-	-	127,416
Other bank balances		985	-	-	985

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		INR in lacs			
<b>Financial liabilities carried at amortised costs</b>					
Trade payables	31 March 2020	143,108	-	-	143,108
Other payables		3,219	-	-	3,219

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:**

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		INR in lacs			
<b>Financial assets measured at fair value through profit &amp; loss</b>					
Derivatives Financial Instrument	31 March 2019	1,230	-	1,230	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		INR in lacs			
<b>Financial assets measured at amortised cost:</b>					
Investment	31 March 2019	65,633	-	-	65,633
Loans and deposits		2,078	-	-	2,078
Bank Deposits		2	-	-	2
Interest accrued on bank deposits and investment		1,361	-	-	1,361
Insurance claim receivable		14	-	-	14
Trade receivables		25,562	-	-	25,562
Cash and cash equivalents		105,311	-	-	105,311
Other bank balances		789	-	-	789

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
		INR in lacs			
<b>Financial liabilities carried at amortised costs</b>					
Trade payables	31 March 2019	123,792	-	-	123,792
Other payables		951	-	-	951

**41. Financial risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**A. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March, 2020 and 31 March, 2019.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March, 2020 and 31 March, 2019.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****a. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the overdraft, letter of credit, cash credit etc. facilities provided by the respective banks to the Company carrying variable interest rates.

Since, the Company has not availed any long-term credit facilities, therefore there is no need for the Company to enter into hedge contract to mitigate the possible exposure risk.

**b. Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum period of three month for hedges of forecasted purchases and a maximum period of three year period for hedges of forecasted cash inflow relating to senior notes (including interest).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

The Company's exposure to foreign currency changes for all other currencies is not material.

**Foreign currency sensitivity**

Currency	(INR in lacs)			
	%	31 March 2020	%	31 March 2019
USD	4%	392	5%	1,077
	(4%)	(392)	(5%)	(1,077)
Euro	4%	-	4%	(53)
	(4%)	-	(4%)	53

**c. Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of various electronic parts which consist of copper element and therefore require a continuous supply of the same. However, due to the non-significant movement in the prices of the copper, the Company has not entered into any forward contracts for commodity hedging purpose.

**B. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**a. Trade receivables**

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

score card and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and balances of customers are not covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 8. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

**b. Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved banks and within limits assigned to each bank by the ultimate holding company.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March, 2020, 31 March, 2019 is the carrying amounts as illustrated in note 9 except for financial guarantees. The Company's maximum exposure relating to financial guarantees is noted in note 34.

**Liquidity risk**

The Company monitors its risk of a shortage of funds through fund management exercise at regular intervals.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	INR in lacs		
	Less than 1 year	More than 1 year	Total
<b>Year ended 31 March 2020</b>			
Trade Payables	142,915	193	143,108
Other Payables	1,747	1,472	3,219
	<b>144,662</b>	<b>1,665</b>	<b>146,327</b>
<b>Year ended 31 March 2019</b>			
Trade Payables	123,622	170	123,792
Other Payables	431	520	951
	<b>124,053</b>	<b>690</b>	<b>124,743</b>

**42. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2020 and 31 March, 2019.

43. The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on 11 March, 2020. On 24 March, 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which was further extended till 3 May, 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended 31 March, 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.

44. Following are the reclassifications made in the previous year figures to make them comparable/ better presentation with the current year figures.

Particulars	31 March 2019 (Revised)	31 March 2019 (Published)	Nature
<b>Assets</b>			
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	105,311	105,367	Reclassification items
Bank balances other than above	789	733	Reclassification items
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Financial Liabilities			
Other payables	431	8,987	Reclassification items
Other Liabilities	8,556	-	Reclassification items

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
Partner  
Membership No. 216706

Place of Signature : Gurugram  
Date : 18 June, 2020

For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**

**Arvind Uppal**  
Chairman  
DIN:00104992

**Yatin Malhotra**  
Chief Financial Officer

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Roopali Singh**  
Company Secretary

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF WHIRLPOOL OF INDIA LIMITED****REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS****Opinion**

We have audited the accompanying consolidated financial statements of Whirlpool of India Limited (hereinafter referred to as the "Holding Company") and its jointly controlled company (together referred to as "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of jointly controlled company, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group, as at March 31, 2020, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 44 to the consolidated financial statements which states that the management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended March 31, 2020 and has concluded that there is no impact which is required to be recognised in the consolidated financial statements. Accordingly, no adjustments have been made to the consolidated financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Description of Key Audit Matter****Evaluation of uncertain tax positions (Direct Tax and Indirect Tax)**

The Holding Company has transactions with related parties in other countries and hence is subject to transfer pricing regulations as specified under Income-Tax Act, 1961 in India. Certain transactions with related parties and various tax positions taken by the Holding Company are challenged by the relevant tax authorities. Further certain tax positions relating to reporting of taxable turnover, selection of tax rates, non-collection of statutory forms, etc. in indirect tax are challenged by relevant tax authorities.

Management has assessed the Litigations/ Assessments status and has applied judgement in classifying/ taking appropriate actions as required under 'Ind AS 37 - Provisions, Contingent Liabilities, and Contingent Assets'.

Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12-Income Taxes has been added by Ministry of Corporate Affairs, via notification dated 30 March 2019. Management has further assessed the appropriateness of accounting and disclosure in standalone financial statements with respect to litigations on income taxes.

We have determined this matter to be key audit matter due to the significance of the amounts and judgements involved.

**Description of Auditor's Response**

Our audit procedure in respect of this area included:

- Analysed the list of ongoing litigations, Management's assessment of the possible outcome of the case and related accounting in the standalone financial statements.
- Verified the completeness of the information by corroborating prior year work papers and changes, if any, to tax litigations status with the underlying documents.
- Auditor's expert was involved to reassess Management's assessment of the possible outcome.
- Litigations on income taxes was assessed in terms of recognition and measurement criteria mentioned in Appendix C, Uncertainty over Income Tax Treatments, to Ind AS 12-Income Taxes.
- Assessed the appropriateness of presentation/ disclosures in the standalone financial statements in accordance with Ind AS 37 and Ind AS 12 notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman's statement, Director's report etc but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

**Other Matters**

The consolidated financial statements also include the share of net profit of Rs.1,390 lacs for the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of jointly controlled company, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the other auditor and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of jointly controlled company, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled company, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
  - c. The reports on the accounts of the jointly controlled company incorporated in India, audited under Section 143 (8) of the Act by the other auditor have been sent to us and have been properly dealt with in preparing this report.
  - d. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - e. In our opinion, the aforesaid consolidated financial statements comply with the Ind-AS specified under Section 133 of the Act.
  - f. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditor of its jointly controlled company, incorporated in India, none of the directors of the Group, incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 34 to the consolidated financial statements.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Manish P Bathija**  
Partner  
Membership No.: 216706  
UDIN: 20216706AAAACS7224

Place : Gurugram  
Date : June 18, 2020

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF WHIRLPOOL OF INDIA LIMITED

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Manish P Bathija**  
Partner  
Membership No.: 216706  
UDIN: 20216706AAAACS7224

Place : Gurugram  
Date : June 18, 2020

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF WHIRLPOOL OF INDIA LIMITED

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Whirlpool of India Limited on the consolidated Financial Statements for the year ended March 31, 2020]

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to consolidated financial statements of Whirlpool of India Limited (hereinafter referred to as "the Holding Company") and its jointly controlled company, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding company and its jointly controlled company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company and its jointly controlled company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding company and its jointly controlled company, which are companies incorporated in India.

#### Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.



**Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its jointly controlled company, which are companies incorporated in India, have, in all material respects, internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to the jointly controlled company, which is a company incorporated in India, is based on the corresponding reports of the auditor of such company incorporated in India.

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Manish P Bathija**  
Partner  
Membership No.: 216706  
UDIN: 20216706AAAACS7224

Place : Gurugram  
Date : June 18, 2020

**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2020**

Particulars	Notes	(INR in lacs)	
		As at 31 March 2020	As at 31 March 2019
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A, 3B	70,348	50,319
Capital work in progress	3A	4,408	4,333
Intangible assets	4	543	502
Investment in Joint Venture	5	18,882	17,493
Financial assets	5		
i) Investment		-	34,578
ii) Loans		1,812	1,815
iii) Others		11	1,232
Deferred tax assets (net)	19	3,749	3,440
Other non-current assets	6	8,102	11,092
		<u>107,855</u>	<u>124,804</u>
<b>Current assets</b>			
Inventories	7	119,889	88,860
Financial assets			
i) Trade receivables	8	28,160	25,562
ii) Cash and cash equivalents	9	127,416	105,311
iii) Bank balances other than (ii) above	10	985	789
iv) Investment	5	37,833	13,833
v) Loans	5	674	263
vi) Others	5	2,063	1,375
Other current assets	11	11,152	10,378
		<u>328,172</u>	<u>246,371</u>
		<u>436,027</u>	<u>371,175</u>
<b>Total assets</b>			
<b>Equity and liabilities</b>			
Equity			
Equity share capital	12	12,687	12,687
Other equity	13	243,661	201,851
Total equity		<u>256,348</u>	<u>214,538</u>
<b>Non-current liabilities</b>			
Financial liabilities	15		
i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		193	170
ii) Other payables		1,472	520
Provisions	16	20,738	18,636
Government grants	17	507	564
		<u>22,910</u>	<u>19,890</u>
<b>Current liabilities</b>			
<b>Financial liabilities</b>	15		
i) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		1,891	3,649
- total outstanding dues of creditors other than micro enterprises and small enterprises		141,024	119,973
ii) Other payables		1,747	431
Other liabilities	15 A	7,563	8,556
Provisions	16	3,767	3,351
Government grants	17	57	57
Deferred revenue	18	720	730
		<u>156,769</u>	<u>136,747</u>
		<u>179,679</u>	<u>156,637</u>
		<u>436,027</u>	<u>371,175</u>
<b>Total liabilities</b>			
<b>Total equity and liabilities</b>			
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
Partner  
Membership No. 216706

Place of Signature : Gurugram  
Date : 18 June, 2020

For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**

**Arvind Uppal**  
Chairman  
DIN:00104992

**Yatin Malhotra**  
Chief Financial Officer

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Roopali Singh**  
Company Secretary

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

Particulars	Notes	(INR in lacs)	
		31 March 2020	31 March 2019
<b>Income</b>			
Revenue from operations	20	599,252	539,765
Other income	21	12,871	10,470
<b>Total income</b>		<b>612,123</b>	<b>550,235</b>
<b>Expenses</b>			
Cost of raw material and components consumed	22	324,375	296,970
Purchase of traded goods		64,268	46,458
Changes in inventories of finished goods, work in progress and stock in trade	23	(23,653)	(5,975)
Employee benefits expense	24	58,963	49,305
Depreciation and amortisation expense	25	12,932	11,131
Other expenses	26	107,964	88,790
Finance costs	27	1,985	909
<b>Total expense</b>		<b>546,834</b>	<b>487,588</b>
<b>Profit before share of profit of Joint Venture and tax</b>		<b>65,289</b>	<b>62,647</b>
Share of Profit of a Joint Venture	43	1,390	269
Profit before tax		66,679	62,916
(1) Current tax	19	18,116	22,320
(2) Adjustment of tax relating to previous years	19	(227)	(6)
(3) Deferred tax	19	(229)	(372)
Income tax expense		17,660	21,942
<b>Profit for the year</b>		<b>49,019</b>	<b>40,974</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement losses on defined benefit plans	29	(317)	(796)
Income tax effect		80	278
		(237)	(518)
Share of other comprehensive gains/ (losses) of Joint Venture	29	(1)	3
Income tax effect#		-	(1)
		(1)	2
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>		<b>(238)</b>	<b>(516)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>48,781</b>	<b>40,458</b>
# amount is below the round off norms			
Earnings per share	30		
Basic and Diluted computed on the basis of profit attributable to equity holders of the Company		38.64	32.30
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the consolidated financial statements			

As per our report of even date

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
Partner  
Membership No. 216706

Place of Signature : Gurugram  
Date : 18 June, 2020

For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**

**Arvind Uppal**  
Chairman  
DIN:00104992

**Yatin Malhotra**  
Chief Financial Officer

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Roopali Singh**  
Company Secretary

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Notes	(INR in lacs)	
		31 March 2020	31 March 2019
<b>Operating activities</b>			
Profit before tax		66,679	62,916
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation of property, plant and equipment	25, 28	12,105	11,231
Amortisation of intangible assets	25	224	201
Depreciation of Right-of-use assets	25	900	-
Employee stock options	24	629	499
Cash incentives	24	48	66
Unrealised foreign exchange differences		(1,484)	(2,760)
Gain on disposal of property, plant and equipment	21	(132)	(51)
Provision no longer required written back	21	(65)	(35)
Allowances for doubtful debts and advances	26	177	374
Interest income	21	(9,741)	(8,850)
Finance costs	27	1,985	909
Deferred income on Government Grant	17	(57)	(57)
Share of Profit of a Joint Venture		(1,390)	(269)
<b>Working capital adjustments:</b>			
Increase in inventories	7	(31,029)	(7,848)
Increase in trade receivables	8	(2,637)	(1,630)
Decrease in financial assets	5,10	120	432
Decrease/(Increase) in other assets	6,11	5,108	(2,476)
Increase in trade payables, other payables and other liabilities	15, 15A	16,744	8,735
Increase in provision and deferred revenue	16, 18	473	2,456
		58,657	63,843
Income tax paid		(20,635)	(23,595)
<b>Net cash flows from operating activities</b>		<b>38,022</b>	<b>40,248</b>
<b>Investing activities</b>			
Purchase of property, plant and equipment including intangibles and capital work in progress	3A	(30,725)	(18,725)
Proceeds from sale of property, plant and equipment		236	87
Proceeds from redemption of unquoted debt securities	5	13,774	-
Investment in bank deposits (having original maturity of more than 3 months)	5, 10	(171)	59
Investment in unquoted equity shares	5	-	(16,311)
Interest received	21	9,688	8,700
<b>Net cash flows used in investing activities</b>		<b>(7,198)</b>	<b>(26,190)</b>
<b>Financing activities</b>			
Interest paid others	27	(117)	(129)
Interest on lease liabilities	27	(150)	-
Payment of lease liabilities		(804)	-
Dividend paid	13	(6,344)	(5,020)
Dividend distribution tax	13	(1,304)	(1,043)
<b>Net cash flows used in financing activities</b>		<b>(8,719)</b>	<b>(6,192)</b>
Net increase in cash and cash equivalents		22,105	7,866
Cash and cash equivalents at the beginning of the year		105,311	97,445
Cash and cash equivalents at the end of the year	9	127,416	105,311

As per our report of even date

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
Partner  
Membership No. 216706

Place of Signature : Gurugram  
Date : 18 June, 2020

For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**

**Arvind Uppal**  
Chairman  
DIN:00104992

**Yatin Malhotra**  
Chief Financial Officer

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Roopali Singh**  
Company Secretary

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	No. in lacs	INR in lacs
<b>a. Equity Share Capital (refer note12):</b>		
Equity shares of INR 10 each issued, subscribed and fully paid		
<b>At 1 April 2018</b>	1,269	12,687
Changes during the year	-	-
<b>At 31 March 2019</b>	1,269	12,687
Changes during the year	-	-
<b>At 31 March 2020</b>	1,269	12,687

**b. Other Equity**

For the year ended 31 March 2020

(INR in lacs)

Particulars	Other equity (refer note 13)							Total
	Share premium	Share based payments reserves	Capital redemption reserve	Capital reserve	Capital subsidy	Cash incentive reserve	Retained earnings	
<b>As at 1 April 2019</b>	1,269	4,439	15,234	46	1	349	180,513	201,851
Profit for the year	-	-	-	-	-	-	49,019	49,019
Other comprehensive income (refer note 29)	-	-	-	-	-	-	(238)	(238)
Cash dividends (refer note 14)	-	-	-	-	-	-	(6,344)	(6,344)
Dividend distribution tax (DDT) (refer note 14)	-	-	-	-	-	-	(1,304)	(1,304)
<b>Total comprehensive income</b>	-	-	-	-	-	-	41,133	41,133
Share based payments (refer note 24)	-	629	-	-	-	-	-	629
Incentives for the year (refer note 24)	-	-	-	-	-	48	-	48
<b>At 31 March 2020</b>	1,269	5,068	15,234	46	1	397	221,646	243,661

For the year ended 31 March 2019

(INR in lacs)

Particulars	Other equity (refer note 13)							Total
	Share premium	Share based payments reserves	Capital Redemption Reserve	Capital reserve	Capital Subsidy	Cash incentive reserve	Retained earnings	
<b>As at 1 April 2018</b>	1,269	3,940	15,234	46	1	283	146,174	166,947
Profit for the year	-	-	-	-	-	-	40,974	40,974
Other comprehensive income (refer note 29)	-	-	-	-	-	-	(516)	(516)
Cash dividends (refer note 14)	-	-	-	-	-	-	(5,076)	(5,076)
Dividend distribution tax (DDT) (refer note 14)	-	-	-	-	-	-	(1,043)	(1,043)
<b>Total comprehensive income</b>	-	-	-	-	-	-	34,339	34,339
Share based payments (refer note 24)	-	499	-	-	-	-	-	499
Incentives for the year (refer note 24)	-	-	-	-	-	66	-	66
<b>At 31 March 2019</b>	1,269	4,439	15,234	46	1	349	180,513	201,851

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date

 For **MSKA & Associates**

Chartered Accountants

ICAI Firm Registration Number: 105047W

**Manish P Bathija**

Partner

Membership No. 216706

Place of Signature : Gurugram

Date : 18 June, 2020

For and on behalf of the Board of Directors of

**Whirlpool of India Limited**
**Arvind Uppal**

Chairman

DIN:00104992

**Yatin Malhotra**

Chief Financial Officer

**Vishal Bhola**

Managing Director

DIN: 08668079

**Roopali Singh**

Company Secretary

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**1. Corporate information**

The consolidated financial statements comprise financial statements of Whirlpool of India Limited (“the Company”) for the year ended 31 March, 2020. The Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act, 1956 as replaced by the Companies Act, 2013, applicable in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange and has its principal place of business located at Plot No. 40, Sector-44, Gurugram, Haryana - 122002.

The Company is a leading manufacturer of home appliances. It is primarily engaged in manufacturing and trading of Refrigerators, Washing Machines, Air Conditioners, Microwave Ovens, built in and Small appliances and caters to both domestic and international markets. The Company also provides services in the area of product development and procurement services to Whirlpool Corporation, USA and other group companies.

The Consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 18 June, 2020.

**2. Significant accounting policies**
**I. Basis of preparation**

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments, and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

**II. Summary of significant accounting policies**
**a) Investment in Joint Venture**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company’s investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Company’s share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Company’s share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Company’s OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Company and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity’s share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Company’s net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The aggregate of the Company's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

After application of the equity method, the Company determines whether it is necessary to recognise an impairment loss on its investment in its a joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Statement of Profit and Loss.

Upon loss of joint control over the joint venture, the Company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in statement of profit and loss.

**b) Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**c) Foreign currencies**

Items included in the consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The Consolidated financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

**Transactions and balances**

Transactions in foreign currencies are initially recorded at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item [i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively].

**d) Fair Value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 31, 40, 41)
- Financial instruments (including those carried at amortised cost) (note 5, 8, 9, 10, 15, 39, 40, 41)

**e) Revenue from contract with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in note 31.

**Sale of products**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the product. The normal credit term is 0 to 135 days from delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of product, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

**i) Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of products provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

**a) Rights of return**

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue reversal, the Company recognises a refund liability, a right of return asset (and corresponding adjustment to change in inventory) is also recognised for the right to recover products from a customer.

**b) Volume rebates**

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

**c) Service-type Warranty**

The Company does not have any service type warranty which could be accounted for as service-type warranties and as separate financial obligation to which Company allocates the portion of transaction price.

**e) Other revenue streams****Interest Income**

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in "other income" in the Statement of Profit and Loss.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**Export incentives benefits**

Export benefits income is recognised in the Statement of Profit and Loss, when the right to receive the benefits amount is established as per the terms of the relevant scheme and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**f) Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**g) Taxes****Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generate taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised for all taxable temporary differences except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.  
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**h) Property, plant and equipment**

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset, if any, after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the following assets:

Type of Asset	Useful lives estimated by the Management (years)
Building	
- Factory building	30
- Other than factory building (RCC Frame Structure)	60
Plant and equipment (other than production)	15
Trolleys and other equipment (included in Plant and equipment)	2
Moulds and tools (included in Plant and equipment)	6
Office equipment	5
Computers	3
Furniture and Fixtures	10
Vehicles	8

Plant and equipment used in production, depreciation is calculated based on units produced, unless units produced drop below a minimum threshold at which point depreciation is recorded using the straight-line method. This method is referred as modified units of production (MUOP) in the books of account.

The amount paid for leasehold land is amortised over the lease period of 99 years and depreciation on leasehold improvement, which includes temporary structures, is provided over the unexpired period of lease or estimated useful life of 3 years, whichever is lower.

The Company, based on technical assessment made by technical expert and Management estimate, depreciates certain items of plant and equipment i.e. Trolleys and other equipment and Moulds and tools over the period of 2 years and 6 years respectively, which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The Management believes that estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Considering the proprietary nature of assets and historical data, the Management has estimated the salvage value of the assets to be nil for the purpose of computing depreciation. Further, the residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**i) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

**Software**

Cost of software is amortised over its useful life of 60 months starting from the month of project implementation.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**Research and development costs**

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

All expenses incurred on research and development activities are expensed as incurred by the Company since these do not meet the recognition criteria as listed above.

**j) Leases**

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" and applied to all lease contracts existing as on 1 April 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount, discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been adjusted and therefore will continue to be reported as per Ind AS 17.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other payables (refer note 15).

**iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of office building and warehouses (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office building and warehouses that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**k) Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

**l) Impairment of non-financial assets**

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus, if any, taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

**m) Provisions****General**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Warranty provisions**

Provisions for product warranty related costs are recognised when the product is sold to the customer. The provision is determined on the basis of valuation carried out by an independent actuary as at the year end.

**n) Retirement and other employee benefits****Provident fund**

Retirement benefit in the form of Provident Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

**Superannuation Fund**

Retirement benefit in the form of Superannuation Fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the superannuation fund. The Company recognises contribution payable to the relevant scheme as expenditure, when an employee renders the related service. The Company has arrangement with Insurance Company to administer its superannuation scheme.

**Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. The Company has created an approved Gratuity Fund, which has taken a group gratuity cum insurance policy with an Insurance company to cover the gratuity liability of the employees and premium on contribution paid to such insurance company is charged to the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

**Welfare schemes:**

- i. The Company provides for liability in respect of other long term benefit schemes offered to the employees of the Faridabad Refrigeration Operations on the basis of year end actuarial valuation. This is an unfunded defined benefit scheme.
- ii. The Company provides for liability in respect of long term service award scheme for its employees at the Faridabad Refrigeration Operations and Puducherry Washers Operations on the basis of year end actuarial valuation. This is an unfunded defined benefit scheme.

The cost of providing benefits under the welfare schemes is determined using the projected unit credit method.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Compensated absences:**

The Company treats accumulated leave to be carried forward beyond twelve months as long term employee benefit for measurement purposes, such long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at year end. The Company presents the leave as current liability in the Balance Sheet to the extent it does not have an unconditional right to defer its settlement beyond twelve months from the reporting date.

**o) Share-based Payments**

Employees (including senior executives) of the Company receive remuneration from the Ultimate Holding Company in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

*Equity-settled transactions*

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised as employee benefits expense in the Statement of Profit and Loss together with a corresponding increase in other equity as 'Share based payments reserve' in lines with requirement as per Ind AS 102 (Share based payments), over the period in which the performance and/ or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/ or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/ or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/ or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through Statement of Profit and Loss.

**Cash Incentives to employees**

The Ultimate Holding Company gives performance based cash incentives to certain employees including key Management personnel on account of their contribution towards Company's growth. As the amount is paid to employees after a period of 3 years, therefore the cost of cash incentive is recognised on an accrual basis based on the best possible estimate by the Management. Such cost is recognised as a part of employee benefits expense in the Statement of Profit and Loss with a corresponding increase in other equity as 'Incentive reserve'.

**p) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Financial assets****Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt Instrument at Fair Value through profit and loss (FVTPL)
- Debt Instruments at fair value through other comprehensive income (FVTOCI)
- Equity Instruments at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade receivables, security deposits and other receivables. For more information on receivables, refer note 5 & 8.

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent Solely Payments of Principal and Interest.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated, forward exchange contracts taken by the Company to mitigate the foreign exchange risk, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits and bank balance
- The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date, except to the individual cases where recoverability is certain:

	Less than or equal to 180 days	More than 180 days
Default rate	0%	100%

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The Balance Sheet presentation for financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and loss, trade & other payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and derivative financial instruments.

##### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives, if any, are also classified as held for trading unless they are designated as effective hedging instruments.

*Gains or losses on liabilities held for trading are recognised in the profit or loss.*

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/

loss are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

#### Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior Management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to Statement of Profit and Loss at the reclassification date

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****q) Derivative financial instruments****Initial recognition and subsequent measurement**

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges (if any), which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

**r) Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**s) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**t) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**III. Changes in accounting policies and disclosures****New and amended standards**

The Company applied Ind AS 116 Leases for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

**i) IND AS 116 Leases**

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 *Operating Leases-Incentives* and Appendix B of Ind AS 17 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The effect of adoption Ind AS 116 as at 1 April 2019 (increase/ (decrease)) is, as follows:

The Company has lease contracts for various items of warehouses and office building. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note j: Leases for the accounting policy beginning 1 April 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Company

- Leases previously classified as finance leases**

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from 1 April 2019.

- Leases previously accounted for as operating leases**

The Company has recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

On transition to Ind AS 116 the weighted average incremental borrowing rate applied to lease liabilities recognised under Ind AS 116 was 7.22% ~ 7.52%.

Based on the above, as at 1 April 2019:

- Right-of -use assets of INR 2,651 lacs were recognised and presented in the balance sheet under Note 3: Property, Plant and equipment.
- Lease liabilities of INR 2,651 lacs were recognised.

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019, as follows:

	INR Lacs
Operating lease commitments (non-cancellable) as at 31 March 2019	<b>5,128</b>
<b>Add:</b> Cancellable lease qualifies for IND AS 116	766
<b>Less:</b> Lease commitments not qualified under IND AS 116	2,494
<b>Undiscounted Lease liabilities as at 1 April 2019</b>	<b>3,400</b>
Weighted average discount as at 1 April 2019*	7.36%
Discounted operating lease commitments as at 1 April 2019	<b>2,651</b>

\*Considering range of discount (7.22% ~ 7.52%) used for different leases.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****ii) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment**

The Appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Appendix specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgment in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix has an impact on its consolidated financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance, transfer pricing study and views expressed by its internal experienced personnel that it is probable and its tax treatments will be eventually accepted by the taxation authorities. The Appendix does not have an impact on the consolidated financial statements of the Company.

- iii) Several other amendments apply for the first time for the year ended as at 31 March 2020, but do not have an impact on the Standalone financial statements of the Company. The Company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****3. Property, plant and equipment****A Owned Assets**

(INR in lacs)

Particulars	Freehold land	Leasehold land	Leasehold improvements	Building	Plant and equipment	Office equipment	Furniture and fixtures	Vehicles	Total property, plant and equipment	Capital work in progress
<b>Cost</b>										
<b>At 1 April 2018</b>	1,356	387	296	7,193	54,049	6,518	316	18	70,133	3,305
Additions*	-	-	-	997	14,389	2,240	19	-	17,645	18,724
Disposals/Transfer	-	-	-	-	(1,140)	(305)	-	-	(1,445)	(17,696)
<b>At 31 March 2019</b>	1,356	387	296	8,190	67,298	8,453	335	18	86,333	4,333
Transition impact of IND AS 116	-	(387)	-	-	-	-	-	-	(387)	-
<b>Restated at 31 March 2019</b>	1,356	-	296	8,190	67,298	8,453	335	18	85,946	4,333
Additions*	-	-	-	6,203	22,646	1,453	78	6	30,386	30,725
Disposals/Transfer	(3)	-	-	(19)	(3,582)	(413)	-	(6)	(4,023)	(30,650)
<b>At 31 March 2020</b>	1,353	-	296	14,374	86,362	9,493	413	18	1,12,309	4,408
<b>Depreciation</b>										
<b>At 1 April 2018</b>	-	15	219	911	21,681	3,231	131	4	26,192	-
Charge for the year**	-	5	51	374	9,205	1,548	44	4	11,231	-
Disposals	-	-	-	-	(1,121)	(288)	-	-	(1,409)	-
<b>At 31 March 2019</b>	-	20	270	1,285	29,765	4,491	175	8	36,014	-
Transition impact of IND AS 116	-	(20)	-	-	-	-	-	-	(20)	-
<b>Restated at 31 March 2019</b>	-	-	270	1,285	29,765	4,491	175	8	35,994	-
Charge for the year**	-	-	13	522	10,001	1,531	33	5	12,105	-
Disposals	-	-	-	(9)	(3,510)	(393)	-	(6)	(3,918)	-
<b>At 31 March 2020</b>	-	-	283	1,798	36,256	5,629	208	7	44,181	-
<b>Net book value</b>										
At 31 March 2020	1,353	-	13	12,576	50,106	3,864	205	11	68,128	4,408
At 31 March 2019	1,356	367	26	6,905	37,533	3,962	160	10	50,319	4,333

(\*includes additions to fixed assets for research & development activities amounting to INR 190 lacs (31 March 2019: INR 769 lacs))

(\*\*includes depreciation pertaining to research & development activities amounting to INR 297 lacs (31 March 2019: INR 301 lacs))

**Notes**

- i. Plant and equipment includes moulds lying with the third parties amounting to INR 26,643 lacs (31 March 2019: INR 31,724 lacs) with a net book value of INR 11,847 lacs (31 March 2019: INR 11,825 lacs)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## ii. Building constructed on leasehold land:

Particulars	INR in lacs	
	31 March 2020	31 March 2019
Gross block	8,826	5,010
Accumulated depreciation	3,014	2,811
Depreciation for the year	203	151
Net book value	5,812	2,199

## iii. Assets under construction

Capital work in progress (CWIP) as at 31 March 2020 comprises expenditure for the plant and building in the course of construction. These expenditures relates to the various projects undertaken for new models and modification to the existing models of the Company. Total amount of CWIP is INR 4,408 lacs (31 March 2019: INR 4,333 lacs).

## B Leased Assets

Particulars	INR in lacs		
	Leasehold land	Building	Total Right of Use Assets
<b>Cost</b>			
At 31 March 2019	387	-	387
Addition on account of transition IND AS 116 1 Apr 2019	-	2,651	2,651
Additions	-	993	993
Disposals/Transfer	-	(997)	(997)
At 31 March 2020	387	2,647	3,034
<b>Depreciation</b>			
At 31 March 2019	20	-	20
Charge for the year	5	895	900
Disposals	-	(106)	(106)
Balance as At 31 March 2020	25	789	814
Net book value as At 31 March 2020	362	1,858	2,220

- a. With the effect from 1 April 2019, the Company has adopted Ind AS 116 - Leases using the modified retrospective approach. As a result, Company has recognised "Right of Use Assets" amounting to INR. 2,651 lacs and Lease liability of INR 2,651 lacs as at the transition date. Further, the expenses towards such lease are now recorded as amortisation on "Right of Use Assets" and finance cost on "Lease liability", instead of rent expense.
- b. The Company's leases mainly comprise of land and buildings. The Company has lease of land and buildings for manufacturing, warehouse and office facilities. Right of Use Assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The lease terms for leasehold buildings ranges between 3 years to 9 years.
- c. Reconciliation for the effects of the transactions on Statement of Profit and Loss for the year ended 31 March 2020 are as follows :

Adjustments to increase/(decrease) in profit before tax	31 March 2020	Changes due to Ind AS 116 increase/(decrease)	31 March 2020
	(comparable basis)		(as reported)
Other expenses	108,918	(954)	107,964
Finance cost	1,835	150	1,985
Depreciation and amortisation	12,032	900	12,932
Profit before tax	66,775	96	66,679

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## 4. Intangible assets

Particulars	(INR in lacs)	
	Software	Total
<b>Cost</b>		
At 1 April 2018	1,012	1,012
Additions	52	52
Disposals	-	-
At 31 March 2019	1,064	1,064
Additions	265	265
Disposals	-	-
At 31 March 2020	1,329	1,329
<b>Amortisation</b>		
At 1 April 2018	361	361
Amortisation	201	201
Disposals	-	-
At 31 March 2019	562	562
Amortisation	224	224
Disposals	-	-
At 31 March 2020	786	786
<b>Net book value</b>		
At 31 March 2020	543	543
At 31 March 2019	502	502

## 5. Financial assets

(Considered good- unsecured unless stated otherwise)

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>(i) Investments</b>		
<b>(a) Investment in Joint Venture</b>		
Unquoted equity shares		
2,368,997 (31 March 2019: 2,368,997) equity shares of Elica PB India Private Limited	17,493	17,222
Share of profit of a Joint Venture (refer note 43)	1,389	271
	18,882	17,493
<b>(b) Other investments</b>		
Unquoted debt securities		
3.8% Senior Notes (USD Nil (31 March 2019: USD 20 million)) of Whirlpool Corporation, the Ultimate Holding Company*	-	13,833
3.8% Senior Notes (USD 50 million (31 March 2019: USD 50 million)) of Whirlpool S.A. Brazil, Fellow Subsidiary Company**	37,833	34,578
	37,833	48,411
<b>Total Investments (a+b)</b>	56,715	65,904
Current	37,833	13,833
Non-Current	18,882	52,071

\*In year 2017, the Company had purchased 4 senior notes of USD 5 million each amounting to USD 20 million, issued by the Ultimate Holding Company i.e. Whirlpool Corporation, on 30 November 2016. These securities have a maturity period of three years from the date of issue with one year lock-in. These notes were redeemed during the year.

\*\*In year 2018, the Company has purchased 10 senior notes of USD 5 million each amounting to USD 50 million, issued by Whirlpool S.A. Brazil on 14 September 2017. These securities have a maturity period of three years from the date of issue with one year lock-in.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>(ii) Loans</b>		
<b>(a) Loans to employee</b>		
- considered good	65	48
- credit impaired	9	122
	74	170
Less: Impairment allowance (allowance for bad and doubtful loans)	9	122
	65	48
<b>(b) Security deposits</b>		
- considered good	2,421	2,030
- credit impaired	10	14
	2,431	2,044
Less: Impairment allowance (allowance for bad and doubtful deposits)	10	14
	2,421	2,030
<b>Total loans (a+b)</b>	2,486	2,078
Current	674	263
Non-Current	1,812	1,815
<b>(iii) Others</b>		
<b>(a) Derivative instruments at fair value through profit or loss</b>		
Derivatives not designated as hedges		
Foreign exchange forward contracts	795	1,230
<b>(b) Bank deposits</b>		
Deposits with maturity of more than 12 months (receipts pledged with banks and government departments)	11	2
<b>(c) Interest accrued on bank deposits and investment</b>	1,268	1,361
<b>(d) Insurance claim receivable</b>	-	14
<b>Total others (a+b+c+d)</b>	2,074	2,607
Current	2,063	1,375
Non-Current	11	1,232
<b>Total financial assets (i + ii + iii)</b>	61,275	70,589
Current	40,570	15,471
Non-Current	20,705	55,118

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected return on investments.

## Break up of financial assets carried at amortised cost

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Investments	56,715	65,904
Loans to employee	65	48
Security deposits	2,421	2,030
Bank deposits	11	2
Interest accrued on bank deposits and investment	1,268	1,361
Insurance claim receivable	-	14
Trade receivables (refer note 8)	28,160	25,562
Cash and cash equivalents (refer note 9)	127,416	105,311
Other bank balances (refer note 10)	985	789
<b>Total financial assets carried at amortised cost</b>	217,041	201,021

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## 6. Other Non-Current assets

(Considered good-Unsecured, unless stated otherwise)

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Capital advances</b>	1,418	6,223
<b>Advances recoverable in cash or kind</b>	204	263
<b>Others</b>		
Advances paid under protest		
- considered good	1,617	2,669
- credit impaired	96	96
	1,713	2,765
Less: Impairment allowance (allowance for bad and doubtful advances)	96	96
	1,617	2,669
Advance tax, tax deducted and collected at source (net)	4,683	1,937
Gratuity fund (Net) (refer note 32)	180	-
<b>Total other Non-Current assets</b>	8,102	11,092

## 7. Inventories (valued at lower of cost and net realisable value)

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Raw materials and components (INR 12,549 lacs (31 March 2019: INR 4,220 lacs) in transit)	24,763	17,582
Work in progress	190	42
Finished goods (INR 867 lacs (31 March 2019: INR 3,714 lacs) in transit)	66,451	49,104
Stock in trade (INR 6,173 lacs (31 March 2019: INR 2,467 lacs) in transit)	19,633	14,199
Spares for finished goods (INR 1,562 lacs (31 March 2019: INR 1,095 lacs) in transit)	8,475	7,751
Stores and spares	377	182
<b>Total inventories</b>	119,889	88,860

During the year ended 31 March 2020: INR 1,493 lacs (31 March 2019: INR (167 lacs)) was recognised as an expense/ (income) for inventories carried at net realisable value.

## 8. Trade receivables

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Trade receivables</b>	35,600	32,150
Receivables from related parties (refer note 35)	2,485	4,406
	38,085	36,556
Less: Provision for trade discounts	9,925	10,994
<b>Total Trade receivables</b>	28,160	25,562
<b>Break-up for security details:</b>		
Considered good-Unsecured	28,160	25,562
Receivables - credit impaired	1,298	1,122
	29,458	26,684
Less: Impairment allowance (allowance for bad and doubtful debts)		
Trade Receivables - credit impaired	(1,298)	(1,122)
<b>Total Trade receivables</b>	28,160	25,562

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 0 to 135 days. For terms and conditions relating to related party receivables, refer note 35.

**9. Cash and cash equivalents**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<i>Balances with banks:</i>		
- In current accounts	377	3,032
- In cash credit account	1,742	1,228
- Deposits with original maturity of less than three months	125,295	101,050
Cash on hand	2	1
	<u>127,416</u>	<u>105,311</u>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

At 31 March 2020, the Company had available INR 48,984 lacs (31 March 2019: INR 65,356 lacs) of undrawn borrowing facilities (covering overdraft, cash credit, letter of credit etc.).

**10. Other bank balances**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
-Deposits with original maturity of more than 3 months but less than 12 months*	895	733
- In unpaid dividend**	90	56
	<u>985</u>	<u>789</u>

\*These are pledged with banks and government departments.

\*\*The Company can utilise these balances only toward settlement of the respective unpaid dividend.

**11. Other current assets**

(Considered good - Unsecured unless stated otherwise)

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Advances recoverable in cash or kind</b>		
- considered good	6,175	6,550
- credit Impaired	42	147
	<u>6,217</u>	<u>6,697</u>
Less: Impairment allowance (allowance for bad and doubtful advances)	42	147
	<u>6,175</u>	<u>6,550</u>
<b>Balances with government authorities</b>		
- considered good	4,977	3,828
- credit Impaired	-	41
	<u>4,977</u>	<u>3,869</u>
Less: Impairment allowance (allowance for bad and doubtful deposits)	-	41
	<u>4,977</u>	<u>3,828</u>
<b>Total other current assets</b>	<u>11,152</u>	<u>10,378</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****12. Equity Share capital****Particulars****Authorised share capital**

	Equity shares		Preference shares	
	No. in lacs	INR in lacs	No. in lacs	INR in lacs
<b>At 1 April 2018</b>	1,500	15,000	1,550	15,500
Increase/(decrease) during the year	-	-	-	-
<b>At 31 March 2019</b>	1,500	15,000	1,550	15,500
Increase/(decrease) during the year	-	-	-	-
<b>At 31 March 2020</b>	<u>1,500</u>	<u>15,000</u>	<u>1,550</u>	<u>15,500</u>

**Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if declared, are paid in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Issued equity share capital**

	No. in lacs	INR in lacs
<b>Equity shares of INR 10 each issued, subscribed and fully paid</b>		
<b>At 1 April 2018</b>	1,269	12,687
Changes during the year	-	-
<b>At 31 March 2019</b>	1,269	12,687
Changes during the year	-	-
<b>At 31 March 2020</b>	<u>1,269</u>	<u>12,687</u>

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Shares of the Company held by holding company</b>		
Whirlpool Mauritius Ltd, the holding company		
952 lacs (31 March 2019: 952 lacs) equity shares of INR 10 each	9,515	9,515

**Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at 31 March 2020		As at 31 March 2019	
	No. in lacs	% holding in the class	No. in lacs	% holding in the class
<b>Equity shares of INR 10 each fully paid</b>				
Whirlpool Mauritius Ltd	952	75	952	75



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****13. Other equity**

Particulars	(INR in lacs)
<b>Share premium</b>	
<b>At 1 April 2018</b>	1,269
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	1,269
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<u>1,269</u>
<b>Share based payments reserve</b>	
<b>At 1 April 2018</b>	3,940
Add: Compensation options granted during the year (refer note 24)	499
<b>At 31 March 2019</b>	4,439
Add: Compensation options granted during the year (refer note 24)	629
<b>At 31 March 2020</b>	<u>5,068</u>

The ultimate holding company provides various share-based payment schemes to the employees of the Company including key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees as a part of their remuneration. Refer note 33 for further details.

It represents amount of parent equity employee stock option outstanding/transferred/exercised during the year.

Capital redemption reserve	(INR in lacs)
<b>At 1 April 2018</b>	15,234
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	15,234
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<u>15,234</u>

In an earlier year, pursuant to the redemption of non-cumulative preference share, the Company had created capital redemption reserve out of available profits as per the relevant provisions of the erstwhile Companies Act.

Capital reserve	(INR in lacs)
<b>At 1 April 2018</b>	46
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	46
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<u>46</u>

Capital subsidy	(INR in lacs)
<b>At 1 April 2018</b>	1
Increase/(decrease) during the year	-
<b>At 31 March 2019</b>	1
Increase/(decrease) during the year	-
<b>At 31 March 2020</b>	<u>1</u>

Incentive reserve	(INR in lacs)
<b>At 1 April 2018</b>	283
Increase/(decrease) during the year (refer note 24)	66
<b>At 31 March 2019</b>	349
Increase/(decrease) during the year (refer note 24)	48
<b>At 31 March 2020</b>	<u>397</u>

The ultimate holding company gives performance based cash incentives to certain employees including key management personnel during the year. The incentive reserve is used to recognise the value of payments provided to employees as a part of their remuneration.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Retained earnings	(INR in lacs)
<b>At 1 April 2018</b>	146,174
Add: Profit for the year	40,974
Less: Other comprehensive income (refer note 29)	(516)
Less: Cash dividends (refer note 14)	(5,076)
Less: Dividend distribution tax (refer note 14)	(1,043)
<b>At 31 March 2019</b>	180,513
Add: Profit for the year	49,019
Add: Other comprehensive income (refer note 29)	(238)
Less: Cash dividends (refer note 14)	(6,344)
Less: Dividend distribution tax (refer note 14)	(1,304)
<b>At 31 March 2020</b>	<u>221,646</u>

	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Total other equity</b>	<b>243,661</b>	201,851

**14. Distribution made and proposed**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on 31 March 2019: INR 5 per share (31 March 2018: INR 4 per share)	<b>6,344</b>	5,076
Dividend distribution tax on final dividend	<b>1,304</b>	1,043
	<u><b>7,648</b></u>	<u>6,119</u>
<b>Proposed dividends on Equity shares:</b>		
Final cash dividend for the year ended on 31 March 2020: INR 5 per share (31 March 2019: INR 5 per share)	<b>6,344</b>	6,344
Dividend distribution tax on proposed dividend	-	1,304
	<u><b>6,344</b></u>	<u>7,648</u>

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31 March.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****15. Financial Liabilities**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>(i) Trade payables</b>		
Trade payables		
• Total outstanding dues of micro enterprises and small enterprises (refer note 37 for details of dues to micro and small enterprises)	1,891	3,649
• Total outstanding dues of creditors other than micro enterprises and small enterprises	141,217	120,143
	<u>143,108</u>	<u>123,792</u>
Current	142,915	123,622
Non-Current	193	170
<b>(ii) Other payables</b>		
Sundry deposits	284	520
Payables for capital goods	899	375
Unclaimed dividend (refer note (a) below)	90	56
Lease Liability (refer note (b) below)	1,946	-
	<u>3,219</u>	<u>951</u>
Current	1,747	431
Non-Current	1,472	520

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled as per agreed credit terms

Other payables are non-interest bearing and have an average term varying from 0 to 180 days

The range of interest rate for lease liabilities is 5.31% to 7.52%, with maturity between 2021-2025

For explanations on the Company's credit risk management processes, refer note 41.

Notes

a) There are no amount due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

b) The carrying amounts of lease liabilities and the movements during the period:

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>As at 1 April</b>	<b>2,651</b>	-
Additions	993	-
Accretion of Interest	150	-
Deletion	(894)	-
Payment	(954)	-
<b>As at 31 March</b>	<b><u>1,946</u></b>	<u>-</u>

Break up of financial liabilities carried at amortised cost	(INR in lacs)	
	31 March 2020	31 March 2019
Trade payables	143,108	123,792
Other payables	3,219	951
<b>Total financial liabilities carried at amortised cost</b>	<b><u>146,327</u></b>	<u>124,743</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****15A. Other liabilities**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>(i) Contract liabilities (Advance from customers)</b>	<b>2,933</b>	2,484
<b>(ii) Other</b>		
Tax deducted at source (TDS) payable	2,774	2,088
Goods and service tax (GST)	1,338	3,599
Other statutory dues	518	385
	<u>4,630</u>	<u>6,072</u>
<b>Total other liabilities (i + ii)</b>	<b>7,563</b>	8,556
Current	7,563	8,556
Non-Current	-	-

**16. Provisions**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>(i) Provision for employee benefits</b>		
Provision for staff benefit schemes	404	406
Provision for gratuity (refer note 32)	-	269
Provision for compensated absence	2,081	1,847
	<u>2,485</u>	<u>2,522</u>
<b>Breakup of provision for employee benefits</b>		
Current	524	603
Non-Current	1,961	1,919
<b>(ii) Others</b>		
Provisions for product warranties (refer below)	18,308	13,931
Provisions for litigations (refer below)	3,712	5,534
	<u>22,020</u>	<u>19,465</u>
<b>Total provisions (i + ii)</b>	<b>24,505</b>	21,987
Current	3,767	3,351
Non-Current	20,738	18,636

**Movement in other provisions**

Provision for product warranties	(INR in lacs)	
	31 March 2020	31 March 2019
<b>At 1 April</b>	<b>13,931</b>	10,280
Arising during the year	6,504	5,582
Utilised	(3,284)	(2,837)
Unused amounts reversed	(561)	126
Unwinding of discount due to passage of time	1,718	780
<b>At 31 March</b>	<b><u>18,308</u></b>	<u>13,931</u>
Current	3,243	2,748
Non-Current	15,065	11,183

**Provision for product warranties**

Provision for warranties is recognized on actuarial basis for expected warranty claims on products sold. It is expected that most of this cost will be paid over the warranty period as per warranty terms ranging from 1 to 10 years. Assumptions used to calculate the provision for warranties were based on current and previous year sales level and the failure trend in respect of defective products.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

(INR in lacs)

Provisions for litigations (refer note 34)	31 March 2020	31 March 2019
<b>At 1 April</b>	<b>5,534</b>	5,357
Arising during the year	1,296	716
Unused amounts reversed	(3,118)	(539)
<b>At 31 March</b>	<b>3,712</b>	5,534
Current	-	-
Non-Current	3,712	5,534

**Provisions for litigations**

In view of large number of cases, it is not practicable to disclose individual details. Above provisions are affected by numerous uncertainties and management has taken all efforts to make a best estimate. Timing of economic benefit outflow will depend upon timing of decision of cases in litigation which is highly uncertain based on past experience of the management in other litigations. Hence, it is not possible to determine the exact period of outflow, if any, of funds for these litigations. Therefore, provision has been recorded at the gross value of liabilities.

**17. Government grants**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>At 1 April</b>	<b>621</b>	678
Received during the year	-	-
Amortisation during the year	57	57
<b>At 31 March</b>	<b>564</b>	621
Current	57	57
Non-Current	507	564

Government grant has been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

**18. Deferred revenue**

(INR in lacs)

Particulars	31 March 2020	31 March 2019
<b>At 1 April</b>	<b>730</b>	647
Deferred during the year	1,298	1,539
Released to the statement of profit and loss	1,308	1,456
<b>At 31 March</b>	<b>720</b>	730
Current	720	730
Non-Current	-	-
	<b>720</b>	730

The deferred revenue relates to the advance received for the annual maintenance contract (AMC) charges from the customer.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****19. Income Tax**

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

**Statement of Profit and Loss:****Profit or loss section**

Particulars	31 March 2020	31 March 2019
<b>Current income tax:</b>		
Current income tax charge	18,116	22,320
Adjustments in respect of current income tax of previous year	(227)	(6)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(229)	(372)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>17,660</b>	21,942

**OCI section**

Deferred tax related to items recognised in OCI during in the year:

Particulars	31 March 2020	31 March 2019
Net gain on remeasurements of defined benefit plans	(80)	(278)
<b>Income tax charged to OCI</b>	<b>(80)</b>	(278)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for 31 March 2020 and 31 March 2019:

Particulars	31 March 2020	31 March 2019
<b>Accounting profit before income tax</b>	<b>65,289</b>	62,647
At statutory income tax rate of 25.168% (31 March 2019: 34.944%)	16,432	21,891
Adjustments in respect of current income tax of previous years	(227)	(6)
Non-deductible expenses/ additional allowances for tax purposes:		
Employee stock option	158	175
Cash Incentives	12	23
Interest and penalty charges	10	16
Weighted deduction claimed for research & development expenses	-	(479)
CSR expenditure	274	322
Effect of change in rates	962	-
Others	39	-
<b>At the effective income tax rate of 27.048% (31 March 2019: 35.025%)</b>	<b>17,660</b>	21,942
Income tax expense reported in the Statement of Profit and Loss	17,660	21,942
	<b>17,660</b>	21,942

During the year, the Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the Company has recognised provision for Income tax for the year ended 31 March 2020 and re-measured its Deferred Tax Asset basis the rate prescribed in the said section.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**Deferred tax**

Deferred tax relates to the following:	Balance Sheet		Statement of Profit and Loss	
	(INR in lacs)		(INR in lacs)	
Impact of Profit and Loss	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting purpose	(106)	(1,003)	(897)	131
Impact of expenditure charged to the statement of profit & loss in current year/earlier years but allowable for tax purpose on payment basis	2,189	2,635	446	(133)
Provision for doubtful debts and advances	367	731	364	(119)
Deferred grant	166	251	85	20
Discounting of warranty provisions	508	106	(402)	(273)
Lease liabilities (net)	24	-	(24)	-
Others	-	-	(3)	2
<b>Impacting OCI</b>				
Re-measurement gains on defined benefit plans	601	720	-	-
Effect of change in rates	-	-	202	-
Deferred tax income	-	-	(229)	(372)
Net deferred tax assets	<u>3,749</u>	<u>3,440</u>		

**Reflected in the balance sheet as follows:**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Opening balance as of 1 April	3,440	2,790
Tax income during the period recognised in profit or loss	229	372
Tax income during the period recognised in OCI	80	278
Closing balance as at 31 March	<u>3,749</u>	<u>3,440</u>

**20. Revenue from operations**
**(A) Revenue from contracts with customers**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Sale of products	578,878	520,691
Sale of services	19,283	17,837
<b>Total</b>	<u>598,161</u>	<u>538,528</u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**20.1 Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Segment	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Sale of goods</b>		
Revenue from external customers (transferred at point of time)	578,878	520,691
<b>Total revenue from contracts with customers</b>	<u>578,878</u>	<u>520,691</u>
India	567,154	503,404
Outside India	11,724	17,287
<b>Total revenue from contracts with customers</b>	<u>578,878</u>	<u>520,691</u>
<b>Sale of Services</b>		
Revenue from external customers (transferred over time)	19,283	17,837
<b>Total revenue from contracts with customers</b>	<u>19,283</u>	<u>17,837</u>
India	2,142	2,323
Outside India	17,141	15,514
<b>Total revenue from contracts with customers</b>	<u>19,283</u>	<u>17,837</u>

**20.2 Contract balances**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Trade receivables	28,160	25,562
Contract liabilities	2,933	2,484

Trade receivables are non interest bearing. Credit period generally falls in the range of 0 to 135 days.

Contract liabilities consist of short-term advances received to supply goods from customer.

**20.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Revenue as per contracted price	727,491	657,577
<b>Less: Adjustments</b>		
Sales return	(1,934)	(7,196)
Discount	(127,396)	(111,853)
Revenue from contracts with customers	<u>598,161</u>	<u>538,528</u>

**20.4 Performance obligations**

The performance obligation is satisfied upon delivery of the product and payment is generally due within 0 to 135 days from delivery.

The performance obligation for sale of services is satisfied over the period of time as per contract with customer.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**(B) Other operating income**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Export incentives	1,091	1,237
Total	1,091	1,237
<b>Grand Total ((A)+ (B))</b>	<b>599,252</b>	<b>539,765</b>

**21. Other income**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Interest income on		
Bank deposits	7,868	6,816
Investments in unquoted debt securities	1,728	1,880
Financial assets valued at amortised cost	138	121
Others	7	33
Other non-operating income		
Government grants (refer note 17)	57	57
Net gain on disposal of property, plant and equipment	132	51
Exchange differences (net)	2,594	842
Provision no longer required written back	65	35
Miscellaneous	282	635
	<b>12,871</b>	<b>10,470</b>

Government grant has been received for the purchase of certain assets of plant and equipment in the prior years. There are no unfulfilled conditions or contingencies attached to these grants.

**22. Cost of raw material and components consumed**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Inventory at the beginning of the year	17,582	15,623
Add: Purchases	342,519	307,410
	<b>360,101</b>	<b>323,033</b>
Less: Sale of raw material and components	10,963	8,481
Less: Inventory at the end of the year	24,763	17,582
Cost of raw material and components consumed	<b>324,375</b>	<b>296,970</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**23. Changes in inventories of finished goods, work in progress and stock in trade**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Inventory at the beginning of the year		
Work in progress (a)	42	44
Spares for finished goods (b)	7,751	7,322
Finished goods (c)	49,104	37,284
Stock in trade (d)	14,199	20,471
	<b>71,096</b>	<b>65,121</b>
Inventory at the end of the year		
Work in progress (e)	190	42
Spares for finished goods (f)	8,475	7,751
Finished goods (g)	66,451	49,104
Stock in trade (h)	19,633	14,199
	<b>94,749</b>	<b>71,096</b>
(Increase)/Decrease in Inventories		
Work in progress (a-e)	(148)	2
Spares for finished goods (b-f)	(724)	(429)
Finished goods (c-g)	(17,347)	(11,820)
Stock in trade (d-h)	(5,434)	6,272
	<b>(23,653)</b>	<b>(5,975)</b>

**24. Employee benefits expense**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Salaries, wages and bonus	53,870	44,554
Cash Incentives (refer note 13)	48	66
Contribution to provident and other funds	1,585	1,474
Employee stock option (refer note 33)	629	499
Other post employment benefits	75	114
Gratuity (refer note 32)	365	315
Staff welfare	2,391	2,283
	<b>58,963</b>	<b>49,305</b>

**25. Depreciation and amortisation expense**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Depreciation of tangible assets (refer note 3A)	11,808	10,930
Amortisation of intangible assets (refer note 4)	224	201
Depreciation of Right-of-use assets (refer note 3B)	900	-
	<b>12,932</b>	<b>11,131</b>



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**26. Other expenses**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Consumption of stores and spares	656	606
Processing charges	283	449
Customer service	11,447	9,585
Power and fuel	4,214	3,715
Freight and forwarding	37,724	32,701
Rent	7,102	7,415
Rates and taxes	806	88
Insurance	428	340
Repairs and maintenance		
Plant and machinery	1,386	1,328
Buildings	947	540
Others	2,108	1,317
Corporate social responsibility (CSR) (refer details below)	1,091	921
Advertising and sales promotion	11,227	6,921
Royalty	5,679	5,080
Travelling and conveyance	3,219	3,441
Legal and professional	3,111	1,821
Technical Know-How	3,076	2,454
Directors' sitting fees	59	56
Payment to auditor (refer details below)	38	33
Allowances for doubtful debts and advances	177	374
Research expenses (refer note 28)	4,250	3,523
Fair value loss on financial instruments at fair value through profit or loss	2,360	636
Miscellaneous	6,576	5,446
	<b>107,964</b>	<b>88,790</b>

Fair value loss on financial instruments at fair value through profit or loss relates to foreign exchange forward contracts that did not qualify for hedge accounting and embedded derivatives.

**Payment to Auditors\***

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>As auditor:</b>		
Audit fee (Including limited review)	34	29
<b>In other capacity:</b>		
Other services (certification fees)**	2	3
Reimbursement of expenses	2	2
	<b>38</b>	<b>34</b>

\* Excludes applicable taxes.

\*\*31 March 2019 includes INR 1 lac relating to earlier year

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**Details of CSR expenditure:**

Particulars		(INR in lacs)	
		31 March 2020	31 March 2019
(a) Gross amount required to be spent by the Company during the year		1,091	916
(b) Amount spent during the year ending on 31 March 2020:	In cash	<b>Yet to be paid in cash</b>	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	1,078	13	1,091
(b) Amount spent during the year ending on 31 March 2019:	In cash	<b>Yet to be paid in cash</b>	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purposes other than (i) above	699	222	921

**27. Finance costs**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Interest		
- on lease liabilities	150	-
- others	28	46
Bank charges	89	83
Unwinding of discount due to passage of time (refer note 16)	1,718	780
<b>Total finance costs</b>	<b>1,985</b>	<b>909</b>

**28. Research expenses**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
The Company has four in-house research and development centres, which undertakes the research and development activities for the Company. Research and development costs that are not eligible for capitalisation are expensed in the period incurred and are recognised in other expenses. Breakup of such expenses are as under-		
<b>Particulars</b>		
Raw Materials & components, finished goods and spares consumed	1,347	1,113
Salaries, wages and bonus	1,287	1,176
Contribution to provident and other funds	47	42
Other post employment benefits	19	17
Staff welfare	78	65
Travelling and conveyance	337	298
Depreciation and amortisation expense (refer note 3A)	297	301
Others	838	511
	<b>4,250</b>	<b>3,523</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****29. Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI in equity is shown below:

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Re-measurement losses on defined benefit plans (net of tax effect thereon)	(237)	(518)
Share of other comprehensive gains/(losses) of a Joint Venture	(1)	2
	<u>(238)</u>	<u>(516)</u>

**30. Earnings per share (EPS)**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Profit attributable to equity holders of the Company for basic and diluted earnings (INR in lacs)	49,019	40,974
Weighted average number of Equity shares for basic and diluted EPS	126,871,830	126,871,830
Basic and Diluted EPS (in INR)	38.64	32.30

**31. Significant accounting judgements, estimates and assumptions**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

**Revenue from contracts with customers**

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue of contract with customers:

Determining method to estimate variable consideration and assessing the constraint:

Certain contracts for the sale of products include a right to return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use the most appropriate method based on which Company can predict the amount of consideration to which it will be entitled.

The Company determined that the expected value method is the most appropriate method in estimating the variable consideration for the sale of products with rights of return and volume rebates, given the large number of customer contracts that have similar characteristics.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic condition. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Share-based payments**

The Company measures the cost of equity-settled transactions with employees by ultimate holding company using a Black Scholes Options Pricing model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For equity-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the profit or loss. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 33.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries. Further details about gratuity obligations are given in note 32.

**Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See note 40 and 41 for further disclosures.

**Product warranties accruals**

The provisions for product warranties, on account of goods sold, recorded in the balance sheet on the basis of actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and failure rates. Due to the complexities involved in the valuation and its long-term nature, a provision for product warranty is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the product warranty provision.

The failure rate is based on actual number of calls received by the Company from customers on account of complaints.

Further details about provisions for product warranties are given in note 16.

**32. Gratuity and other post-employment benefit plans**

Gratuity (being administered by a Trust) is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employee completing 5 years of service. The Gratuity plan for the Company is a defined benefit scheme where annual contributions as demanded by the insurer are deposited, to a Gratuity Trust Fund established to provide gratuity benefits. The Trust has taken an Insurance policy, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity asset/liability in the books of account on the basis of actuarial valuation carried out by an independent actuary.

The Company also provide certain additional retirement benefits to the employees of the Faridabad Refrigeration Operations where INR 35,000 is paid to employee on retirement. This retirement benefit is an unfunded defined benefit scheme. The Company makes provision of such liability on the basis of actuarial valuation carried out by an independent actuary.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the net funded status and amounts recognised in the balance sheet for the respective plans:

**Additional Employee benefit**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Current service cost	3	-
Interest cost on benefit obligation	8	4
Net actuarial loss recognised in the year	19	14
<b>Net benefit expense</b>	<b>30</b>	<b>18</b>

Changes in the present value of the defined benefit obligation of additional employee benefits are as follows :

	(INR in lacs)
<b>Defined benefit obligation at 1 April 2018</b>	<b>152</b>
Interest cost	4
Service cost	-
Benefits paid	(12)
Actuarial (gains) / losses on obligation	14
<b>Defined benefit obligation at 31 March 2019</b>	<b>158</b>
Interest cost	8
Service cost	3
Benefits paid	(23)
Actuarial(gains) / losses on obligation	19
<b>Defined benefit obligation at 31 March 2020</b>	<b>165</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**
**Gratuity Plan**

	Gratuity cost charged to the Statement of Profit and Loss			Remeasurement gains/(losses) in other comprehensive income				(INR in Lacs)		31 March		
	1 April	Service cost	Net interest expense/(Income)	Increase (decrease) due to effect of any business combination, divestitures, transfers	Sub-total included in profit or loss (refer note 24)	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments		Sub-total included in OCI	Contributions by employer
<b>Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2020:</b>												
Defined benefit obligation	(8,197)	(439)	(484)	(6)	(929)	851	-	(214)	(179)	(392)	-	(8,668)
Fair value of plan assets	7,928	-	545	-	545	(851)	75	-	-	75	1,151	8,848
<b>Benefit liability</b>	<b>(269)</b>				<b>(384)*</b>					<b>(317)</b>		<b>180</b>

\* Includes expenses reclassified as research expenses of INR 19 lacs.

**Changes in the defined benefit obligation and fair value of plan assets as at 31 March 2019:**

Defined benefit obligation	(7,316)	(385)	(446)	-	(831)	846	-	(58)	(838)	(896)	-	(8,197)
Fair value of plan assets	7,032	-	496	-	496	(846)	100	-	-	100	1,146	7,928
<b>Benefit liability</b>	<b>(284)</b>				<b>(335)*</b>					<b>(796)</b>		<b>(269)</b>

\* Includes expenses reclassified as research expenses of INR 20 lacs.

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
<b>Unquoted investments:</b>		
Insurance Scheme Products	8,848	7,928
<b>Total</b>	<b>8,848</b>	<b>7,928</b>

The principal assumptions used in determining gratuity and post-employment benefit obligations for the Company's plans are shown below:

	(INR in lacs)	
	31 March 2020	31 March 2019
	%	%
<b>Discount rate:</b>		
Gratuity plan	6.30	7.00
Additional Employee benefit	6.30	7.00
Future salary increases:		
Gratuity plan	6.0	6.0
Additional Employee benefit	NA	NA
Life expectation for:	Years	Years
Gratuity plan	6.30	7.00
Additional Employee benefit	NA	NA

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 and 31 March 2019 is as shown below:

**Gratuity plan:****Impact on defined benefit obligation**

(INR in lacs)

Assumptions	Discount rate		Future salary increases	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Sensitivity Level				
31 March 2020	154	(161)	(161)	155
31 March 2019	144	(150)	(151)	146

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

(INR in lacs)

Particulars	31 March 2020		31 March 2019	
Within the next 12 months (next annual reporting period)		2,854		2,568
Between 2 and 5 years		4,887		4,769
Between 5 and 10 years		3,713		3,854
<b>Total expected payments</b>		<b>11,454</b>		<b>11,191</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.42 years (31 March 2019: 13.47 years).

**33. Share-based payments**

The Company does not provide any share-based compensation to its employees. However, the ultimate holding company, Whirlpool Corporation, USA has provided various share-based payment schemes to employees.

**A. Details of these plans are given below:****I. Employee Stock Options**

A stock option gives an employee, the right to purchase shares of Whirlpool Corporation at a fixed price for a specific period of time. The grant price (or strike price) is fixed based on the closing price of Whirlpool Corporation common stock on the date of grant. Stock options vest in three equal annual installments and expire in ten years from the date they are granted.

**II. Restricted Stock Units (RSU) & Performance Stock Units (PSU)**

- Performance** – These are the units of stock granted to employee at nil exercise price. It converts one for one shares of Whirlpool Corporation at the end of the vesting period of three years.
- Time based** – These are the units of stock granted to employee at nil exercise price. It converts one for one shares of Whirlpool Corporation at the end of the vesting period. One third of the option vests after one year, another one third vests after two years and final one third will vests after three years.

The expense recognised for employee services received during the year is shown in the following table:

(INR in lacs)

Particulars	31 March 2020		31 March 2019	
Expense arising from equity-settled share-based payment transactions		629		499
<b>Total expense arising from share-based payment</b>		<b>629</b>		<b>499</b>

There were cancellations in employee stock options and Restricted Stock Units (RSU) and Performance Stock Units (PSU). Refer below movement for details.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****Movements during the year**

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements during the year:

**(a) Employee Stock Option**

	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	Number	WAEP	Number	WAEP
Outstanding at 1 April	33,273	\$ 145.15	37,251	\$ 139.25
Granted during the year	-	-	-	-
Forfeited during the year	(376)	\$166.57	(604)	\$191.32
Exercised during the year	(814) <sup>1</sup>	\$ 93.87	(3,374) <sup>1</sup>	\$ 71.73
Expired during the year	(1,245)	\$170.78	-	-
Outstanding at 31 March	<u>30,838</u>	<u>\$ 145.21</u>	<u>33,273</u>	<u>\$ 145.15</u>
Exercisable at 31 March	<u>29,535</u>	<u>\$ 144.02</u>	28,116	\$ 139.69

<sup>1</sup>The weighted average share price at the date of exercise of these options was \$ 35.27 (31 March 2019: \$ 142.29)

The weighted average remaining contractual life for the share options outstanding as at 31 March 2020 was 4.96 years (31 March 2019: 5.96 years).

The weighted average fair value of options granted during the year was \$ Nil (31 March 2019: \$ Nil).

The range of exercise prices for options outstanding at the end of the year was \$ 71.03 to \$ 213.23 (31 March 2019: \$ 71.03 to \$ 213.23).

For year ended 31 March 2020 and 31 March 2019: No options have been granted.

**(b) Restricted Stock and Performance Share Units**

	31 March 2020	31 March 2019
	Number of options	
Outstanding at the beginning of the year	22,421	17,017
Granted during the year	5,719	8,098
Transfer/ Expired/ Forfeited during the year	1,042	297
Exercised during the year	4,410	2,397
Outstanding at the end of the year	<b>22,688</b>	22,421

**34. Commitments and contingencies****a. Leases****Operating lease commitments – Company as lessor**

The Company has entered into operating lease for a specific area of its building located at Faridabad (having net book value of INR 9.46 lacs as at 31 March 2020 and INR 11 lacs as at 31 March 2019). The lease is renewable with mutual consent of both the parties. The income recognised in the Statement of profit and loss under the head “Other Income” is INR 96 lacs (31 March 2019: INR 96 lacs).

**b. Commitments**

Capital work contracted but still under execution (net of advances) is estimated at INR 2,250 lacs (31 March 2019: INR 5,452 lacs).



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****c. Contingent liabilities****I. Direct tax litigations**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
Transfer Pricing adjustments (refer note (a))	131,258	124,714
Other than transfer pricing adjustments (refer note (b))	5,634	4,199
<b>Total</b>	<b>136,892</b>	<b>128,913</b>

- a) In the earlier years, For AY 2004-05 to 2005-06, the assessing officer made additions of INR 17,703 lacs (31 March 2019: INR 17,703 lacs) on account of Transfer Pricing adjustment for differences between the arm's length price and prices charged/received by the Company from associated enterprises.

For AY 2008-09 to 2016-17, Transfer Pricing (TP) adjustments were made by the Transfer Pricing Officer/ Assessing Officer amounting to INR 113,555 lacs (31 March 2019: INR 107,001 lacs) on account of alleged excess expenditure on Advertisement, Marketing and Sales Promotion (AMP) expenses incurred by the Company for promotion of 'Whirlpool' brand owned by the holding company. During the FY 2018-19 to 2019-20, the Company has received appellate order(s) for AY 2009-10 to AY 2015-16, from Hon'ble ITAT setting aside the order(s) of the Assessing Officer / Transfer Pricing officer. The appellate orders are based on the order of Hon'ble High Court for AY 2008-09 where it was held that there was no international transaction between the Company and its Associates Enterprises and consequently, no transfer pricing adjustment is called for. However, the Tax Department has challenged the order of the Hon'ble High Court for A.Y 2008-09 by filing a Special Leave Petition (SLP) before the Hon'ble Supreme Court, Accordingly, the final consequence of TP adjustments involved for A.Y. 2008-09 to AY 2015-16 on account of AMP expenses adjustments will depend on the acceptance /outcome of the pending SLP of Tax Department for A.Y 2008-09. During the FY 2019-20, the Company had also received Draft Assessment Order for AY 2016-17 with additions on account of transfer pricing of INR 6,544 lacs. The Company has filed objections with the Dispute Resolution Panel (DRP).

- b) In the Income-tax assessments for preceding assessment years, the Assessing Officer has made disallowances of various expenses. These matters pertain to AY 1994-95 to 2016-17.

All of the above mentioned matters are pending with various judicial/appellate authorities including DRP, CIT(A), ITAT, High Court and Supreme Court. For some of the matters, judicial/appellate authorities have decided the cases in favor of the Company. However, these are being contested again by the Department of Income tax.

The Company believes that it has merit in these cases and it is only possible, but not probable, that these cases may be decided against the Company. Hence, these have been disclosed as contingent liability and no provision for any liability has been deemed necessary in the financial statements.

**II. Other litigations**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
i. Claims against the Company not acknowledged as debts: These claims are in respect of various cases filed by ex-employees, consumers and trade partners. The legal proceedings are ongoing and therefore it is not practicable to state the timing of any payment. The management is of the opinion that it is possible, but not probable, that the action will succeed and accordingly no provision for any liability has been recognised in these financial statements.	620	602
ii. Others – Pending litigations - Excise duty and service tax	18	2,010

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
- Sales tax/ value added tax assessments In view of large number of cases, it is not practicable to disclose individual details of all the cases. On the basis of current status of individual case and as per legal advice obtained by the Company, wherever applicable, the Company is confident of winning the above cases and is of view that no provision is required in respect of these litigations. The Company has also submitted bank guarantees with respective government authorities towards some of these pending litigations which have been included in point (d) below.	840	3,110

**III. Other Contingency**

Particulars	(INR in lacs)	
	31 March 2020	31 March 2019
i. Letter of credits with bank	16,265	12,539
ii. Bank Guarantees for performance commitment (excluding financial guarantees given to Government Authorities).	398	156

- IV. Government of India - Ministry of Environment, Forest and Climate Change amended the E-Waste (Management) Rules 2016 and issued E-Waste (Management) Amendment Rules, 2018 ("E-waste Rules"). As per the E-Waste Rules, Companies dealing in certain categories of products as specified therein are required to undertake specific activities to channelize a specified quantity of E-Waste.**

Based on the estimates made by the management in accordance with the relevant provisions of the E-Waste Rules, the Company was required to channelize 24,600MT (31 March 2019 : 12,403 MT) of E-waste out of which 24,609 MT (31 March 2019 :12,497 MT) has been channelised during the year by the Company.

**d. Financial guarantees**

Bank Guarantees given to Government Authorities for various tax litigations amounts to INR 1,296 lacs (31 March 2019: INR 1,382 lacs).

**35. Related party transactions**

Following are the Related Parties and transactions entered with related parties for the relevant financial year:

Key Management Personnel		
	1.	Mr. Arvind Uppal, Chairman & Non-Executive Director
	2.	Mr. Vishal Bholra, Managing Director (w.e.f 04 April, 2020)
	3.	Mr. Sunil D'Souza, Managing Director (till 03 April, 2020)
	4.	Mr. Anil Berera, Non-Executive Director (Executive Director till 31 December, 2019)
	5.	Mr. AHB Narayana Reddy, Executive Director
	6.	Mrs. Roopali Singh, Company Secretary
	7.	Mr. Sanjiv Verma, Independent Director (till 19 June, 2019)
	8.	Mr. Anand Bhatia, Independent Director (till 19 June, 2019)
	9.	Mr. Yatin Malhotra, Chief Financial Officer
	10.	Mrs. Sonu Bhasin, Independent Director
	11.	Mr. Pradeep Jyoti Banerjee (w.e.f 19 June 2019)
	12.	Mr. Rahul Bhatnagar(w.e.f 19 June 2019)



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Parties having direct or indirect control over the Company	1. Whirlpool Corporation (Ultimate Holding Company) 2. Whirlpool Mauritius Limited (Holding Company)
Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.	a. Whirlpool S.A. b. Whirlpool Southeast Asia Pte c. Whirlpool (Hong Kong) Limited d. Whirlpool (China) Investment Co. Ltd. e. Guangdong Whirlpool Electrical Appliances Co. Ltd. f. Whirlpool Product Development (Shenzhen) Co. Ltd. g. Whirlpool (Australia) Pty Limited h. Whirlpool Asia LLP i. Whirlpool Europe S.R.L. j. Whirlpool South Africa (Pty) Ltd. k. Beijing Embraco Snowflake Compressor Co. Ltd. (till June, 2019) l. Whirlpool EMEA S.p.a m. Whirlpool Maroc s.a.r.l n. Whirlpool (Taiwan) Co. Ltd o. Whirlpool Slovakia Spol s.r.o p. Whirlpool Properties Inc. q. Whirlpool Microwave Products Development Limited r. Whirlpool France S.A.S. s. Whirlpool Overseas Hong Kong Ltd. t. Indesit Company Polska Sp.z.oo. u. Whirlpool (China) Co. Ltd v. Whirlpool Argentina S.A w. Kitchen Aid Australia Pty Ltd. x. Kitchen Aid Trading Co. Ltd. y. Whirlpool Company Polska z. Joint Stock Company Indesit In
Companies where Joint control exists and with whom transaction have taken place during the year	1. Elica PB India Private Limited
Entities under Significant influence of Key management personnel	1. Whirlpool of India Gratuity Fund 2. Whirlpool of India Superannuation Scheme

Particulars	Ultimate Holding Company/Holding Company (INR in Lacs)		Enterprises under common control (INR in Lacs)		Companies where Joint control exists (INR in Lacs)		Entities under Significant influence of Key management personnel	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>A) Transactions</b>								
<b>(1) Purchase of raw materials ,spare parts (net of returns) and services</b>								
- Whirlpool Corporation	23	17	-	-	-	-	-	-
- Whirlpool Microwave Products Development Limited	-	-	2	11	-	-	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Ultimate Holding Company/Holding Company (INR in Lacs)		Enterprises under common control (INR in Lacs)		Companies where Joint control exists (INR in Lacs)		Entities under Significant influence of Key management personnel	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
-Whirlpool (China) Co. Ltd.	-	-	1,479	-	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	88	141	-	-	-	-
- Beijing Embraco Snowflake Compressor Co. Ltd.	-	-	868	4,832	-	-	-	-
- Whirlpool (China) Investment Co. Ltd.	-	-	-	112	-	-	-	-
- Whirlpool Asia LLP	-	-	951	951	-	-	-	-
- Others	-	-	-	1	-	-	-	-
<b>Total</b>	<b>23</b>	<b>17</b>	<b>3,388</b>	<b>6,048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Purchase of trading goods (net of returns)</b>								
- Whirlpool Corporation	240	567	-	-	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	417	1,634	-	-	-	-
- Whirlpool (China) Co., Ltd	-	-	701	620	-	-	-	-
- Whirlpool Microwave Products Development Limited	-	-	292	576	-	-	-	-
- Whirlpool Slovakia Spol Sro	-	-	642	1,272	-	-	-	-
- Elica PB India Private Limited	-	-	-	-	793	203	-	-
- Whirlpool Company Polska	-	-	493	-	-	-	-	-
- Joint Stock Company Indesit In	-	-	439	-	-	-	-	-
- Others	-	-	-	175	-	-	-	-
<b>Total</b>	<b>240</b>	<b>567</b>	<b>2,984</b>	<b>4,277</b>	<b>793</b>	<b>203</b>	<b>-</b>	<b>-</b>
<b>(3) Purchase of capital goods</b>								
- Whirlpool (China) Investment Co. Ltd.	-	-	-	1,156	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(4) Sale of manufactured goods (net of returns)</b>								
- Whirlpool Corporation	19	-	-	-	-	-	-	-
- Whirlpool Europe S.R.L.	-	-	-	13	-	-	-	-
- Whirlpool Southeast Asia Pte	-	-	2,375	3,850	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	987	1,128	-	-	-	-
- Whirlpool Maroc s.a.r.l	-	-	93	533	-	-	-	-
- Whirlpool (Australia) Pty Limited.	-	-	316	544	-	-	-	-
- Elica PB India Private Limited	-	-	-	-	1,283	1,485	-	-
- Others	-	-	-	135	-	-	-	-
<b>Total</b>	<b>19</b>	<b>-</b>	<b>3,771</b>	<b>6,203</b>	<b>1,283</b>	<b>1,485</b>	<b>-</b>	<b>-</b>
<b>(5) Reimbursement of expenses incurred on behalf of the parties by Company</b>								
- Whirlpool Corporation	1,568	1,737	-	-	-	-	-	-
- Whirlpool Asia LLP	-	-	211	122	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	12	66	-	-	-	-
- Others	-	-	344	316	-	-	-	-
<b>Total</b>	<b>1,568</b>	<b>1,737</b>	<b>567</b>	<b>504</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(6) Reimbursement of expenses incurred on behalf of the Company by parties</b>								
- Whirlpool Corporation	173	1,177	-	-	-	-	-	-
- Whirlpool Product Development (Shenzhen) Co. Ltd	-	-	-	40	-	-	-	-
- Whirlpool Asia LLP	-	-	-	176	-	-	-	-
- Whirlpool (China) Co. Ltd.	-	-	142	125	-	-	-	-
- Others	-	-	4	86	-	-	-	-
<b>Total</b>	<b>173</b>	<b>1,177</b>	<b>146</b>	<b>427</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Ultimate Holding Company/Holding Company (INR in Lacs)		Enterprises under common control (INR in Lacs)		Companies where Joint control exists (INR in Lacs)		Entities under Significant influence of Key management personnel	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	(7) <b>Sale of services</b>							
- Whirlpool Corporation	13,812	13,349	-	-	-	-	-	-
- Others	-	-	3,329	2,218	-	-	-	-
<b>Total</b>	<b>13,812</b>	<b>13,349</b>	<b>3,329</b>	<b>2,218</b>	-	-	-	-
(8) <b>Royalty fee (Brand Assistance)</b>								
- Whirlpool Properties Inc.	-	-	5,679	5,080	-	-	-	-
<b>Total</b>	-	-	<b>5,679</b>	<b>5,080</b>	-	-	-	-
(9) <b>Technical know-how fee (Brand Assistance)</b>								
- Whirlpool Corporation	3,076	2,454	-	-	-	-	-	-
<b>Total</b>	<b>3,076</b>	<b>2,454</b>	-	-	-	-	-	-
(10) <b>Contributions made by the Company</b>								
- Whirlpool of India Limited Gratuity Fund	-	-	-	-	-	-	300	300
- Whirlpool of India Superannuation Scheme	-	-	-	-	-	-	66	79
<b>Total</b>	-	-	-	-	-	-	<b>366</b>	<b>379</b>
(11) <b>Dividend paid during the year</b>								
Whirlpool Mauritius Limited	4,758	3,807	-	-	-	-	-	-
<b>Total</b>	<b>4,758</b>	<b>3,807</b>	-	-	-	-	-	-
(12) <b>Redemption of Investment in unquoted debt securities*</b>								
- Whirlpool Corporation	13,712	-	-	-	-	-	-	-
<b>Total</b>	<b>13,712</b>	-	-	-	-	-	-	-
(13) <b>Interest income on unquoted debt securities</b>								
- Whirlpool Corporation	355	532	-	-	-	-	-	-
- Whirlpool S.A.	-	-	1,373	1,348	-	-	-	-
<b>Total</b>	<b>355</b>	<b>532</b>	<b>1,373</b>	<b>1,348</b>	-	-	-	-
<b>B) Balance outstanding at the year end:</b>								
<b>Trade receivables*</b>								
- Whirlpool Corporation	356	1,698	-	-	-	-	-	-
- Whirlpool Southeast Asia Pte	-	-	250	357	-	-	-	-
- Whirlpool Europe S.R.L.	-	-	-	35	-	-	-	-
- Whirlpool South Africa (Pty) Ltd	-	-	2	9	-	-	-	-
- Whirlpool Overseas Hong Kong Ltd.	-	-	284	352	-	-	-	-
- Elica PB India Private Limited	-	-	-	-	455	1,261	-	-
- Whirlpool (Taiwan) Co. Ltd	-	-	474	24	-	-	-	-
- Others	-	-	609	741	-	-	-	-
<b>Total</b>	<b>356</b>	<b>1,698</b>	<b>1,619</b>	<b>1,518</b>	<b>455</b>	<b>1,261</b>	-	-
<b>Trade payables*</b>								
- Whirlpool Corporation	825	2,024	-	-	-	-	-	-
- Whirlpool Properties Inc.	-	-	1,137	1,190	-	-	-	-
- Whirlpool EMEA S.p.a.	-	-	323	927	-	-	-	-
- Whirlpool Microwave Products Development Limited	-	-	111	103	-	-	-	-
- Beijing Embraco Snowflake Compressor Co. Ltd.	-	-	-	2,446	-	-	-	-
- Whirlpool Slovakia Spol s.r.o	-	-	129	457	-	-	-	-
- Whirlpool (China) Co. Ltd.	-	-	427	1,563	-	-	-	-
- Elica PB India Private Limited	-	-	-	-	36	99	-	-
- Others	-	-	163	24	-	-	-	-
<b>Total</b>	<b>825</b>	<b>2,024</b>	<b>2,290</b>	<b>6,710</b>	<b>36</b>	<b>99</b>	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Ultimate Holding Company/Holding Company (INR in Lacs)		Enterprises under common control (INR in Lacs)		Companies where Joint control exists (INR in Lacs)		Entities under Significant influence of Key management personnel	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	<b>Investment in unquoted debt securities*</b>							
- Whirlpool Corporation	-	13,712	-	-	-	-	-	-
- Whirlpool S.A.**	-	-	32,030	32,030	-	-	-	-
<b>Total</b>	-	<b>13,712</b>	<b>32,030</b>	<b>32,030</b>	-	-	-	-
<b>Investment in unquoted equity shares</b>								
- Elica PB India Private Limited #	-	-	-	-	16,244	16,244	-	-
<b>Total</b>	-	-	-	-	<b>16,244</b>	<b>16,244</b>	-	-
<b>Interest receivable on unquoted debt securities</b>								
- Whirlpool Corporation	-	258	-	-	-	-	-	-
- Whirlpool S.A.	-	-	793	745	-	-	-	-
<b>Total</b>	-	<b>258</b>	<b>793</b>	<b>745</b>	-	-	-	-

\* Exclusive of reinstatement due to exchange fluctuation.

\*\* The ultimate holding company has given the guarantee against the investment.

# The amount does not include the cost incurred by the Company at time of acquisition of shares which has been reported in the total investment amount in the financial statements.

**Terms and conditions of transactions with related parties**

All the above mentioned transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables other than the letter of comfort which has been given by the ultimate holding company, Whirlpool Corporation, to respective banks against bank overdraft, cash credit, letter of credit etc. facilities provided to the Company.

**Transactions with key management personnel**
**Compensation of key management personnel of the Company**

	(INR in lacs)	
	31 March 2020	31 March 2019
Short-term employee benefits	1,250	1,235
Post-employment benefits	27	5
Other long-term benefits	23	4
Share-based payment	291	201
Director sitting fees	59	56
Legal and professional fees	-	27
<b>Total</b>	<b>1,650</b>	<b>1,528</b>

The amounts disclosed above are the amounts recognised as an expense during the reporting period related to key management personnel.

**36. Segment information**

The Company's operations predominantly comprise of only one segment i.e. Home Appliances. The management also reviews and measures the operating results taking the whole business as one segment and accordingly, makes decision about resource allocation. In view of the same, separate segmental information is not required to be given as per the requirements of Ind AS 108 on "Operating Segments".



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>INR in lacs</b>					
<b>Financial assets measured at fair value through profit &amp; loss</b>					
Derivatives Financial Instrument	31 March 2019	1,230	-	1,230	-
<b>Financial assets measured at amortised cost:</b>					
Investment	31 March 2019	65,904	-	-	65,904
Loans and deposits		2,078	-	-	2,078
Bank Deposits		2	-	-	2
Interest accrued on bank deposits and investment		1,361	-	-	1,361
Insurance claim receivable		14	-	-	14
Trade receivables		25,562	-	-	25,562
Cash and cash equivalents		105,311	-	-	105,311
Other bank balances		789	-	-	789

Particulars	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>INR in lacs</b>					
<b>Financial liabilities carried at amortised costs</b>					
Trade payables	31 March 2019	123,792	-	-	123,792
Other payables		951	-	-	951

## 41. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensure that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**A. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include deposits and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2020 and 31 March 2019.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

The analysis exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2020 and 31 March 2019.

**a. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the overdraft, letter of credit, cash credit etc. facilities provided by the respective banks to the Company carrying variable interest rates.

Since, the Company has not availed any long-term credit facilities, therefore there is no need for the Company to enter into hedge contract to mitigate the possible exposure risk.

**b. Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum period of three month for hedges of forecasted purchases and a maximum period of three year period for hedges of forecasted cash inflow relating to senior notes (including interest).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

The Company's exposure to foreign currency changes for all other currencies is not material.

**Foreign currency sensitivity**

Currency	(INR in lacs)			
	%	31 March 2020	%	31 March 2019
USD	4%	392	5%	1,077
	(4%)	(392)	(5%)	(1,077)
Euro	4%	-	4%	(53)
	(4%)	-	(4%)	53

**c. Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of various electronic parts which consist of copper element and therefore require a continuous supply of the same. However, due to the non-significant movement in the prices of the copper, the Company has not entered into any forward contracts for commodity hedging purpose.

**B. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****a. Trade receivables**

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and balances of customers are not covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 8. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

**b. Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved banks and within limits assigned to each bank by the ultimate holding company.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2020, 31 March 2019 is the carrying amounts as illustrated in note 9 except for financial guarantees. The Company's maximum exposure relating to financial guarantees is noted in note 34.

**Liquidity risk**

The Company monitors its risk of a shortage of funds through fund management exercise at regular intervals.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	INR in lacs		
	Less than 1 year	More than 1 year	Total
<b>Year ended 31 March 2020</b>			
Trade Payables	142,915	193	143,108
Other Payables	1,747	1,472	3,219
	<b>144,662</b>	<b>1,665</b>	<b>146,327</b>
<b>Year ended 31 March 2019</b>			
Trade Payables	123,622	170	123,792
Other Payables	431	520	951
	<b>124,053</b>	<b>690</b>	<b>124,743</b>

**42. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2020 and 31 March, 2019.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020****43. Interest in Other Entities****(a) Summary of Financial information of Joint Venture**

During the year 2018-19, the Company had acquired 49% of the issued and paid up share capital of Elica PB India Private Limited (Elica). Elica is primarily engaged in the manufacture, assembly and trading of extensive range of kitchen appliances such as Kitchenhood, gashobs, cooktop and others. Elica is a private entity that is not listed on any public exchange.

The Company had accounted for the investment in Elica using equity method and carried out the fair valuation of the assets and liabilities of Elica as on 10 September 2018 for the purpose of purchase price allocation (PPA) as per Ind AS 28 "Investment in associates and joint venture." The total purchase consideration of aforesaid transactions grossed to 100% equity shares of Elica amounts to INR 33,150 lacs (excluding share acquisition related expenses). The adjusted purchase consideration has been arrived as follows:-

Particulars	INR in lacs
	Amounts
Purchase Consideration for 100 % equity stake	33,150
Add:- Borrowings (Long term + short term)	1,730
Less:- Non operative loans and advances	250
Less :- Cash and cash equivalents	2,710
Total adjusted purchase consideration (A)	31,920
Less:- Fair value of:-	
Tangible fixed assets	880
Intangible assets	16,420
Capital work in progress	30
Non-cash working capital	2,750
<b>Total (B)</b>	<b>20,080</b>
Excess purchase consideration over fair value of net assets (Goodwill) C= (A-B)	11,840
Net Deferred tax liability created on difference in book value and fair value of intangible assets (D)	5,731
<b>Adjusted Goodwill E= (C+D)</b>	<b>17,571</b>
Proportion of the Company ownership-(F)	49%
<b>Goodwill included in investment made by the Company in Elica (E*F)</b>	<b>8,610</b>

The following table illustrates the summarised financial information of the Company's investment in Elica PB India Private Limited:

	31 March 2020 (INR lacs)	31 March 2019 (INR lacs)
Current Assets	14,441	12,497
Non-current Assets*	32,725	35,084
Current Liabilities	4,765	6,536
Non-current Liabilities*	5,864	7,342
<b>Equity</b>	<b>36,537</b>	<b>33,703</b>
Proportion of the Company's ownership	49%	49%
Carrying amount of investment	17,903	16,514
Acquisition related expenses	979	979
<b>Total Carrying amount</b>	<b>18,882</b>	<b>17,493</b>

\*The financial information includes intangible assets and goodwill amount identified by the Company at the time of purchase price allocation (PPA) on the date of investment.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

	For the year ended 31 March 2020 (INR lacs)	For the period 11 Sept 2018 to 31 March 2019 (INR lacs)
Revenue	28,306	14,862
Other income	290	106
Cost of raw material consumed	14,796	7,881
Employee benefits expense	2,513	1,694
Other expenses	5,578	3,662
Depreciation and amortization	694	244
Finance costs	204	103
<b>Profit before tax</b>	<b>4,811</b>	<b>1,384</b>
Income tax expense	1,156	441
Profit for the year	3,655	943
Other Comprehensive Income (net of taxes)	(2)	4
Total Comprehensive Income for the period	3,653	947
Amortisation of Intangible assets (net of taxes)	(818)	(394)
Derived Profit for consolidation	2,835	553
<b>Company's share of profit for the year</b>	<b>1,389</b>	<b>271</b>

The Company has an agreement with its joint venture that the profits of the joint venture will not be distributed until it obtains the consent of the Company. The parent does not foresee giving such consent at the reporting date.

The joint venture had contingent liabilities of INR Nil (31 March 2019: INR 258 lacs) and capital commitments Nil (31 March 2019: Nil)

(b) Interest in Joint venture company consolidated using equity method of accounting

Name of Company	Country of Incorporation	% of ownership interest 31 March 2019	Quoted fair value 31 March 2020	Carrying amount 31 March 2020	Carrying amount 31 March 2019
Elica PB India Private Limited	India	49%	*	18.882	17,493

\* Unlisted Entity- no quoted price available.

44. The World Health Organization announced a global health emergency because of a new strain of coronavirus ("COVID-19") and classified its outbreak as a pandemic on 11 March 2020. On 24 March 2020, the Indian government announced a strict 21-day lockdown across the country to contain the spread of the virus, which was further extended till 3 May 2020. This pandemic and government response are creating disruption in global supply chain and adversely impacting most of the industries which has resulted in global slowdown

The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended 31 March 2020 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements...

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

45. Following are the reclassifications made in the previous year figures to make them comparable/ better presentation with the current year figures.

Particulars	31 March 2019 (Revised)	31 March 2019 (Published)	Nature
<b>Assets</b>			
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	105,311	105,367	Reclassification items
Bank balances other than above	789	733	Reclassification items
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Financial Liabilities			
Other payables	431	8,987	Reclassification items
Other Liabilities	8,556	-	Reclassification items

For **MSKA & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 105047W

**Manish P Bathija**  
Partner  
Membership No. 216706

Place of Signature : Gurugram  
Date : 18 June, 2020

For and on behalf of the Board of Directors of  
**Whirlpool of India Limited**

**Arvind Uppal**  
Chairman  
DIN:00104992

**Yatin Malhotra**  
Chief Financial Officer

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Roopali Singh**  
Company Secretary

**Statement containing the salient features of the financial statements of subsidiaries/associate companies/joint ventures**

(Pursuant to first proviso to sub-section 3 of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Part “A”: Subsidiaries**
**Not Applicable**
**Part “B”: Associates and Joint Ventures**
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(INR in lacs)

	<b>Name of Associates/Joint Ventures</b>	<b>Elica PB India Pvt Ltd</b>
1	Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2020
2	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	23,68,997
	Amount of Investment in Associates/Joint Venture	17,222
	Extend of Holding %	49%
3	Description of how there is significant influence	Shareholding Pattern
4	Reason why the associate/joint venture is not consolidated	Consolidated using Equity Method
5	Net Worth attributable to Shareholding as per latest audited Balance Sheet	4724.58
6	Profit / Loss for the year*	
	i. Considered in Consolidation	1,389
	ii. Not Considered in Consolidation	1,446

*\*Refer Note No. 43(Interest in Other Entities) of the Consolidated Financial Statements for details*

For and on behalf of the Board of Directors  
**Of Whirlpool of India Limited**
**Arvind Uppal**  
Chairman  
DIN: 00104992

**Vishal Bhola**  
Managing Director  
DIN: 08668079

**Yatin Malhotra**  
Chief Financial Officer

**Roopali Singh**  
Company Secretary

Place of Signature : Gurugram  
Date : 18 June, 2020



WHIRLPOOL OF INDIA LIMITED

Corporate Office: Plot No. 40, Sector - 44, Gurugram - 122002  
For inquiries, please call us at: 1800-208-1800 (Toll-free)

[www.whirlpoolindia.com](http://www.whirlpoolindia.com)

 **Store** [www.whirlpoolindiaawstore.com](http://www.whirlpoolindiaawstore.com)



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**Whirlpool of India Limited**

CIN- L29191PN1960PLC020063

Regd. Office- A-4, MIDC, Ranjangaon, Taluka- Shirur, Dist: Pune-412220

www.whirlpoolindia.com

Tel No:- 02138-660100, Fax no: 02138-232376

Email: investor\_contact@whirlpool.com

**NOTICE**

Notice is hereby given that the Fifty Ninth (59<sup>th</sup>) Annual General Meeting of the Members of Whirlpool of India Limited will be held on Friday, 21<sup>st</sup> August, 2020 at 11.00 A.M. through Video conference/Other Audio Video means to transact the following business. The venue of the meeting shall be deemed to be the Registered office of the Company at A-4, MIDC, Ranjangaon, Taluka- Shirur, Pune-412220:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt Audited Financial Statements (including audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2020 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Statutory Auditors thereon.
2. To declare Final Dividend on equity shares for the Financial Year ended on March 31, 2020.
3. To re-appoint Mr. Anil Berera (DIN: 00306485) as Director, who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****4. Remuneration of Cost Auditors**

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

“**RESOLVED THAT** pursuant to provisions of section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, the remuneration payable to M/s R. J. Goel & Co., Cost Accountants (Firm Registration No. 000026), appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records as maintained by the Company for its manufacturing units located at Faridabad, Ranjangaon and Puducherry for the Financial Year ending on 31<sup>st</sup> March, 2021 at a remuneration of Rs. 4 Lacs exclusive of applicable taxes and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved.”

**5. Appointment of Mr. Vishal Bhola as Director**

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

“**RESOLVED THAT** pursuant to section 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification and re-enactment thereof) and the Articles of Association of the Company Mr. Vishal Bhola (DIN: 08668079) who was appointed as an Additional Director of the Company with effect from 04<sup>th</sup> April, 2020 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (the Act) and in respect of whom the Company has received a notice in writing under section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director, liable to retire by rotation.”

**6. Appointment of Mr. Vishal Bhola as Managing Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to applicable Article of Articles of Association of the Company and subject to approval by any other statutory authority, including without limitation Ministry of Corporate Affairs, Government of India, as required, consent of the Company be and is hereby accorded to the appointment of Mr. Vishal Bhola (DIN: 08668079) as the Managing Director of the Company, to hold office for a period of five years commencing from 04<sup>th</sup> April, 2020 on remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and as set out in the explanatory statement annexed to the notice.

**RESOLVED FURTHER THAT** Mr. Vishal Bhola’s office is subject to retire by rotation and that he shall offer himself to retire by rotation during the term of his office.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to alter or vary the remuneration of Mr. Vishal Bhola, Managing Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified under the explanatory statement to this resolution and the Companies Act, 2013.

**RESOLVED FURTHER THAT** any one of the Directors or Company Secretary of the Company be and are hereby severally authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

**7. Re-appointment of Anil Berera (DIN: 00306485) as Executive Director for the period from 03<sup>rd</sup> November, 2019 till 31<sup>st</sup> December, 2019**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to applicable Article of the Articles of Association of the Company, Mr. Anil Berera (DIN: 00306485) be and is hereby re-appointed as Executive Director for the period 03<sup>rd</sup> November, 2019 to 31<sup>st</sup> December, 2019 on remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and as set out in the explanatory statement annexed to the notice.

**RESOLVED FURTHER THAT** any one of the Directors or Company Secretary of the Company be and are hereby severally authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”

**By Order of the Board  
For Whirlpool of India Limited**

**Place: Gurugram  
Date: 18<sup>th</sup> June, 2020**

**Roopali Singh  
Company Secretary**



**IMPORTANT NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), which sets out details relating to Special Business at the meeting, is annexed hereto. The Board of Directors have considered and decided to include the Item No.’s 4-7 given above as Special Business in the forthcoming AGM as they are unavoidable in nature. The relevant details, pursuant to applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Regulations”) and Secretarial Standards on general meetings issued by the Institute of Company Secretaries of India in respect of Directors seeking appointment/re-appointment at this AGM is annexed as **Annexure-1**.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular no. 20/2020 dated May 5, 2020 read with General Circular no. 14/2020 dated April 8, 2020 and General Circular no. 17/2020 dated April 13, 2020 (collectively referred to as “MCA Circulars”) and other applicable Circulars issued by The Securities and Exchange Board of India (“SEBI”) has permitted the holding of the Annual General Meeting through Video Conferencing/Other Audio Video Means (“VC/OAVM”) during the calendar year 2020, without the physical presence of the members at a common venue. In compliance with the provisions of Companies Act, 2013, SEBI Regulations and MCA Circulars the 59<sup>th</sup> AGM of the Company shall be conducted through VC/OAVM.
3. For this purpose, Central Depository Services (India) Limited (CDSL) has been engaged for facilitating participation in the AGM through VC/OAVM facility, remote e-voting, e-voting during the AGM. The instructions for participation by members are given in the subsequent paragraphs. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his or her behalf and the proxy need not to be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy form and Attendance slip are not annexed to this notice.
5. Since the AGM will be held through VC/OAVM the route map is not annexed to this notice.

**ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ADDRESS**

6. In accordance with the MCA Circulars and applicable Circular issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the Annual Report, the Annual Report along with AGM notice are being sent only through electronic mode to members whose email addresses are registered with the Company or Depository Participant(s).
7. Members may note that the notice and the Annual Report 2019-20 will also be available on Company’s website [www.whirlpoolindia.com](http://www.whirlpoolindia.com), website of the Stock exchange i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the remote e-voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to RTA at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) or [shikha.karakoti@linkintime.co.in](mailto:shikha.karakoti@linkintime.co.in) or [sunil.mishra@linkintime.co.in](mailto:sunil.mishra@linkintime.co.in) along with the copy of the signed request letter mentioning the name, folio number and address of the member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the email address, Members may write to [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in) or [shikha.karakoti@linkintime.co.in](mailto:shikha.karakoti@linkintime.co.in) or [sunil.mishra@linkintime.co.in](mailto:sunil.mishra@linkintime.co.in). Members can also update their email address and other details through a portal of our RTA at [https://linkintime.co.in/EmailReg/Email\\_Register.html](https://linkintime.co.in/EmailReg/Email_Register.html)

**PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM**

9. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
10. Members are encouraged to join the Meeting through Laptops and internet connection with a good speed to avoid any disturbance during the meeting.
11. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

12. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. The large Shareholders, if any, (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. can attend the AGM without restriction on account of first come first served basis.
13. In addition to the above, the proceedings of the 59<sup>th</sup> AGM will be webcasted live for all the members as on the cut-off date i.e. Friday, 14<sup>th</sup> August, 2020. Details will be available on Company's website i.e. [www.whirlpoolindia.com](http://www.whirlpoolindia.com)

#### **PROCEDURE FOR RAISING QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT**

14. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, members are encouraged to express their views/send their queries in advance mentioning their name, demat account no./folio no. and email address at [investor\\_contact@whirlpool.com](mailto:investor_contact@whirlpool.com). Questions/queries received by the Company till 11:00 AM on Wednesday, 19<sup>th</sup> August, 2020 shall be considered and responded during the AGM.
15. Members who would like to express their views or ask their questions during the AGM may register themselves as a speaker by sending a request at [investor\\_contact@whirlpool.com](mailto:investor_contact@whirlpool.com) between 09:00 A.M. on Friday, 14<sup>th</sup> August, 2020 till 11:00 AM on Wednesday, 19<sup>th</sup> August, 2020 alongwith their details (Name, Demat account no./folio no. and registered email address).
16. For the smooth conduct of the AGM, the Company reserves the right to restrict the number of questions and number of speakers as appropriate.

#### **PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM**

17. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Regulations, the Company is pleased to provide the facility of voting through electronic means to its members. Members of the Company can transact all the items of the businesses with the facility of voting through electronic means as contained in the notice of the meeting through e-voting services provided by Central Depository Services (India) Limited ("CDSL").
18. The members whose name appears in the Register of Members/List of Beneficial owners as on Friday, 14<sup>th</sup> August, 2020 i.e. cut-off date, are entitled to vote on the resolutions set forth in this notice. A person who is not a member as on cut-off date should read this notice of AGM for information purpose only.
19. Members may cast their vote on electronic voting systems from any place (remote e-voting). The remote e-voting period begins at 09:00 A.M. on Tuesday, 18<sup>th</sup> August, 2020 and will end at 05:00 P.M. on Thursday, 20<sup>th</sup> August, 2020. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 14<sup>th</sup> August, 2020 may cast their vote electronically.
20. The members who have not casted their vote through remote e-voting shall be eligible to cast their vote during the meeting through e-voting. However, the members who have already casted their vote by remote e-voting prior to the meeting may attend the meeting but shall not be entitled to cast their vote again.
21. The manner for remote e-voting/e-voting during the AGM will be as follows:
  - Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - Click on "Shareholders" module.
  - Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - My easi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-voting option and proceed directly to cast your vote electronically.

- Next enter the Image Verification as displayed and Click on Login.
  - If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

- If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both members holding shares in demat as well as physical form) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction above.</li> </ul>

- After entering these details appropriately, click on “SUBMIT” tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for “Whirlpool of India Limited” on which you choose to vote.
- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Members can also cast their vote using CDSL’s mobile app “**m-voting**”. The m-voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer

and to the Company at the email address viz; [scrutinizer.whirlpool@adlakha.net](mailto:scrutinizer.whirlpool@adlakha.net) and [investor\\_contact@whirlpool.com](mailto:investor_contact@whirlpool.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **PROCEDURE FOR E-VOTING ON THE DAY OF THE AGM**

22. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
23. Only those members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
24. Members who have already voted through remote e-voting will be eligible to attend the AGM but will not be eligible for e-voting during the AGM.
25. If any votes are cast by the members through the e-voting available during the AGM and if the same member has not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
26. If member have any queries or issues regarding attending AGM, remote e-voting and e-voting during AGM, then the member may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder, CDSL (022- 23058738) or Mr. Mehboob Lakhani, CDSL (022-23058543) or Mr. Rakesh Dalvi, CDSL (022-23058542).
27. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited (“CDSL”), A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

#### **GENERAL INFORMATION**

28. The Company has appointed Mr. Rajiv Adlakha of Adlakha & Adlakha Associate, or in his absence any partner of Adlakha & Adlakha Associate, a Practicing Company Secretary firm, who in the opinion of the Company is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
29. The results of the electronic voting shall be declared is the stock exchanges after conclusion of AGM. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.whirlpoolindia.com](http://www.whirlpoolindia.com)

#### **PROCEDURE FOR INSPECTION OF DOCUMENTS**

30. All the documents referred to in the accompanying notice and explanatory statement shall be available for inspection through electronic mode basis the request being sent on [investor\\_contact@whirlpool.com](mailto:investor_contact@whirlpool.com).
31. During the AGM the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, Register of Contracts or Arrangements in which Directors are interested under Section 189, Register of Member and any other documents, as required, to be made available for inspection, will be available, upon login at CDSL portal.

#### **INFORMATION RELATED TO DIVIDEND**

32. The members whose name appears in the Register of Members/List of Beneficial Owners as on Friday, 07<sup>th</sup> August, 2020 i.e. date prior to commencement of book closure, will be paid the final dividend for the Financial Year ended March 31, 2020 if approved at the AGM.
33. The Register of Members and Share Transfer Books will remain closed from 08<sup>th</sup> August, 2020 to 21<sup>st</sup> August, 2020 (both days inclusive) for the purpose of AGM and to determine entitlement of dividend on equity shares. The dividend will be paid to those members, whose name appears on the ‘Register of Members’ of the Company as at the end of business hours on 07<sup>th</sup> August, 2020. The dividend, as recommended by the Board of Directors and if declared at the Annual General Meeting, will be paid within the statutory timelines.
34. As per the SEBI Regulations, the Company shall use any of the electronic modes of payment facility approved by the Reserve Bank of India for the payment of dividend. Members holding shares in demat mode are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants (DPs) with whom they are maintaining their demat account as per DP’s format. Members holding shares in physical mode are requested to submit:
  - (i) scanned copy of signed request letter which shall contain member’s name, folio number, bank details (Bank account number, bank and branch name and address, IFSC, MICR details);



- (ii) self attested copy of PAN card; and
- (iii) cancelled cheque leaf of same bank

to the Company's Registrar & Transfer Agents (RTA) i.e. Link Intime India Private Limited. In case the Company is unable to pay the dividend to any member by the electronic mode due to non availability of the details of the bank account the Company shall dispatch the dividend warrant/demand draft upon restoration of normalcy of postal services.

35. The SEBI vide its circular dated 20<sup>th</sup> April, 2018 has mandated registration of Permanent Account Number (PAN) and bank account details for all security holders. Members holding shares in physical form are therefore requested to submit their PAN and bank account details to RTA/Company by sending a duly signed letter along with the self attested copy of the PAN Card and original cancelled cheque through email at delhi@linkintime.co.in or shikha.karakoti@linkintime.co.in or sunil.mishra@linkintime.co.in. The original cancelled cheque should bear the name of the member. In the alternative, members are requested to submit a copy of bank passbook/statement attested by the Bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective DP.
36. Members may note that the Income Tax Act, 1961 as amended by the Finance Act, 2020 mandates that the dividend paid or distributed by the Company after 01<sup>st</sup> April, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source (TDS) plus surcharge and cess, as applicable, at the time of making payment of the final dividend. In order for us to determine the appropriate TDS rate as applicable, members are requested to submit the documents in accordance with the provisions of Income Tax Act, 1961:
- **For resident members**, TDS shall be applicable under section 194 of the Income Tax Act, 1961 at 7.5% on the amount of dividend declared and paid by the Company during the financial year 2020-21 provided PAN is registered by the members. If PAN is not registered by the member then, TDS will be deducted @ 20% as per section 206AA of the Income Tax Act, 1961.  
However no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during the financial year 2020-21 does not exceed Rs. 5000.  
Separately, in cases where the members provide Form 15G (applicable to any person other than company/firm)/ Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.
  - **For non-resident members**, taxes are required to be withheld in accordance with provisions of section 195 of the Income Tax Act, 1961 at the rates enforced. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be @ 20% the amount of dividend payable to them. However, as per Section 90 of the Income Tax Act, 1961, the non-resident member has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident member will have to provide the following:
    - Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the member is resident.
    - Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
    - Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
    - Self-declaration, certifying the following points:
      - i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2020-21;
      - ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
      - iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
      - iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and
      - v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2020-21.
37. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding dividend amounts. Application of beneficial DTAA rates shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the non resident member.



38. Accordingly, in order to enable us to determine the appropriate TDS/withholding tax rate applicable we request members to provide these details and documents as mentioned above before 05:00 pm on Friday, 7<sup>th</sup> August, 2020.
39. Kindly note that the aforementioned documents are required to be submitted at delhi@linkintime.co.in or shikha.karakoti@linkintime.co.in or sunil.mishra@linkintime.co.in on or before Friday, 07<sup>th</sup> August, 2020, in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of aforementioned details/documents from you by the date mentioned above, there would still be an option available with members to file the return of income and claim an appropriate refund, if eligible.
40. We shall arrange to email the soft copy of TDS certificates to you at your registered email address in due course, post payment of the said dividend. This communication is not exhaustive and is not an analysis of the potential tax consequences in the matter of dividend. Members shall consult their tax advisors for advise. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member/s, such Member/s will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.
41. The MCA had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”). As per these Rules, dividends which are not encashed / claimed by the member for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of members whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 13<sup>th</sup> August, 2019 (date of last AGM) are available on the website of the Company <https://www.whirlpoolindia.com/discover/discover-whirlpool-investors-lp> and on MCA’s website. Members are requested to contact RTA/Company for encashing the unclaimed dividends standing to the credit of their account.

#### **OTHERS**

42. Members of the Company had approved the appointment of M/s. MSKA & Associates, Chartered Accountants as the Statutory Auditors of the Company at 57<sup>th</sup> AGM of the Company held in 2018 which is valid till 61<sup>st</sup> AGM of the Company. In accordance with the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.
43. As per Regulation 40 of SEBI Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 01<sup>st</sup> April, 2019 except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risk associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.
44. Institutional/Corporate members (i.e. other than individuals/HUF, NRI etc) are required to send a scanned copy (PDF/JPEG format) of its Board or Governing Body resolution/authorisation etc authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting pursuant to section 113 of the Act. The said resolution/authorisation shall be sent to the Company via email through its registered email address at investor\_contact@whirlpool.com with a copy to scrutinizer.whirlpool@adlakha.net
45. Members are requested to address all correspondence relating to their shareholding to the Company’s Registrars and Share Transfer Agents, Link Intime India Private Limited at the following address:-  
Link Intime India Private Limited,  
Noble Heights, 1<sup>st</sup> Floor, Plot NH 2,  
C-1 Block LSC, Near Savitri Market, Janakpuri  
New Delhi - 110058  
Tel. No. 91-11-41410- 592, 593, 594,  
Email: delhi@linkintime.co.in

**EXPLANATORY STATEMENT IN RESPECT OF ITEMS OF SPECIAL BUSINESS:**

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013 (Act), sets out all the material facts relating to the business proposed to be transacted under Item Nos. 4 to 7 of the accompanying Notice dated 18<sup>th</sup> June, 2020.

**Item No. 4**

The Board of Directors of the Company, on the recommendation of Audit Committee, at its meeting held on 18<sup>th</sup> June, 2020 approved re-appointment of M/s R. J. Goel & Co, Cost Accountants (Firm Registration No. 000026) as Cost Auditor of the Company to audit the cost records maintained by the Company for its manufacturing units located at Faridabad, Ranjangaon and Puducherry, for the financial year ending 31<sup>st</sup> March, 2021 on a remuneration of Rs. 4 Lac exclusive of applicable taxes and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit.

In terms of the provisions of section 148(3) of the Companies Act, 2013 read with Rules 14(a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors is required to be approved by the members of the company. Accordingly, consent of the members is sought for the remuneration payable to the cost auditors.

None of the Directors or Key Managerial Personnel or their relatives, are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution set out at item no. 4 for the approval of members.

**ITEM NO. 5 & 6**

Mr. Vishal Bhola (DIN: 08668079) has been appointed as an Additional Director of the Company with effect from 04<sup>th</sup> April, 2020 pursuant to the provisions of the Articles of Association of the company read with Section 161(1) of the Companies Act, 2013. Mr. Vishal Bhola holds office as Director of the company up to the date of this Annual General Meeting but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received signifying intention to propose Mr. Vishal Bhola as a candidate for the office of Director of the Company. The Board also approved the appointment of Mr. Vishal Bhola as Managing Director of the Company for a period of five years with effect from 04<sup>th</sup> April, 2020 on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders and other Statutory Authorities.

Mr. Vishal Bhola holds a bachelor degree in Engineering (Electronics and Communications) and MBA from the Indian Institute of Management, Bengaluru. He has over 20 years of experience in the consumer goods industry. He joins Whirlpool from Unilever, where he held the position of Global Vice President, Water heading Unilever's water business.

Mr. Vishal Bhola has rich and diverse experience in General Management, Strategy, Sales, Marketing and Innovation in consumer driven industries with Indian, international and multicultural experience. He does not hold directorship in any other company.

The Board recommends the following terms of appointment and remuneration of Mr. Vishal Bhola as Managing Director of the Company:

**I. Period of Appointment:** Five years w.e.f 04<sup>th</sup> April, 2020

**II. Remuneration**

Particulars	Annual Remuneration (in INR)
Basic Salary	7,200,000
Special Allowances*	15,194,518
<b>Total Salary</b>	<b>22,394,158</b>

\*Actual value is contingent on changes in other perquisites

**III. Perquisites**

- Conveyance as per Company Policy.
- Reimbursement of Medical Expenses for self and family as per Company Policy.
- Life, accidental and Medical Insurance as per policy of the company.
- Leave Travel Facility as per company policy.
- Unfurnished accommodation or House Rent Allowance in lieu thereof as per Company policy
- Performance Excellence Plan payout as per Company policy
- All other benefits and allowances as per Company policy
- Long Term Incentives including ESOPs from Whirlpool Corporation US (parent Company) as per policy.

#### IV. Retiral Benefits:

- a. Contribution to Provident fund and Superannuation fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at the rate of half a month's salary for each completed year of service.
- c. Leaves as per Company Policy.

V. Where in any financial year the Company has no profit or its profits are inadequate, the remuneration payable shall be in accordance with the provision of section 197 read with section II & III of Part II of schedule V to the Companies Act, 2013, as amended from time to time.

#### VI. Other terms:

- Mr. Vishal Bhola shall have such powers, duties and responsibilities as may be entrusted to him by the Board of Directors of the company from time to time in accordance with the applicable policies of the company.
- Mr. Vishal Bhola shall not at any time either during or after the termination of his employment or directorship disclose to any person, whomsoever, any information relating to the company or its customers or any trade secrets or any other confidential information which he may possess by virtue of his holding office unless such disclosure is in the interest of the company.

VII. The Board of Directors are authorised to revise the remuneration every year subject to a maximum increase of 25% of last drawn total remuneration.

The other details relating to his re-appointment are attached in **Annexure-1** to this notice. He does not hold any share in the Company. The Company shall seek applicable approvals as per the provisions of section 196 read with schedule V and other applicable provisions of Companies Act, 2013.

Except Mr. Vishal Bhola, being the interested director, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 & 6.

The Board recommends the Ordinary Resolution set out at Item No. 5 and Special Resolution as set out in Item No. 6 for the approval of Members.

#### Item No. 7

Mr. Anil Berera was appointed as Executive Director for a term of five years with effect from 03<sup>rd</sup> November, 2014 and hence his term as Executive Director expired on 02<sup>nd</sup> November, 2019.

Mr. Anil Berera (aged 60 years) is a Bachelor in Commerce and Chartered Accountant. He has over 35 years of rich experience in accounts, treasury, taxation and general management. He has extensive experience in development and implementation of Strategic Business Plans. He has held many key positions in finance and accounts in many organisations including Price Waterhouse Coopers, Gillette and Becton Dickinson.

He has been on the Board of the Company since 03<sup>rd</sup> November, 2011 and retired on 31<sup>st</sup> December, 2019. The last drawn remuneration of Mr. Berera was approved by the shareholders at the 58<sup>th</sup> Annual General Meeting of the Company. Mr. Berera ceased to be an Executive Director on 31<sup>st</sup> December, 2019, however, he continues to be on the Board as Non-Executive Director.

The Board of Directors at its meeting held on 07<sup>th</sup> November, 2020, on recommendation of Nomination and Remuneration Committee and subject to the approval of the shareholders, approved the re-appointment of Anil Berera for the period 03<sup>rd</sup> November, 2019 till 31<sup>st</sup> December, 2019 on the following remuneration, terms and conditions:

**I. Period of Appointment:** 03<sup>rd</sup> November, 2019 to 31<sup>st</sup> December, 2019

#### II. Salary

Particulars	Annual Remuneration (in INR)
Basic Salary	9,579,436
Special Allowances*	7,768,916
Other Allowances (not exceeding)	16,800,000
<b>Total Salary</b>	<b>34,148,352</b>

\*Actual value is contingent on changes in other perquisites

**III. Perquisites:**

- Conveyance as per Company policy
- Reimbursement of Medical Expenses as per Company policy
- Life, Accident and Medical Insurance as per policy of the Company.
- Unfurnished accommodation or House Rent Allowance in lieu thereof as per Company Policy
- Performance Excellence Plan Bonus as per Company policy.
- All other benefits and allowances as per Company policy.
- Long Term Incentives including ESOPs from Whirlpool Corporation US (parent Company) as per policy.

**IV. Retiral Benefits:**

- Contribution to Provident fund and Superannuation fund to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
- Gratuity payable at the rate of half a month's salary for each completed year of service.
- Leaves as per Company Policy

V. Where in any financial year the Company has no profit or its profits are inadequate, the remuneration payable shall be in accordance with the provision of section II & III of Part II of schedule V to the Companies Act, 2013, as amended from time to time.

**VI. Other terms:**

- Mr. Anil Berera shall have such powers, duties and responsibilities as may be entrusted to him by the Board of Directors of the company from time to time in accordance with the applicable policies of the company.
- Mr. Anil Berera shall not at any time either during or after the termination of his employment or directorship disclose to any person, whomsoever, any information relating to the company or its customers or any trade secrets or any other confidential information which he may possess by virtue of his holding office unless such disclosure is in the interest of the company.

VII. The Board of Directors are authorised to revise the remuneration every year subject to a maximum increase of 25% of last drawn total remuneration.

The other details relating to his re-appointment are attached in **Annexure-1** to this notice. He does not hold any share in the Company.

Except Mr. Anil Berera, being the interested director, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

The Board recommends the Ordinary Resolution set out at Item No. 7 for the approval of Members.

**By Order of the Board  
For Whirlpool of India Limited**

**Place: Gurugram  
Date: 18<sup>th</sup> June, 2020**

**Roopali Singh  
Company Secretary**

**ANNEXURE-1 TO NOTICE**

**Profile of Directors**

Details of Directors proposed to be appointed/re-appointed as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2.

<b>Name of the Director</b>	<b>Mr. Vishal Bhola</b>	<b>Mr. Anil Berera</b>
Director Identification Number	08668079	00306485
Date of Birth/Age	08.04.1972	29.12.1959
Nationality	Indian	Indian
Qualification	Bachelor degree in Engineering (Electronics and Communications) and MBA from IIM Bengaluru	Bachelor Degree in Commerce and Chartered Accountant
Date of Appointment on Board	04.04.2020	03.11.2011
Shareholding in Whirlpool of India Ltd.	Nil	Nil
Brief Profile of the Directors	Vishal Bhola has over 20 years of experience in the consumer goods industry. He joins Whirlpool from Unilever, where he held the position of Global Vice President, Water. Vishal has rich and diverse experience in General Management, Strategy, Sales, Marketing and Innovation in consumer driven industries with Indian, international and multicultural experience.	Anil Berera has over 30 years of rich experience in accounts , treasury, taxation and general management. He has extensive experience in development and implementation of Strategic Business Plans. He has held many key positions in finance and accounts in many organisations including Price Waterhouse Coopers, Gillette and Becton Dickinson.
Expertise in specific functional areas	Business Management, Strategy, Sales, Marketing	Finance, Treasury, Taxation and General Management
List of Directorships held in other companies (excluding foreign, private and Section 8 Companies)	Nil	Nil
Memberships/Chairmanships of Audit and Stakeholders' Relationship Committees across Public companies including Whirlpool of India Limited	NA	Member of Stakeholder Relationship Committee in Whirlpool of India Limited
Details of Board/Committee Meetings attended by the directors during the year	Please refer Corporate Governance Report	Please refer Corporate Governance Report
Inter-se relationship between the Board members	None	None