Whirlpool

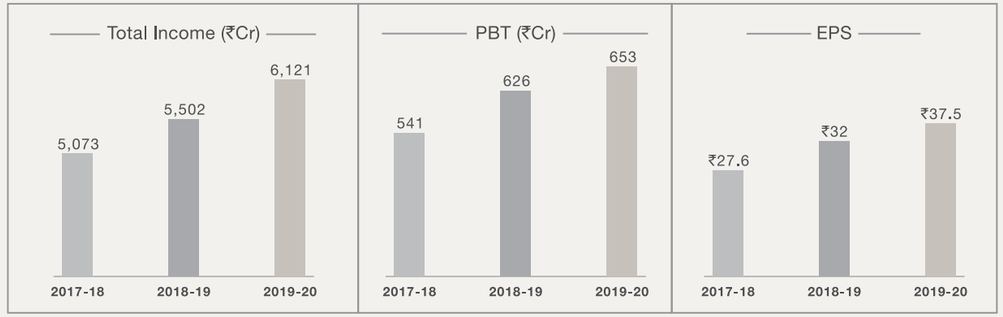
Every day, care.

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 6TH 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#

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.

#Convertible Freezer.

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.

*Results shown are based on internal lab testing done on select models under specific conditions and may vary depending on testing conditions.
Tested against select comparable product of other brand available in this segment.

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.