Whirlpool®
HOME APPLIANCES

Performance has never looked better.

Here's proof.

ANNUAL REPORT
2012-13

At Whirlpool we've drawn from the strengths of yesterday and embraced the growth of tomorrow. While we have moved ahead with world-class technology and contemporary styling, we have never compromised on the tenets of performance and quality.

Our products are imbued with the same values we stand for. They stand true to the promise we made to ourselves and our consumers a century ago. The promise of quality, of technology, of performance.

The last year has seen us bring to our customers an array of world-class products that are powered by technology and driven by performance.

Right from our Built-in kitchen appliances to our refrigerators, from our air conditioners to our washing machines, we have blended performance with elegance. Indeed, performance has never looked this good.

BUILT-IN KITCHEN APPLIANCES

Whirlpool Built-in Kitchen Appliances bring a European look and design to your kitchen. Stylish yet understated they merge with the kitchen décor perfectly, giving your kitchen the touch of elegance.

HOODS & HOBS

The Whirlpool Hoods and Hobs are pieces of art that can become the centrepiece of any kitchen. Designed to keep the kitchen free of smoke and heat, they trap oil and grease during cooking, rendering the kitchen easy to clean. And they do so, silently.

RO WATER PURIFIERS

We believe, safety is non-negotiable. And in keeping with this belief, the Whirlpool Purafresh wall mountable RO Water Purifier, purifies water through a 7-stage purification process that filters it down to its purest form.

DISHWASHERS & MICROWAVE OVENS

With substance on the inside and elegance on the outside, Whirlpool Dishwashers are powered by 6th Sense™ Technology and are designed to be fashionably efficient. Quite like our Microwave Ovens that are a perfect blend of style and technology. They don't just cook, but create culinary wonders.

REFRIGERATORS

Our latest range of refrigerators is designed to complement your discerning aesthetic sense, and your changing lifestyle needs. Impeccable styling, superior technology and unmatched performance come standard with Whirlpool refrigerators. Whether it is the Neo iChills' unique Deep Freeze Technology, that chills 50% faster*, or the Protton's Freshness Booster System which preserves food 40% longer*, you just can't go wrong.

*As per test conducted on select models of refrigerators in our internal lab under standard testing conditions. Features shown here may vary in different models.

AIR CONDITIONERS

To beat the heat effectively, Whirlpool Fantasia and 3-D Cool Air Conditioners come equipped with the latest Inverter Technology* and an abundance of style. So, they cool the best, save the most and look the finest.

WASHING MACHINES

With the advanced washing technology of Whirlpool Bloom Wash & Explore, it is time to bid farewell to conventional washing machines. Representing the future of washing, these machines are designed to keep your clothes as fresh as new, wash after wash after wash.

*Available in Fantasia range only.

COMING SOON

FRENCH DOOR BOTTOM MOUNT

Once in a while there comes a technology that's made of stuff dreams are made of. With the Whirlpool French Door Bottom Mount refrigerator sneak a glance into that dream.

Silver Medal - The Edison Awards, USA

Whirlpool ACE was awarded the Silver Medal at the Edison Awards, USA for being the best new product in the Lifestyle and Social Impact category.

Best Partner - Appliance Category by Reliance Retail Ltd.

Whirlpool of India Ltd. was named Best Partner, Appliance Category by Reliance Retail Ltd.

CHAIRMAN'S AWARD 2012

Whirlpool was awarded the prestigious Chairman's Award 2012 for the Best Quality Improvement Team for Direct Cool refrigerators.

Reader's Digest Trusted Brand Gold Award 2013

Whirlpool of India Ltd. received the Readers Digest Trusted Brand Gold Award 2013 for "Refrigerators & Washing Machines".

CORPORATE GOVERNANCE

1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

"We will pursue our business with honor, fairness, and respect for the individual and the public at large . . . ever mindful that there is no right way to do a wrong thing."

Jeff M. Fettig
Chairman, Whirlpool Corporation

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholders value and discharge of social responsibility. The Company believes in adopting the best practices in the areas of Corporate Governance. Even in a tough competitive business environment, the Management and Employees of the Company are committed to value transparency, integrity, honesty and accountability which are fundamental to Whirlpool Group. These Values guide us in all our transactions and relations. That is the Spirit of Whirlpool and we also call it the Spirit of Winning…. On to Leadership…. sustainable and profitable achieved with the mantra of One Team….. One Dream.

We believe that sound corporate governance is necessary to enhance and retain stakeholders' trust. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures always seek to attain best practices in international corporate governance. It is our continuous endeavor to enhance long-term shareholders value and respect minority rights in all our business decisions.

There is more widespread understanding and acceptance that good corporate governance ultimately leads to better performance, increased investor confidence and higher value creation.

2. BOARD OF DIRECTORS

Composition

The Board of Directors of the Company comprises of Executive, Non-Executive and Independent Directors. The Chairman is an Executive Director. In all, there were 6 Directors including 3 Independent Directors as on 31st March 2013. As on 31st March, 2013, the composition of the Board of Directors of the Company meets the stipulated requirements of clause 49 of the Listing Agreement of the Stock Exchanges. During the year Mr. Vikas Singhal joined the Board as Whole Time Director with effect from 8th May 2012.

Memberships of the Directors on other boards/ committees are given here under:

Name of the Directors	Category	No. of Directorships and Committee Memberships/ Chairmanships (As on March 31, 2013)		
		Other Directorships#	Committee Memberships	Committee Chairmanship
Arvind Uppal	Chairman & Managing Director	2	-	-
Anil Berera	Whole Time Director	-	-	-
Vikas Singhal*	Whole Time Director	-	-	-
Sanjiv Verma	Non-Executive & Independent Director	1	-	-
Simon J. Scarff	Non-Executive & Independent Director	1	2	1
Anand Bhatia	Non-Executive & Independent Director	3	4	-

Note:

Mr. Anand Bhatia is the Chairman of Audit Committee, Remuneration Committee and Investor Grievance Committee.

Other Directorships exclude Directorship in Foreign Companies.

* Mr. Vikas Singhal was appointed on the Board as Whole Time Director with effect from 8th May 2012.

Attendance & Meeting

The Attendance of the Directors in the Board Meetings and at the AGM held during the year is given as under:

Name of the Directors	Category	No. of Board Meetings Attended	Whether Attended the Last AGM
Arvind Uppal	Chairman & Managing Director	4	Yes
Anil Berera	Whole Time Director	4	Yes
Vikas Singhal *	Whole Time Director	3	Yes
Simon J. Scarff	Non-Executive & Independent Director	4	Yes
Anand Bhatia	Non-Executive & Independent Director	4	Yes
Sanjiv Verma	Non-Executive & Independent Director	4	Yes

* Mr. Vikas Singhal Joined the Board with effect from 8th May, 2012.

During the year ended March 31, 2013 four meetings of the Board of Directors were held on the following dates:
(i) May 08, 2012 (ii) August 06, 2012 (iii) October 30, 2012 (iv) January 28, 2013
The Annual General Meeting (AGM) was held on August 06, 2012.

3. COMMITTEES OF THE BOARD

(i) Audit Committee

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 section 292A of the Companies Act, 1956 and the listing agreement with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

The Company has a multi disciplinary Internal Audit Team which submits its report directly to the Audit Committee on a quarterly basis. The Chairman of the Audit Committee was present in the last Annual General Meeting held on August 06, 2012.

The Audit Committee is responsible for:

(i) Effective supervision of the financial reporting process, ensuring financial, accounting and operating controls and compliance with established policies and procedures.

(ii) Evaluating the adequacy of internal controls and its effectiveness.

(iii) Reviewing the financial results of the Company for each quarter/ year before the same are placed at the Board meeting for approval.

(iv) Providing an avenue for effective communication between the Internal Audit, the Statutory Auditors and the Board of Directors.

Composition and Attendance

Name of the Directors	No. of Meetings Attended
Anand Bhatia, Chairman	4
Simon J. Scarff	4
Sanjiv Verma	4
Anil Berera	4

The Internal Auditor and the partner of S. R. Batliboi & Co. LLP, the Statutory Auditors are permanent invitees to the audit committee meetings. It has been the practice of the Chairman of the Audit Committee to extend an invitation to the Chairman & Managing Director and Executive Directors to attend all the meetings and to Cost Auditors whenever required. Mr. Ravi Sabharwal, Company Secretary acts as the Secretary of the Committee.

During the year ended March 31, 2013, four meetings of the Audit Committee were held on the following dates:
(i) May 08, 2012 (ii) August 06, 2012 (iii) October 30, 2012(iv) January 28, 2013
Anand Bhatia, Chairman of the Audit Committee has financial and accounting background and knowledge.

(ii) Directors Remuneration Committee

Terms of Reference of the Directors Remuneration Committee are as per the guidelines set out in the listing agreement with the Bombay Stock Exchange Limited and National Stock Exchange Limited that inter alia include determination of the Company's policy on specific remuneration packages for Directors.

Composition and Attendance

Mr. Anand Bhatia is the Chairman of Remuneration Committee. Other members of the Committee consist of Mr. Simon J. Scarff and Mr. Sanjiv Verma.

During the year one meetings of Remuneration Committee was held on May 8, 2012. Mr. Anand Bhatia, Mr. Sanjiv Verma and Mr. Simon J Scarff attended the meeting.

Remuneration policy

The terms of reference / role of the Remuneration Committee is to determine the Company's policy on the remuneration package of its Executive Directors and to determine and approve the terms & conditions and remuneration package of its Executive Directors, including revision thereof from time to time, and to deliberate on and decide matters incidental thereto or consequential thereof. The details of remuneration paid to Executive Directors are given separately in the Report.

The Non-Executive Independent Directors are entitled for sitting fee of Rs.20000 for every meeting of the Board or committee thereof. They are also reimbursed all traveling 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.

Annual Remuneration paid to Mr. Arvind Uppal, Chairman & Managing Director

Basic Salary	Allowances	Perquisites	Performance Bonus	Contribution to Provident Fund & Superannuation Fund *	Total
80,00,000	2,66,90,836	1,05,61,386	NIL	9,60,000	4,62,12,222

Service contract renewed for next three years with effect from 1st April, 2013.
Notice Period – 3 Months, Severance Fees – NIL, Stock Options from Whirlpool of India Ltd. – NIL
* Remuneration as defined under Schedule XIII does not include retirement benefits.

Annual Remuneration paid to Mr. Anil Berera, Whole Time Director

Basic Salary	Allowances	Perquisites	Performance Bonus	Contribution to Provident Fund & Superannuation Fund *	Total
52,08,000	72,53,160	11,29,345	42,73,899	7,24,960	1,85,89,364

Service contract renewed for next three years with effect from 3rd November, 2011.
Notice Period - 3 Months, Severance Fees - NIL, Stock Options from Whirlpool of India Ltd. - NIL
* Remuneration as defined under Schedule XIII does not include retirement benefits.

Annual Remuneration paid to Mr. Vikas Singhal, Whole Time Director

Basic Salary	Allowances	Perquisites	Performance Bonus	Contribution to Provident Fund & Superannuation Fund *	Total
24,73,415	63,51,884	97,038	17,33,487	3,86,670	1,10,42,494

Service contract for three years with effect from 8th May, 2012.
Notice Period - 3 Months, Severance Fees - NIL, Stock Options from Whirlpool of India Ltd. - NIL
* Remuneration as defined under Schedule XIII does not include retirement benefits.

(iii) Investors Grievance Committee

Terms of Reference of the Investors Grievance Committee are as per the guidelines set out in the listing agreement with the Bombay Stock Exchange Limited and National Stock Exchange Limited and the relevant clauses of the Articles of Association of the Company that inter alia include looking into the Investors complaints on transfer of shares, non receipt of Annual Accounts, non receipt of dividends declared and interest on debentures etc. and the redressal thereof.

Composition and Attendance

Name of the Directors	No. of Meetings Attended
Anand Bhatia, Chairman	4
Arvind Uppal	4
Anil Berera	4

During the year ended March 31, 2013, four meetings of the Investors Grievance Committee were held on the following dates: (i) May 08, 2012 (ii) August 06, 2012(iii) October 30, 2012 (iv) January 28, 2013.

The Company attends to the investors' grievances/ correspondence expeditiously except in the cases that are constrained by disputes or legal impediments.

a.	No. of shareholders complaints received during the year	7
b.	No. of complaints not resolved to the satisfaction of the shareholders	Nil
c.	No. of pending share transfers as on March 31, 2013	Nil

Ravi Sabharwal, Company Secretary is the Compliance Officer of the Company.

(iv) Share Transfer Committee

Terms of Reference of the Share Transfer Committee are as per the guidelines set out in the listing agreement with the Bombay Stock Exchange Limited and National Stock Exchange Limited and pursuant to Article 132 of Articles of Association of the Company that inter alia include approval and registration of transfers and/ or transmissions of equity shares of the Company and do all other acts and deeds as may be necessary or incidental to the above.

Composition and Attendance

Name of the Member	No. of Meetings Attended
Ravi Sabharwal, Chairman	28
Anil Berera	16
Anish Duggal	28
Vinay Kumar	28

The Committee holds its meeting every ten days, if required to consider all matters concerning transfer and transmission of shares. During the year ended 31st March 2013, 28 meetings of the Share Transfer Committee were held.

4. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as per details given below:

Year	Day	Date	Timing	Place
2010	Monday	July 19, 2010	10.30 A.M	Hotel Yash Inn, Ranjangaon, Shirur, Pune
2011	Friday	July 1, 2011	11.00 A.M	Hotel Yash Inn, Ranjangaon, Shirur, Pune
2012	Monday	August 06, 2012	11.00 A.M	Whirlpool of India Limited, Plot No. A- 4, MIDC, Ranjangaon, Taluka-Shirur, Pune

Following special resolutions were passed in the previous three Annual General Meetings:

Year	Resolution passed
2010	1. Special Resolution passed for appointment of Mr. Syed Shahzad Akhtar as whole time director and approval of his remuneration. 2. Special Resolution passed for reappointment of Mr. Arvind Uppal as Chaiman & Managing Director and approval of his remuneration.
2011	None
2012	1. Special Resolution passed for appointment of Mr. Anil Berera as Whole Time Director and approval of his remuneration. 2. Special Resolution passed for appointment of Mr. Vikas Singhal as Whole Time Director and approval of his remuneration.

During the year, no special resolution was passed through Postal Ballot.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of special resolution through postal ballot.

5. DISCLOSURES

Related Party Transactions

The Company has not entered into any transactions of material nature with its Promoters, the Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company.

Further, details of general related party transactions are given in the Balance Sheet.

Compliances by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities relating to the above during the financial year. The Company has complied with all applicable Accounting Standards.

The Company has defined and adopted a Risk Management Process, and has also set up a core group of leadership team, which assesses the risks and lays down the procedure for minimization of the risks as an ongoing process integrated with operations. The above will facilitate not only in risk assessment and timely rectification but also help in minimization of risk associated with respective business operations and periodic reporting to Board as and when required.

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors, Senior Management and all employees. The Code has been circulated to all employees and also posted on Company's website www.whirlpoolindia.com All Board members and senior personnel have affirmed compliance with the code.

Adoption of non mandatory requirements under Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

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

Whistle Blower Policy

The Company has a robust Whistle Blower Policy that provides a formal mechanism for all employees of the Company to approach their Supervisor/ Respective HR/ Legal Department or through dedicated Hotline numbers of the Company and makes protective disclosures about the unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The Whistle Blower Policy is an extension of the Whirlpool Code of Ethics, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he/ she becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames as per Whirlpool's global Policy. Under the Policy, each employee of the Company has an assured access to their Supervisor/ Respective HR/ Legal Department or dedicated Hotline numbers which are controlled globally.

Retiring Directors

In accordance with the provisions of the Companies Act, 1956 and the Article 115 of the Articles of Association of the Company. Mr. Simon J. Scarff and Mr. Sanjiv Verma retire by rotation and being eligible offer themselves for re-appointment.

Mr. Simon J Scarff, is an Independent Non Executive Director of the company. He worked for over 23 years with Smithkline in various capacities and had last served as Non Executive Director & Chairman of GlaxoSmithKline Consumer Healthcare Limited up to 30th April 2013. In 1999 he was awarded the prestigious honour of the Officer of the Order of the British Empire by Her Majesty, The Queen of England. He is on the Board of your Company since 2001 and is also a member of the Audit Committee and Remuneration Committee.

Mr. Sanjiv Verma is an Engineering Graduate from Indian Institute of Technology (IIT). He has over 27 years of experience working in various leadership positions. His last assignment was as General Manager India and SEA, & Managing Director Baxter India. Currently he is a Director of J. V. D. Health Private Limited and Devita Renal Care India Private Limited. He is Founder Trustee of Chronic Health Care Foundation of India. His key strengths are Strategic thinking and influencing skills for business growth and profitability, Business Leadership skills, Analytical capabilities, People Management in a multicultural, multinational environment. He is on your Board since 2009 and is also a member of the Audit Committee.

None of the directors is holding any shares/ convertible instruments of the Company except Mr. Vikas Singhal who is holding 2400 Shares of the Company.

6. MEANS OF COMMUNICATION

The quarterly results are usually published in The Financial Express (English) All India Editions, as well as the Prabhat (Marathi). The information of quarterly results is also sent to the Bombay Stock Exchange Limited and National Stock Exchange Limited to enable them to put it on their web-site and is also uploaded on company's website www.whirlpoolindia.com.

The Management Discussion and Analysis Report forms an integral part of the Directors' Report.

The Company is timely submitting the required information, statements and reports on Corporate Filing & Dissemination System (CFDS) and NSE Electronics Application Processing System (NEAPS).

The Company's website www.whirlpoolindia.com is a comprehensive reference on Whirlpool's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, registrars, share transfer agents etc.

7. SHAREHOLDERS INFORMATION

(i) Annual General Meeting

Date : 14th August 2013
Time : 11 A.M.
Venue : Plot No. A-4, MIDC, Ranjangaon, Taluka - Shirur, Pune - 412 220

(ii) Financial Calendar - Year 2013-2014

Tentative dates for adoption of Quarterly Results for the quarter ending

- June 30, 2013	August (2nd Week)
- September 30, 2013	October, 2013 (4th week)/ November (1st Week)
- December 31, 2013	January, 2014 (4th week)/ February (1st Week)
- March 31, 2014	April, 2014 (3rd / 4th week) Or Audited Annual Results in May, 2014 (3rd / 4th week)

(iii) Book Closure Date

7th August 2013 to 14th August 2013

(iv) Dividend Payment Date

No Dividend on equity shares has been recommended by Board for the year ended 31st March 2013 considering the future capital investment plan for expansion.

(v) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd. and National Stock Exchange Ltd. at Mumbai. The Company confirms that it has paid annual listing fee due to the Bombay Stock Exchange Ltd. and the National Stock Exchange Ltd. for the year 2013-2014.

(vi) Stock Code

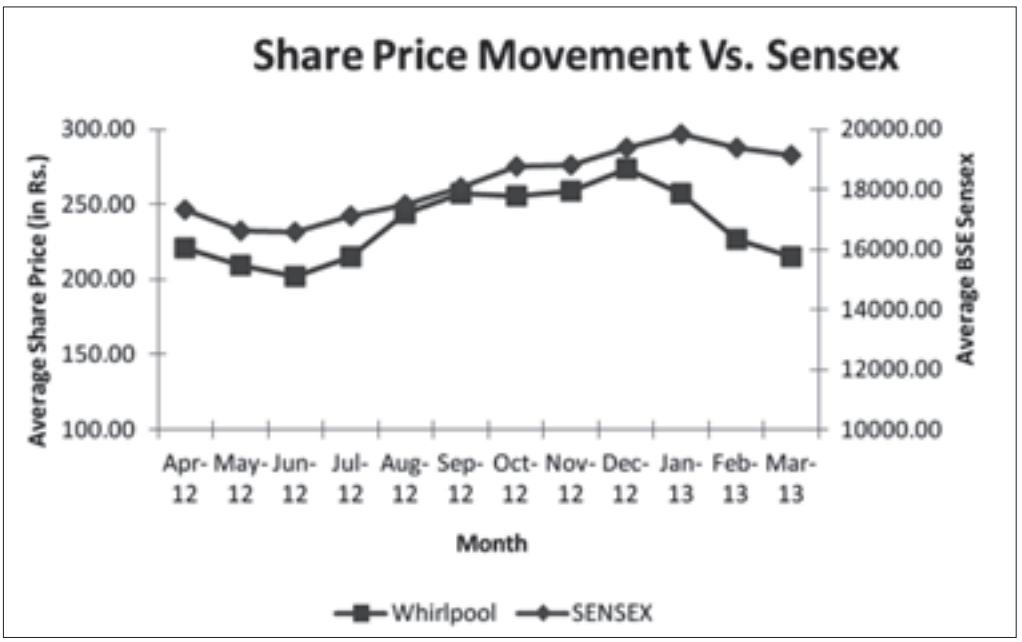
Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai 400 001	500238
National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	WHIRLPOOL

(vii) Registrar & Transfer Agents

For Shares held in Physical as well as Electronic Mode

Link Intime India Private Limited
Narang Tower 44, Community Centre ,
Naraina Industrial area, Phase - I, New Delhi -110028

(viii) Stock Price Performance - Whirlpool Vs BSE Sensex, Year 2012-2013



Note:

Monthly average is based on High and Low price of Whirlpool's share and BSE Index.

(ix) Market Price Data

Months	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2012	241.80	200.15	245.50	199.60
May 2012	222.45	196.00	229.95	194.10
June 2012	213.35	191.10	213.65	192.25
July 2012	232.45	198.00	233.00	197.70
August 2012	272.15	216.30	272.00	216.60
September 2012	270.50	244.70	273.45	244.40
October 2012	272.00	239.10	273.40	239.05
November 2012	270.90	247.10	270.95	245.50
December 2012	289.45	258.25	289.70	258.20
January 2013	286.00	227.90	286.00	228.20
February 2013	240.90	212.10	239.00	214.20
March 2013	230.50	200.00	232.00	200.50

(x) Share Transfer System

The Board has constituted the Share Transfer Committee and delegated the power of share transfer to the Committee. The Committee holds its meeting every ten days to consider all matters concerning transfer and transmission of shares. The Company's shares are in compulsory Demat Mode. The shares received for transfer in physical mode by the Company are transferred expeditiously.

(xi) Dematerialization 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 March 31, 2013 12,47,13,564 equity shares of the Company, forming 98.30% of total shareholding stand dematerialized.

International Securities Identification Number: INE716A01013

(xii) Liquidity of Shares

The Equity Shares of the Company are traded at the Bombay Stock Exchange and the National Stock Exchange.

(xiii) Shareholding Pattern as on March 31, 2013

Category	No. of Shares	%
Promoters	9,51,53,872	75.00
Mutual Funds	77,29,491	6.09
Non Resident Indians	5,73,759	0.45
Banks, Financial Institutions & Insurance Companies	36,788	0.03
Foreign Institutional Investors/ Foreign Financial Institutions	69,10,799	5.45
Corporate Bodies	32,95,486	2.60
Central Government/ State Government	633	0.00
Public	1,31,71,002	10.38
Total	**12,68,71,830**	**100.00**

(xiv) Distribution of Shareholding as on March 31, 2013

No. of Equity Shares		No. of Shareholders		No. of Shares	
From	To	Number	% Total	Number	% Total
1	2500	32,627	81.27	22,53,055	1.78
2501	5000	3,846	9.58	14,77,006	1.16
5001	10000	2,003	4.99	15,24,158	1.21
10001	20000	815	2.03	12,23,585	0.96
20001	30000	268	0.67	6,86,762	0.54
30001	40000	133	0.33	4,88,571	0.38
40001	50000	105	0.26	4,93,250	0.39
50001	100000	148	0.37	10,95,358	0.86
100001	Above	200	0.50	11,76,30,085	92.72
Total		**40,145**	**100.00**	**12,68,71,830**	**100.00**

(xv)Outstanding Stock Option

There are no outstanding warrants or any convertible instruments as on March 31, 2013

(xvi) Plant Locations of the Company

1	28 N.I.T., Faridabad (Haryana)
2	A-4 MIDC Ranjangaon, Taluka - Shirur, District - Pune 412220
3	Village Thirubhuvanai, Puducherry 605 001

(xvii) Address for Correspondence

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

Registered Office	Corporate Office
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: ravi_kumar_sabharwal@whirlpool.com	Whirlpool of India Limited Plot No. 40, Sector- 44, Gurgaon- 122 002 Telephone No. 0124-4591300 Fax No. 0124-4591301 Email: ravi_kumar_sabharwal@whirlpool.com

DECLARATION FOR CODE OF CONDUCT

As provided under clause 49 of the Listing agreement with the Bombay Stock Exchange Ltd. and National Stock Exchange Ltd., the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2013.

For Whirlpool of India Limited

Place : Gurgaon
Date: May 14, 2013

Arvind Uppal
[Chairman & Managing Director]
DIN No. 00104992

AUDITORS' CERTIFICATE

To
The Members of Whirlpool of India Limited

We have examined the compliance of conditions of corporate governance by Whirlpool of India Limited, for the year ended on March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange(s).

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

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

We 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 S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E
Per Tridibes Basu
Partner
Membership No.: 17401

Place: Gurgaon
Date: May 14, 2013

DIRECTORS' REPORT

The Directors' are pleased to present their 52nd Annual Report and Audited Accounts for the year ended 31st March 2013

Financial Results

(Rs. in lacs)

Particulars	**For the year ended**	
	March 31, 2013	**March 31, 2012**
Sales/ Income from operations (including excise duty)	3,03,650	2,85,047
Other Income	2,366	1,230
Profit/ (Loss) before Interest, Depreciation, Extraordinary items & Tax	24,249	23,539
Interest	(300)	(438)
Depreciation	(6,032)	(4,970)
Profit/ (Loss) before tax	17,917	18,131
Provision for Tax (including deferred tax and wealth tax)	(5,142)	(5,758)
Net Profit/ (Loss) for the year	12,775	12,373
Credit/ (Debit) Balance B/F from previous year	18,396	11,575
Profit available for appropriation	31,171	23,948
Interim Dividend on Preference Shares	-	(142)
Tax on Dividend	-	(26)
Transfer to Capital Redemption Reserve	-	(5,385)
Surplus/ (Deficit) carried to Balance Sheet	31,171	18,396

Performance of the Company

During the year ended March 31, 2013 the sales (including excise duty) of the Company, was Rs.3,03,650 Lacs as compared to last year's sales of Rs.2,85,047 Lacs up by 6.5%. Profit before tax was Rs.17,917 Lacs as compared to corresponding profit of Rs.18,131 Lacs in the previous year.

Dividend

No Dividend on equity shares has been recommended by the Board for the year ended 31st March 2013 considering the future capital investment plans of the Company.

Management Discussion and Analysis Report (MD&A)

As required under the listing agreement, MD&A is enclosed as Annexure A and is a part of this Report.

SALES & MARKETING

Financial Year 2012-2013 witnessed a severe contraction of demand for Consumer Durables in general and Home Appliances in particular, continuing a trend that started in the previous financial year. Three factors contributed to demand slowing down. First, food inflation continued to be high through all of 2012-13. Second, in spite of slowing demand commodity and fuel inflation did not abate resulting in frequent increases in the price of products. Finally, depreciation of the rupee was a key factor that led to further price increases. In the final analysis, the twin impact of shrinking disposable income and high cost of goods led to deferment of purchase of items like appliances and other durables, which essentially are discretionary in nature. This was reflected in the Index of Industrial Production, the country's primary barometer for factory output, where production in the Consumer Durable sector has consistently been in negative territory.

In addition to the adverse macro economic factors, the brief summer witnessed in 2012 did not help. Summer accounts for approximately 40 % of annual sales. However, late onset of summer in most parts of the country led to lower offtake of summer products like Refrigerators and Air Conditioners with most retailers reporting no growth in the year's most salient season.

Despite these headwinds, your company was able to outperform the industry on the back of successful product launches. The company had launched a slew of new products across 6 categories - Refrigerators, Washing Machines, Air Conditioners, Microwave, Water Purifiers and Built-in kitchen appliances in 2012. A key feature of the April 2012 product launch was the emphasis on premium and super premium segments, an area that your company sees as an opportunity and on which it will allocate resources in the quarters to follow. Some of the products launched are described below.

1. Neo I-Chill Frost Free Refrigerators with a unique Deep Freeze Technology which cools 50% faster
2. IceMagic Direct Cool Refrigerators, which makes ice 40% faster
3. WhiteMagic 1-2-3 Nxt with new and advanced 6th Sense technology, that removes 16 types of stains
4. A suite of Built-in kitchen appliances designed in Europe including Coffee maker, Oven, Microwave Oven, Hob, Hood and Dishwasher. This product range targets the super premium segment of home appliances with their sleek design and latest technology.
5. Purafresh range of wall mounted RO Water Purifiers with MES (Mineral Enhancement System) which adds back essential minerals after the purification process is completed.
6. MagiCook 1-2-3 Microwave Oven with simplified, sequential user interface and 64 auto-cook menus, highest in the 20 L segment.

The new product line-up is a consequence of incisive consumer insights drawn from extensive market research and testing. Combined with Whirlpool's intuitive and intelligent '6th Sense' technology, the new range of products contains a high degree of consumer-relevant innovation and comes with Whirlpool's assurance of high performance, design and quality. The new portfolio supported by investment in advertising and promotion, enabled your company to expand distribution and grow market share.

Alternate channels of distribution were explored for Water Purifier. While retaining presence in the appliance trade, your company leveraged the service channel to introduce a Direct-to-Home business model.

Brand presence was augmented in the digital space, where the reach and involvement of premium end consumers is high. This medium will be leveraged innovatively to receive a higher share of advertising dollars. The first step in this direction has been to revamp the brand's website and enable e-commerce for a limited set of products, primarily accessories and consumables.

INTERNATIONAL BUSINESS

During the year under review, the export business of the Company achieved a turnover of Rs.185 Cr which represents flat growth over last year. Given the exceptionally difficult demand conditions and volatile currency situation in international markets, particularly Australia and Europe, this achievement is commendable.

Neighbouring markets in SAARC region performed well. Over the last few years, this region has grown consistently and today accounts for almost half our export turnover. Nepal and Bangladesh, in particular, witnessed high growths of 50% +. In Nepal, Whirlpool opened Exclusive Brand Outlets which has provided a fillip to the brand's visibility. In Bangladesh the company signed up with new distributors and embarked on a project to significantly expand retail coverage.

Sharp focus on market development and partnership with stakeholders continues in our strong markets of Australia and Sri Lanka. Despite sharp contraction in demand in both these markets, Whirlpools brand strength helped in holding volumes to previous year's level.

Your company has also started business in Thailand with the launch of Neo I-Chill Frost Free Refrigerators which we see as a source of immense growth. Plans are afoot to launch the range in Philippines too, in the near future. We have seen renewed interest from partners in Middle East & Africa, after the Neo I-Chill refrigerators were introduced in Dubai. We have reason to believe that the new Frost Free range will generate healthy demand in most of our export markets.

Going forward, the Company remains very optimistic about the prospects of the Exports business. The I-Chill and IceMagic range, with its international aesthetics and world class quality, presents an opportunity to expand our business in several markets and deliver high growth in the coming year.

CONSUMER SERVICES

In the year under review, your company invested substantial resources to ensure that the quality of service delivery can qualify as "Best in Class". The investment was in two areas: expansion of service network and training. The establishment and inauguration of a state-of-the-art training centre exclusively for Service personnel called "Whirlpool Service Academy" is a tangible manifestation of the function's intent and commitment to deliver a positive customer experience. Uncompromising Customer Care (UCC), a pioneering initiative copied by others in the industry, has been expanded and is not only delivering good results and helping us differentiate our service offering in the market place.

The revenue stream of Consumer Service is growing steadily as a result of addition of new value added accessories to our catalogue. More importantly, we have a healthy innovation pipeline and are confident that the new products we launch will create value for both consumers and company.

As mentioned earlier, the service network is leveraged to establish a Direct to Home business model for Water Purifiers. The need for water testing, product detailing, product demonstration and filter replenishment makes this an ideal channel to grow your company's water business. Indeed, the intention of the service function is to use its vast network to knock on doors beyond existing Whirlpool homes, using water products as a bridge to forge new relationships and adding value by offering consumers the right solution for their water problems.

HUMAN RESOURCES

The year 2012-13 saw the Human Resource function partner strongly with the business to manage the hostile business environment. The foremost priority of the HR team was to sustain the Spirit of Winning, key drivers of which were talent retention, capability development, culture and communication.

HR rallied and aligned the organisation around the company's long term strategy and short term imperatives. The goal setting process was deployed through your company's online system and reinforced through cross functional meets to build common understanding and drive excellence.

Career architecture frameworks were specifically designed and deployed in the organisation to bring visibility and clarity to individuals careers. Growth opportunities were created and the year saw 80% more role changes than the previous year.

Improving Managerial Effectiveness, a key management competency, continued to receive extraordinary focus. Specific feedback on one's managerial ability was gathered through a managerial skill survey, followed by a skill building workshop where 150 managers were trained to become better and more effective supervisors. These initiatives helped your company get a healthy score on Managerial Skills and helped increase Employee Engagement scores as well.

Employee Engagement initiatives acquired a greater sense of purpose too. Focus group discussions were conducted across the country and employee centric action plans were initiated. The quarterly 'Everyone Connect' teleconference which connects every employee across the country to the Leadership remains a key platform for periodic two-way communication. The interactive intranet site 'W-Connect' continues to be a popular forum for employees to express themselves.

Our commitment towards grooming young leaders found expression in the Emerging Leader Development Program meant for first-time people managers. The Critical Thinking and Communication Skills Workshop and Project Management Course were continued to enhance execution capability. Specific focus was applied on improving "Art of People Assessment - Interviewing Capability".

Indeed, the initiatives outlined above resulted in an increase in Employee Engagement Score to 83%, placing Whirlpool of India Limited, amongst the highest in the Whirlpool world.

FINANCE AND ACCOUNTS

The 2012-13 fiscal was a tough year for the consumer durables industry. Macro Economic indicator continue to be negative. GDP growth down from 6.5 points to 5.0 points, has resulted in slow down in Industry and low demand. In addition, sharp devaluation of the rupee and unabated commodity inflation spiked up input costs that necessitated frequent pricing actions, further softening demand. As a result, the consumer durables industry continue to be declining trend for 2nd consecutive year.

Against this background, your Company's net income were up by 4.7% versus the previous year and profit before tax was marginally down by 1.2% due to higher operation cost led by Inflation. Under the extremely challenging business environment described earlier, this is a very creditable performance with overall profitability and fiscal management still being the best in the industry.

In view of demand being low, your Company continues to focus on Cost and Cash. Several actions were taken to improve volume and category mix. All new product launches were made to improve market share and volume. Relentless pressure was applied on controlling discretionary expenditure and working capital management. Cash generation from operations remained strong even in this volatile environment, enabling your Company to finance planned investments internally without recourse to external debts. Indeed, your Company has invested over Rs.80 Crore in platform upgrades to produce more energy efficient and superior performing appliances.

DIRECTORS

Your Directors intrinsically believe in the philosophy of Corporate Governance and are committed to it for the effective functioning of the Board.

In accordance with the provisions of the Companies Act, 1956 and the Article 115 of the Articles of Association of the Company, Mr. Simon J Scarff and Mr. Sanjiv Verma retire by rotation and being eligible offer themselves for reappointment.

Mr. Simon J Scarff, is an Independent Non Executive Director of the company. He worked for over 23 years with Smithkline in various capacities and had last served as Non Executive Director & Chairman of GlaxoSmithKline Consumer Healthcare Limited up to 30th April 2013. In 1999 he was awarded the prestigious honour of the Officer of the Order of the British Empire by Her Majesty, The Queen of England. He is on the Board of your Company since 2001 and is also a member of the Audit Committee and Remuneration Committee.

Mr. Sanjiv Verma is an Engineering Graduate from Indian Institute of Technology (IIT). He has over 27 years of experience working in various leadership positions. His last assignment was as General Manager India and SEA, & Managing Director Baxter India. Currently he is a Director of J. V. D. Health Pvt. Ltd. He is Founder Trustee of Chronic Health Care Foundation of

India. His key strengths are Strategic thinking and influencing skills for business growth and profitability, Business Leadership skills, Analytical capabilities, People Management in a multicultural, multinational environment. He is on your Board since 2009 and is also a member of the Audit Committee and Remuneration Committee.

The current tenure of Mr. Arvind Uppal as Chairman and Managing Director expired on 31st March 2013 and has been re-appointed by the Board of Directors with effect from 1st April 2013 for a period of three years subject to approval of shareholders in the ensuing Annual General Meeting. Mr. Arvind Uppal was appointed as a Managing Director for a period of three years with effect from February 16, 2005 which was renewed further for three years by the shareholders in its Annual General Meeting held on 18th September 2008 and 19th July 2010 respectively. He was appointed as Chairman of your Company with effect from 27th January 2010. Mr. Arvind Uppal is a B.Tech from IIT Delhi and is a post graduate in Management from the Faculty of Management Studies, Delhi. He has over 25 years of experience in Business Development, International Marketing and General Management. Prior to joining Whirlpool he was with Nestle in India and overseas. He is a Director in two other Indian companies, i.e. Tuscan Ventures Private Limited, Akzo Nobel India Limited.

AUDITORS

Members are requested to appoint Auditors for the current year on a remuneration to be fixed by the Board as per the Notice for the Annual General Meeting. M/s S. R. Batliboi & Co. LLP, the present Auditors of the Company. M/s S. R. Batliboi & Co. LLP have furnished a certificate of their eligibility for reappointment under Section 224 (1B) of the Companies Act, 1956. The Board recommends their reappointment as Auditors for the Financial Year 2013-14.

The Board has taken note of the observations and remarks made by the Auditors in their Report on Statutory payments.

The observation made by auditors on slight delay in payment of statutory dues is self explanatory. The Company has taken effective steps to streamline the statutory payments.

FIXED DEPOSITS

As at 31st March 2013, no Fixed Deposits was held by the Company.

LISTING OF SHARES

Company's equity shares are listed at Bombay Stock Exchange Ltd. and National Stock Exchange Ltd.

AUDIT COMMITTEE

The Audit Committee held four (4) meetings during the year. The Members of the Audit Committee are:-

Mr. Anand Bhatia, Chairman - Independent Director

Mr. Simon J. Scarff, Member - Independent Director

Mr. Sanjiv Verma, Member - Independent Director

Mr. Anil Berera, Member - Executive Director

Mr. Anand Bhatia, 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.

Mr. Ravi Sabharwal, Company Secretary, is Secretary of the Audit Committee.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures;

(ii) The directors have 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 or loss of the company for that period;

(iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) The directors have prepared the annual accounts on a going concern basis.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of the provisions of Section 205C of the Companies Act, 1956, during the financial year there was no unclaimed amount required to be transferred to the Investor Education and Protection Fund established by Central Government.

CORPORATE GOVERNANCE

A Certificate from the Statutory Auditors regarding compliance of the conditions of Corporate Governance as per the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges is enclosed as part of Corporate Governance Report.

The Board of Directors support the concept of Corporate Governance and having regard to transparency, accountability and rationale behind the decisions have made proper disclosures separately under the heading "Corporate Governance".

INSURANCE

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

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

In accordance with the requirements of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, statement showing particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are annexed hereto (Annexure B) and form part of this report.

PERSONNEL

As required by the provisions of Section 217 (2-A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees are set out in the Annexure C to this Report. However, as per the provisions of Section 219 (1) (b) (iv) of the Companies Act, 1956, the Directors' Report is being sent to all members of the Company excluding the aforesaid information. Any member interested in obtaining such particulars may write to the Company Secretary either at the registered office or Corporate Office of the Company.

ACKNOWLEDGEMENT

The Company's growth has been achieved by continued support from all its stakeholders. The Company's partners- different stakeholders, Customers, Suppliers, Employees, Investors, Community Members, Banks & Financial Institutions have been instrumental in the Company's success. Your Directors wish to place on record their sincere thanks to these partners. The Directors' would also like to express their appreciation to various agencies of Central & State Government for their continued support.

For and on behalf of the Board of Directors

Place : Gurgaon
Date: May 14, 2013

Anil Berera
[Whole Time Director]
DIN 00306485

Arvind Uppal
[Chairman & Managing Director]
DIN 00104992

Annexure A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments:

The long term growth opportunity that India offers is attracting a number of international appliance brands. Recent entrants include brands from Germany, New Zealand, Japan and China which is making the Indian appliance industry more international in character. Joint ventures and strategic alliances are being forged. Several new entrants are investing heavily behind brand, distribution and manufacturing. For the moment however, the home appliance industry is highly concentrated, with the top 4 brands accounting for more than 80 % of the appliance market.

Category dynamics remain largely unchanged for refrigerators and washing machines, where single door and twin tub formats dominate. The Air Conditioner category has seen tremendous change with split air conditioners fast replacing windows. Indeed, several brands are exiting the window business altogether. In the Microwave category, more and more offerings are in the Convection and Grill models, which are more versatile products.

An over arching phenomenon is that premium segment of all appliance categories is seeing a lot of action. Today, it is common to see multi-door refrigerators, sophisticated front-load washing machines, inverter technology air conditioners, and Built-in products growing in awareness and distribution.

Outlook and Opportunities:

Demand in the next 12-18 months is expected to be modest as the country copes to reduce fiscal and current account deficits and takes measures to attract investment and stimulate growth. However, as GDP growth returns to 8%+ and disposable income increases, the appliance industry will see the levels of growths of 10%+. As penetration levels of all categories is low even in Urban India, long term, sustainable growth is assured. Other factors that can contribute to growth are:

- Improvement in infrastructure, such as roads, power, water
- Growth of financing schemes and institutions
- Expansion of modern retail
- Implementation of GST/rationalization of taxes

The National Manufacturing Policy, and in particular the National Policy on Electronics, that seeks to grow manufacturing of the electronics sector to $400 B by 2020 and create 28 M jobs is a step in the right direction to boost manufacturing in India. It is hoped that the attractive incentives that the government is offering to convert the goal into reality will result in the development of a mature and efficient supply base of key components, many of which are currently imported.

Outlook on Threats, Risks and Concerns:

GDP growth slowed down to ~5% in the FY 2012-13 and is expected to grow marginally in the next. The trend on inflation is more positive as both commodity and food inflation is expected to ease in the ensuing quarters. It is therefore reasonable to expect cuts in interest rates which in turn would shore up consumer sentiment. However, any positive outcome on demand arising from the aforementioned indicators could be negated by measures taken to control fiscal deficit, which is high on the government's agenda. For example, withdrawal of subsidies would increase cost of living and reduce disposable, adversely impact demand for appliances.

Hence, the primary concern is that the demand scenario is expected to be low to modest in the next year. Long term demand for home appliances, however, remains strong.

A secondary concern is the increase in competitive activity. The threshold of advertising to sales has gone up and it costs more to remain salient. If investments in manufacturing lead to over-capacity, profitability of the industry may be threatened.

Segment wise Performance, Internal Controls, and Financial Performance

The company operates in only one segment of White Goods. Gross domestic sales in value terms grew by 7.1% and overall sales grew by 6.6%.

Internal Control Systems and Adequacy

The Company has in place adequate internal control systems and procedures 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; and
- 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. The Company has also complied with the clause 49 of the listing agreement.

Financial Performance

The financial performance of the Company has been given separately in the Directors' Report.

ANNEXURE B

INFORMATION AS PER SECTION 217 (1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2013.

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

In accordance with the requirements of Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, statement showing particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is as under:

A. CONSERVATION OF ENERGY

(a) Energy Conservation Measures Taken:

Faridabad Plant

i. Paint Shop Baking Oven temperature reduction by rebalancing air flow, leading to fuel reduction from 0.34 L/refrigerator to 0.30 L/refrigerator.

ii. LED Tube Lights installed in shop-floor for 70% reduction in light load.

iii. Compressed Air Pressure Balancing for reduction of 1,000 units/day of electric load.

iv. New Technology Screw Compressor installed for better efficiency.

v. Energy Efficient Vacuum Pumps installed for better electric efficiency.

vi. Air Pressure Decay Test & Heat Leakage Tests being conducted weekly for prompt actions.

Pune Plant

i. Maytag Thermoformer - Replacement of old vacuum pumps with new energy efficient vacuum pumps resulting in power savings of Rs. 2.00 per refrigerator on Onyx line.

ii. Maytag Thermoformer - Replacement of old hydraulic power pack system with new energy efficient hydraulic power pack system resulting power savings of Rs. 4.00 per refrigerator on Onyx line.

iii. We have installed a 1200 CFM Atlas Copco Screw Compressor in place of reciprocating compressors resulting in power savings of Rs. 6.00 per refrigerator.

iv. Auto switching off is done on hydraulic power packs to avoid no-load running of power pack

v. Replacement of three old Extruder Re-grinder machines with new energy efficient machines resulting in power savings of Rs. 1.50 per refrigerator.

vi. Replacement of old extruder vacuum pump with new energy efficient pump resulting power savings of Rs. 1.00 per refrigerator.

Puducherry Plant

i. Press oil temperature increased from 22^0 to 40^0 by which energy consumption was reduced in chiller compressor.

ii. Number of recirculation motors reduced from 3 to 2 by modification of the recirculation water layout.

iii. LED lamp introduced in sheet light area.

iv. Air leak check conducted periodically for Line 1 & Line 2 - compressor loading time reduced.

v. LED lamp introduced at stores unloading bay.

vi. CFL lamp introduced at PCB inspection area, assembly area, and packing material storage area.

vii. Auto cut-off timer introduced at Dining Hall and Administration Block air conditioner area.

viii. Auto cut-off introduced at RTC area street lights.

b) Additional Investments and proposals being implemented for reduction of energy consumption:

Faridabad Plant

i. Electricity power purchase through open market (IEX).
ii. Solar On-Grid plant (100KVA) installation.
iii. Solar water heater food preparation in canteen to reduce LPG consumption.
iv. Upgrade of street lights to LED Lights (100 Nos.) with scope of reducing power consumption by 80%.
v. Reduction of fuel consumption by operating WD Oven at low temperature by new innovations of water drying measures.
vi. Centralized chilled water plant for machines in close vicinity for better efficiency.
vii. Upgrade of thermoforming machine heating system new Quartz technology.

Pune Plant

i. Electricity power purchase through open market (IEX).
ii. Additional screw compressor planned to replace the remaining reciprocating compressors.
iii. Optimization of the Hydraulic Power pack in CRF area.
iv. LED lighting in Assembly lines.
v. Renewable solar power project for 100KWp.

Puducherry Plant

i. Solar energy proposed for administrative block.
ii. Modification of air line to be modified, as per air utilization audit recommendation.
iii. Additional LED lamp to be introduced at street light area.
iv. LED lamp to be introduced at shop floor area.
v. Split duct to be modified at mini and main conference area.
vi. Diesel Generator efficiency improvement plan.
vii. Implementation of energy conservation projects as per Honeywell recommendations.

c) Impact of (a) and (b) on the cost of production:

Faridabad Plant	:	Rs.7.00 per Refrigerator
Pune Plant	:	Rs.9.60 per Refrigerator
Puducherry Plant	:	Rs.0.81 per Washing Machine

B) TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT

a) Specific areas in which R&D is carried out by the company:

Faridabad Plant

i. Investment in new platforms made (Project Gen-Y) to produce more energy efficient refrigerators in Direct Cool range launched in market in FY 2012-13.
ii. Consumer relevant features like Uncontrolled Cooling Zone, Electronic Controls, Split Crisper, Integrated Pedestal, Tomato Bin, multi-utility Bin introduced as part of new model offerings.
iii. State-of-the-art, contemporary CAD and simulation packages used to make robust design with compressed design cycle time.
iv. Both internal & external aesthetics improved by providing prismatic profiles on internal bins and new patterns on doors.
v. Functional Quality improved by finding root causes through structured process by using OPEX & 8D methodology.
vi. Simulation test methods used for improvement of experienced quality.
vii. Use of Test-to-Fail and Reliability Engineering Techniques used during developmental testing for estimating and improving reliability of products (Reliability = Performance over Life of Product), through state-of-the-art, internationally accepted laboratory facilities.

Pune Plant

i. Introduction of new range of products (242L to 480L 2-Door Frost Free refrigerators) for domestic market and export to Australia, Middle East, Thailand, and Srilanka with necessary 3rd party approvals/certifications.
ii. Design & Development of products to delivery higher energy efficient products using R600a compressor and C-Pentane blowing agent.
iii. Development of new Subsystems/Parts for improvements in Energy, Cost & Quality of products.

iv. State-of-the-art, contemporary CAD and simulation packages used to make robust design with compressed design cycle time.

v. Use of Test-to-Fail and Reliability Engineering Techniques during developmental testing for estimating and improving reliability of products (Reliability = Performance over life of product), through state-of-the-art, internationally accepted laboratory facilities.

Puducherry Plant

i. Design completed on Sapphire Washer with new wash system, new design and larger capacity to cater to South East Asia and Australia market that will meet stringent wash performance, energy and water star rating requirements. Tooling is in progress.

ii. 7 new SKUs of 7.2 kg capacity washing machines in 54 cm platform launched as Project Lumina.

iii. 54 cm VARI wash system launched in 2012. This new product is excellent for water & energy saving.

iv. The next phase of Lumina with iconic larger display & encoder is under progress.

v. ACE design optimized and is aimed for launch in 2013 with a higher efficiency in cost.

vi. Simulation tools and math model methodologies used to work on system design and to understand physics for faster development and prediction of results.

vii. Improved test methods in the form of:

- variation reduction of existing methods
- replacing a pass/fail metric with a continuous metric
- better replication of real life failure modes in a test method
- creating a test fixture that allows the design team to better understand robustness of system

Benefits/achievements derived as a result of the above R&D.

Faridabad Plant

i. Wider product range with the introduction of Gen-Y Series in 190L & 215L series

ii. Market share gain because of the above, and because the new products offer better aesthetics and innovative features.

iii. Better space management options through Split Crisper, separate Tomato Bin, Multi-Utility Bin and Integrated pedestal.

iv. Premium value of offering through new features like UC zone, Integrated Pedestal and Electronic Controls.

v. Lower running cost to the consumer due to increased energy efficiency (5 Star) refrigerators.

vi. Improvement in perceived and experienced quality.

Pune Plant

i. Energy efficient products at competitive costs.

ii. Improved craftsmanship (fit and finish), robust build, reliable and improved quality products.

iii. Superior aesthetics.

iv. Modular products with common interface enabling us to leverage parts across platforms.

Puducherry Plant

i. Additional tooling investment enabled cost take-out and margin improvement in plastic body twin tub.

ii. Foray into Australia market to gain new export volume.

iii. 54cm VARI enables volume and margin gain.

iv. Simulation and math model reduces the developmental cycle time and increased predictability of results.

b) Future Plan of Action:

Faridabad & Pune Plant

i. Build cadence of existing product line up.

ii. Work towards reducing cost and improving quality. Continued focus on total cost productivity and process improvements.

iii. Launch new products with superior performance and aesthetics. Continue focus on innovative cooling and storage solutions which are relevant to consumers.

iv. Extend range of products with new variants in capacity/features.

v. Focus on premium offerings in sub-300L capacity.

vi. Continue focus to produce energy efficient products and use of green gas.

vii. Higher focus on export markets.

viii. Use of reliability, statistical techniques and 8D methodology during development of new products, to ensure reliability and functional quality of product.

Puducherry Plant

i) Capacity expansion on each foot print.

ii) Next generation plastic body styling in twin tub and fully automatic model plastic body.

iii) New wash system development and next level of "6th Sense" performance.

iv) Work on Soft Close lid assembly, Baby Care wash, Stain Pen for cuffs and collars, Manual bulk detergent dispensing.

Expenditure on R & D	**(Rs. in lacs)**
a) Capital	55.77
a) Recurring	3,499.20
b) Total	3,554.97
c) Total R & D expenses as % of total turnover	1%

C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

Efforts made towards technology absorption, adaptation and innovation are directed towards:

Faridabad & Pune Plant

i. Introduction of new range of Direct Cool refrigerators with improved quality, aesthetics & Costs.

ii. New energy requirements with minimal cost increases.

iii. New offerings for export.

iv. Use of environment friendly R-600a refrigerant in refrigerators.

v. Airflow optimization and adoption of higher energy efficiency compressors in refrigerators for better cooling performance at minimum energy consumption.

Puducherry Plant

i. Capacity expansion on each foot print.

ii. Next generation plastic body styling in twin tub.

iii. New wash system development next level of '6th Sense' performance.

iv. Soft close lid assembly, Baby Care wash, Stain Pen for cuffs and collars, Manual bulk detergent dispensing.

Benefits derived as a result of the above efforts:

Faridabad & Pune Plant

i. Improvement in market share & improvement in increasing customer base.

ii. Superior aesthetics, improved quality & craftsmanship (fit n finish).

iii. Focus on improving costs, productivity & improve reliability of our products.

Puducherry Plant

i. Cost take-out, volume and margin improvement in plastic body twin tub.

ii. Acquisition of a new export market (Australia).

iii. 54cm VARI wash system enabled gain of volume and margin.

iv. Simulation and Math model reduced developmental cycle time and improved ability to predict results.

v. Huge variety of color options of washing machines for wider consumer choice.

vi. Lumina launch with 7SKUs helped to increase volume.

D) FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE YEAR ENDED MARCH 31, 2013

	(Rs. in lacs)
Foreign Exchange Earnings:	
i) FOB value of sales, service & other income	24,220.73
Foreign Exchange Outgo-	
(i) CIF value of imports- Raw materials, Components, tools, spare parts and capital goods	62,283.78
(ii) Others	4,844.17

INDEPENDENT AUDITORS' REPORT

To
The Members of Whirlpool of India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Whirlpool of India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
   (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E
per Tridibes Basu
Partner
Membership Number: 17401

Place : Gurgaon
Date : May 14, 2013

Annexure referred to in paragraph [1] of "Report on Other Legal and Regulatory Requirements" in our report of even date

Re: Whirlpool of India Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme 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.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Companies (Auditor's Report) Order, 2003 (as amended) (herein referred to as the Order) are not applicable to the Company and hence not commented upon.

(e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

(v) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4 (v) (b) of the Order are not applicable to the Company and hence not commented upon.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

(viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, related to the manufacturing of refrigerators and washing machines and 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 same.

(ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities *though there has been a slight delay in a few cases*.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of sales-tax, customs duty and excise duty on account of any dispute, are as follows:

Name of Statue	Nature of Dues	Amount (Rs. Lacs)	Period	Forum Pending
Customs Act, 1962	Custom duty on non fulfillment of project imports	158.28	1993-94	CESTAT
Central Excise Act, 1944	Differential duty demanded by the department on washers, recovery of cenvat credit	21.58	2000-2003 1993-94	CESTAT
Service Tax Rules, 1994	Service tax on techical knowhow, bills discounting and exports, services (Gtech)	216.17	2005-07 2005-06, 2007-08	CESTAT CESTAT

Name of Statue	Nature of Dues	Amount (Rs. Lacs)	Period	Forum Pending
Andhra Pradesh General Sales Tax Act, 1957	Tax levied on optional service contacts, Tax on exempted turnover	18.02	2000-01, 2002-04	Tribunal
Andhra Pradesh Value Added Tax Act, 2005	Disallowance of concessional sale of refrigeration gas	3.32	2006-08	Deputy Commissioner
Bihar Sales Tax Act, 1959	Disallowance of rebate	0.51	2004-05	Deputy Commissioner
Bihar Value Added Tax Act, 2005	Rejection ofincentive, discount on credit notes & non submission of forms	101.18	2005-07, 2009-11	Deputy Commissioner
Bihar Sales Tax Act, 1959	Rejection of forms	169.96	2002-03	Addl. Commissioner
	Levy of entry tax and non submission of forms	1.45	2002-03	Commissioner of Sales Tax
Bombay Sales Tax Act, 1959	Tax on CQB excess claimed & forms short deposited etc	8.75	2004-05	Deputy Commissioner
Jammu & Kashmir Value Added Tax Act, 2005	Rejection of claim on HUPS sales	3.76	2007-08, 2008-09	Deputy Commissioner
Kerela General Sales Tax Act, 1963	Rejection of claim of stock transferdue to check post seal, canteen sale, statutory forms & Interest etc.	79.65	1999-00, 2003-05	Deputy Commissioner
Kerela Value Added Tax Act, 2005	Rejection of claim of stock transfer due to check post seal, canteen sale, statutory forms & interest etc, rejection of credit notes & forms short deposited, and dispute on Tax rate HUPS.	443.53	2005-06, 2006-07, 2008-10, 2009-11, 2011-12	Deputy Commissioner
MP Commercial Tax Act, 1944	Rejection of credit notes	13.79	2001-02	High Court
	Rejection of claim on discounts, Rejection of credit notes and Rejection of sales return	31.46	1998-00, 2002-03	Tribunal
	Rejection of sales return	1.95	2004-05	Tax Board
	Rejection of claim on discounts andNon submission of forms	23.15	2003-05	Additional Commissioner
MP Value Added Tax Act, 2005	Rejection of claim on discounts andNon submission of forms	15.58	2005-06	Additional Commissioner
Maharastra Value Added Tax Act, 2005	Tax on CQB excess claimed & forms short deposited etc	419.79	2005-08	Deputy Commissioner
Orissa Sales Tax Act, 1947	Non submission of forms, Rejection of Sales return and Enhancement of turnover, Entry Tax	13.47	1996-98, 2001-02, 1999-02, 2002-03	Asstistant Commissioner
Orissa Value Added Tax Act, 2005	Entry Tax & penalty	332.02	2008-09	Supreme Court
Punjab Value Added Tax Act, 2005	Tax on freight charged on invoices, Rejection of sales return and claim of concessional sale	265.41	2005-07, 2006-07	Deputy Commissioner
Rajasthan Value Added Tax Act, 2005	Rejection of surcharge, Ex-parte order of entry tax, SRN Not allowed	53.80	2007-09, 2010-11	Deputy Commissioner
Rajasthan Sales Tax Act, 1954	Rejection of surcharge	2.55	2000-01	Deputy Commissioner
Tamil Nadu General Sales Tax Act, 1959	Form short & Rejection of Stock Trf & C-form short	85.69	2008-11	Addl. Commissioner
	Statutory Form short	2.69	2006-07	STO
Tamil Nadu Value Added Tax Act, 2005	Entry tax, Enhancement of turnover	70.20	2001-02, 1994-98	Addl. Commissioner
	Demand on imported goods taxed at Higher rate	75.32	2002-04	High Court
	Penal interest on late payment	3.07	2002-03	High Court
The Jharkhand Value Added Tax Act, 2003	Levy of entry tax and non submission of forms	1.65	2004-07	Commissioner of Sales Tax
UP Entry Tax Act, 2007	Entry tax	39.60	2008-10	Supreme Court

Name of Statue	Nature of Dues	Amount (Rs. Lacs)	Period	Forum Pending
UP Value Added Tax Act, 2008	Provisional assessment andEnhancement of Turnover	17.73	2008-10	Addl. Commissioner
Uttrakhand Value added Tax Act, 2005	Disallowance of concessional sale of refrigeration gas	1.00	2008-09	First Appellate Authority
West Bengal Sales Tax Act, 1944	Rejection of claim of credit notes, forms short, etc	225.17	2002-03, 2004-05,	Asst. Commissioner
	Rejection of claim of credit notes, forms short, etc	34.42	1998-99, 2004-05	Addl. Commissioner
	Rejection of claim of credit notes, forms short etc, Rejection of claim for concessional sale	158.19	1999-02, 2003-04, 2005-06	Tax Board
	Rejection of claim of concessional sale.etc	6.76	2002-03	Special Commissioner
West Bengal Value Added Tax Act, 2005	Rejection of claim of credit notes, forms short etc, Enhancement of Turnover	363.39	2006-07, 2008-10, 2009-10	Addl. Commissioner
	Rejection of claim of credit notes, forms short, etc	111.65	2005-06	Asst. Commissioner

According to the information and explanations given to us, there are no dues of wealth-tax, service tax, and cess which have not been deposited on account of any dispute.

(x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company has no outstanding dues in respect of debentures to a financial institution.

(xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xvi) The Company did not have any term loan outstanding during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised any money through a public issue during the year.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S R Batliboi & Co LLP
Chartered Accountants
ICAI Firm registration number: 301003E
per Tridibes Basu
Partner
Membership No.: 17401

Place: Gurgaon
Date : May 14, 2013

BALANCE SHEET AS AT 31ST MARCH, 2013

(Rs. in lacs)

Particulars	Notes	31 March, 2013	31 March, 2012
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	**12,687.18**	12,687.18
(b) Reserves and surplus	3	**49,066.86**	36,331.62
		61,754.04	49,018.80
2 Non-current liabilities			
(a) Deferred tax liabilities (Net)	4	**2,480.27**	2,127.49
(b) Other long term liabilities	5	**1,150.90**	940.26
(c) Long-term provisions	6	**5,233.29**	4,659.04
		8,864.46	7,726.79
3 Current liabilities			
(a) Trade payables	7	**58,122.14**	51,318.51
(b) Other current liabilities	7	**5,750.49**	5,828.28
(c) Short-term provisions	8	**3,992.45**	4,830.62
		67,865.08	61,977.41
TOTAL		**1,38,483.58**	1,18,723.00
II ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	**38,706.47**	33,644.13
(ii) Intangible assets	9	**150.04**	216.19
(ii) Capital work-in-progress		**2,629.16**	4,503.44
(b) Long-term loans and advances	10	**6,799.41**	9,049.67
(c) Other non-current assets	11	**485.41**	1.00
		48,770.49	47,414.43
2 Current assets			
(a) Inventories	12	**52,228.03**	43,228.58
(b) Trade receivables	13	**17,090.97**	13,705.76
(c) Cash and bank balances	14	**15,503.35**	8,589.64
(d) Short-term loans and advances	15	**4,816.96**	5,624.96
(e) Other current assets	16	**73.78**	159.63
		89,713.09	71,308.57
TOTAL		**1,38,483.58**	1,18,723.00
Summary of significant accounting policies	1.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 30100E

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

per Tridibes Basu
Partner
Membership No. 17401

Arvind Uppal
Chairman &
Managing Director
DIN:00104992

Anil Berera
Executive Director
& Chief Financial Officer
DIN: 00306485

Ravi Sabharwal
Company Secretary

Place: Gurgaon
Date: May 14, 2013

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013

(Rs. in lacs)

Particulars	Notes	31 March, 2013	31 March, 2012
I Income			
Revenue from operations (Gross)	17	**303,649.87**	285,047.47
Less: Excise Duty		**26,377.27**	19,253.94
Revenue from operations (Net)		**277,272.60**	265,793.53
Other Income	18	**2,366.30**	1,230.49
Total revenue (I)		**279,638.90**	267,024.02
II Expenses			
Cost of raw materials and components consumed	19	**142,836.39**	118,794.41
Purchase of traded goods	20	**38,309.41**	30,359.90
(Increase) / decrease in inventories of finished goods, work in progress and traded goods	20	**(7,592.42)**	19,945.58
Employee benefit expense	21	**24,275.36**	21,344.03
Other expenses	22	**57,561.44**	53,040.88
Depreciation and amortisation expense	23	**6,031.87**	4,970.48
Finance costs	24	**300.13**	437.75
Total expenses (II)		**261,722.18**	248,893.03
III Profit before tax		**17,916.72**	18,130.99
IV Tax expense	25		
Current tax		**4,789.08**	5,728.64
Deferred tax		**352.78**	29.26
Total tax expense		**5,141.86**	5,757.90
V Profit for the year		**12,774.86**	12,373.09
VI Earnings per share [nominal value of shares Rs. 10 (previous year Rs.10)]	26		
Basic and Diluted (in Rs.)		10.07	9.62
Summary of significant accounting policies	1.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 30100E

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

per Tridibes Basu
Partner
Membership No. 17401

Arvind Uppal
Chairman &
Managing Director
DIN:00104992

Anil Berera
Executive Director
& Chief Financial Officer
DIN: 00306485

Ravi Sabharwal
Company Secretary

Place: Gurgaon
Date: May 14, 2013

Cash Flow Statement for the year ended March 31, 2013

(Rs. in lacs)

	31 March, 2013	31 March, 2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	**17,916.72**	18,130.99
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	**6,031.87**	4,970.48
Provision no longer required written back	**(126.52)**	(295.46)
Loss/(profit) on sale/write-off of fixed assets (net)	**(13.10)**	266.56
Interest Income	**(1,208.60)**	(353.03)
Interest and Finance Charges	**229.17**	437.75
Unrealised foreign exchange (gain)/loss	**(6.79)**	58.65
Operating profit before working capital changes:	**22,822.75**	23,215.94
Movements in working capital:		
Trade receivables	**(3,385.21)**	(2,183.93)
Short-term loans and advances	**821.11**	60.38
Other current assets	**46.91**	9.37
Long-term loans and advances	**543.01**	(453.52)
Other non-current assets	**(484.41)**	392.12
Inventories	**(8,999.44)**	23,507.72
Long-term provisions	**574.25**	(590.61)
Other long term liabilities	**210.64**	(152.48)
Trade payables	**6,803.63**	(18,351.81)
Short-term provisions	**(711.65)**	624.91
Other current liabilities	**(71.00)**	1.46
Cash Generated from Operations	**18,170.59**	26,079.55
Direct taxes paid	**(3,773.30)**	(4,380.33)
Net cash flow from /(used in) operating activities (a)	**14,397.29**	21,699.22
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets including capital work in progress and capital advances	**(8,406.15)**	(11,836.79)
Proceeds from sale of fixed assets	**21.99**	37.85
Interest received	**1,129.76**	388.78
Proceeds from Margin Money	**-**	17.44
Payment from Margin Money	**(93.08)**	(1.51)
Net Cash flow from /(used in) investing activities (b)	**(7,347.48)**	(11,394.23)
C. CASH FLOWS FORM FINANCING ACTIVITIES		
Redemption of 10% Redeemable Non-Convertible Cumulative Preference Shares	**-**	(5,385.00)
Interest and Finance Charges	**(229.19)**	(437.75)
Proceeds from Short term borrowings	**-**	14,200.00
Repayment of Short term borrowings	**-**	(14,200.00)
Change in Margin Money	**484.40**	(392.12)
Payment of Final Dividend on preference shares	**-**	(538.50)
Payment of Tax on Final Dividend on preference shares	**-**	(87.36)
Payment of Interim dividend on preference shares	**-**	(141.63)
Payment of Tax on Interim Dividend on preference shares	**-**	(25.55)
Net Cash used in financing activities (c)	**255.21**	(7,007.91)
NET INCREASE IN CASH & CASH EQUIVALENTS (a+b+c)	**7,305.02**	3,297.08
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**8,192.48**	4,895.40
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**15,497.50**	8,192.48
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on Hand	**4.09**	4.95
Balances with Scheduled Banks		
- On Current / Collection Account	**3,943.37**	3,519.85
- On Cash Credit Accounts	**1,550.04**	467.68
- On Margin Money Accounts	**5.85**	397.16
- On Deposit Accounts	**10,000.00**	4,200.00
Cash and Cash Balance as per Schedule 14	**15,503.35**	8,589.64
Less : Margin Money Accounts*	**(5.85)**	(397.16)
	15,497.50	8,192.48

*These balances represents deposits pledged with Government Authorities and Banks.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 30100E

per Tridibes Basu
Partner
Membership No. 17401

Place: Gurgaon
Date: May 14, 2013

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

Arvind Uppal
Chairman &
Managing Director
DIN:00104992

Anil Berera
Executive Director
& Chief Financial Officer
DIN: 00306485

Ravi Sabharwal
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

1. (a) Corporate information

Whirlpool of India Limited (the Company) is a public limited company registered in India under the Companies Act 1956. Its shares are listed on Bombay Stock Exchange and National Stock Exchange. 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 and small appliances and caters to both domestic and international markets. It also provides services in the area of product development, and procurement services to Whirlpool Corporation, USA and other group companies.

(b) Basis of preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except in case of Land (freehold and leasehold), Building and Plant and Machinery of the Refrigeration division for which revaluation is carried out.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the date of the financial statements. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Uncertainties about these estimates and assumption could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in the future periods.

b. Tangible fixed assets

Fixed assets, except land (leasehold and freehold), building and plant & machinery of Faridabad refrigeration division, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Land (leasehold and freehold), building and plant & machinery of Faridabad refrigeration division are measured at fair value less accumulated depreciation and impairment losses, if any, recognised after the date of revaluation. In case of revaluation of above assets, any revaluation surplus is credited to revaluation reserve.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

c. Depreciation on tangible fixed assets

Depreciation on fixed assets is provided prorata from the date of addition using the Straight Line Method at the rates based upon useful life of assets estimated by management, which are greater than or equal to the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956.

Depreciation rates arrived at after assessing the economic useful life of various categories of assets are as follows:

Type of Asset	Rates (SLM)	Schedule XIV Rates (SLM)
Factory buildings	3.34%	3.34%
Other than factory buildings	1.63%	1.63%
Plant and Machinery	4.75%	4.75%
Moulds and tools (included in Plant and Machinery)	16.21%	16.21%
Office equipments	4.75%	4.75%
Computers	33.33%	16.21%
Furniture and Fittings	6.33%	6.33%
Vehicle	23.75%	9.5%

Premium on Leasehold Land is amortised over the period of the lease and depreciation on leasehold improvement, which includes temporary structures, is provided over the unexpired period of lease or estimated useful life, whichever is lower. Extra Shift Depreciation is charged at the rates prescribed in Schedule XIV of the Companies Act, 1956.

In respect of revalued assets, the difference between the depreciation calculated on the revalued amount and original cost is recouped from the Revaluation Reserve Account.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life. The following are the acquired intangible assets:

Software

Cost of software is amortized 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 recognized in the statement of profit and loss when the asset is derecognized.

e. Grant

Grants are recognized when there is reasonable assurance that the grant will be received and conditions attached to them are complied with.

Grant received against specific asset is shown as a deduction from its gross value. Where the grant received equals the whole, or virtually the whole, of the cost of the asset, the asset is shown at a nominal value.

f. Research and development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised over the period of expected future sales from the related project, not exceeding five years.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

g. Leases

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule XIV to the Companies Act, 1956, whichever is lower. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

h. Impairment of tangible and intangible 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. The 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

i. Inventories

Inventories are valued as follows:

Raw Materials, Components, Stores and Consumables	At lower of Cost and Net Realisable Value
Work-in-Progress	At lower of Cost and Net Realisable Value
Finished Goods-Manufactured	At lower of Cost and Net Realisable Value
Finished Goods-Traded	At lower of Cost and Net Realisable Value
Spares for Finished Goods	At lower of Cost and Net Realisable Value

"Cost" of Raw Materials, Components, Stores and Consumables, Finished Goods-Traded and Spares for Finished Goods has been arrived at by using the "weighted moving average" cost formula.

"Cost" of Finished Goods-Manufactured and Work-in-Progress includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty, wherever applicable. Cost is determined on a "weighted average basis".

Materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

j. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Central sales tax and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Income from services

Revenue from services provided to various parties in terms of agreements with them is recognised on accrual basis. Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

Interest income is recognized 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.

k. Foreign currency translation

i. Initial Recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

iv. Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the year.

l. Retirement and other employee benefits

a. Provident Fund

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

b. Superannuation Fund

Retirement benefit in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable. The Company has arrangement with Insurance Company to administer its superannuation scheme.

c. 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 paid to such insurance company is charged to the statement of profit and loss. At the end of each accounting year, difference between obligation as per actuarial valuation and the fair value of plan asset is further provided for and any excess amount in plan assets over obligation is recognised as a loans and advances recoverable.

d. Welfare Schemes:

i. The Company has provided liability in respect of other Retirement Benefit Schemes offered to the employees of the Faridabad Refrigeration Operations on the basis of year end actuarial valuation. This is unfunded defined benefit scheme.

ii. The Company has taken life insurance cover from Insurance Companies for its blue collar employees at Faridabad Refrigeration Operations and for all white collar employees of the Company. The premium is charged to the statement of profit and loss on accrual basis. This is a defined contribution plan and there is no other obligation other than the contributions payable to Insurance Companies.

iii. The Company has provided for liability in respect of its scheme for Long Term Service Award for its employees at the Faridabad Refrigeration Operations and Puducherry Washers Operations on the basis of year end actuarial valuation. This is unfunded defined benefit scheme.

e. Compensated absences:

Short term compensated absences are provided for based on actuarial valuation. These are valued at cost to Company basis without considering any discounting and salary increase. Long term compensated absences are provided for based on actuarial valuation which is done as per projected unit credit method at year end.

f. Actuarial gains/losses are immediately taken to the Profit and Loss Account and are not deferred.

m. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future

taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

n. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

o. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p. Customs & Excise duty

Excise Duty on finished goods stock lying at the factory is accounted at the point of manufacture. Custom Duty on imported material lying in bonded warehouse is accounted for at the time of bonding of materials.

q. Provisions

A provision is recognized when the Company has a present obligation 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

r. Service under warranty/ extended warranty

Liabilities in respect of warranties including extended warranties are accrued and provided on the basis of valuation carried out by an independent actuary as at year end.

s. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

t. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. SHARE CAPITAL **(Rs. in lacs)**

Particulars	31 March 2013	31 March 2012
Authorized Shares		
150,000,000 (previous year 150,000,000) equity shares of Rs.10 each	**15,000.00**	15,000.00
155,000,000 (Previous Year 155,000,000) 10% redeemable non-convertible cumulative preference shares of Rs.10 each	**15,500.00**	15,500.00
Total authorised share capital	**30,500.00**	**30,500.00**
Issued, Subscribed and fully paid-up shares		
126,871,830 (previous year 126,871,830) equity shares of Rs 10 each	**12,687.18**	12,687.18
Total issued, subscribed and fully paid-up share capital	**12,687.18**	**12,687.18**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(Rs. in lacs)

Particulars	31 March, 2013		31 March, 2012	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
Shares outstanding at the beginning of the year	**126,871,830**	**12,687.18**	126,871,830	12,687.18
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**126,871,830**	**12,687.18**	**126,871,830**	**12,687.18**
10% Redeemable Non-Convertible Cumulative Preference Shares				
Shares outstanding at the beginning of the year	-	-	53,850,000	5,385.00
Shares Issued during the year	-	-	-	-
Shares redeemed during the year	-	-	(53,850,000)	(5,385.00)
Shares outstanding at the end of the year	-	-	-	-

(b) Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend 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.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	31 March, 2013		31 March, 2012	
	No. of shares	% holding	No. of shares	% holding
Equity shares of Rs. 10 each fully paid up				
Whirlpool Mauritius Ltd	**95,153,872**	**75.00**	95,153,872	75.00
10% Redeemable Non-Convertible Cumulative Preference Shares of Rs 10 each*				
Whirlpool Canada Holding Limited	-	-	-	-

As per the records of the company, including its register of shareholders/members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

* Redeemed during the previous year (Refer Note 2(a) above)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(d) Shares held by holding company, ultimate holding company, subsidiaries of the holding company, associates of the holding company, subsidiaries of the ultimate holding company and/or associates of the ultimate holding company

Out of equity and preference shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

(Rs. in lacs)

	31 March, 2013	31 March, 2012
Whirlpool Mauritius Ltd, the Holding Company 95,153,872 (Previous Year 95,153,872) Equity shares of Rs.10 each	**9,515.39**	9,515.39

(e) Aggregate number of Preference shares redeemed during the period of five years immediately preceding the reporting date:

No. of shares

	Redeemed during the year ended	
	31 March, 2012	31 March, 2011
1,52,342,500 10% Redeemable Non-Convertible Cumulative Preference Shares of Rs. 10 each, held by Whirlpool Canada Holding Limited were redeemed in two tranches in year ended 31st March, 2012 and 31st March 2011.	**5,38,50,000**	9,84,92,500

3. RESERVES AND SURPLUS **(Rs. in lacs)**

Particulars	**31 March, 2013**	**31 March, 2012**
Capital Reserve	**45.86**	**45.86**
Capital Subsidy	**0.50**	**0.50**
Capital Redemption Reserve		
Balance as per last financial statements	**15,234.25**	9,849.25
Add: amount transferred from surplus balance in the statement of profit & loss	-	5,385.00
Closing Balance	**15,234.25**	**15,234.25**
Securities Premium Account	**1,268.72**	**1,268.72**
Revaluation Reserve		
Balance as per last financial statements	**1,386.22**	1,425.84
Less: amount transferred to statement of profit and loss as reduction from depreciation	**39.62**	39.62
Closing Balance	**1,346.60**	**1,386.22**
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	**18,396.07**	11,575.16
Profit for the year	**12,774.86**	12,373.09
Less: Appropriations		
Interim dividend on preference shares (amount per share Rs. Nil (previous year Re.1)	**-**	141.63
Tax on dividend	**-**	25.55
Transfer to Capital redemption reserve	**-**	5,385.00
Net surplus in the statement of profit and loss	**31,170.93**	**18,396.07**
Total reserves and surplus	**49,066.86**	**36,331.62**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

4. DEFERRED TAX LIABILITIES (NET)

(Rs. in lacs)

Particulars	31 March, 2013	31 March, 2012
Deferred Tax Liability		
Impact of difference between tax depreciation and depreciation/amortisation charged for financial reporting purpose	**3,461.29**	3,155.28
Gross deferred tax liability	**3,461.29**	3,155.28
Deferred Tax Assets		
Impact of expenditure charged to the statement of profit & loss in current year/earlier years but allowable for tax purpose on payment basis.	**770.08**	732.05
Provision for doubtful debts and advances	**210.94**	295.74
Gross deferred tax assets	**981.02**	1,027.79
Net deferred tax liabilities	**2,480.27**	2,127.49

5. OTHER LONG TERM LIABILITIES

Trade Payables		
Trade payables	**657.19**	502.04
	657.19	502.04
Other:		
Sundry deposits	**493.71**	438.22
	493.71	438.22
TOTAL	**1,150.90**	940.26

6. LONG TERM PROVISIONS

Provision for employee benefits		
Provision for staff benefit schemes	**331.05**	412.42
	331.05	412.42
Other Provision		
Provisions for warranties (Refer Note 8 (a))	**3,006.20**	2,349.72
Provisions for litigations (Refer Note 8 (b))	**1,896.04**	1,896.90
	4,902.24	4,246.62
TOTAL	**5,233.29**	4,659.04

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7. OTHER CURRENT LIABILITIES

(Rs. in lacs)

Particulars	31 March, 2013	31 March, 2012
Trade Payables:		
Trade payables (Refer note 32 for details of dues to micro and small enterprises)	**58,122.14**	51,318.51
	58,122.14	51,318.51
Other Liabilities		
Income received in advance	**459.64**	604.46
Advance from customers	**902.15**	1,224.14
Payables for capital goods	**49.28**	164.64
TDS payable	**870.76**	450.90
VAT payable	**2,776.79**	2,789.72
Other Statutory dues	**691.87**	594.42
	5,750.49	5,828.28
TOTAL	**63,872.63**	57,146.79

8. SHORT TERM PROVISIONS

Provision for employee benefits		
Provision for gratuity (Refer note 36)	**724.74**	701.31
Provision for compensated absence	**926.89**	880.21
	1,651.63	1,581.52
Other provisions		
Provisions for warranties (Refer Note a below)	**2,340.82**	3,249.10
	2,340.82	3,249.10
TOTAL	**3,992.45**	4,830.62

Disclosure in respect of movement in provision account as per requirements of Accounting Standard 29

a) Provision for warranties

At the beginning of the year	**5,598.82**	5,301.24
Add: Arising during the year	**687.80**	1,940.15
Less: Utilized during the year	**939.60**	1,642.57
At the end of the year	**5,347.02**	**5,598.82**
Current portion	**2,340.82**	3,249.10
Non-current portion	**3,006.20**	2,349.72

Provision 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. Assumptions used to calculate the provision for warranties were based on current and previous year sales level and the failure trend in respect of defectives.

Disclosure in respect of movement in provision account as per requirements of Accounting Standard 29 (Contd.)

b) Provision for litigations **(Rs. in lacs)**

Particulars	31 March, 2013	31 March, 2012
At the beginning of the year	**1,896.90**	2,614.56
Add: Arising during the year	**140.87**	378.25
Less: Utilized during the year	**13.79**	217.28
Less: Unused amount reversed during the year	**127.94**	878.63
At the end of the year	**1,896.04**	1,896.90
Current portion	**-**	-
Non-current portion	**1,896.04**	1,896.90

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.

9. TANGIBLE ASSETS AND INTANGIBLE ASSETS

Rs in Lacs

	Tangible Assets									Intangible Assets	
Particulars	**Freehold land**	**Leasehold Land**	**Leasehold Improvements**	**Building**	**Plant and Machinery**	**Office Equipments**	**Furniture & Fixtures**	**Vehicles**	**Total (Tangible Assets)**	**Software**	**Total (Intangible Assets)**
Cost or valuation											
As at 1 April 2011	1,356.17	470.45	1,078.30	8,854.59	63,120.94	3,423.66	457.34	44.67	78,806.12	461.48	461.48
Additions	-	-	299.99	135.88	5,798.31	871.72	78.91	-	7,184.81	-	-
Disposals	-	-	39.30	-	112.72	527.84	4.71	-	684.57	-	-
As at 31 March 2012	**1,356.17**	**470.45**	**1,338.99**	**8,990.47**	**68,806.53**	**3,767.54**	**531.54**	**44.67**	**85,306.36**	**461.48**	**461.48**
Additions	-	-	235.75	35.72	10,268.47	509.76	39.96	-	11,089.66	-	-
Disposals	-	-	-	-	370.76	33.14	8.84	-	412.74	-	-
As at 31 March 2013	**1,356.17**	**470.45**	**1,574.74**	**9,026.19**	**78,704.24**	**4,244.16**	**562.66**	**44.67**	**95,983.28**	**461.48**	**461.48**
Depreciation/ Amortisation											
As at 1 April 2011	-	66.02	781.61	3,559.19	40,632.66	2,001.95	293.02	39.37	47,373.82	170.13	170.13
Charge for the year	-	4.76	214.54	276.81	3,909.45	497.34	29.56	2.48	4,934.94	75.16	75.16
Disposals	-	-	39.15	-	91.39	512.13	3.87	-	646.54	-	-
As at 31 March 2012	**-**	**70.78**	**957.00**	**3,836.00**	**44,450.72**	**1,987.16**	**318.71**	**41.85**	**51,662.22**	**245.29**	**245.29**
Charge for the year	-	4.74	213.91	278.07	4,763.35	706.72	36.08	2.47	6,005.34	66.15	66.15
Disposals	-	-	-	-	351.71	30.29	8.75	-	390.75	-	-
As at 31 March 2013	-	**75.52**	**1,170.91**	**4,114.07**	**48,862.36**	**2,663.59**	**346.04**	**44.32**	**57,276.81**	**311.44**	**311.44**
Net Block											
As at 31 March 2013	**1,356.17**	**394.93**	**403.83**	**4,912.12**	**29,841.88**	**1,580.57**	**216.62**	**0.35**	**38,706.47**	**150.04**	**150.04**
As at 31 March 2012	**1,356.17**	**399.67**	**381.99**	**5,154.47**	**24,355.81**	**1,780.38**	**212.83**	**2.82**	**33,644.13**	**216.19**	**216.19**

Notes:-

a. Revaluations

The Company originally revalued its Fixed Assets of the Refrigerator Division based on valuation report of the independent valuer during the financial year 1992-93. Net additions to Fixed Assets on account of such revalution was Rs.11,362.28 lacs. In the financial year 1995-96, the Company again revalued the fixed assets of the Refrigerator Division and reversed the revaluation reserve created in the financial year 1992-93. Additions to revaluation reserve (over historical cost) during the financial year 1995-96 were as follows:

	F.Y. 1995-96 (Rs. in lacs)
Land - Freehold	2,160.40
Land - Leashold	213.42
Building	1,652.57
Plant & Machinery	3,243.10

'Depreciation includes Rs.39.62 lacs (Previous Year Rs.39.62 lacs), being deprecation on revalued Fixed Assets , which has been recouped from the Revaluation Reserve.

b. Grant

Additions to Gross Block of Plant and Machinery are after deducting grant received amounting to Rs 17.68 lacs (Previous Year Rs.25.31 lacs)

c. Building constructed on leasehold land:

Particulars	31 March 2013	31 March 2012
Gross block	**4,622.54**	4,596.62
Accumulated depreciation	**1,932.32**	1,793.39
Depreciation for the year	**138.93**	137.87
Net book value	**2,689.92**	2,803.23

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

d. Building given on operating lease:

Particulars	31 March 2013	31 March 2012
Gross block	**58.91**	58.91
Accumulated depreciation	**36.33**	34.37
Depreciation for the year	**1.96**	1.97
Net book value	**22.58**	24.54

e. Plant & Machinery includes moulds lying with the third parties amounting to Rs.15,490.51 lacs (Previous Year Rs. 12,956.26 lacs) with a net book value of Rs 6,501.15 lacs. (Previous Year Rs. 4,885.37 lacs).

10. LONG TERM LOANS AND ADVANCES

(Rs. in lacs)

Particulars	31 March, 2013	31 March, 2012
Unsecured, considered good unless stated otherwise		
Capital Advances	**427.37**	1,236.60
Security Deposits:		
- Considered Good	**1,593.87**	1,701.69
- Doubtful Balances	**141.10**	123.55
	1,734.97	1,825.24
Less: Provison for doubtful security deposits	**141.10**	123.55
	1,593.87	1,701.69
VAT credit receivable:		
- Considered Good	**177.85**	274.01
- Doubtful Balances	**96.16**	-
	274.01	274.01
Less: Provison for doubtful VAT credit receivable	**96.16**	-
	177.85	274.01
Other loans and advances (Unsecured, considered good unless otherwise stated)		
Advances paid under protest	**2,298.11**	2,513.63
Advance tax, tax deducted and collected at source (Net)	**580.66**	433.48
MAT credit entitlement	**1,721.55**	2,890.26
	4,600.32	5,837.37
	6,799.41	9,049.67
Loans to employees include		
Dues from non-executive directors	**-**	-
Dues from officers	**-**	-
Dues from non-executive directors and officers jointly with other persons	**-**	-
Loans and advances to related parties include	**-**	-
Advances recoverable in cash or kind include		
Dues from the partnership firm (RST) in which the company's non-executive director is a partner	**-**	-
	-	-

11. OTHER NON CURRENT ASSETS

(Rs. in lacs)

Particulars	31 March, 2013	31 March, 2012
Unsecured, considered good unless otherwise stated		
Balance with Banks:		
Deposits with original maturity of more than 12 months (receipts Pledged with Banks and Government departments)	**485.41**	1.00
TOTAL	**485.41**	1.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

12. INVENTORIES
(valued at lower of cost and net realisable value)

(Rs. in lacs)

Particulars	31 March, 2013	31 March, 2012
Raw material and components (includes in transit Rs. 1,337.93 Lacs, previous year Rs. 1,575.56 Lacs)	**11,334.76**	9,281.34
Work- in- Progress	**168.21**	79.22
Finished Goods (includes in transit Rs. 173.15 Lacs, previous year Rs. 579.00 Lacs)	**27,017.90**	19,569.95
Traded Goods (includes in transit Rs. 865.08 Lacs, previous year Rs. 219.38 Lacs)	**9,951.22**	10,387.50
Stores and consumables	**251.96**	247.32
Spares for finished goods (includes in transit Rs. 40.95 Lacs, previous year Rs. 150.10 Lacs)	**3,503.98**	3,663.25
TOTAL	**52,228.03**	43,228.58

13. TRADE RECEIVABLES

Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	**641.67**	355.17
Unsecured, considered doubtful	**348.30**	755.22
	989.97	1,110.39
Less: Provision for doubtful receivables	**348.30**	755.22
	641.67	355.17
Other Receivables		
Unsecured, considered good	**22,251.95**	17,854.67
	22,251.95	17,854.67
Less: Provision for trade discounts	**5,802.65**	4,504.08
	16,449.30	13,350.59
TOTAL	**17,090.97**	13,705.76

14. CASH AND BANK BALANCES

Cash and cash equivalents		
Cash on hand	**4.09**	4.95
Balances with banks in:		
- On Current / Collection Account	**3,943.37**	3,519.85
- On Cash Credit Accounts	**1,550.04**	467.68
	5,497.50	3,992.48
Other bank balances		
Margin money (receipts Pledged with Banks and Government departments)	**5.85**	397.16
Deposits with original maturity period upto 3 months	**10,000.00**	4,200.00
	10,005.85	4,597.16
TOTAL	**15,503.35**	8,589.64

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

15. SHORT TERM LOANS AND ADVANCES

(Rs. in lacs)

Particulars	31 March, 2013	31 March, 2012
Unsecured, considered good unless stated otherwise		
Security Deposits	**182.05**	73.04
Advances recoverable in cash or kind or for value to be received		
- considered good	**2,781.02**	3,161.28
- considered doubtful	**13.41**	25.16
	2,794.43	3,186.44
Less: Provision for doubtful advances	**13.41**	25.16
	2,781.02	3,161.28
Other loans and advances (Unsecured, considered good unless otherwise stated)		
Balances with customs, excise etc.	**1,456.74**	1,469.16
VAT credit receivable	**307.10**	877.43
Advance to employee	**111.45**	65.45
Less: Provision for doubtful advances	**21.40**	21.40
	90.05	44.05
TOTAL	**4,816.96**	5,624.96

16. OTHER CURRENT ASSETS

Unsecured, considered good unless otherwise stated		
Assets held for sale	**10.00**	10.00
Unamortised premium on forward contract	**2.47**	49.38
	12.47	59.38
Others		
Interest receivable	**61.31**	100.25
	61.31	100.25
TOTAL	**73.78**	159.63

17. REVENUE FROM OPERATIONS

Revenue from Operations		
Sale of products		
Manufactured Goods	**275,294.87**	245,380.56
Traded Goods	**59,018.87**	68,138.09
Sub Total	**334,313.74**	313,518.65
Less: Trade discounts	**39,487.20**	37,868.59
	294,826.54	275,650.06
Sale of Services	**8,620.62**	9,056.97
Other Operating Revenue		
- Export incentives	**202.71**	326.01
- Other	**-**	14.43
Revenue from Operations (Gross)	**303,649.87**	285,047.47
Less: Excise duty#	**26,377.27**	19,253.94
Revenue from Operations (Net)	**277,272.60**	265,793.53

Excise duty on sales amounting to Rs.26,377.27 lacs (Previous Year Rs. 19,253.94 lacs) has been reduced from sales in Statement of Profit and Loss and excise duty on increase in stock amounting to Rs. 1,360.10 lacs (Previous Year Rs. 604.83 lacs on account of decrease in stock) has been considered as expense in note 22 of the financial statements.

17. REVENUE FROM OPERATIONS (Contd.) **(Rs. in lacs)**

Particulars	31 March, 2013	31 March, 2012
Detail of Product sold		
Manufactured Goods		
Refrigerators	**209,616.26**	183,819.41
Washing Machines	**63,931.99**	60,400.38
Airconditioners	**257.62**	474.87
Other Products	**1,489.00**	685.90
	275,294.87	245,380.56
Traded Goods		
Refrigerators	**41.69**	41.20
Washing Machines	**8,436.38**	10,036.97
Airconditioners	**25,105.20**	32,238.64
Microwave Ovens	**6,396.05**	8,016.39
Spares and accessories	**15,551.19**	14,213.03
Other Products	**3,488.36**	3,591.86
	59,018.87	68,138.09
Detail of Services rendered		
Services rendered		
AMC services	**1,022.70**	1,226.82
Export services - Product Technology Support	**6,757.08**	5,844.95
Export services - Others	**321.90**	1,606.24
Royalty Income	**518.94**	378.96
	8,620.62	9,056.97

18. OTHER INCOME

Interest Income on		
- Refund from Income Tax Department	**26.31**	-
- Bank deposits	**1,174.26**	340.15
- Others	**8.03**	12.88
Profit on sale of assets	**13.52**	-
Provision no longer required written back	**126.52**	295.46
Rebate on bill discounting	**515.96**	243.04
Miscellaneous income	**501.70**	338.96
TOTAL	**2,366.30**	1,230.49

19. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Inventory at the beginning of the year	**9,281.35**	12,811.48
Add: Purchases	**152,316.35**	116,695.40
Less: Sale of raw material	**8,077.56**	1,431.12
Add: Insurance Claim Adjustment (Refer note number 42)	**651.01**	-
Less: Inventory at the end of the year	**11,334.76**	9,281.35
Cost of raw materials and components Consumed	**142,836.39**	118,794.41
Details of raw materials and components consumed		
Steel sheet	**15,226.59**	12,670.23
Compressors	**27,403.93**	23,534.63
Other intermediaries & components	**100,205.87**	82,589.55
TOTAL	**142,836.39**	118,794.41

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

19. COST OF RAW MATERIAL AND COMPONENT CONSUMED (Contd.) **(Rs. in lacs)**

Particulars	31 March, 2013	31 March, 2012
Details of inventory of raw materials and components		
Steel sheet	**3,453.65**	1,893.82
Compressors	**2,233.74**	2,224.16
Other intermediaries & components	**5,647.37**	5,163.37
TOTAL	**11,334.76**	9,281.35

20. (INCREASE) / DECREASE IN INVENTORIES

Inventory at the beginning of the year		
Work-in-Progress (a)	**79.22**	492.43
Spares for Finished Goods (b)	**3,663.24**	4,402.99
Finished Goods- Manufactured (c)	**19,569.95**	23,598.57
Finished Goods- Traded (d)	**10,387.50**	25,151.50
	33,699.91	53,645.49
Inventory at the end of the year		
Work-in-Progress (e)	**168.21**	79.22
Spares for Finished Goods (f)	**3,503.98**	3,663.24
Finished Goods- Manufactured (g)	**27,017.90**	19,569.95
Finished Goods- Traded (h)	**9,951.22**	10,387.50
	40,641.31	33,699.91
(Increase)/Decrease in Inventories		
Work-in-Progress (a-e)	**(88.99)**	413.21
Spares for Finished Goods (b-f)	**159.26**	739.75
Finished Goods- Manufactured (c-g)	**(7,447.96)**	4,028.62
Finished Goods- Traded (d-h)	**436.28**	14,764.00
Insurance claim Adjustment	**(651.01)**	-
TOTAL	**(7,592.42)**	19,945.58
Details of Purchase of Traded Goods		
Refrigerators	**24.38**	6.47
Washing Machines	**5,616.63**	7,262.82
Airconditioners	**16,303.11**	6,477.57
Microwave Ovens	**3,694.59**	4,985.26
Spares for Finished Goods	**9,015.54**	7,880.76
Other Products	**3,655.16**	3,747.02
TOTAL	**38,309.41**	30,359.90
Details of Inventory		
Traded Goods		
Refrigerators	**1.65**	14.27
Washing Machines	**1,387.50**	1,507.26
Airconditioners	**6,582.39**	6,433.40
Microwave Ovens	**997.52**	1,659.61
Other Products	**982.16**	772.96
TOTAL	**9,951.22**	10,387.50
Spares for Finished Goods	**3,503.98**	3,663.24
TOTAL	**3,503.98**	3,663.24

20. (INCREASE) / DECREASE IN INVENTORIES (Contd.) **(Rs. in lacs)**

Particulars	31 March, 2013	31 March, 2012
Details of Inventory		
Work in Progress		
Refrigerators	**126.82**	23.01
Washing Machines	**41.39**	56.21
TOTAL	**168.21**	79.22
Manufactured Goods		
Refrigerators	**23,573.81**	16,525.01
Washing Machines	**3,419.23**	2,780.32
Airconditioners	**15.87**	255.17
Other Products	**8.99**	9.45
TOTAL	**27,017.90**	19,569.95

21. EMPLOYEE BENEFIT EXPENSES

Salaries, wages and bonus	**21,191.78**	18,517.09
Contribution to provident and other funds	**878.71**	784.41
Other Post Employment benefits	**100.26**	112.35
Gratuity expenses (refer note 36)	**692.90**	626.43
Leave compensation expenses	**191.33**	289.61
Workmen and staff welfare expenses	**1,220.38**	1,014.14
TOTAL	**24,275.36**	21,344.03

22. OTHER EXPENSES

	Current year	Previous year (Rs. in lacs)		
Consumption of Stores and Consumables			**335.82**	314.81
Processing Charges			**174.41**	241.30
Power and Fuel			**2,473.68**	1,967.03
Repairs and Maintenance:				
- Plant & Machinery			**873.90**	834.09
- Buildings			**511.15**	560.94
- Others			**462.88**	419.35
Advertisement, Publicity and Sales Promotion			**5,069.96**	5,281.85
Service Contract and Workshop Expenses			**6,770.65**	7,268.21
Freight, Cartage and Octroi (Net)			**14,623.75**	14,000.09
Cash Discount			**3,389.67**	3,393.45
Provision for Doubtful Debts and Advances;				
Provision for Doubtful Debts and Advances	**169.67**	101.86		
Created during the year				
Add: Bad Debts and Advances written off	**588.72**	-		
Less: Provision for Doubtful Debts and Advances written back	**(588.72)**	-		
			169.67	101.86
Recoverable balance written off			**20.46**	136.94
Rent			**3,780.31**	3,959.34
Rates and Taxes			**579.67**	314.20
Insurance			**211.25**	179.56
Payment to Auditor:				
As Auditor:				
- Audit Fee			**48.00**	48.00
- Tax Audit Fee			**6.90**	6.90
- Limited Review			**16.10**	16.10
- Fees for Review of Group Reporting			**14.00**	14.00
- Reimbursement of expenses			**2.00**	2.00
In other capacity:				
Other Services: (Certification)			**2.50**	6.25
Travelling and Conveyance			**2,742.18**	2,008.91
Legal and Professional Fees			**2,507.72**	2,270.91
Foreign Exchange Fluctuation (net)			**827.34**	374.78
Loss on Disposal/Write-off of Fixed Assets			**0.41**	266.56
Director's Sitting Fees			**5.80**	6.20

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

22. OTHER EXPENSES (Contd.) **(Rs. in lacs)**

Particulars	31 March, 2013	31 March, 2012
Royalty	**2,472.11**	2,413.13
Know-How Fees	**1,079.82**	1,170.24
Donations	**7.96**	8.47
Research Expenses (Refer note below)	**3,499.20**	3,676.19
Increase/(Decrease) of Excise Duty on Inventory	**1,360.10**	(604.83)
Miscellaneous Expenses	**3,522.07**	2,384.05
TOTAL	**57,561.44**	53,040.88
Note: Research Expenses		
Raw material and components, Finished goods and spares consumed for research	**1,433.39**	1,492.22
Salaries, Wages and Bonus	**964.21**	902.34
Legal & Professional Fees	**432.72**	533.09
Travelling and Conveyance	**216.30**	265.85
Others	**452.58**	482.69
	3,499.20	3,676.19

23. DEPRECIATION AND AMORTISATION

Depreciation on tangible assets	**6,005.34**	4,934.94
Less: recoupment from revaluation reserve	**(39.62)**	(39.62)
	5,965.72	4,895.32
Amortization of Intangible assets	**66.15**	75.16
TOTAL	**6,031.87**	4,970.48

24. FINANCE COST

Interest		
- on banks	**1.41**	40.37
- others	**72.08**	131.33
Bank charges	**226.64**	266.05
TOTAL	**300.13**	437.75

25. TAX EXPENSES

Current tax *	**4,789.08**	5,728.64
Deferred tax (credit)/charge	**352.78**	29.26
TOTAL	**5,141.86**	5,757.90

* Current Tax provision includes amount related to earlier years of Rs. 52.65 lacs (previous year Rs 738.87 lacs)

26. EARNING PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:		
Profit/Loss after Tax	**12,774.86**	12,373.09
Less:		
Dividend on 10% Non- Convertible Cumulative Preference shares	**-**	(141.63)
Corporate dividend tax	**-**	(25.55)
Net Profit for EPS calculation	**12,774.86**	12,205.91
Weighted average number of equity shares outstanding during the year (Nominal value of Rs 10 per share each) in absolute numbers	**126,871,830**	126,871,830
Basic and diluted earning per share (in Rs.)	**10.07**	9.62

(Rs. in lacs)

Particulars	31 March, 2013	31 March, 2012
27. CONTINGENT LIABILITIES		
(a) Claims against the Company not acknowledged as debts: These claims are in respect of various cases filed by the ex-employees and consumers. It has been estimated that the liability arising on the Company should the actions be successful is Rs.1,027.15 lacs (Previous Year Rs. 1,154.12 lacs). The legal proceedings are going on 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 made in these financial statements.	**1,027.15**	1,154.12
(b) Others:-		
- On account of pending appeals of Excise Duty & Service Tax	**3,813.80**	2,119.36
- On account of pending appeals of Custom Duty	**264.79**	264.79
- On account of pending appeals of Sales Tax/ Value Added Tax assessments	**3,139.25**	3,204.62
(c) Letter of Credits with Bank	**4,184.62**	4,590.40
(d) Bank Guarantees given to Government Authorities	**6,008.00**	5,404.42

These cases as mentioned in point (b) above for which the total estimated liability, should the actions be successful, is Rs. 7,217.84 lacs (Previous Year Rs. 5,588.77 lacs). The legal proceedings are going on and therefore it is not practicable to state the timing of any payment.

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 cases.

e) In the Income-tax assessments for preceding assessment years, the Assessing Officer have made disallowances of various expenses (other than transfer pricing adjustments) amounting to Rs.9,378.50 lacs (Previous Year Rs.8,306.12 lacs). The Company's appeals against these orders are pending before the Appellate Authorities. This includes Income-tax department's appeal against the Company before the Appellate Authorities for certain matters wherein the CIT (Appeals) have ordered in favor of the Company.

On the basis of current status of individual case for respective years 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 cases.

f) In the Transfer Pricing Assessment for assessment year(s) 2003-04, 2004-05, 2005-06, 2008-09 and 2009-10 the Income Tax Authorities have made transfer pricing adjustments against the various transactions undertaken by the company. These transfer pricing adjustments have been set off by the Assessing Officer against accumulated brought forward losses and depreciation allowances of the company by Rs.12,944.63 lacs (Previous Year Nil) for Assessment Year 2009-10, Rs.20,332.25 lacs (Previous Year Rs.19,871.43 lacs) for Assessment Year - 2008-09, Rs.9,734.49 lacs (Previous Year Rs.9,734.49 lacs) for the Assessment Year 2005-06, Rs.Nil (Previous Year Rs.7,967.93 lacs) for Assessment Year 2004-05 and Rs.3,628.14 lacs (Previous Year Rs. 3,628.14 lacs) for the Assessment year 2003-04. The company's appeal for the Assessment Year 2009-10 is pending before Dispute Resolution Panel (DRP), in respect of Assestment Year 2008-09, the Company is in appeal before ITAT against the order of the Transfer Pricing Officer including effect to the DRP's order for the same year. Appeal for Assessment Year - 2005-06 is pending before the Commissioner of Income Tax and appeal for Assessment year 2003-04 is pending before the Income Tax Appellate Tribunal. Depending on the outcome of the aforementioned cases, assessments for the subsequent periods and upto March 31, 2013 could result into demands/settlements on the similar items, amounts whereof could not be ascertained.

Income Tax Authorities have imposed penalty aggregating to Rs.220.28 lacs (Previous Year Rs.Nil) in respect of assessment year 1998-99 for furnishing inaccurate particulars of income. The Company has filed appeal against the said penalty order before CIT (Appeals). During the earlier year a similar penalty was levied by Income Tax Authorities for the Assessment Year 2003-04 and for which the Commissioner of Income Tax- Appeals has deleted a penalty of Rs.624.42 lacs out of penalty aggregating to Rs.638.61lacs imposed by Income Tax Authorities for the financial year 2012-13. The Income Tax Department has filed further appeal before the ITAT and a corresponding cross appeal has also been filed by the Company before the ITAT.

On the basis of current status of above-mentioned individual cases 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 cases.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

28. Capital Commitments

Capital work contracted but still under execution (net of advances) is estimated at Rs 1,480.11 lacs (previous year Rs. 1,905.49 lacs).

29. Segment Reporting

a) Primary Segment - Business Segment

The Company's Operations predominantly comprise of only one segment i.e. Home Appliances. In view of the same, separate segmental information is not required to be given as per the requirements of Accounting Standard 17.

b) Secondary Segment - Geographical Segment

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:

- Sales within India represents sales made to customers located within India.
- Sales outside India represents sales made to customers located outside India.

Information pertaining to Secondary Segment:

Gross Revenue as per Geographical Locations

Sale of Products **(Rs. in lacs)**

Particulars	31 March 2013	31 March 2012
Within India	**315,574.16**	294,763.57
Outside India	**18,739.58**	18,755.08
Total	**334,313.74**	313,518.65

Sale of Services **(Rs. in lacs)**

Particulars	31 March 2013	31 March 2012
Within India	**1,541.64**	1,605.78
Outside India	**7,078.98**	7,451.19
Total	**8,620.62**	9,056.97

Receivables as per Geographical Locations **(Rs. in lacs)**

Particulars	31 March 2013	31 March 2012
Within India	**13,516.84**	9,681.74
Outside India	**3,574.13**	4,024.02
Total	**17,090.97**	13,705.76

Fixed Assets as per Geographical Locations

The Company has common fixed assets, other assets and liabilities for domestic as well as overseas market. Hence, separate figures for assets and liabilities have not been furnished.

30. Leases

Disclosures in respect of operating & finance leases are given as follows: **(Rs. in lacs)**

S. No.	Particulars	31 March 2013	31 March 2012
I	**Operating Lease (Non Cancellable)**		
A	The total of future minimum lease payments under non- cancellable operating leases for each of the following Years:		
(i)	Not later than one year	**858.94**	1,133.23
(ii)	Later than one year and not later than five years	**421.89**	834.07
(iii)	Later than five years	**-**	-
B	The total of future minimum sub-lease payments expected to be received under non-cancellable subleases at the balance sheet date	**-**	-

Disclosures in respect of operating & finance leases are given as follows: (Contd.) **(Rs. in lacs)**

S. No.	Particulars	31 March 2013	31 March 2012
C	Lease payments recognised in the statement of profit and loss for the Year	**988.21**	1,634.27
D	Sub-lease payments received (or receivable) recognised in the statement of profit and loss for the Year	**-**	-
E	A general description of the lessee's significant leasing arrangements; Lease rent agreement for Computer hardware devices, vehicles, offices, godowns and warehouses. There are no subleases and there are no restrictions imposed by lease arrangements. There is an escalation clause in lease agreements for offices, godowns and warehouses and rent expense under such agreements has been recognised as an expense on a straight line basis. Leases are renewable on mutual consent of both the parties.	**-**	-
II	**Operating Lease (Cancellable)**		
A	Lease payments recognised in the statement of profit and loss for the year.	**2,792.13**	2,316.07
B	A general description of the lessee's significant leasing arrangements; Lease rent agreement for offices, godowns and residence of employees. There are no subleases and there are no restrictions imposed by lease arrangements. Leases are renewable on mutual consent of both the parties. There is an escalation clause in certain lease agreements.		
III	**Finance Lease** The Company does not have any finance lease arrangements.		

31. Related Party Transactions

Following are the Related Parties and transactions made with them during the year:

Key Management Personnel	Mr. Arvind Uppal, Chairman & Managing Director Mr.Syed Shazad Akhtar (w.e.f May 17, 2010 till March 31, 2012) Mr. Robert Mink (till Aug. 31, 2011) Mr. Anil Berera (w.e.f Nov 3, 2011) Mr. Vikas Singhal (w.e.f. May 8, 2012)
Parties having direct or indirect control over the Company	Whirlpool Corporation Inc., USA (Ultimate Holding Company), Whirlpool Mauritius Limited (Holding Company)
Group Companies / Enterprise where common control exists and with whom transactions have taken place during the year.	Whirlpool (China) Investment Co. Ltd., Whirlpool Greater China Inc., Whirlpool Southeast Asia Pte, Whirlpool Europe S.r.l., Whirlpool India Holdings Limited, Whirlpool Slovakia Spol s.r.o., Whirlpool S.A., Whirlpool (Hong Kong) Limited, Whirlpool (Australia) Pty. Limited, WFC de Mexico S. de R.L. de C.V., Whirlpool Maroc S. àr.l., Whirlpool Argentina S.A, Whirlpool South Africa (Pty) Limited, Guangdong Whirlpool Electrical Appliances Co. Ltd., Whirlpool Microwave Products Development Limited, Beijing Embraco Snowflake Compressor Company Ltd, Whirlpool France S.A.S., Whirlpool Sweden A.B., Whirlpool Canada Holding Co., Bauknecht Hausgeräte GmbH, Empressa Brasileira, Comercial Acros Whirlpool, S.A. de C.V., Whirlpool Product Development (Shenzhen) Co. Ltd., Whirlpool Asia Pvt Ltd., Whirlpool Peru S.R.L., Whirlpool Poland SA, Whirlpool Chile Ltd.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in lacs)

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
(A) Transactions						
(1) Purchase of Raw Materials (exclusive of exchange fluctuation and net of returns)						
- Whirlpool Corporation Inc., USA	**1.00**	3.93	**-**	-	-	-
- Whirlpool Empresa Brasileria	**-**	-	**0.04**	4.10	-	-
- Beijing Embraco Snowflake Compressor Company Ltd	-	**-**	**428.92**	1,095.08	-	-
- Others	**-**	**-**	**54.55**	47.16	-	-
Total	**1.00**	3.93	**483.51**	**1,146.34**	**-**	**-**
(2) Purchase of Trading Goods (exclusive of exchange fluctuation and net of returns)						
- Whirlpool Corporation Inc., USA	**19.06**	-	**-**	-	-	-
- Whirlpool Microwave Products Development Limited	**-**	-	**1,599.92**	2,179.51	-	-
- Whirlpool Europe S.r.l.	-	**-**	**2,70.67**	320.04	-	-
- Others	**-**	-	**106.65**	53.59	-	-
Total	**19.06**	**-**	**1,977.24**	**2,553.14**	**-**	**-**
(3) Sales of Manufactured Goods (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA	**49.74**	174.67	**-**	-	-	-
- Whirlpool (Australia) Pty. Limited	-	-	**6,101.04**	5,624.55	-	-
- Whirlpool Europe S.r.l.	-	-	**1,194.95**	1,697.79	-	-
- Others	-	-	**529.92**	1,840.97	-	-
Total	**49.74**	**174.67**	**7,825.91**	**9,163.31**	**-**	**-**
(4) Reimbursement of expenses incurred on behalf of the parties by company (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc.	**376.70**	464.58	-	-	-	-
- Whirlpool (Australia) Pty. Limited	-	-	**326.81**	105.07	-	-
- Whirlpool Asia Pvt Ltd	-	-	**708.73**	549.53	-	
- Whirlpool Greater China Inc.	-	-	**-**	140.92	-	-
- Whirlpool South Africa (Pty) Limited	-	-	**103.29**	156.72		
- Others	-	-	**390.93**	276.13	-	-
Total	**376.70**	**464.58**	**1,529.76**	**1,228.37**	**-**	**-**

(Rs. in lacs)

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
(5) Reimbursement of expenses incurred on behalf of the Company by parties (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA	**300.73**	281.85	-	-	-	-
- Whirlpool S.A.	**-**		**93.21**	241.86	-	-
- Whirlpool Product Development	-	-	**158.93**	117.23	-	-
- Whirlpool Asia Pvt Ltd	**-**		**762.88**	669.77	-	-
- Whirlpool Microwave Products Development Limited	**-**	-	**24.18**	75.21	-	-
- Others	-	**-**	**99.30**	88.55	-	-
Total	**300.73**	**281.85**	**1,138.50**	**1,192.62**	**-**	**-**
(6) Income from Product Technology Services (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA.	**5,565.98**	5,029.71	**-**	-	-	-
- Whirlpool Europe s.r.l.	**-**	-	**409.40**	494.89	-	-
- Others	**-**	-	**781.70**	320.35	-	-
Total	**5,565.98**	**5,029.71**	**1,191.10**	**815.24**	**-**	**-**
(7) Income from Others Services (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA.	**306.13**	519.31	-	-	-	-
- Whirlpool Greater China Inc.	**-**	-	-	1,076.77	-	-
- Whirlpool (Australia) Pty. Limited	-	-	**15.77**	10.16	-	-
Total	**306.13**	**519.31**	**15.77**	**1,086.93**		
(8) Grant Received (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA.	**17.68**	25.31	-	-	-	-
Total	**17.68**	**25.31**	**-**	**-**	**-**	**-**
(9) Royalty fee (Brand Assistance)						
- Whirlpool Corporation Inc., USA.	**2,472.11**	2,413.13	-	-	-	-
Total	**2,472.11**	**2,413.13**	**-**			
(10) Technical know-how fee (Brand Assistance)						
- Whirlpool Corporation Inc., USA.	**1,079.82**	1,170.24	-	-	-	-
Total	**1,079.82**	**1,170.24**	**-**	**-**	**-**	**-**
(11) Directors' Remuneration						
- Mr. Arvind Uppal	**-**	-	-	-	462.12	520.07
- Mr. Anil Berara	**-**	-	-	-	181.04	52.21
- Mr. Vikas Singhal	**-**	-	-	-	110.42	-
- Mr.Syed Shazad Akhtar	**-**	-	-	-	-	170.57
Total	**-**	-	-	**-**	**753.58**	**742.85**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

(Rs. in lacs)

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012	31 March 2013	31 March 2012
(12) Dividend on 10% Redeemable Non-Convertible Cumulative Preference Shares (Exclusive of Exchange Fluctuation)						
- Whirlpool Canada Holding Co.-	-	-		141.63	-	-
Total	**-**	**-**	**-**	**141.63**	**-**	**-**
(13) Interest Income (Exclusive of Exchange Fluctuation)						
- Whirlpool (Australia) Pty Limited	-	-		1.51	-	-
Total	**-**	**-**	**-**	**1.51**	**-**	**-**
(14) Redemption of 10% Redeemable Non-Convertible Cumulative Preference Shares (Exclusive of Exchange Fluctuation)						
- Whirlpool Canada Holding Co.	-	-	-	5,385.00	-	-
Total	**-**	**-**	**-**	**5,385.00**	**-**	**-**
B) Balance outstanding at the year end:						
Trade Receivables						
- Whirlpool Corporation Inc., USA	584.43	500.70	-	-	-	-
- Whirlpool Southeast Asia Pte	-	-	48.12	71.69	-	-
- Whirlpool (Australia) Pty Limited.	-	-	140.31	1,329.46	-	-
- Whirlpool Europe s.r.l.	-	-	129.75	149.32	-	-
- Whirlpool Asia Pvt.Ltd.	-	-	229.53	-	-	-
- Whirlpool S.A.	-	-	93.87	381.56	-	-
- Others	-	-	306.84	428.67	-	-
Total	**584.43**	**500.70**	**948.41**	**2,360.70**	**-**	**-**
Trade Payables						
- Whirlpool Corporation Inc., USA	696.22	815.95	-	-	-	-
- Whirlpool Empresa Brasileria	-	-	-	1.66	-	-
- Whirlpool S A	-	-	650.92	579.02	-	-
- Whirlpool Microwave Products	-	-	335.47	332.26	-	-
- Whirlpool Product Development (Shenzhen) Co. Ltd. -	-	362.18	218.78	-	-	
- Beijing Embraco Snowflake Compressor Company Ltd. -	-	55.41	295.43	-	-	
- Whirlpool (China) Investment Co. Ltd.	-	-	1.46	101.19	-	-
- Others	-	-	193.32	110.72	-	-
Total	**696.22**	**815.95**	**1,598.76**	**1,639.06**	**-**	**-**

32. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent such parties have been identified from the available documents/ information is as below:-

(Rs. in lacs)

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	31 March 2013	31 March 2012
The Principal amount and the Interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal Amount	**872.40**	1,466.04
Interest	**31.66**	209.90
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	**249.21**	-
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.	**31.66**	117.16
Amount of interest accrued and remaining unpaid at the end of each accounting year; and		
F.Y. 2007-08	**-**	0.62
F.Y. 2008-09	**-**	0.72
F.Y. 2009-10	**-**	0.48
F.Y. 2010-11	**-**	90.92
F.Y.2011-12	**-**	117.16
F.Y.2012-13	**31.66**	-
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	**31.66**	209.90

33. Income Tax

The Company has recognized Rs. 1,721.55 lacs as on 31st March 2013 as Minimum Alternate Tax (MAT) credit entitlement (Previous Year Rs. 2,890.26 lacs), which represents that portion of the MAT Liability, the credit of which would be available based on the provisions of Section 115 JAA of the Income Tax Act, 1961. The Management based on the future profitability projections and also profit earned during the year is confident that there would be sufficient taxable profit in future which will enable the Company to utilize the above MAT credit entitlement.

34. Share Based Compensation

Disclosures in accordance with the Guidance Note on Accounting for Employee Share-based Payments issued by Institute of Chartered Accountants of India

The Company does not provide any equity-based compensation to its employees. However, the parent 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 at the closing price of Whirlpool Corporation common stock on the date of grant. Stock options expire in ten years from the date they are granted and vests in equal annual installments over service periods.

ii) Performance Cash Units

A performance cash unit is a unit valued at $1 (1 performance cash unit = $1), which an employee receives at the end of a specified vesting period. Performance cash units provide cash value at delivery. Performance cash units always have value and are not tied to the price of Whirlpool Corporation stock.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

B. Details of stock options granted during the period ended 31 March, 2013 are given below:

Options existing during the Year ended 31 March, 2013

Type of arrangement	Date of grant	Options granted (nos.)	Exercise Prices (US $)	Fair market value on the grant date (US $)	Vesting conditions	Weighted average remaining contractual life in years
Employee Stock Options	February 18, 2002	2,300	67.29	17.28	**1/10 of the shares vest each year over a period of ten years starting from one year after the date of grant.**	Nil
Employee Stock Options	February 16, 2004	2,600	72.94	25.07		Nil
Employee Stock Options	February 14, 2005	1,300	63.24	26.38		Nil
Employee Stock Options	February 16, 2005	1,050	63.91	26.72		1.88
Employee Stock Options	February 20, 2006	3,372	89.16	41.18		2.89
Employee Stock Options	February 19, 2007	3,130	94.47	47.64		3.89
Employee Stock Options	January 24, 2008	750	78.89	42.71		Nil
Employee Stock Options	February 19, 2008	4,801	88.49	48.32		4.89
Employee Stock Options	April 1, 2008	750	91.28	50.01		Nil
Employee Stock Options	February 16, 2009	18,396	31.82	18.30		5.88
Employee Stock Options	February 14, 2011	6,762	85.45	30.14	**1/3 of the shares vest each year over a period of three years starting from one year after the date of grant**	7.88
Employee Stock Options	April 1, 2011	4,438	86.30	31.00		7.88
Employee Stock Options	February 20, 2012	9,874	71.03	25.26		8.90
Employee Stock Options	April 1, 2012	1,541	76.86	26.61		8.90
Employee Stock Options	February 18, 2013	5,398	111.33	38.83		9.89

C. Summary of activity under the plan for the period ended 31 March 2013 and 31 March, 2012 are given below.

Employee Stock Options

	31 March 2013			31 March 2012		
Employee Stock Options	**Number of options**	**Weighted-average exercise price**	**Weighted-average remaining contractual life**	**Number of options**	**Weighted-average exercise price**	**Weighted-average remaining contractual life**
Outstanding at the beginning of the year	**43,169**	**66.56**	**7.31**	30,014	55.41	7.17
Granted during the year	**6,939**	**103.67**	**9.67**	18,736	77.91	9.01
Transfer/ Forfeited during the year	**4,310**	**63.45**	**-**	2,334	58.75	-
Exercised during the year	**3,732**	**59.96**	**-**	2,947	31.82	-
Expired during the year	**294**	**86.03**	**-**	300	67.29	-
Outstanding at the end of the year	**41,772**	**73.50**	**7.13**	43,169	66.56	7.31

Weighted average fair value of the options outstanding is $ 30.24 per option (Previous Year $ 28.59). The weighted average share price in current year was $ 108.25 per option (Previous year $ 78.16).

The estimated fair value of each stock option granted on each date was made using the Black-Scholes option pricing model with the following assumptions:

Grant Date	Closing Share Share price as at the grant date (US $)	Expected volatility for stock options	Contractual life in years	Dividend yield	Risk-free interest rate	Exercise price of options (US $)	Fair Value of options granted
February 18, 2002	67.29	28.10	10.00	2.00%	6.082	67.29	17.28
February 16, 2004	72.94	28.10	10.00	2.00%	6.451	72.94	25.07
February 14, 2005	63.24	28.10	10.00	2.00%	6.734	63.24	26.38
February 16, 2005	63.91	28.10	10.00	2.00%	6.734	63.91	26.72
February 20, 2006	89.16	28.10	10.00	2.00%	6.942	89.16	41.18
February 19, 2007	94.47	28.10	10.00	2.00%	7.188	94.47	47.64
January 24, 2008	78.89	28.10	10.00	2.00%	7.115	78.89	42.71
February 19, 2008	88.49	28.10	10.00	2.00%	7.115	88.49	48.32
April 1, 2008	91.28	28.10	10.00	2.00%	7.115	91.28	50.01
February 16, 2009	31.82	28.10	10.00	2.00%	7.041	31.82	18.30
February 14, 2011	85.45	44.30	6.00	2.64%	2.710	85.45	30.14
April 1, 2011	86.03	44.40	5.94	2.37%	2.570	86.03	31.00
February 20, 2012	71.03	46.49	6.00	2.37%	1.155	71.03	25.26
April 1, 2012	76.86	46.69	5.95	2.72%	1.325	76.86	26.61
February 18, 2013	111.33	47.31	6.00	2.72%	1.125	111.33	38.83

Risk free interest rates is the interest rate applicable for maturity equal to the expected life of the options based on the interest rates on Treasury Bills (Treasury Yield Curve Rates of US Treasury Bonds). Expected volatility is measured using annualized standard deviation of stock price movement. Stock price is based on the closing price of the stock, so above mentioned stock prices are taken from US stock exchange where the holding company is listed.

The employee's compensation expense for Stock options during the period ended 31 March, 2013 amounts to Rs. Nil (Previous year Rs. Nil).

35. Hedged and Un-hedged Foreign Currency exposures

Particulars of Un-hedged foreign currency exposures as at the Balance Sheet date:

Amount in lacs

Exposure in Foreign currency	Trade Payables				Trade Receivable			
	31 March 2013		31 March 2012		31 March 2013		31 March 2012	
	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
USD	**141.37**	**7,674.98**	183.76	9,349.58	**57.69**	**3,131.35**	77.28	3,931.08
EURO	**2.75**	**191.12**	1.70	115.43	**-**	**-**	-	-
Total		**7,866.10**		**9,465.01**		**3,131.35**		**3,931.08**

Exposure in Foreign currency	Payables for capital goods				Advances from Customer			
	31 March 2013		31 March 2012		31 March 2013		31 March 2012	
	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
USD	**1.03**	**55.49**	0.49	24.75	**1.05**	**57.12**	3.96	201.42
Total		**55.49**		**24.75**		**57.12**		**201.42**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Amount in lacs

Exposure in Foreign currency	Capital Advance				Advances recoverable in cash or kind			
	31 March 2013		31 March 2012		31 March 2013		31 March 2012	
	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
USD	**5.78**	**315.80**	15.43	785.14	**1.96**	**106.20**	3.57	181.50
EURO	**0.29**	**19.81**	4.37	296.95	**0.60**	**41.47**	0.21	14.26
SEK	**-**	**-**	-	-	**0.30**	**2.50**	-	-
AUD	**-**	**-**	-	-	**0.13**	**7.30**	0.08	4.05
Total		**335.61**		**1,082.09**		**157.47**		**199.81**

Conversion Rates (rates as applicable on the respective balances):
USD - 54.29 / 54.28 (Previous Year 50.88 / 50.87)
EUR - 69.60 / 69.565 (Previous Year 67.899/67.876)
AUD - 56.565 / 56.50 (Previous Year 52.661/52.605)
SEK - 8.3249 / 8.3195

Particulars of Hedged Foreign Currency Exposure as at Balance Sheet date held for future payments.

Particulars of Forward Contract		31 March 2013	31 March 2012	Purpose
Purchase	USD	**145 lacs**	90 lacs	Hedging of trade payables
	INR	**7,977.47 lacs**	4,556.70 lacs	

36. 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 Superannuation (pension) plan for the Company is a defined contribution scheme where monthly contribution @ 15% of basic pay for certain employee at manager and above level (at the option of employee) is paid to a Superannuation Trust Fund established to provide pension benefits. The Trust Fund has taken an Insurance policy, whereby these contributions are transferred to the insurer.

The Provident Fund is a defined contribution scheme whereby the Company deposits an amount determined as a fixed percentage of basic pay to the "Statutory Provident Fund". The benefit vests upon commencement of employment.

The Company has also agreed to provide certain additional retirement benefits to the employees of the Faridabad Refrigeration Operations where Rs.20,000 is paid to employee on his 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 summarises the components of net benefit expense recognized in the profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plans.

Profit and Loss account

Net employee benefit expense (recognised in Employee Cost):

(Rs. in lacs)

Particulars	31 March 2013		31 March 2012	
	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit
Current service cost	**205.85**	**-**	202.74	-
Interest cost on benefit obligation	**235.84**	**6.00**	187.29	3.62
Expected return on plan assets	**(163.99)**	**-**	(135.77)	-
Net actuarial (gain) / loss recognised in the year	**428.21**	**6.21**	384.02	(0.92)
Past service cost	**-**	**-**	-	-
Net benefit expense *	**705.91**	**12.21**	638.28	2.70
Actual return on plan assets	**259.66**	**-**	145.47	-

* Includes expenses reclassified as research expenses of Rs. 13.01 lacs (previous year Rs. 11.85 lacs).

Balance Sheet

Details of Plan Asset/ (Liability) for Gratuity and Additional Retirement Benefit:

(Rs. in lacs)

Particulars	31 March 2013		31 March 2012	
	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit
Present Value Defined benefit obligation	**3,703.31**	**57.50**	2,870.22	45.30
Fair value of plan assets	**2,978.57**	**-**	2,168.91	-
Less: Un-recognized past service cost	**-**	**-**	-	-
Plan asset / (liability)	**(724.74)**	**(57.50)**	(701.31)	(45.30)

Changes in the present value of the defined benefit obligation are as follows:

(Rs. in lacs)

Particulars	31 March 2013		31 March 2012	
	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit
Opening defined benefit obligation	**2,870.22**	**45.30**	2,194.53	42.60
Interest cost	**235.84**	**6.00**	187.29	3.62
Current service cost	**205.85**	**-**	202.74	-
Benefits paid	**(132.49)**	**-**	(108.06)	-
Actuarial (gains) / losses on obligation	**523.89**	**6.20**	393.72	(0.92)
Closing defined benefit obligation	**3,703.31**	**57.50**	2,870.22	45.30

Changes in the fair value of plan assets are as follows:

(Rs. in lacs)

Particulars	31 March 2013		31 March 2012	
	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit
Opening fair value of plan assets	**2,168.91**	**-**	2,023.37	-
Expected return	**163.99**	**-**	135.77	-
Contributions by employer	**682.49**	**-**	1.31	-
Benefits paid	**(132.49)**	**-**	(1.24)	-
Actuarial gains / (losses)	**95.68**	-	9.70	-
Closing fair value of plan assets	**2978.58**	**-**	2,168.91	-

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity 2012-13 (In %)	Gratuity 2011-12 (in %)
Investments with insurer	**100**	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	31 March 2013 (in %)	31 March 2012 (in %)
Discount rate	**7.95**	8.75
Future Salary Increase	**6.00**	6.00
Remaining working Lives of Employees (Years)	**8.26**	17.05
Expected Rate of Return on Assets	**6.71**	6.71
Employee turnover	**10.00**	10.00

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The Company expects to contribute Rs.724.74 lacs (previous year Rs. 701.31 lacs) to gratuity in the next year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

Amounts for the current and previous years are as follows: **(Rs. in lacs)**

Particulars	2012-13		2011-12		2010-11		2009-10		2008-09	
	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit	Gratuity	Additional employee benefit
Present value of Defined benefit obligation	**3,703.31**	**57.50**	2,870.22	45.30	2,194.52	42.60	1,761.65	40.46	1,631.76	38.86
Plan assets	**2,978.57**	**-**	2,168.91	-	2,023.37	-	1,880.21	-	1,402.07	-
Deficit /(Surplus)	**724.74**	**57.50**	701.31	45.30	171.15	42.60	(118.56)	40.46	229.69	38.86
Experience adjustments on plan liabilities (Loss)/Gain	**(380.53)**	**6.20**	(231.47)	(9.63)	(251.86)	(0.17)	48.93	(0.52)	(60.25)	0.47
Experience adjustments on plan assets (Loss)/Gain	**95.68**	**-**	(16.40)	-	(16.58)	-	198.80	-	(50.81)	-

Contribution to Defined Contribution Plans

(Rs. in lacs)

Particulars	2012-13	2011-12
Provident Fund	**801.37**	722.03
Superannuation Fund	**109.98**	108.52
Life Insurance Cover	**177.83**	165.46

37. Imported & Indigenous Raw Materials & Components consumed

Description	31 March 2013		31 March 2012	
	% of total	Value (Rs. lacs)	% of total	Value (Rs. lacs)
Raw Materials				
Imported	**9.37**	**13,377.49**	7.95	9,440.34
Indigenous	**11.72**	**16,741.48**	13.34	15,846.85
Components				
Imported	**18.50**	**26,429.09**	19.62	23,311.80
Indigenous	**60.41**	**86,288.33**	59.09	70,195.42
Total	**100.00**	**142,836.39**	**100.00**	**118,794.41**

38. Imported & Indigenous Stores & Consumables consumed

Description	31 March 2013		31 March 2012	
	% of total	Value (Rs. lacs)	% of total	Value (Rs. lacs)
Imported	**3.18**	**10.69**	1.66	5.21
Indigenous	**96.82**	**325.13**	98.34	309.60
Total	**100.00**	**335.82**	**100.00**	**314.81**

a. Value of Imports calculated on CIF Value basis: **(Rs. in lacs)**

Particulars	31 March 2013	31 March 2012
Raw Materials and Components	**45,041.30**	30,714.50
Spare Parts	**809.57**	689.45
Finished Goods	**12,376.41**	14,375.47
Capital Goods	**4,056.50**	3,931.45
Total	**62,283.78**	**49,710.87**

39. Net dividend remitted in foreign exchange:

Particulars	31 March 2013	31 March 2012	
Period to which it relates	April 1, 2012 to March 31,2013	April 1, 2010 to March 31,2011	April 1, 2011 to July 6, 2011
Number of non-resident shareholders	NIL	One	
Number of Preference shares held on which dividend was due	-	53,850,000	53,850,000
Amount remitted (Rs. In lacs)	-	538.50	141.63
Amount remitted (USD in thousands)	-	1,077	283.26

40. Earnings in Foreign Currency (Accrual basis): **(Rs. lacs)**

Particulars	31 March 2013	31 March 2012
Export of Goods at FOB value	**17,141.75**	17,665.26
Service Income	**7,078.98**	7,451.19
Interest Income	**-**	1.51
Total	**24,220.73**	**25,117.96**

41. Expenditure in Foreign Currency (Gross, on accrual basis): **(Rs. lacs)**

Particulars	31 March 2013	31 March 2012
Royalty	**2,472.11**	2,413.12
Know-How Fees	**1,079.82**	1,170.24
Professional fees	**186.61**	344.92
Research Expenses	**161.49**	340.27
Foreign Travel	**774.82**	661.02
Others	**169.32**	230.36
Total	**4,844.17**	**5,159.93**

42. On 18 th April 2012, there was fire in a distribution warehouse of the Company situated at Zirakhpur, Punjab and on 11th November 2012 there was a fire in Pune, Maharashtra wherein finished goods and spares of Rs. 651.01 lacs has been estimated to be destroyed. The inventory was fully insured and the management expects that the entire loss of inventory is fully recoverable from the insurer.

43. Previous year figures

Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

For S.R. Batliboi & Co. LLP
Chartered Accountant
ICAI Firm Registration No. 301003E

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

per Tridibes Basu
Partner
Membership No.17401

Arvind Uppal
Chairman &
Managing Director
DIN: 00104992

Anil Berera
Executive Director &
Chief Financial Officer
DIN: 00306485

Place : Gurgaon
Date : May 14, 2013

Ravi Sabharwal
Company Secretary

COMPANY GENERAL INFORMATION

DIRECTORS:

Arvind Uppal	(Chairman & Managing Director)
Anil Berera	(Whole Time Director)
Vikas Singhal	(Whole Time Director)
Anand Bhatia	(Independent Director)
Simon J. Scarff	(Independent Director)
Sanjiv Verma	(Independent Director)

COMPANY SECRETARY:

Ravi Sabharwal

BANKERS:

Citibank, N.A.
The Royal Bank of Scotland
HDFC Bank Limited
ING Vysya Bank Limited
Bank of America, N.A.
The Hongkong and Shanghai Banking Corporation Limited
J. P. Morgan Chase Bank, N.A.
The Bank of Nova Scotia

AUDITORS:

S. R. Batliboi & Co. LLP
Chartered Accountants

COST AUDITOR:

R. J. Goel & Co., Cost Accountants

STOCK EXCHANGE WHERE SHARES LISTED:

Bombay Stock Exchange
National Stock Exchange

REGISTERED OFFICE:

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

CORPORATE OFFICE:

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

WORKS:

Faridabad (Haryana), Thirubhuvanai (Pondicherry)
Ranjangaon (Maharashtra)

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Whirlpool of India Limited

REGD. OFFICE: Plot No. A-4, MIDC, Ranjangaon, Taluka Shirur, District Pune-412220

ATTENDANCE SLIP

DP. Id. _____ Folio No. _____

Client Id. _____ No. of Shares Held _____

I hereby record my presence at the Annual General Meeting of the Company to be held at Plot No. A-4, MIDC, Ranjangaon, Pune-Ahmednagar Express Highway, Taluka- Shirur, District- Pune- 412220 on Wednesday the 14th day of August, 2013 at 11.00 a.m.

.

All particulars should tally with the Company's records

Member's Name (Sole Applicant) .....

(1st Joint Holder).....

(2nd Joint Holder) .....

Father's Name .....

Complete Address .....

Proxy's Name .....

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

Notes:
1. Attendance slip which is not complete in all respects shall not be accepted.
2. Attendance slip shall be produced at the registration counter for verification.
3. Verified Attendance slip should be retained throughout the meeting

.....

Member's / Proxy's Signature

Whirlpool of India Limited

REGD. OFFICE: Plot No. A-4 MIDC, Ranjangaon,Taluka-Shirur, District-Pune-412220

PROXY FORM

DP. Id. _____ Folio No. _____

Client Id. _____ No. of Shares Held _____

I/We……S/o/W/o/D/o……Resident of ……..……. being a member/members of the above named Company hereby appoint Mr./Ms.……resident of……. or failing him/her Mr./Ms…….resident of ……. as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at at Plot No. A-4, MIDC, Ranjangaon, Pune-Ahmednagar Express Highway, Taluka- Shirur, District- Pune- 412220 on Wednesday, the 14th day of August 2013 at 11.00 A.M. and at any adjournment thereof.

Signed this …… Day of ……

Revenue stamp

Notes:
1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A proxy need not be a member.
3. The proxy form duly signed across Revenue Stamp should reach Company's Registered Office at least 48 hours before the time of the meeting.
4. Attendance slip should be sent to the proxy appointed by you and not to the company and shall be signed by the proxy.

MANAGEMENT SPEAK

Soft demand, spiralling costs and high consumer prices characterized the home appliance industry in 2012-13. Whirlpool's performance in these adverse business conditions was good with modest growth in top line, margin and net profit. Market share gains in our core categories over the last year reaffirms our belief in innovation and we remain committed to invest in growth and innovation. Our new businesses are progressing well, the Built-in range has more new products and is selling from more outlets. We continue our strong focus behind cost and productivity. Looking ahead, we expect demand for appliances to remain soft for the current financial year. We expect our strong fundamentals and operational focus to allow us to once again grow faster than the market in the year ahead.

Arvind Uppal
Chairman and Managing Director,
Whirlpool of India Limited
President South Asia and
Asia Pacific, Whirlpool Corporation

2012-13 has been a year of unprecedented economic challenges. Whirlpool has delivered very decent results in spite of these challenges : our EBITDA margin grew to 8.7%, we generated > ₹150 crore cash after funding capital investment of > ₹80 crore, and we remained debt-free for the fourth successive year. We are also happy to have returned to double digit EPS this year. With the outlook on demand being weak, our fiscal discipline that has stood us in good stead will be driven aggressively. Of particular focus will be working capital management, material cost, and discretionary spends, for which we have in place good processes.

Anil Berera
Vice President and
Chief Financial Officer
Whirlpool Asia South

Printed at Thomson Press

WHIRLPOOL OF INDIA LIMITED
CORPORATE OFFICE: PLOT NO. 40, SECTOR - 44, GURGAON - 122002

For more details, log on to www.whirlpoolindia.com.

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Happiness begins at home