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Whirlpool of India Ltd.

Plot No. 40 Sector - 44, Gurgaon - 122002

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Taking a leap into the new growth curve

ANNUAL REPORT 2009-2010

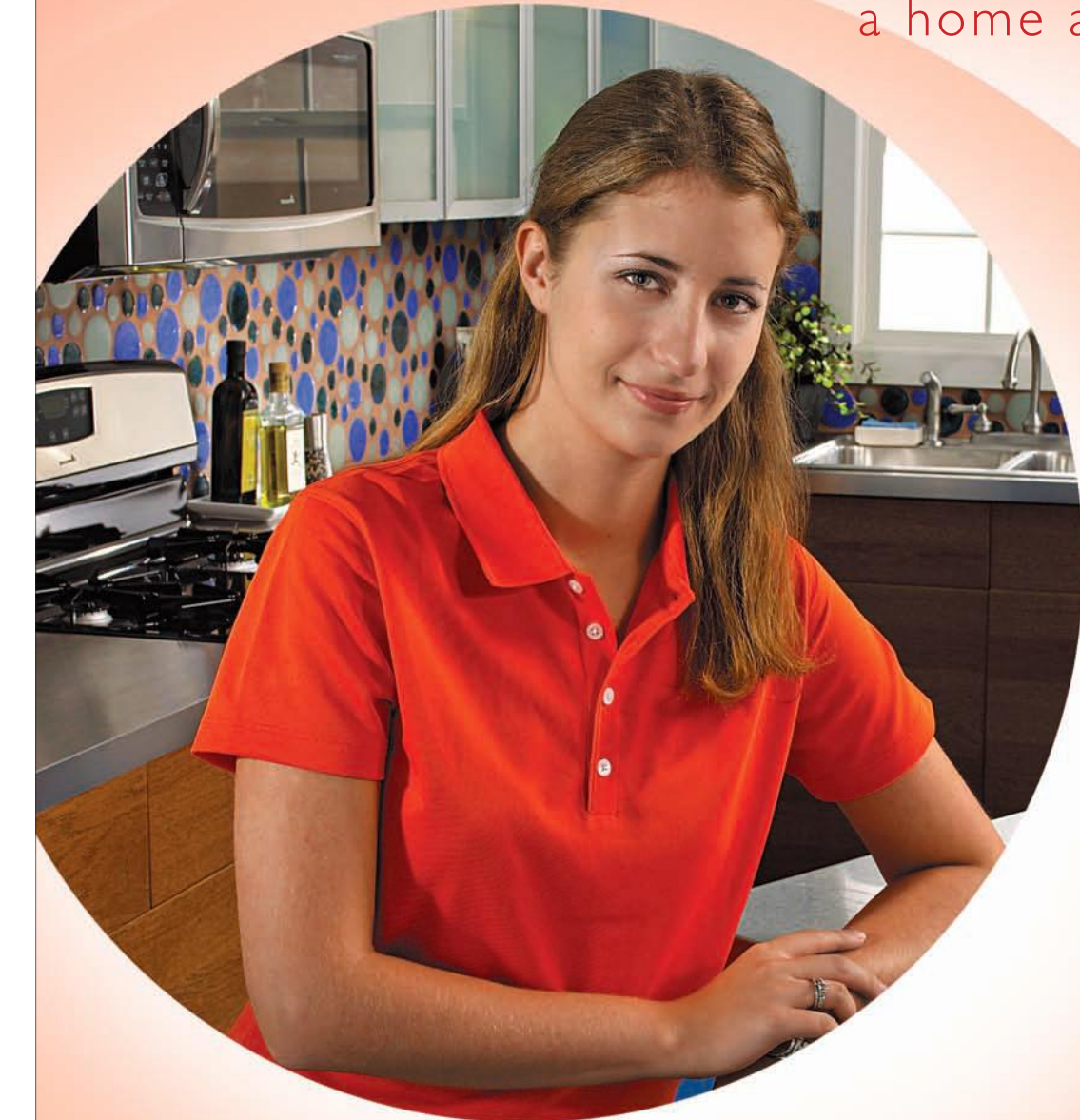
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an innovator | ANNUAL REPORT 2009 - 2010



A consumer focused company with
consumer centric product innovations

a home appliance specialist | ANNUAL REPORT 2009 - 2010



World's No. 1 Home Appliance company with 9 international brands in its wide portfolio

a visionary | ANNUAL REPORT 2009 - 2010



Knowing what the future holds while making the most of today

leadership speak | ANNUAL REPORT 2009 - 2010



"Whirlpool® of India's results for 2009-10 has exceeded expectations, creating new milestones in revenue, profit and cash. The agility with which the company shifted gear to accelerate growth as optimism returned in the economy enabled it grow ahead of the market. Our continued focus on all operating levers has led to a strong improvement in both our profit and our cash position."

Whirlpool® of India has formulated plans for the next 3 years to add share in its core categories of Refrigerators and Washers and to exponentially grow its Air Conditioners and Cooking businesses. It is also looking at opportunities in adjacent and new businesses, such as power accessories."

Arvind Uppal, Chairman & Managing Director, Whirlpool® of India Limited President Asia Pacific (excluding Greater China), Whirlpool® Corporation



"We accelerated growth as we saw signs of revival in the economy through a three-pronged strategy of innovation, distribution expansion and heightened brand visibility. A number of differentiated products were launched, 2000 outlets were added to our network and a 360° approach ensured that our brand was visible across geographies and across multiple media throughout the year. These fundamentals will continue to drive our business strategy over the next few years, with innovation and distribution playing a key role. Our pre-eminent position of a home appliance specialist will be strengthened as we add revenue through businesses that complement our strong portfolio of home appliances."

Shahzad Akhtar, V.P. and General Manager India Operations, Whirlpool® of India Limited



"With Rs 258 crores of cash generated from operations in 2009-2010, Whirlpool® emerged as a debt-free company. For the second consecutive year we operated with negative working capital, a significant achievement considering the additional finance required to fuel growth. With a 3% improvement in operating margin, the company successfully mitigated inflationary pressures with a robust cost productivity programme. These achievements plus the growth in PBT and PAT at 140% and 105% respectively makes our balance sheet one of the finest among its peers. It is very well positioned to finance the growth strategies planned."

Anil Berera, Chief Financial Officer, Whirlpool® of India Limited

introduction

ANNUAL REPORT 2009 - 2010

Taking a leap into the next growth curve

The last few years has seen Whirlpool® reinforce the foundation of its business. It has established strong operational capabilities in low-cost consumer focused innovations, channel development, and cost & working capital management. The results of 2009-10 underscore the above with a top-line growth of 30%, EBITDA margin of 12% and a healthy cash position. Today, the company is financially secure as never before and poised to take a leap into the next growth curve.

India is at an inflection point of sustained growth, and so is Whirlpool®. With a strong brand, well differentiated products, and a healthy balance sheet, Whirlpool® of India has embarked on a journey of accelerated growth. With the intention of doubling its business over the next 3-4 years, it has charted a 3-pronged business strategy.

- Grow the core business
- Extend the core business
- Expand beyond the core

This business strategy will be supported both by heavy investments and channel strategy.





growing the core

Whirlpool® occupies a strong position in Refrigerators and Washing Machines and its endeavour is to continue to invest heavily to further consolidate its strength. Air conditioners and Microwave ovens registered robust growth in 2009-2010 following a wide portfolio launch and expansion of distribution.

It aims to increase market shares in these categories as it focuses on both, mass and premium end for innovation.



REFRIGERATORS

PROTONTM
WORLD SERIES

India's first 3-Door top mount refrigerators.

- 3 customized cooling zones with Air Booster System
- Largest separate vegetable drawer (34 litre) with Freshness Booster System
- International Crystal Shine Design
- Eco-Friendly



WASHING MACHINES

WhiteMagic[™]

India's first fully automatic washing machine with an easy-to-use 3-step process.



- Easy Control Panel
- In- built Heater
- Magiclean Filter
- Tub Clean



PROFESSIONAL[™]
SPORT

India's first front load washing machine with a sporting look, in exciting finishes.

- Active Cotton Wash
- Active Lycra Wash
- Anti-Bacterial Wash
- Stain Wash



AIR CONDITIONERS

Mastermind™
CHROME & AVIATOR
Air Conditioners

India's first Air Conditioners with Sliding Panel.

- Unique Sliding Panel
- 6th Sense™ MPFI Cooling System
- 30 minute Fast Forward Cooling
- Aroma Pure System



MICROWAVE OVENS

MagiCook™

India's first Microwave Ovens with
a first of its kind Microtawa™.

- Concealed Quartz Grill
- Crisp Function
- Multi-stage Cooking
- Jog Dial



extending beyond the core

Extending its business to products related to appliances presents immense growth and innovation opportunities for Whirlpool® as home appliance specialist. Whirlpool® has, among others, developed a range of novel Appliance Accessories and Consumables that 'protect', provide 'mobility', and 'enhance' performance.

RANGE OF PRODUCT ACCESSORIES

APPLIANCE PROTECTION



Scalegon™

- Removes accumulated lime-scale from the washing machine
- Saves energy
- Increases Battery Life
- Makes clothes cleaner, whiter and softer



Calfre™

- Prevents build-up of lime-scale on the heating element and other vital parts of the washing machine

MOBILITY



I-Glyde™

- Modular asymmetric adjustable trolley for Washing Machines
- Enables mobility of the appliance
- Can carry up to 200 kgs
- Patented

For more information on product accessories, contact: anish_duggal@whirlpool.com



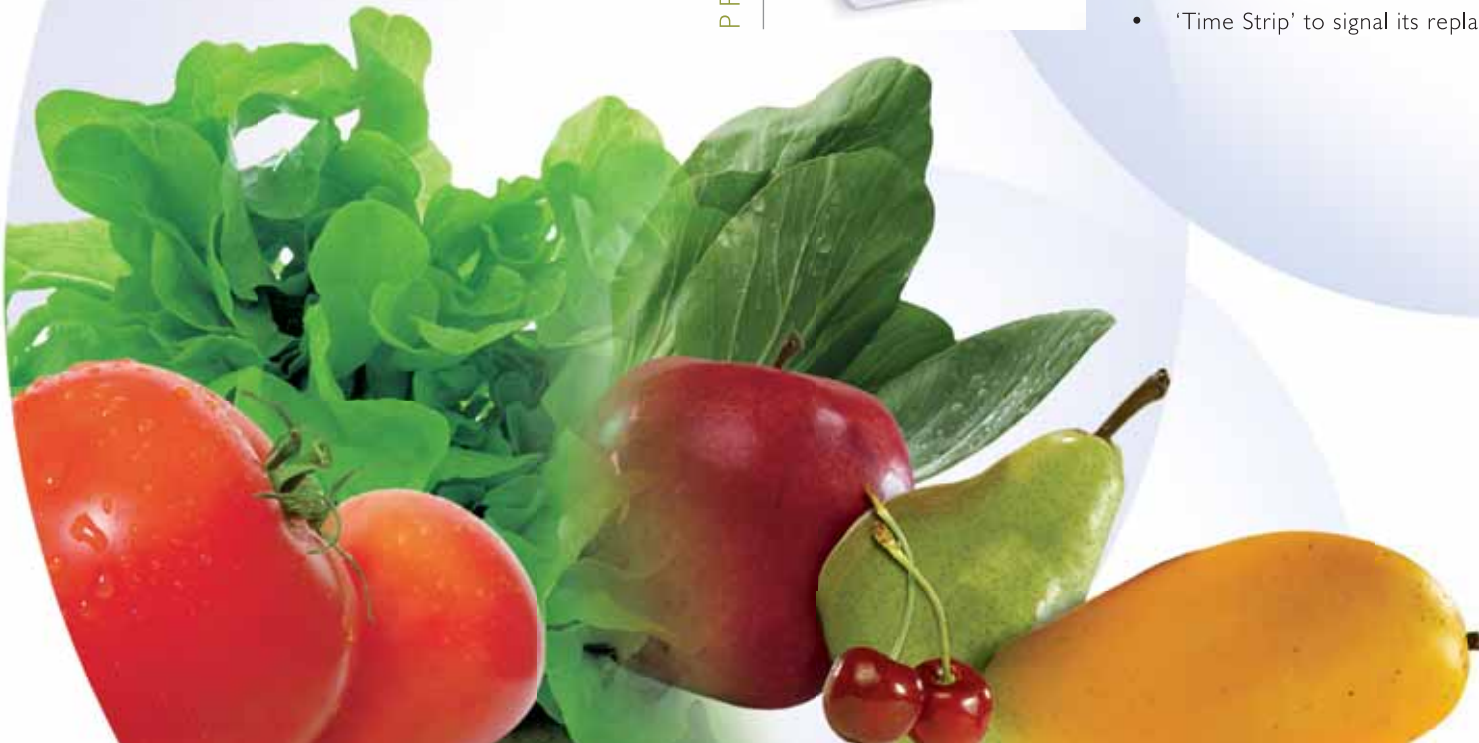
Freshonizer

- Absorbs ethylene gas and increases the life of fruits by 2 times
- 'Time Strip' to signal its replacement date



Fridge Aid

- Keeps the refrigerator bacteria and odour free
- 'Time Strip' to signal its replacement date



RANGE OF POWER MANAGEMENT ACCESSORIES

India's inherent problem with availability and quality of power offers huge opportunities. Whirlpool® has achieved success with a differentiated range of inverters. Going further, investments are in place to launch a wide portfolio.

Elantra[™]
Home UPS

Home UPS

- Biggest Range - 600VA to 2500VA
- 6th Sense™ Technology that increases Battery Life
- Auto Reset
- No humming noise
- Over current cutout

Stabilizer

- A wide range for ACs and Refrigerators
- Unique 'Over-Current Protector'
- Vacuum Impregnated Transformer
- Digital Display



POWER BACK-UP

PREVENTING POWER
FLUCTUATIONS

expanding beyond the core



Leveraging the equity of the brand to expand into businesses that offer opportunity for long-term growth and profits defines why Whirlpool® identified Water Filtration as a category of the future. In 2008, it entered the market with a range of RO Water Purifiers. Having achieved considerable success, plans are to expand the portfolio and cater to different filtration and purification needs within homes.



channel development

The demand for home appliances is growing beyond metros and mini metros. This makes the expansion of distribution to Tier 3 & 4 towns a priority for Whirlpool®. Whirlpool® has also entered into Accessories & Water Purifiers categories necessitating the development of new channels that cater to these products. Further, the emergence of Modern Trade also requires a re-engineering of processes to meet the expectations of this high profile channel.

I. Reaching out to tier 2, 3 & 4 towns

The immediate focus of Whirlpool® is on 700+ towns in tier 2, 3 & 4 where it plans to expand its presence. The first step in taking this strategy forward has been to connect with the dealers in 130 such towns through two large-scale face-to-face dealer meets. Whirlpool® has been able to contact and forge a relationship with 15000 dealers through these meets.



2. Expanding Modern Trade Footprint

Volume grew by almost 60% last year, vital for growing the premium range.

cromā
The Electronics Megastore

ezone

NEXT

SPAR

TOTOL
Variety and Value

METRO
Cash & Carry

3. Enhancing Brand Experience

Increasing visibility and reach through Exclusive Outlets by trebling the number of brand shops from the current count of 35.



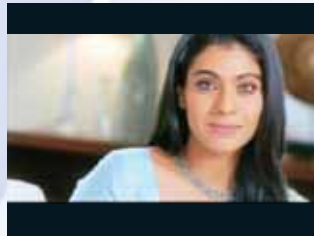
increasing brand visibility

Whirlpool® took a 360° approach during 2009-2010 to cover a spectrum of channels in the traditional and new communication mediums. It will continue to follow this strategy in the years ahead.

Focus on all appliance categories to ensure visibility throughout the year.



I-2-3 Washing Machine Campaign



Corporate Diwali Campaign



Protton™ Refrigerator Campaign



Corporate Campaign (IPL season)



Fusion Refrigerator Campaign

New Television Campaigns

Through the year presence to communicate new product offerings and strengthen brand equity.



Road Shows

A consumer contact programme run in 8 states to increase product awareness in small towns through a touch-and-feel experience.



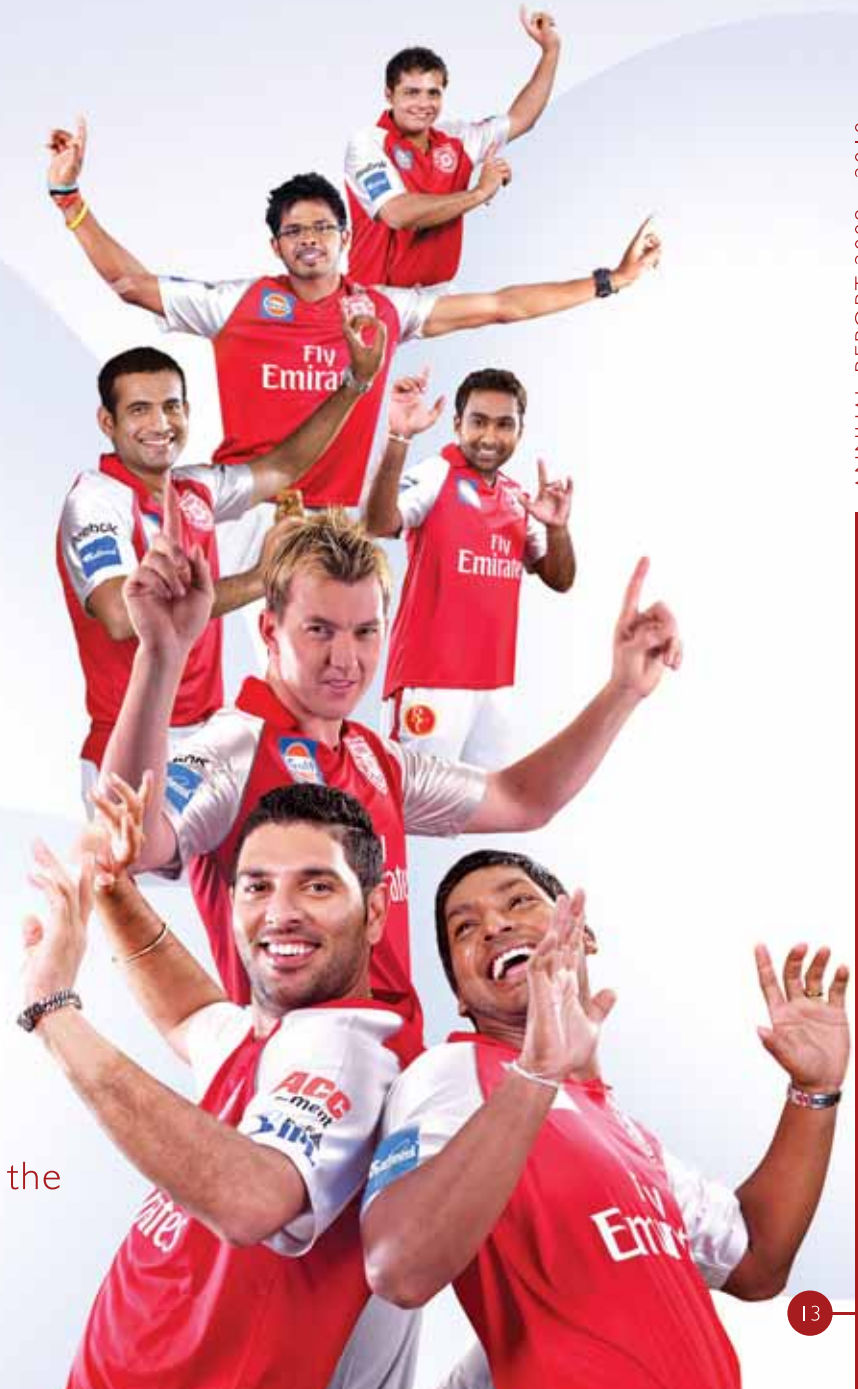
Outdoor Branding

To enhance the brand visibility.

Strategic tie-ups and alliances with prominent brands

Whirlpool® forged alliances with reputed companies like Hindustan Lever Limited and Reebok to run successful co-branded consumer promotions.

Kings XI Punjab - Players of international stature endorsed the brand as their 'Official Cooling Partner'.



awards

It was an extraordinary year for financial results and a special one for external recognitions too. Whirlpool® received a number of awards for excellence in different competencies, a clear manifestation of its depth of talent across functions.



Best Innovative Product for
WhiteMagic™ I-2-3 by Product of the Year



Most Trusted Brand by Reader's Digest



Best US Company in India
by Indo American Chamber
of Commerce

Top 25 Best Employers in
India by Hewitt in 2009

Business Strategy Leadership
Award for Purafresh™ Water
Purifier by Frost & Sullivan

GOOD DESIGN award, the
world's most prestigious
design award, for
Whirlpool® Genius™ and
WhiteMagic™ I-2-3



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 was a Non-Executive Director till 27th January 2010 and the present

Chairman effective from 27th January 2010 is an Executive Director. In all, there were 6 Directors including 3 Independent Directors during the financial year ended 31st March 2010. Mr. Vikas Singhal, Whole Time Director of the company has resigned from the directorship of the company with effect from 31.03.2010. As on March 31, 2010, the composition of the Board of Directors of the Company meets the stipulated requirements of clause 49 of the Listing Agreement of the Bombay Stock Exchange Ltd. Mr. Syed Shahzad Akhtar has joined the Board as an Executive Director with effect from 17th May 2010.

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, 2010)		
		Other Directorships#	Committee Memberships	Committee Chairmanship
Robert Mink *	Non-Executive Director	-	-	-
Arvind Uppal**	Chairman Cum Managing Director	1	-	-
Vikas Singhal ***	Whole time Director	-	-	-
Sanjiv Verma	Non-Executive & Independent Director	1	-	-
S.J. Scarff	Non-Executive & Independent Director	1	2	1
Anand Bhatia	Non-Executive & Independent Director	3	1	-

Note:

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

Mr. Ravi Sabharwal, Company Secretary is the Chairman of Share Transfer Committee.

Other Directorships exclude Directorship in Foreign Companies.

* Mr. Robert Mink has resigned from the Chairmanship on January 27, 2010.

** Mr. Arvind Uppal was nominated as Chairman w.e.f. January 27, 2010.

*** Mr. Vikas Singhal has resigned from the Board w.e.f. March 31, 2010.

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 AGM
Robert Lawrence Mink*	Non-Executive Director	2	Yes
Arvind Uppal **	Chairman & Managing Director	4	Yes
Vikas Singhal ***	Whole Time Director	5	Yes
S.J. Scarff	Non-Executive & Independent Director	5	Yes
Anand Bhatia	Non-Executive & Independent Director	5	Yes
Sanjiv Verma	Non-Executive & Independent Director	4	Yes

* Resigned as Chairman of Board w.e.f. January 27, 2010.

** Appointed as Chairman of the Board w.e.f. January 27, 2010.

*** Resigned from the Board w.e.f. March 31, 2010.

During the year ended March 31, 2010 five meetings of the Board of Directors were held on the following dates:

(i) May 13, 2009 (ii) July 31, 2009 (iii) September 24, 2009 (iv) October 26, 2009 (v) January 27, 2010.

The Annual General Meeting (AGM) was held on September 24, 2009.

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 Ltd 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 attended the last Annual General Meeting held on September 24, 2009 to answer shareholders queries.

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
S.J. Scarff	4
Mr. Robert Mink	1
Mr. Sanjiv Verma	3

The Chief Financial Officer, the Internal Auditor and the partner of S. R. Batliboi & Co., 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 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, 2010, four meetings of the Audit Committee were held on the following dates:

(i) May 13, 2009 (ii) July 31, 2009 (iii) October 26, 2009 and (iv) January 27, 2010

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 Ltd and National Stock Exchange of India 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. Robert Mink.

During the year no meeting of Remuneration Committee was held.

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.20,000 for every meeting of the Board or committee thereof. They are also reimbursed all travelling and other expenses incurred by them in connection with attending meetings of the Board of Directors or of Committees thereof or which they may otherwise incur in the performance of their duties as Directors.

Annual Remuneration paid to Mr. Arvind Uppal, Managing Director

Basic Salary	Allowances	Perquisites	Performance Bonus	Contribution to Provident Fund & Superannuation Fund *	Total
39,99,996	NIL	2,42,329	NIL	10,80,000	53,22,325

Service contract renewed for next three years w.e.f. 1st April, 2010.

Severance Fees – NIL

* Remuneration as defined under Schedule XIII does not include retirement benefits.

Notice Period – 3 Months

Stock Options – NIL

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

Basic Salary	Allowances	Perquisites	Performance Bonus	Contribution to Provident Fund & Superannuation Fund *	Total
14,39,808	17,65,212	3,48,929	NIL	3,88,752	39,42,701

Notice Period – 3 Months

Stock Options – NIL

* Remuneration as defined under Schedule XIII does not include retirement benefits.

Severance Fees – NIL

Mr. Vikas Singhal, Whole Time Director of the company has resigned from the directorship of the company with effect from 31st March, 2010.

(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	3
Vikas Singhal*	4

* Resigned w.e.f. March 31, 2010.

During the year ended March 31, 2010, four meetings of the Investors Grievance Committee were held on the following dates:

(i) May 13, 2009 (ii) July 31, 2009 (iii) October 26, 2009 & (iv) January 27, 2010.

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	12
b.	No. of complaints not resolved to the satisfaction of the shareholders	Nil
c.	No. of pending share transfers as on March 31, 2010.	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 Members	No. of Meetings Attended
Ravi Sabharwal, Chairman	24
Anil Berera	06
Anish Duggal	24
Vinay Kumar	24

The Committee holds its meeting every fortnight, if required to consider all matters concerning transfer and transmission of shares. During the year ended March 31, 2010, twenty four 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
2007	Friday	September 28, 2007	11.30 A.M	Hotel Yash Inn, Ranjangaon, Shirur, Pune
2008	Thursday	September 18, 2008	11.30 A.M.	Hotel Yash Inn, Ranjangaon, Shirur, Pune
2009	Thursday	September 24, 2009	11.30 A.M	Hotel Yash Inn, Ranjangaon, Shirur, Pune

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

Year	Resolution passed
2007	1. Special Resolution passed for appointment of Mr. Mahesh Krishna as Whole time Director and approval of his remuneration.
2008	1. Special Resolution passed for payment of enhanced remuneration to Mr. Mahesh Krishna as a whole time director of our company. 2. Special Resolution passed for appointment of Mr. Vikas Singhal as a whole time director and approval of his remuneration.
	3. Special Resolution passed for reappointment of Mr. Arvind Uppal as Managing Director and approval of his remuneration.
2009	None

No Special Resolution was passed by Postal Ballot in the last year.

The Company does not propose to pass any Special Resolution through Postal Ballot Process this year.

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 except for alleged contravention of Section 211 read with schedule VI and Section 193 of the Companies Act, 1956 for which compounding fees of Rs.50,500/- was paid by the Company and Rs.1500 by the Managing Director, Whole Time Director and Company Secretary respectively.

The Company has complied with all Accounting Standards issued by the Institute of Chartered Accountants of India.

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 and Senior Management. 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 make 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 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

Mr. Anand Bhatia, Independent non Executive Director of the Company is an Economics graduate from Cambridge University (U.K). He has over 30 years of working experience at senior level with Unilever plc worldwide. Currently he is a director in (1) EID Parry (India) Ltd. (2) HGS Pvt Ltd. (3) Sowar Pvt. Ltd.

Mr. Arvind Uppal was appointed as Managing Director of the Company w.e.f. February 16, 2005. 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 22 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 Tuscan Ventures Private Limited. Currently he is Chairman & Managing Director of Whirlpool of India Ltd.

None of the directors is holding any shares/ convertible instruments of the Company except Mr. Vikas Singhal who is holding 1500 Shares

of the company but he has resigned from the Directorship of the company w.e.f. March 31, 2010.

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 Ltd. and National Stock Exchange of India Ltd. to enable them to put it on their website.

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 the Electronic Data Information filing and Retrieval (EDIFAR) website maintained by the SEBI. As per the Amendment in Listing Agreement, Company is timely submitting the required information to CFDS in same way as filing in EDIFAR, as the EDIFAR has been omitted w.e.f. April 2010.

The Company's website 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 : 19th July, 2010

Time : 10.30 A.M.

Venue : Yash Inn.

P-11, 5 - Star- M.I.D.C --

Ranjangaon, Pune --

Ahmednagar Express Highway,

Taluka Shirur, District. Pune 419204.

(ii) Financial Calendar - Year 2010-11

Adoption of Quarterly Results for the quarter ending
 June 30, 2010 July, 2010 (3rd / 4th week)
 September 30, 2010 October, 2010 (3rd / 4th week)
 December 31, 2010 January, 2011 (3rd / 4th week)
 March 31, 2011 April, 2011 (3rd / 4th week)
 Or
 Audited Annual Results in
 May, 2011 (3rd / 4th week)

(iii) Book Closure Date

13th July, 2010 to 19th July, 2010 (Both days inclusive)

(iv) Dividend Payment Date

No dividend on Equity Shares has been recommended by the Board of Directors. However, the Board in its meeting held on 17th May, 2010 has recommended a dividend on 15,23,42,500 10% Redeemable Non Convertible Cumulative Preference Shares of Rs.10 each @10% (Rs.1 per share) for the financial year 2008-09 & 2009-10. The Board has also paid accumulated dividend as Interim Dividend on these Preference Shares for the financial year 2005-06, 2006-07 & 2007-08 @10% (coupon rate) (Rs.1 per share per annum) as no dividend was paid on these preference shares since allotment because of past accumulated losses.

(v) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd. at Mumbai. The Company confirms that it has paid annual listing fee due to the Bombay Stock Exchange Ltd. for the year 2009-2010.

The Equity Shares of the Company got listed with the National Stock Exchange of India Ltd with effect from April 6, 2010 at Mumbai.

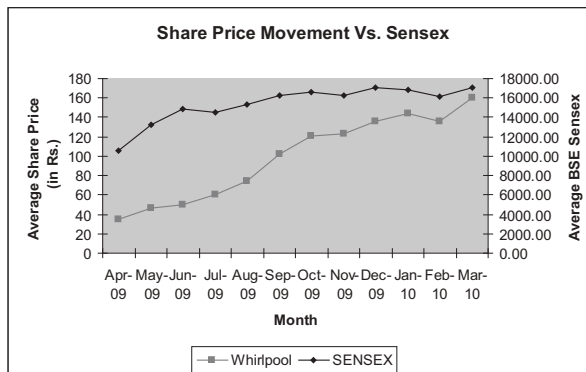
(vi) Stock Code

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

(vii) Registrar & Transfer Agents

For Shares held in Physical as well as Electronic Mode
 Link Intime India Pvt. Ltd. (Earlier : Intime Spectrum Registry Ltd.)
 A- 40, 2nd Floor,
 Naraina Industrial Area, Phase- II,
 (Near Batra Banquet Hall)
 New Delhi –110 028.

(viii) Stock Price Performance - Whirlpool Vs BSE Sensex, Year 2009-10



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)	
	High (Rs.)	Low (Rs.)
April 2009	42.00	26.60
May 2009	60.90	32.50
June 2009	57.90	42.15
July 2009	74.90	45.00
August 2009	88.00	61.50
September 2009	126.40	78.15
October 2009	135.90	105.25
November 2009	136.70	108.70
December 2009	147.95	124.85
January 2010	159.80	127.70
February 2010	143.80	128.00
March 2010	178.30	142.00

(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 it's meeting every fortnight 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, 2010–2,90,82,561 equity shares of the Company, forming 91.69% of Non-Promoter shareholding stand dematerialized.

International Securities Identification Number: INE716A01013

(xii) Liquidity of Shares

The Equity Shares of the Company are traded at the Mumbai Stock Exchange and the National Stock Exchange (w.e.f. April 6, 2010).

(xiii) Shareholding Pattern as on March 31, 2010

Category	No. of Shares	%
Promoters	95153872	75.00
Mutual Funds	6456886	5.09
Non Resident Indians	322537	0.25
Banks, Financial Institutions & Insurance Companies	17788	0.02
Foreign Institutional Investors/ Foreign Financial Institutions	80743	0.06
Corporate Bodies	8101930	6.39
Central Government/ State Government	1133	0.00
Public	16736941	13.19
Total	126871830	100.00

(xiv) Distribution of Shareholding as on March 31, 2010

No. of Equity Shares		No. of Shareholders		No. of Shares	
From	To	Number	% Total	Number	% Total
1	500	37252	90.31	4011669	3.162
501	1000	2152	5.217	1682472	1.326
1001	2000	836	2.027	1267813	0.999
2001	3000	328	0.795	835963	0.659
3001	4000	129	0.313	466709	0.368
4001	5000	156	0.378	734670	0.580
5001	10000	186	0.451	1411311	1.112
10000	And above	212	0.514	116461223	91.794
Total		41251	100.00	126871830	100.00

(xv) Outstanding Stock Option

There are no outstanding warrants or any convertible instruments as on March 31, 2010

(xvi) Plant Locations of the Company

- 1 28 N.I.T., Faridabad (Haryana)
- 2 A-4 MIDC Rajangaon, Taluka – Shirur, District – Pune 419 204
- 3 Village Thirubhuvanai, Pondicherry 605 001

(xvii) Address for Correspondence

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

Registered Office

Whirlpool of India Limited
Plot No. A-4 MIDC
Ranjangaon, Taluka- Shirur
District - Pune, Maharashtra 419 204
Telephone No. 020-660100
Fax No. 02138-232376
Email: ravi_kumar_sabharwal@whirlpool.com

Corporate Office

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., the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2010.

For Whirlpool of India Limited

Arvind Uppal

Place: Gurgaon [Chairman & Managing Director]
Date: May 17, 2010 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 March 31, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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.
Firm Registration No. 301003E
Chartered Accountants
Per Tridibes Basu
Partner
Membership No.: 17401

Place: Gurgaon
Date: May 17, 2010

DIRECTORS' REPORT

The Directors' are pleased to present their 49th Annual Report and Audited Accounts for the year ended 31st March 2010.

Financial Results

Particulars	Rs. in lacs	
	For the year ended	
	March 31, 2010	March 31, 2009
Sales/ Income from operations (including excise duty & Discounts)	268,030	209,463
Other Income	2,338	1,115
Profit/ (Loss) before Interest, Depreciation, Extraordinary items & Tax	26,456	15,195
Interest	(827)	(1,732)
Depreciation	(3,968)	(3,901)
Profit/ (Loss) before Extraordinary Items & Tax	21,661	9,563
Voluntary Retirement Compensation (including amortization of previous year)	(940)	(9,43)
Profit/ (Loss) before tax	20,721	8,620
Provision for Tax (including deferred tax and wealth tax)	(6,219)	(1,278)
Fringe Benefit Tax	-	(290)
Net Profit/ (Loss) for the year	14,502	7,052
Credit/ (Debit) Balance B/F from previous year	(82)	(7,134)
Profit available for appropriation	14,420	(82)
Dividend on Preference Shares	(7,224)	-
Tax on Dividend	(1,227)	-
Surplus/ (Deficit) carried to Balance Sheet	5,969	(82)

Performance of the Company

During the year ended March 31, 2010 the sales of the Company, was Rs. 2,680 Crores, up by 28%. Profit before tax and extra ordinary items was Rs. 216.61 Crores as compared to corresponding profit of Rs. 95.63 Crores in the previous year. The performance of the Company during the year surpassed all its previous milestones of turnover, profit, cash generation, working capital and inventory management. This performance has been achieved by focusing on new product launches, product mix, management, effective working capital management and cost effective initiatives.

Dividend

Dividend on equity shares is not recommended for the year ended 31st March 2010 due to past accumulated losses and payment of dividend of previous years on 10% Redeemable non convertible Cumulative preference shares of Rs.10 each.

The Board of Directors declared the accumulated dividend as an interim dividend on 15,23,42,500 10% Redeemable non convertible Cumulative preference shares of Rs.10 each, for the financial years ended March 31, 2006, 2007 & 2008 @ Rs.1 Per share for each financial year. The Board has recommended a final dividend on 15,23,42,500 10% Redeemable non convertible Cumulative preference shares of Rs.10 each for the financial year ended March 31, 2009 and March 31, 2010 @Rs.1 per share for each financial year.

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

The Sales and Marketing approach in 2009-10 was adjusted to changes as they occurred in the external

environment. The year started on a cautious note as the gloom of recession was still hovering over the country. The emphasis during this period was on cash and profitability rather than growth, and the focus was on selling a better mix, control on receivables and inventory. Marketing investment during this period was prudent and in line with market growth. However, as we approached the end of the first quarter, it was evident that the government's fiscal stimulus was having a positive impact on business and consumer sentiment, signaling the revival of growth. Accordingly, your company's marketing approach changed and we shifted gear from cautious optimism to aggressive growth manifested by raising volume targets, accelerating the pace of innovation and increasing brand visibility.

Key highlights of Sales & Marketing in 2009-10 were

- Resounding success of WhiteMagic 1-2-3, a fully automatic top load washing machine range launched in 6-7 kg capacity, which grew segment share by 5 percentage points.
- Complete revamp of the Semi-Automatic Washing Machine range, including the introduction of a plastic cabinet line-up.
- Launch of 35 new Split Air Conditioners marketed under the Mastermind Chrome & Mastermind Aviator and 5 new Window Air Conditioners (Mastermind Deluxe and Royale).
- Launch of 8 microwaves in Convection and Grill, marketed as Whirlpool Magiccook.
- Launch of a new, premium range of 24 Frost Free Refrigerators in capacities from 300L - 480L under Whirlpool Protton, including a unique fully automatic 3-door format.
- Conducting two large scale dealer contact programmes in September 2009 and March

2010, through which 15,000 dealers were contacted in 130 towns on each occasion.

- Conducting Road Shows for refrigerators - branded "Kabhi Dekha Hai Aise Magic" - in <1 lakh population towns in 8 states.
- Increasing efficiency in our Distributor channel by focusing on sub-dealer billing numbers and frequency.
- Growing business in Modern Trade where our volume grew by approximately 60%.
- Launching new television campaigns for Purafresh Water Purifier, WhiteMagic 123 Washing Machine, Whirlpool Protton, Mastermind Air Conditioner and Diwali Festival Offer.
- Association with Kings XI Punjab during the 2010 IPL as Official Cooling Partner and getting prominent players to endorse 4 different categories through separate television commercials.

As is evident from the number of product launches, your company continued product development and innovation even when growth had slowed down, enabling a number of new products to be launched as the business environment improved. Whirlpool's heritage of launching innovative products with captivating design was maintained in the new launches of 2009-10, introducing a number of industry first features, many of them using Whirlpool's unique 6th Sense technology. Some of these are:

- WhiteMagic 1-2-3, India's first user friendly fully automatic washing machine that requires the use of only 3 buttons to operate the machine.
- Protton 3D is India's first fully automatic 3-door refrigerator with Air Booster System for systematic & odour free storage of frozen food, fresh food & vegetables in three separate

compartments. It is equipped with the largest vegetable drawer (34L) in its segment with a Freshness Booster System that ensures lasting freshness for more than a week.

- The new range of Mastermind split air conditioners have India's first sliding panel that ensures greater air flow and protection of internal controls from dust. Its advanced 6th sense MPFI system with a unique 4-in 4-out capillary design gives faster yet more energy efficient cooling. The 30 minutes fast forward cool system cools powerfully during the first 30 minutes and its Aroma Pure System is a scientific combination of filters that remove dust and bacteria while emanating a refreshing fragrance.

Your company has recognized the importance of expanding distribution to meet emerging demand in small towns in India. Our immediate focus is on 700 towns with a population of 100,000-500,000 which we believe will emerge as major consumption centers in the years ahead. The Sales system is reviewing our reach in these markets and we plan to add new distributors to expand our distribution width in small towns. Meanwhile, the dealer contact programme and branded road shows will be a regular feature in our calendar of activities.

Energy regulations are becoming stringent. It is now mandatory to declare energy usage in Air Conditioners and Frost Free refrigerators. Your company was among the first to embrace energy standards even when it was voluntary and it has endeavoured to market products with high energy efficiency. In the period under review, the Frost Free range was upgraded with all products having energy ratings of 4* or 5*. The new range of split air conditioners are 3* and above, as is our DC range.

Whirlpool is already a preferred brand and has been made stronger in the past year. Visibility of the

brand was heightened through a number of low-cost initiatives that encompassed mass media, internet and outdoor. A massive radio blitz was mounted at the start of the summer in April 2009, followed by an unprecedented cinema plan in June-July. The brand was present on Television and Print throughout the year. Our brand logo was enlarged on our cartons and painted on delivery trucks. Dealer Boards and branding of Housing Societies added to the on-street visibility. Our communication was taken to 3900 screens inside important hospitality and personal care outlets, fitness centers, hospitals and chemists in metros and select states. Strategic alliances were forged with reputed brands and innovative promotions run such as one year's free supply of Surf Excel with washing machines and Reebok wrist watches with Whirlpool products during Diwali. The brand entered the cricket arena first with on-ground advertising in international one-day fixtures and subsequently as the official "Cooling Partner" of the Kings XI Punjab in the 2010 edition of IPL. Media interest in the company has grown with Whirlpool being featured in electronic media on more than 20 occasions, and leading business channels now routinely invite Whirlpool on industry and business related subjects.

A number of external recognitions were awarded to Whirlpool in 2009-2010 :

1. It was voted as one of the top 25 Best Employers in India 2009 by Hewitt.
2. The Indo-American Chamber of Commerce rated Whirlpool as the Best US Company in India
3. Whirlpool was conferred the Frost & Sullivan 2009 Business Development Strategy Leadership Award for Residential Point-of-Use Water Treatment Systems in India.
4. WhiteMagic 1-2-3 Washing Machine was voted Product of the Year and received an award for

the 'Best Innovative Product' in the Washing Machine category. *(This is the second time that Whirlpool has been recognized with the 'Best Innovative Product' by Product of the Year awarded in 2009 for Frost Free Refrigerators with 6th sense.)*

5. Whirlpool was voted The Most Trusted Brand by Reader's Digest in a survey that included quantitative as well as qualitative rounds of consumer research.
6. Whirlpool's Genius and WhiteMagic 1-2-3 won GOOD DESIGN[®], the world's most prestigious world design award. This award comes from The Chicago Athenaeum: Museum of Architecture and Design and Metropolitan Arts Press Ltd., which presents GOOD DESIGN[®] awards annually to the most innovative and cutting-edge industrial, product and graphic designs produced around the world.

Finally, Brand Whirlpool also contributed to society. It spread its festive theme of "**Sab Ka Jashn, Sab ki Jeet**" by partnering with an NGO, GiveIndia, to participate in the 'Joy of Giving Week' (September 27 - October 3) and contributed an amount generated from sales on September 24, 2009 to the underprivileged in our country.

Exports

The Company's Export business has achieved a turnover of Rs 197 crores in 2009-10, which represents a 10% growth in turnover over 2008-09. This was achieved in spite of the global recessionary conditions prevailing in most parts of the world. In volume terms too the company recorded 11% growth over last year implying no deterioration in price & mix. The reason behind our success was due to our strategic focus on countries which are less affected by the economic recession, primarily the Oceania region (Australia +New Zealand) and our neighboring markets in the

SAARC region. We are pleased to highlight that our refrigerators manufactured in our 'State of the art' Pune facility have achieved market leadership in the demanding Australian market within 2 years of launch. Simultaneously, in the SAARC markets, we were able to achieve healthy growth during the 2nd half of FY10, with the help of a wider product range and revamped network structure. Additionally we recently launched our Professional Series of washing machines in Middle East & South East Asia markets. Moving forward, this range is set to be launched in our global markets and should contribute significantly to our export turnover. As we look ahead, we see the first indications of demand revival in some of our key markets in Middle East/Africa & Latin America. This revival combined with a revamped new series of refrigerators is expected to accelerate exports business growth in the coming years.

Consumer Services

Moving ahead on the journey of "Best in Class" Services, Whirlpool has expanded its "Uncompromising Care Process" across the country which measures the promptness & quality of Service rendered with verification directly from the customer. The locus of control in deciding the quality of service rests with the consumer, which in turn decides the performance & remuneration of the Service Provider. This has been achieved by Improved Infrastructure /people in Upcountry locations for better reach, penetration & improved service delivery.

We continue to improve revenue generation through our touch point with the Consumer. Innovation in our accessories & new categories continue to grow profitability for the company. The unique combination of our Business Model- Service Delivery & Revenue - is a source of sustainable competitive advantage.

Human Resources

The year 2009-10 saw Whirlpool India make progress

in our attempt to be an 'Employer Of Choice' with Whirlpool being voted amongst the "Top 25 Best Companies to work for in 2010" by the Great Place to work Institute.

Given the challenging business environment that prevailed in the first two quarters of 2009, the Human Resources Team focused on creating a connect with employees. The target was to boost morale to encourage a spirit of winning and dispel any uncertainties. Our focused approach towards Talent continued and we concentrated on the embedment of a 5 point "Extraordinary Performance and Results system". We also identified critical positions and key Players. Differentiated compensation and growth opportunities were provided to ensure retention of key talent and successors for all critical positions.

In the light of the global economic meltdown Whirlpool India took several proactive measures towards attaining cost leadership. An intensive Admin. related Cost Reduction Drive was introduced across the Board, with a SMART (Save Money and Reap Tomorrow) Campaign being launched. The program was centered on building a cost culture and the campaign resulted in remarkable savings.

During the year we agreed two Long Term Settlements in our Pondicherry and Pune Plants. We also continued our focus on Lean Manufacturing with MOST Implementation and TPM and a cost leadership drive in Manufacturing.

To increase the Connect with employees at all levels, the Employee Engagement Initiative took off with Great Spirit. Focus Group Discussions were conducted across India and Employee Centric Action plans were drawn out and are being implemented. The leadership team then took ownership to drive four big leadership actions which impacted employee engagement in the organization. This year the HR team organized several family connect initiatives with the employee families through family days and

Celebrating Success during employee reward and recognition programs.

Key Organizational capability building initiatives such as 'Organisational Leadership Development Programme' (OLDP) for Directors, 'Emerging Leadership Development Programme' (ELDP) for first time Managers and 'Project Breakthrough' for Branch Managers were launched to gear up the organization towards an exponential growth agenda. To encourage a self and virtual learning culture, a Whirlpool University and Harvard course were launched on the online platform. Additionally a hassle free online processes was introduced for streamlining several People Processes much to the benefit of all employees. These included Investment declaration, Form 16, Tax Filling, Policy Manual and My Product Scheme.

With the intention to grow fast, and manage profitability, the year 2009-10 has indeed been demanding on the people front and all of the above mentioned Human Resource initiatives have ensured that employees are highly engaged and driven to deliver their best.

Finance and Accounts

During the year under review, the Company has shown strong business performance on all fronts. The Company focused on all the key financial parameters, viz. revenue, cost, working capital and cash flow. On the cost side, the Company continued with its P3B initiative to optimize the cost footprint including initiatives in "Design to Value" i.e. the product being redesigned to drive cost efficiencies and enhance margins. During the year the Company became a debt free Company. The Company also achieved its target of highest ever cash generation during the year. The company continues to have a strong focus on cash generation through improvement in inventory and receivables management.

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. Anand Bhatia and Mr. Arvind Uppal retire by rotation and being eligible offer themselves for reappointment.

Mr. Anand Bhatia, Independent non Executive Director of the Company is an Economics graduate from Cambridge University (U.K). He has over 30 years of working experience at senior level with Unilever plc. worldwide. Currently he is a director in (1) EID Parry (India) Ltd. (2) HGS Pvt. Ltd. (3) Sowar Pvt. Ltd. He is on your Board since 2001 and is also the Chairman of the Audit Committee, Remuneration Committee and Shareholders Grievance Committee.

Mr. Arvind Uppal was appointed as Managing Director of the Company w.e.f. February 16, 2005. 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 22 years of experience in business development, International marketing and General management. Prior to joining Whirlpool he was with Nestle in India and overseas. He was appointed as Chairman of your Company w.e.f. 27th January 2010. He is a director in Tuscan Ventures Private Limited. Currently he is Chairman & Managing Director of Whirlpool of India Ltd.

During the year Mr. Vikas Singhal resigned from Board w.e.f. 31st March 2010. Mr. Syed Shahzad Akhtar has been appointed as an Additional Director in the capacity of Whole time Director of the Company w.e.f. 17th May, 2010. Mr. Shahzad joined the Company in January 2009 as head of Sales and was subsequently promoted as VP and General Manager India operations. He is an engineering graduate from the University Of Cambridge and an

MBA from INSEAD, France. He has vast experience of over 20 years in the field of general management and marketing, a large part of which has been with Unilever. During his tenure with Unilever he gained extensive international experience and held positions of increasing responsibility, the last being as the Global Vice President for Unilever's Fabric Cleaning business based out of the UK. He is not a Director in any other Company.

Mr. Syed Shahzad Akhtar vacates the office of Director at this AGM. The Board considers that it would be in the interest of the Company to appoint Mr. Syed Shahzad Akhtar as a Whole Time Director of the Company. Shareholders' approval is sought as a special resolution for the appointment and approval of remuneration for Mr. Akhtar.

Auditors

Members are requested to appoint Auditors for the current year on a remuneration to be fixed by the Board as per Item No. 4 of the Notice for the AGM. M/s S. R. Batliboi & Co., the present Auditors of the Company have, under Section 224 (1B) of the Companies Act, 1956 furnished a certificate of their eligibility for reappointment. The Board recommends their reappointment as Auditors for the Financial Year 2010-11.

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 2010, the amount of Fixed Deposits held by the Company was Rs. 15.27 Lacs. There were no overdue Deposits except Unclaimed Deposits amounting to Rs.2.29 Lacs.

Listing of Shares

Company's equity shares are listed at Bombay Stock Exchange Ltd. and your Company's equity shares got additional listing on National Stock Exchange of India Ltd. w.e.f. 6th April 2010.

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. Robert L. Mink, Member - Non 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 on a replacement cost basis.

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

Syed Sahzad Akhtar

Arvind Uppal

Dated: May 17, 2010

[Executive Director]

[Managing Director]

DIN 03052558

DIN 00104992

Annexure A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Structure and Developments

Market growth was modest in the first quarter of the financial year 2009-2010 but picked up as the year progressed. The General Elections saw the ruling alliance return to power, signaling political stability at the centre. Strong GDP growth in the face of a contracting global economy infused confidence in business; the fiscal stimulus provided relief from inflationary pressures; and implementation of the 6th Pay Commission stimulated consumer purchase. All these combined to change the consumer sentiment from apprehension during the last two quarters of 2008-2009 to positive as the new financial year progressed. The home appliance industry in particular was among the first to witness revival of growth.

Overall, the home appliance industry, comprising Refrigerators, Washing Machines, Microwaves and Air Conditioners, grew by 15-20%. Our estimate of category growth is 15-20% for Refrigerators and Microwaves and 20-25% for Washing Machines and Air Conditioners.

Some developments that can be seen in the appliance industry are:

- There is distinct preference for high-end products. For example fully automatic washing machines and split air conditioners are growing faster than the category average.
- There is higher demand for large capacity products driven by changing lifestyles, e.g. weekly vs. daily shopping and infrequent heavy-load washing vs. daily light-load washing. This is fuelling demand for large capacity refrigerators and washing machines respectively.
- Energy consciousness is increasing and is becoming an important purchase criterion, especially in Air Conditioners.
- Consumers are paying greater attention to design and aesthetics while choosing a brand.

- Health and wellness trends have resulted in demand for health-related features in home appliances. For instance, Water Purification products are increasingly being seen as a necessity.
- Barriers to owning a washing machine (availability of laundry, “dhobi”, and domestic help) are coming down. This segment has seen high growth over the recent past.
- Emergence of modular kitchens has given birth to a new genre of appliances called Built-In appliances where the products (Ovens, Dishwashers, Hoods, etc.) integrate with the cabinetry of the kitchen.
- Trade expectations have changed. The emergence of “modern trade” has thrown up the necessity for Trade Marketing and Key Account Management practices as well as improving customer management practices.

Outlook And Opportunities

Penetration of home appliances is still very low and the long term growth opportunity for this industry is very attractive. Out of every 100 consumers living in urban India, only 33 own a refrigerator and 13 a washing machine and these numbers are miniscule in rural areas. Penetration of air conditioners, microwaves and electrical water purifiers is even lower. Hence, the industry can be expected to see sustained growth in all categories for many years to come and the government focus on infrastructure development – electricity in particular – will accelerate demand.

Growth is expected at both ends of the market. Growth of entry level products will be stimulated by first time buyers while the sophisticated products will be fuelled by the replacement market, new housing and modular kitchens. Within the home appliance industry, categories/segments that are expected to grow ahead of the industry average are washing machines, microwaves and air conditioners.

Outlook on Threats, Risks and Concerns

Demand is likely to be robust in the next financial year. However, competitive activity is also likely to rise and a number of existing competitors have announced

investments in new plants and expansion into new categories and brands. New players are also entering the country, lured by the attractiveness of the market. These will impose pressure on market share and advertising and promotion budgets will need to be increased to maintain brand saliency. Distribution expansion and efficiency will also be a key driver to stay ahead of competition.

Cost pressures will continue to be a concern: on one hand, the increase in demand drives inflation of material costs and on the other, regulations on energy and sustainability will add cost to our products.

The lack of a well developed supply base of components and materials necessitates imports and thus there is consequential risk arising from currency fluctuations.

Segment wise Performance, Internal Controls and Financial Performance

The company operates in only one segment of White Goods. Domestic sales in value terms grew by 30% and overall sales grew by 28%.

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 revised 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 2010.

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) Upgradation of generator - resulting in lower fuel consumption.
- ii) Use of Day light increases through use of transparent roof sheets.
- iii) Heating load in thermoforming operation reduced by 20%.

Pune Plant:

- i) Reduction of Air Conditioner load by 15Ton in Admin. Block by reducing the ceiling height and modifying the false ceiling.
- ii) Plant Lighting lamps brought down by 8ft height to improve the lighting and avoid installation of new lights in the plant.
- iii) Installed natural roof ventilators to cover 30% of the plant area for exhaust & disconnecting 30% of Electrical Exhaust fans.
- iv) A detail Energy Audit by Competent agency was initiated in the month of Jan 2010 for

capturing opportunities in energy saving to the tune of 8% of the total consumption.

- v) Pune Facility was awarded with 'DSK ENERGY AWARD 2009' by Institute of Engineers, Pune Chapter for sustained Energy Saving drive.
- vi) By initiatives like Air leakages arresting drive, localized air pressure setting, Air pipe line modifications saved 6% energy cost .
- vii) Maytag thermo heating controlled by zone temperature monitoring.

Puducherry Plant:

- i) Dishing Machine power pack auto switch off if not in use for more than 5 minutes.
- ii) Press Hydraulic auto cut off if not in use for more than 5 minutes.
- iii) Assembly Area Fan & light cut off auto during lunch time.
- iv) Dining Hall Fan & Light auto cut off after lunch hours.

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

Faridabad Plant:

- i) Optimization of chilling and Heating Loads.
- ii) Reduction of fuel consumption by operating oven at low temperature.

Pune Plant:

- i) Installation of Natural Ventilators in the plant for Exhaust in balance areas.
- ii) Refrigeration type Air Dryers for compressed air system.
- iii) Hot water generation centralization for process heating.
- iv) Chiller water line centralization.

Puducherry Plant:

- i) Load sharing for assembly area & lab area.
- ii) Energy Saving Unit to be installed.

- iii) Solar Lamp at factory street lights.
- iv) Common outdoor unit for Mezzanine floor AC.

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

Faridabad plant	: Rs. 3.00 per Refrigerator
Pune plant	: Rs. 4.50 per Refrigerator
Puducherry Plant	: Rs. 0.67 per Machine

B) TECHNOLOGY ABSORPTION RESEARCH & DEVELOPMENT

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

Faridabad Plant:

- i) Energy efficient refrigerators model range enhanced in direct cool products category.
- ii) Consumer relevant features like glass shelves & new door finishes introduced as part of new model offerings. Innovative fast forward ice feature extended to higher capacity product range.
- iii) State of the art, contemporary CAD and simulation packages used to make a robust design with compressed design cycle time.

Pune Plant:

- i) Worked on Technical solutions for higher Energy efficient No Frost Products as per migration path.
- ii) Launched Protton Series, 3 door Top Mount ref with separate vegetable drawer for ease of use, freshness and energy savings.
- iii) State of the art, contemporary CAD and simulation packages used to make a robust design with compressed design cycle time.
- iv) Use of Test to fail and Reliability engineering techniques during developmental testing for estimating and improving the reliability of the products (Reliability = Performance over life of product), through state of art and internationally accepted lab facilities.

Puducherry Plant:

- i) Styling refresh made on SATT 6.5 kg segment.
- ii) Heater model introduction in 1-2-3 range.
- iii) CFM ranges introduced in 1-2-3 line up.
- iv) Sport washer SKU expanded through CFM.

Benefits/ achievements derived as a result of the above R&D.**Faridabad Plant:**

- i) Lower running cost to the consumer due to increased energy efficiency.
- ii) Premium value of the product through glass shelves introduction & maintaining cooling.
- iii) Perceived and experienced quality improvement.

Pune Plant:

- i) Increased product performance, ease of use.
- ii) Better space management options for the consumer.
- iii) Perceived and experienced quality improvement.
- iv) Wider product ranges with the introduction of Protton Series.

Puducherry Plant

- i) In-built heater in 6.5 kg. Washer capacity segment.
- ii) Huge variety of color option for the taste of customer.

b) Future Plan of Action:**Faridabad & Pune Plant**

- i) Focus on premium product offerings.
- ii) Continued focus to make more energy efficient products.
- iii) Aesthetics refreshing and better space management offering.
- iv) Higher focus on export markets.

- v) Continued focus on innovative solutions which are relevant to consumers.
- vi) Continued strong focus on total cost productivity and process improvements.
- vii) Use of reliability and statistical techniques during development of new products, to ensure reliability of product.

Puducherry Plant

- i) Nano concept washer is under conceptualization stage to address mass market.
- ii) Higher capacity Twin tub plastic body development is under progress.

Expenditure on R & D

Particulars	(Rs. in lacs)
a) Capital	42.79
b) Recurring	1,236.98
c) Total	1,279.77
d) Total R & D expenses as % of total turnover	0.48%

C) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**a) Efforts made towards technology absorption, adaptation and innovation are directed towards:****Faridabad & Pune Plant:**

- i) R-600A introduction in Refrigerator appliances as refrigerant in the cooling system.
- ii) Airflow optimization & adoption of higher energy efficiency compressors in refrigerators for better cooling performance and minimum energy consumption.

Puducherry Plant:

- i) Mechanical driven pump in Semiautomatic models implemented.
- ii) Water fill time reduction by alternate in Inlet valve.

- iii) Multiple Water / Load levels introduction.
- iv) Touch sense controls in glass.

Benefits derived as a result of the above efforts:**Faridabad & Pune Plant:**

- i) Improved energy efficiency of the product, which will save the energy bill for the consumer.
- ii) Competitive advantage, through better performance and efficiency.
- iii) Reduce carbon foot print due to reduced emission of Green House Gas emissions, which is inline with Kyoto Protocol.

Puducherry Plant:

- i) Resource optimization through multiple Water / Load level options.
- ii) Time saving through alternate inlet valve.
- iii) Development of energy efficient Washer.

D) FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE YEAR ENDED MARCH 31, 2010**(Rs. in lacs)**

Foreign Exchange Earnings:

- i) FOB value of sales & income from services 24,433.42

Foreign Exchange Outgo-

- (i) CIF value of imports- Raw materials, Components, tools, spare parts and capital goods 45,656.42
- (ii) Others 4,687.96

Auditors' Report

To

The Members of Whirlpool of India Limited

1. We have audited the attached Balance Sheet of Whirlpool of India Limited ('the Company') as at March 31, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. 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;
 - iii. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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, 2010;

- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S.R. Batliboi & Co.

Firm Registration No. 301003E

Chartered Accountants

per Tridibes Basu

Partner

Membership No.: 17401

Place : Gurgaon

Date : May 17, 2010

Annexure referred to in paragraph [3] of 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 substantial disposal 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) As informed, 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) (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) (herein referred to as the Order) are not applicable to the Company.
 - (b) As informed, 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) (f) and (g) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the

Company and 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, no major weakness has been noticed in the internal control system in respect of these areas. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the company.

- (v) (a) According to the information and explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clause 4 (v) (b) of the Order are not applicable to the Company.
- (vi) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size 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, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (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 and excise duty 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 and excise duty and other undisputed 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 information and explanations given to us, dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of Statute	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	8.29	2000 -2003	CESTAT
Andhra Pradesh General Sales Tax Act, 1957	Tax levied on optional service contacts, Tax on exempted turnover	34.34	2000-03, 1993-94	Tribunal
Bihar Sales Tax Act, 1981	Penalty at Check Post	2.21	2003-04	Asst. Commissioner
Bihar Value Added Tax Act, 2005	Rejection of incentive discount	50.12	2005-07	Asst. Commissioner
Bombay Sales Tax Act, 1959	Rejection of claim for concessional sale	21.72	1997-99	Tribunal
Delhi Sales Tax Act, 1975	Rejection of claim of OSC charges	2.96	2003-04	Addl. Commissioner
Gujarat Sales Tax Act, 1969	Rejection of sales return, Non submission of forms	6.10	1996-98	Tribunal
	Rejection of claim of freight charges on sales return	9.16	2002-03	Joint Commissioner
Haryana General Sales Tax Act, 1973	Non submission of forms	86.41	1997-98, 2003-04	Joint Commissioner
J & K GST Act, 1962	Non submission of forms	1.75	2003-04	Dy. Commissioner
Kerela General Sales Tax Act, 1963	Penalty at Check Post	1.06	2002-03	Tribunal
Kerela Value Added Tax Act, 2005	Rejection of sales returns, Enhancement of turnover, Rejection of credit notes & forms short deposited, Rejection of claim for concessional sale	294.51	1999-01, 2002-03, 2005-07, 2008-09	Dy. Commissioner
Kerela General Sales Tax Act, 1963	Rejection of claim on credit notes, Rejection of statutory forms	88.23	1997-98, 2003-05	Dy. Commissioner
	Rejection of credit notes	13.79	2001-02	High Court
MP Commercial Tax Act, 1944	Rejection of claim on discounts, Rejection of credit notes, Rejection of sales return	31.32	1998-00, 2002-03	Tribunal
	Rejection of sales return	1.95	2004-05	Tax Board
	Rejection of claim on discounts, Non submission of forms	24.49	2003-05	Addl. Commissioner
MP Value Added Tax Act, 2005	Rejection of sales return	19.18	2005-06	Addl. Commissioner
Orissa Sales Tax Act, 1947	Non submission of forms, Levy of entry tax, Enhancement of turnover, Dispute in rate of tax	37.33	1992-94, 1996-99, 2002-03 2005-06	Asst. Commissioner
	Non submission of forms, Enhancement of turnover, Rejection of sales return	17.72	1999-00, 1991-93, 2000-02	Tribunal

Name of Statute	Nature of Dues	Amount (Rs. Lacs)	Period	Forum Pending
Orissa Sales Tax Act, 1947	Non submission of forms	1.16	1999-00	STO
Rajasthan Value Added Tax Act, 2005	Rejection of claim on credit notes for discount	38.48	2007-08	Tribunal
	Rejection of surcharge on TOT	1.41	2000-01	Dy. Commissioner
Tamil Nadu General Sales Tax Act, 1959	Demand on imported goods taxed at Higher rate	68.32	2002-04	High Court
	Penal interest on late payment	3.07	2002-03	STO
The Chhattisgarh Value Added Tax Act, 2003	Rejection of Forms	169.96	2002-03	Addl. Commissioner
	Penalty at Check Post	3.01	2002-03	Tribunal
	Refund matter	1.96	2001-02	STO
	Levy of entry tax	1.45	2002-03	Commissioner of Sales Tax
UP Entry Tax Act, 2007	Entry tax	89.47	2007-09	High Court
UP Value Added Tax Act, 2008	Penalty at Check Post	4.08	2008-09	Asst. Commissioner
West Bengal Sales Tax Act, 1944	Rejection of claim of credit notes, forms short etc.	336.83	2002-06	Asst. Commissioner
	Rejection of claim of credit notes, forms short etc.	34.43	1998-99, 2004-05	Addl. Commissioner
	Rejection of claim of credit notes, forms short etc., Rejection of claim for concessional sale	157.53	1999-02, 2003-05	Tax Board
	Rejection of claim of concessional sale etc.	6.76	2002-03	Special Commissioner

According to the information and explanations given to us, there are no dues of income-tax, wealth 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 a financial institution, bank or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (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) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (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 course of our audit.

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

Place: Gurgaon
 Date : May 17, 2010

Balance Sheet as at March 31, 2010

	Schedules	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	27,921.43	27,921.43
Reserves and Surplus	B	8,749.33	2,569.24
		<u>36,670.76</u>	<u>30,490.67</u>
Loan Funds			
Unsecured Loans	C	15.27	11,023.54
	Total	<u>36,686.03</u>	<u>41,514.21</u>
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	D	72,221.47	69,948.49
Less: Accumulated Depreciation/Amortisation		43,270.86	39,363.55
Net Block		28,950.61	30,584.94
Capital Work in Progress including Capital Advances		1,327.19	201.87
		<u>30,277.80</u>	<u>30,786.81</u>
Intangible Assets			
	E	33.21	59.22
Deferred Tax Assets (Net)			
	F	1,147.57	7,325.27
Current Assets, Loans and Advances			
Inventories	G	46,248.63	29,987.43
Sundry Debtors	H	13,978.69	8,206.65
Cash and Bank Balances	I	6,217.77	7,277.79
Loans and Advances	J	15,913.91	7,948.74
	(i)	<u>82,359.00</u>	<u>53,420.61</u>
Less: Current Liabilities and Provisions			
Current Liabilities	K	65,888.27	45,184.66
Provisions	L	11,243.28	5,915.51
	(ii)	<u>77,131.55</u>	<u>51,100.17</u>
Net Current Assets	(i-ii)	<u>5,227.45</u>	<u>2,320.44</u>
Miscellaneous Expenditure (to the extent not written-off or adjusted)	M	-	940.42
Profit and Loss Account		-	82.05
	Total	<u>36,686.03</u>	<u>41,514.21</u>
	T		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.
As per our report of even date

For S.R. Batliboi & Co.
Firm Registration No. 301003E
Chartered Accountants

per **Tridibes Basu**
Partner
Membership No. 17401

Place: Gurgaon
Date : May 17, 2010

Arvind Uppal
[Managing Director]
DIN:00104992

Syed Shahzad Akhtar
[Executive Director]
DIN:03052558

Anil Berera
[Chief Financial Officer]

Ravi Sabharwal
[Company Secretary]

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



Profit and Loss Account for the year ended March 31, 2010

Schedules		For the year ended March 31, 2010 (Rs. in lacs)	For the year ended March 31, 2009 (Rs. in lacs)
INCOME			
		260,291.03	202,211.73
Sales : Gross		32,922.42	21,480.73
Less: Trade Discounts and Rebates		13,620.46	16,066.45
Less: Excise duty			
Sales (Net)		213,748.15	164,664.55
Income from Services		7,739.43	7,251.62
Other Income	N	2,337.53	1,114.72
Total	Total	223,825.11	173,030.89
EXPENDITURE			
Purchase of Trading Goods		39,788.08	22,094.50
Raw material and components consumed	O	107,607.27	85,648.95
Employees' Remuneration & Benefits	P	16,036.45	13,593.88
Operating and other expenses	Q	45,289.90	33,907.77
(Increase) / Decrease in Inventories	R	(11,353.06)	2,590.63
Depreciation/Amortisation	D & E	4,007.52	3,940.13
Less: Transferred from Revaluation Reserve		(39.62)	(39.62)
Interest and Finance Expenses	S	3,967.90	3,900.51
Miscellaneous expenditure written-off		826.84	1,732.14
		940.42	943.04
Total	Total	203,103.80	164,411.42
		20,721.31	8,619.47
Profit before tax			
Provision for Tax			
Current tax (MAT Payable)		3,638.63	539.12
Less: MAT Credit Entitlement		3,638.63	539.12
Income Tax relating to earlier years (MAT)		-	-
Deferred Tax Charge		41.23	-
Fringe Benefit Tax		6,177.71	1,277.74
Wealth Tax		-	289.56
		0.38	0.47
Total Tax Expense		6,219.32	1,567.77
Profit after tax		14,501.99	7,051.70
Balance brought forward from previous year		(82.05)	(7,133.75)
Profit available for appropriation		14,419.94	(82.05)
Appropriations:			
Interim dividend on preference shares		4,176.79	-
Proposed dividend on preference shares		3,046.85	-
Tax on dividend		1,227.51	-
Surplus / (Deficit) carried to Balance Sheet		5,968.79	(82.05)
Number of Equity Shares outstanding during the year		126,871,830	126,871,830
Profit/Loss for Calculation of EPS (Rs. in lacs)		12,719.65	5,269.36
(refer note no. C (13) of Schedule T)			
Nominal Value of Equity Shares (Rs.)		10	10
Earnings Per Share			
Basic and Diluted in Rs. [Nominal Value of Equity Shares Rs.10 (Previous Year Rs.10)]		10.03	4.15
[Refer note no. (C) (13) of Schedule T]			
Notes to Accounts	T		

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.
As per our report of even date

For S.R. Battiboi & Co.
Firm Registration No. 301003E
Chartered Accountants

per Tridibes Basu
Partner
Membership No. 17401

Place: Gurgaon
Date : May 17, 2010

Arvind Uppal
[Managing Director]
DIN:00104992

Syed Shahzad Akhtar
[Executive Director]
DIN:03052558

Anil Berera
[Chief Financial Officer]

Ravi Sabharwal
[Company Secretary]

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

Cash Flow Statement for the year ended March 31, 2010

	For the year ended March 31, 2010 (Rs. in lacs)	For the year ended March 31, 2009 (Rs. in lacs)
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	20,721.31	8,619.47
Adjustments for:		
Depreciation/amortisation	3,967.90	3,900.51
Miscellaneous Expenditure Written Off	940.42	943.04
Provision for Doubtful Debts and Advances	263.27	186.70
Balances Written Back/ Off (Net)	(474.50)	(349.90)
Loss on Fixed Assets Sold (Net)	(6.17)	10.93
Interest Income	(488.04)	(29.75)
Foreign Exchange Fluctuation (Net)	68.12	(168.53)
Interest and Finance Charges	826.84	1,732.14
Unrealised foreign exchange loss	(6.52)	(6.50)
Operating profit before working capital changes	25,812.63	14,838.11
Movement in working capital:		
(Increase)/ Decrease in Sundry Debtors / Other Receivables	(10,098.91)	3,389.71
(Increase)/ Decrease in Inventories	(16,261.20)	4,512.36
Increase/ (Decrease) in Sundry Creditors / Other Payables	23,062.82	(3,668.20)
Cash Generated from Operations	22,515.34	19,071.98
Direct Taxes including FBT Paid (Net of Refunds)	(3,639.10)	(689.36)
Net Cash Flow generated from Operating Activities (a)	18,876.24	18,382.64
B CASH FLOW USED IN INVESTING ACTIVITIES		
Purchase of fixed assets	(3,689.92)	(2,553.28)
Proceeds from sale of fixed assets	9.50	2.37
Interest received	238.04	29.75
Proceeds (Payment) from Margin Money	(489.69)	10.09
Net Cash Flow used in Investing Activities (b)	(3,932.07)	(2,511.07)
C CASH FLOW USED IN FINANCING ACTIVITIES		
Interest and Finance Charges	(663.22)	(965.32)
Repayment of Short term Borrowings	(5,900.32)	(10,885.28)
Proceeds from Long term Borrowings	-	40.36
Repayment of Long term Borrowings	(5,043.70)	(49.63)
Payment of Interim dividend on preference shares	(4,176.79)	-
Payment of Tax on Dividend	(709.85)	-
Net Cash Flow used in Financing Activities (c)	(16,493.88)	(11,859.87)
NET (DECREASE)/ INCREASE IN CASH & CASH EQUIVALENTS (a+b+c)	(1,549.71)	4,011.70
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,197.66	3,185.96
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5,647.95	7,197.66
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash on Hand	8.26	15.66
Balances with Post Office in Savings Bank Account	0.03	0.03
Balances with Scheduled Banks		
- On Current / Collection Account	3,328.88	4,475.35
- On Cash Credit Accounts	690.92	287.47
- On Margin Money Accounts	569.82	80.13
- On Deposit Accounts	1,611.58	2,410.77
- On Rights Issue Refund Account	0.22	0.22
- On Unclaimed Debentures/ Interest on Debenture Account	8.06	8.16
	6,217.77	7,277.79
Less : Margin Money Accounts*	(569.82)	(80.13)
	5,647.95	7,197.66

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

As per our report of even date

For S.R. Batliboi & Co.
Firm Registration No. 301003E
Chartered Accountants

per Tridibes Basu
Partner
Membership No. 17401

Place: Gurgaon
Date : May 17, 2010

Arvind Uppal
[Managing Director]
DIN:00104992

Syed Shahzad Akhtar
[Executive Director]
DIN:03052558

Anil Berera
[Chief Financial Officer]

Ravi Sabharwal
[Company Secretary]

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

Schedules Annexed to and forming part of the Balance Sheet

SCHEDULE - 'A'

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
Share Capital		
Authorised		
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 fully paid	15,500.00	15,500.00
	<u>30,500.00</u>	<u>30,500.00</u>
Issued, Subscribed and Paid Up		
Equity Share Capital		
126,871,830 (Previous Year 126,871,830) Equity Shares of Rs.10 each fully paid up	12,687.18	12,687.18
Out of the above :		
(i) 50,000 (Previous Year 50,000) Equity Shares were allotted pursuant to a contract for supply of machinery in earlier years.		
(ii) 6,601,400 (Previous Year 6,601,400) Equity Shares were allotted as fully paid up Bonus Shares by capitalisation out of General Reserves in earlier years.		
(iii) 4,196,400 (Previous Year 4,196,400) Equity Shares were allotted as fully paid up Bonus Shares by capitalisation out of Securities Premium Account in earlier years.		
(iv) 25,000 (Previous Year 25,000) Shares were allotted to Shareholders of erstwhile Aravali Swachalit Vahan Limited under a Scheme of Amalgamation in earlier years.		
(v) 75,00,000 (Previous Year 75,00,000) Shares were allotted to Shareholders of erstwhile Whirlpool Washing Machines Ltd. under a Scheme of Amalgamation in earlier years.		
(vi) 24,202,188 (Previous Year 24,202,188) Shares were allotted to a Shareholder of erstwhile Whirlpool Financial India Private Ltd. under a Scheme of Amalgamation in earlier years		
Preference Share Capital		
152,342,500 (Previous Year - 152,342,500) 10% Redeemable Non-Convertible Cumulative Preference Shares of Rs.10 each fully paid up	15,234.25	15,234.25
Total	<u>27,921.43</u>	<u>27,921.43</u>

Notes:

- 1 95,153,872 (Previous Year 95,153,872) Equity shares are held by Whirlpool Corporation Inc., USA, the Ultimate Holding Company, through its subsidiary.
- 2 152,342,500 (Previous Year 152,342,500) 10% Redeemable Non-Convertible Cumulative Preference Shares are held by Whirlpool Canada Holding Company, a subsidiary of Whirlpool Corporation Inc., USA.
- 3 10% Redeemable Non-Convertible Cumulative Preference Shares are redeemable at par at the earliest of the following events :
 - (i) at the end of 20 years from the date of allotment i.e June 20, 2005 for 108,850,000 shares and August 9, 2005 for 43,492,500 shares;
 - (ii) at any time after the expiry of 30 days from the date on which the Company gives subscribers a notice of its intention to redeem the shares;
 - (iii) within 30 days from the date on which the subscriber gives the Company a notice of its intention to have the shares redeemed.

Schedules to the Accounts

		As at March 31, 2010 (Rs. in lacs)		As at March 31, 2009 (Rs. in lacs)
SCHEDULE - `B`				
Reserves and Surplus				
Capital Reserve		45.86		45.86
Capital Subsidy		0.50		0.50
Revaluation Reserve				
Balance as per last accounts	1,505.08		1,544.70	
Less: Transferred to Profit and Loss Account*	<u>39.62</u>	1,465.46	<u>39.62</u>	1,505.08
Securities Premium Account		1,268.72		1,268.72
Hedging Reserve Account				
Balance as per last accounts	(250.92)		-	
Add: Created during the year	-		(250.92)	
Less:- Adjusted during the year (Refer note C (5) of Schedule T)	<u>250.92</u>	-	<u>-</u>	(250.92)
Profit and Loss Account		5,968.79		-
Total		<u>8,749.33</u>		<u>2,569.24</u>

*On account of depreciation of Rs.39.62 lacs (Previous year Rs 39.62 lacs) on revalued fixed assets.

SCHEDULE - `C`**Unsecured Loans**

Fixed Deposits		15.27		46.57
[Due within one year Rs.13.51 lacs (Previous year Rs.34.55 lacs)]				
Interest Accrued & Due on Fixed Deposits		-		1.65
Foreign Currency Loan from Holding Company		-		5,075.00
[Due within one year Rs. Nil (Previous year Rs. Nil)]				
Short-term loans and advances:				
From Banks - Cash credit and packing credit		-		2,000.32
Other loans and advances:				
From Banks		-		3,900.00
[Due within one year is Rs.Nil (Previous year Rs.3,900 lacs)]				
Total		<u>15.27</u>		<u>11,023.54</u>

Schedules to the Accounts

SCHEDULE - 'D'

Fixed Assets

(Rs. in lacs)

	Land Freehold	Land Lease hold	Leasehold Improvements	Buildings	Plant and Machinery	Furniture, Fixtures and Office Equipments	Vehicles	Total	Previous Year
Gross Block									
Opening Block	1,356.52	470.45	771.07	8,409.18	56,286.61	2,527.98	126.68	69,948.49	66,599.65
Additions	-	-	118.04	190.53	1,753.77	278.26	9.91	2,350.51	3,420.38
Deductions/ Adjustments	-	-	0.27	-	49.27	25.17	2.82	77.53	71.54
At March 31, 2010	1,356.52	470.45	888.84	8,599.71	57,991.11	2,781.07	133.77	72,221.47	69,948.49
Depreciation									
Opening Block	-	55.06	328.33	3,028.08	34,133.05	1,720.36	98.67	39,363.55	35,507.94
For the year	-	4.75	209.48	263.84	3,393.96	90.11	19.37	3,981.51	3,913.85
Deletions/adjustments	-	-	-	1.94	50.58	18.86	2.82	74.20	58.24
At March 31, 2010	-	59.81	537.81	3,289.98	37,476.43	1,791.61	115.22	43,270.86	39,363.55
Net Block									
At March 31, 2010	1,356.52	410.64	351.03	5,309.73	20,514.68	989.46	18.55	28,950.61	30,584.94
At March 31, 2009	1,356.52	415.39	442.74	5,381.10	22,153.56	807.62	28.01	30,584.94	-

Notes:

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

Description

F.Y. 1995-96

(Rs. in lacs)

Land - Freehold	2,160.40
Land - Leasehold	213.42
Building	1,652.57
Plant and Machinery	3,243.10

- Additions to Gross Block of Building, Plant and Machinery and Furniture, Fixtures and Office Equipments above are after deducting grant received amounting to Rs.0.83 Lacs (Previous year Nil), Rs.26.48 lacs (Previous Year Rs.48.48 lacs) and Rs.122.06 lacs (Previous Year Rs. 12.56 lacs) respectively.
- Plant & Machinery includes moulds lying with the third parties amounting to Rs.10,490.67 lacs (Previous Year Rs.10,547.33 lacs) with a net book value of Rs.2,122.56 lacs (Previous Year Rs.2,972.61 lacs).

Schedules to the Accounts

SCHEDULE - 'E'

Intangible Assets	Intangibles (Software Licences)	Total	Previous Year
Gross Block			
At April 1, 2009	130.04	130.04	130.04
Additions	-	-	-
Deductions/Adjustments	-	-	-
At March 31, 2010	130.04	130.04	130.04
Amortisation			
At April 1, 2009	70.82	70.82	44.54
For the year	26.01	26.01	26.28
At March 31, 2010	96.83	96.83	70.82
Net Block			
At March 31, 2010	33.21	33.21	59.22
At March 31, 2009	59.22	59.22	-

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
--	--	--

SCHEDULE - 'F'

Deferred Tax Asset (Net)

Deferred Tax Assets

Arising on account of timing differences on

- Accumulated Unabsorbed Depreciation	3,154.45	9,930.04
- Provision for Doubtful Debts and Advances	375.62	303.01
- Other Provisions	1,169.16	1,206.95

Gross Deferred Tax Asset

Less:-

Deferred Tax Liabilities

Arising on account of timing differences on

- Difference in depreciation, amortisation and other differences as per tax returns and financial books.	3,551.66	4,070.17
- VRS Expenditure	-	44.56

Gross Deferred Tax Liability

Net Deferred Tax Asset

	3,551.66	4,114.73
	1,147.57	7,325.27

SCHEDULE - 'G'

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
Inventories (at lower of cost and net realisable value)		
Raw Materials and Components (including Stock in Transit Rs.3,316.10 lacs, Previous Year Rs.2,008.91 lacs)	10,129.17	5,290.81
Stores and Spares	314.02	244.24
Work-in-Progress	550.20	395.09
Finished Goods - Manufactured	17,606.24	13,348.55
Finished Goods - Traded (including Stock in Transit Rs.3,666.67 lacs, Previous Year Rs.967.40 lacs)	13,103.61	7,146.08
Spares for Finished Goods (including Stock in Transit Rs.124.59 lacs, Previous Year Rs.65.29 lacs)	4,545.39	3,562.66
Total	46,248.63	29,987.43

SCHEDULE - 'H'

Sundry Debtors

Debts outstanding for a period exceeding six months

Unsecured, considered good	4,742.63	150.29
Unsecured, considered doubtful	1,043.63	593.66

Other debts

Unsecured, considered good	16,556.17	11,929.21
Unsecured, considered doubtful	-	186.70
	22,342.43	12,859.86

Less:

Provision for Discounts and Claims	7,320.11	3,872.85
Provision for Doubtful Debts	1,043.63	780.36

Total

Included in Sundry Debtors are:-

i) Dues from Companies under the same management		
Whirlpool Southeast Asia PTE	34.09	82.63
Whirlpool Thailand Ltd	-	0.05
Whirlpool (Australia) Pty Ltd.	7,273.31	2,105.30
Whirlpool Microwave Product Developments Ltd	-	6.49

Schedules to the Accounts

SCHEDULE - 'H' (contd...)

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
Whirlpool-HKG/SEA	24.69	16.15
Whirlpool Europe s.r.l.	213.19	183.38
Whirlpool Morocco Srl.	86.19	100.50
Whirlpool Mexico SA de C.V.	14.35	32.43
Whirlpool South Africa (Pty) Ltd.	11.24	12.19
Whirlpool of India Holdings Ltd.	1.57	2.77
Guangdong Whirlpool Electrical Products Co Ltd.	18.57	8.36
Maytag Sales Corp.	-	39.26
Whirlpool Corporation Inc., USA	445.23	473.74
Whirlpool-Greater China Inc.	107.97	205.97
Whirlpool S. A.	16.38	11.05
Whirlpool China Investment Co. Ltd.	17.54	41.28
WHIRLPOOL d.o.o. Beograd	-	60.44
Whirlpool Bauknecht	6.21	58.06
Polar SA	8.19	-
WHIRLPOOL PERU S.R.L.	164.91	-
Comercial Acros Whirlpool	4.04	-
Whirlpool Product Develop	2.73	-
Total	8,450.40	3,440.05
ii) Dues from a director of the Company (Maximum amount outstanding during the year Rs.Nil (previous year Rs. Nil))	-	-
iii) Dues from an officer of the Company (Maximum amount outstanding during the year Rs.Nil (previous year Rs. Nil))	-	-

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
SCHEDULE - 'I'		
Cash and Bank Balances		
Cash on Hand	8.26	15.66
Balances with Post Office in Savings Bank Account	0.03	0.03
Balances with Scheduled Banks		
- On Current / Collection Account	3,328.88	4,475.35
- On Cash Credit Accounts	690.92	287.47
- On Margin Money Accounts (Receipts pledged with Banks and Government Departments)	569.82	80.13
- On Deposit Accounts	1,611.58	2,410.77
- On Rights Issue Refund Account	0.22	0.22
- On Unclaimed Debentures/ Interest on Debenture Account	8.06	8.16
Total	6,217.77	7,277.79
SCHEDULE - 'J'		
Loans and Advances		
Unsecured and considered good		
Amounts Recoverable in Cash or in Kind or for Value to be Received	5,951.36	2,879.61
Balance with Excise and Customs Authorities	1,711.89	1,351.85
Security Deposits	1,119.14	990.72
Interest Receivable	136.00	136.00
VAT Credit (Input) Receivables	2,716.97	1,335.56
MAT Credit Entitlement (Refer Note No.(C) (11) of Schedule T)	4,177.75	539.12
Advance Tax (Net of Provision for FBT of Rs.289.56 lacs Previous Year Rs..289.56 lacs)	100.80	100.80
Gain on Derivatives	-	615.08
Unsecured and considered doubtful		
Amounts Recoverable in Cash or in Kind or for Value to be Received	41.99	65.59
Security Deposits	45.16	45.52
	16,001.06	8,059.85
Less: Provision for Doubtful Loans and Advances	87.15	111.11
Total	15,913.91	7,948.74
Included in Loans and Advances are:-		
i) Dues from Companies under the same management	-	-
ii) Dues from Directors of the company (Maximum amount due during the year Rs.22.00 lacs, Previous Year Rs.22.00 lacs)	-	22.00
iii) Dues from an officer of the Company (Maximum amount due during the year Rs.Nil , Previous Year Rs.Nil)	-	-

Schedules to the Accounts

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
SCHEDULE - `K`		
Current Liabilities		
Acceptances	12,561.55	15,497.14
Sundry Creditors		
(a) Total outstanding dues of Micro and Small Entreprises (Refer Note No (C) (10) of Schedule T)	72.95	58.14
(b) Total outstanding dues of Creditors other than Micro and Small Entreprises	47,492.50	24,520.75
Interest Accrued but not due on loans	7.32	26.51
Advances and Security Deposits from Customers	2,646.91	2,602.71
Unclaimed Debentures/ Interest Payable on Debentures	-	31.82
Rights Issue Application Money Refundable	-	0.27
Other Liabilities	3,107.04	2,447.32
Total	65,888.27	45,184.66

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
SCHEDULE - `L`		
Provisions		
Provision for Income Tax (Net of Advance Tax of Rs.3,394.67 lacs Previous year Rs.416.05 lacs)	222.54	140.06
Provision for Wealth Tax	0.38	0.47
Provision for Gratuity	-	229.68
Provision for Compensated absences	642.71	665.20
Provision for Staff Benefit Schemes	56.48	60.89
Provision for Warranties	4,976.52	4,176.33
Provision of Contingencies	1,780.14	642.88
Proposed Preference Dividend	3,046.85	-
Tax on preference dividend	517.66	-
Total	11,243.28	5,915.51

	As at March 31, 2010 (Rs. in lacs)	As at March 31, 2009 (Rs. in lacs)
SCHEDULE - `M`		
Miscellaneous Expenditure		
(To the extent not written off or adjusted)	-	-
Voluntary Retirement Scheme		
Opening Balance	940.42	1,883.46
Less: Written off during the year	(940.42)	(943.04)
Total	-	940.42

	For the Year ended March 31, 2010 (Rs. in lacs)	For the Year ended March 31, 2009 (Rs. in lacs)
SCHEDULE - `N`		
Other Income		
Interest (Gross)		
- From Income Tax Department	-	13.32
- From Banks (Tax Deducted at Source Rs.33.78 lacs, Previous Year Rs.3.23 lacs)	228.38	15.45
- From Others	259.66	0.98
Profit on disposal of fixed assets (Net)	6.17	-
Provision no longer required written back	474.50	349.90
Duty Drawback	331.26	319.31
Rebate on bill discounting (Net)	729.93	41.16
Foreign Exchange Fluctuation (Previous year net of loss of Rs.2,443.05 lacs)	-	168.53
Miscellaneous Income (Gross) (Tax Deducted at source Rs.5.84 lacs, Previous Year Rs.9.03 lacs)	307.63	206.07
Total	2,337.53	1,114.72

	For the Year ended March 31, 2010 (Rs. in lacs)	For the Year ended March 31, 2009 (Rs. in lacs)
SCHEDULE - `O`		
Raw Materials and Components Consumed		
Inventories as at the beginning of the year	5,290.81	7,163.03
Add: Purchases	116,639.74	86,381.21
Less: Sale of Raw Material	4,194.11	2,604.48
	117,736.44	90,939.76
Less: Inventories as at the end of the year	10,129.17	5,290.81
Total	107,607.27	85,648.95

	For the Year ended March 31, 2010 (Rs. in lacs)	For the Year ended March 31, 2009 (Rs. in lacs)
SCHEDULE `P`		
Employees' Remuneration and Benefits		
Salaries, Wages, Bonus and Incentives	14,237.96	11,452.75
Contribution to Provident Fund	571.27	543.54
Gratuity Expenses	-	314.16
Compensated Absences	72.28	253.32
Other Post Employment Funds	127.81	264.09
Workmen and Staff Welfare Expenses	1,027.13	766.02
Total	16,036.45	13,593.88

Schedules to the Accounts

	For the Year ended March 31, 2010 (Rs. in lacs)	For the year ended March 31, 2009 (Rs. in lacs)
SCHEDULE - 'Q'		
Operating and Other Expenses		
Consumption of Stores and Spares	256.00	226.71
Processing Charges	153.22	144.05
Power and Fuel	1,693.86	1,356.41
Repairs and Maintenance		
- Plant & Machinery	999.39	568.33
- Buildings	392.59	286.87
- Others	456.72	325.64
Advertisement, Publicity and Sales Promotion	7,440.81	5,364.01
Service Contract and Workshop Expenses	6,523.83	5,051.12
Freight, Cartage and Octroi (Net)	8,393.47	6,928.63
Cash Discount	3,123.62	2,394.21
Provision for Doubtful Debts and Advances	263.27	186.70
Rent	2,500.27	2,081.65
Rates and Taxes	1,127.87	438.08
Insurance	99.56	104.11
Auditors' Remuneration		
As Auditor		
- Audit Fee	40.00	43.00
- Tax Audit Fee	4.00	5.50
- Limited Review	12.00	14.50
- Fees for Review of Group Reporting	12.00	12.00
- Out of Pocket Expenses	2.00	2.00
In Other manner :		
- Certifications	12.47	9.41
Travelling and Conveyance	2,743.39	2,075.78
Legal and Professional Fees	1,184.01	1,039.56
Foreign Exchange Fluctuation (Net of gain of Rs.1,396.11 lacs)	68.12	-
Loss on Disposal/Write-off of Fixed Assets (Net of gain of Rs.Nil , Previous Year Rs.12.67 lacs)	-	10.93
Director's Sitting Fees	5.62	2.77
Royalty	1,980.31	1,484.08
Know-How Fees	1,050.00	714.97
Donations	9.40	16.40
Research Expenses	1,236.98	1,511.64
Increase/(Decrease) of Excise Duty on Inventory (Refer Note No (C) (17) of Schedule T)	638.01	(616.13)
Miscellaneous Expenses	2,867.11	2,124.84
Total	45,289.90	33,907.77

	For the Year ended March 31, 2010 (Rs. in lacs)	For the year ended March 31, 2009 (Rs. in lacs)
SCHEDULE - 'R'		
(Increase)/Decrease in inventories		
Closing Stock:		
Work-in-Progress	550.20	395.09
Spares for Finished Goods	4,545.39	3,562.66
Finished Goods	30,709.85	20,494.63
Opening Stock:		
Work-in-Progress	395.09	754.86
Spares for Finished Goods	3,562.66	4,471.24
Finished Goods	20,494.63	21,816.91
Total	(11,353.06)	2,590.63
SCHEDULE - 'S'		
Financial Expenses		
Interest		
- On Debentures	-	407.21
- On Banks	81.00	672.38
- On Others	56.56	240.57
Financial Charges	689.28	411.98
Total	826.84	1,732.14

SCHEDULE - 'T'**Accounting Policies and Notes to Account****A. NATURE OF OPERATIONS**

Whirlpool of India Limited 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, information technology, accounting and procurement services to Whirlpool Corporation, USA and other group companies.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**1. Basis of Preparation of Financial Statements**

The financial statements have been prepared to comply in all material respects with the Indian 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 fixed assets 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.

2. Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

3. Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

4. Impairment

(a) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable

amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(b) After impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

5. 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.

6. Depreciation

Depreciation on fixed assets is provided pro-rata 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%
Vehicles	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 on the qualifying assets is charged at the rates prescribed in Schedule XIV of the Companies Act.

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.

7. Intangible assets

Software

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

8. Research and Development Costs

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.

9. 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.

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 Profit and Loss account on a straight-line basis over the lease term

10. Inventories

Inventories are valued as follows:

Raw Materials, Components, Stores and Spares	: 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 and Components, Finished Goods-Traded and Spares for Finished Goods has been arrived at by using the “weighted moving average” cost

formula. However, 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.

“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”.

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.

11. 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.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. It includes excise duty and discounts but excludes value added tax / sales tax and are net of returns. Excise duty shown as deduction from revenue is the amount that is included in the amount of revenue and not the entire amount of liability that arose 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 recognised pro-rata over the period of the contract as and when services are rendered.

Interest Income

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

12. Deferred Revenue Expenditure

Expenditure on Voluntary Retirement Scheme is treated as deferred revenue expenditure and amortised over a period of 60 months. However, to comply with the Accounting Standard 15-(Revised) on Employee benefits, the amortisation has been accelerated for all existing voluntary retirement schemes to ensure that no balance is carried forward beyond March 31, 2010.

13. Foreign Currency Transaction

(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 a forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

14. Derivative Instruments

As per the ICAI Announcement, derivative contracts, other than those covered under Accounting Standard-11, are accounted on the basis of hedging principles to the extent that the same does not conflict with the existing mandatory Accounting Standards, other Authoritative pronouncements and other regulatory requirements. Accordingly, the derivative contract are marked to market on a portfolio basis and the net gain/loss after considering the off setting effect on the underlying hedge item is transferred to Hedge Reserve Account.

15. 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 Profit and Loss Account 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 Profit and Loss Account 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 arrangements

with an 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 LIC is charged to Profit & Loss account. At the end of 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 an loans and advance 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 and Ranjangaon Refrigeration Operations and all white collar employees. The premium is charged to the Profit & Loss Account 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 Pondicherry 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.

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

16. Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized 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 situation where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets 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 balance sheet date. The Company writes-down the carrying amount of a 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 realised. 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

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income-tax during the specified period.

17. Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

18. Service under Warranty

- a) Service under Optional Service Contract

Liability under optional service contract in respect of the contracted period is provided on the basis of valuation carried out by an independent actuary as at the year end.

- b) Service under Warranty/ Extended Warranty

- (i) Liabilities in respect of warranties including extended warranties other than on microwave ovens are accrued and provided on the basis of valuation carried out by an independent actuary as at year end.
- (ii) In case of warranty on microwave ovens, expenses likely to be incurred during the warranty period are provided on reasonable estimates. The estimates are based on past experience.

19. Customs and 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.

20. Earning 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 period are adjusted for the effects of all dilutive potential equity shares.

21. Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated.

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

22. Segment Reporting

- a) Identification of Segments
- i) 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.

ii) 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 have 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 include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

C. NOTES ON ACCOUNT

1. CONTINGENT LIABILITIES

Particulars	Rs in lacs	
	As at March 31, 2010	As at March 31, 2009
(a) Claims against the Company not acknowledged as debts	1,487.51	1505.58
<p>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.1487.51 lacs (Previous Year Rs.1505.58 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.</p>		
(b) Others:-		
- On account of pending appeals of Excise Duty	1479.83	941.77
- On account of pending appeals of Custom Duty	256.02	228.59
- On account of pending appeals of sales tax assessments	1,554.57	1,754.20

These cases as mentioned in point (b) above for which the total estimated liability, should the actions be successful, is Rs.3,290.12lacs (Previous year Rs. 2,924.56 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.

- (c) During the Income-tax assessments of various years, the Assessing Officers have made certain disallowances of Rs.10,938.47 lacs (Previous Year Rs.5,107.34 lacs), other than transfer pricing adjustments over the past few years. The Company's appeals against these orders are pending before the CIT Appeals/Appellate Authorities. The Income-tax department has also appealed against the Company before the Appellate Authorities for certain matters wherein the CIT Appeals have ordered in favour of the Company.

The Income Tax Authorities (Transfer Pricing Officers) have reduced the loss by Rs.9,734.49 lacs (Previous Year 9,734.49 lacs) for the Assessment year 2005-06, Rs.7,967.93 lacs (previous year Rs.7,967.93 lacs) for the Assessment year 2004-05 and Rs.1,699.09 lacs (previous year Rs.3,628.14 lacs) for the Assessment year 2003-04 on account of transfer pricing adjustments. The Company has gone into appeal with Income Tax Appellate Tribunal against the aforesaid adjustments which have been adjusted against the brought forward losses from earlier years. Depending on the outcome of the afore-mentioned cases, assessments for the subsequent periods to March 31, 2010 could include demands/settlements on the similar items, amounts whereof could not be ascertained.

The Company has recognized deferred tax assets considering that there would not be any adjustments to returned losses on account of the above cases. The management, based on expert opinion, believes that the Company has good chances of success.

2. The Company had issued 1,523,42,500 (Previous Year 15,23,42,500) 10% Redeemable, Non-Convertible Cumulative Preference Shares of Rs.10 each, fully paid up, to Whirlpool Canada Holding Co., a subsidiary of Whirlpool Corporation Inc., USA, the ultimate holding company. The dividend is payable cumulatively only in the year in which the Company will have distributable profits as per the provision of Companies Act, 1956. During the year, the Company has appropriated Rs.7,223.64 lacs towards dividend on preference share capital and Rs.1,227.51 lacs towards dividend tax thereon for the period ended March 31, 2010 (including arrears of dividend), of which preference share dividend of Rs.4,176.79 lacs and dividend tax thereon of Rs.709.85 lacs has been paid during the current year and the balance amount of preference share dividend of Rs.3,046.85 lacs and dividend tax thereon of Rs.517.66 lacs has been disclosed in Schedule 'L' to the financial statements.

3. Capital work contracted but still under execution (net of advances) is estimated at Rs 1,064.67 lacs (previous year Rs. 264.03 lacs).

4. Segment Reporting

Information pertaining to Secondary Segment

Gross Revenue as per Geographical Locations

Particulars	Rs. in lacs	
	2009-10	2008-09
Within India	241,237.35	184,690.69
Outside India	19,053.68	17,521.04
Total	260,291.03	202,211.73

Debtors as per Geographical Locations

Particulars	Rs. in lacs	
	As at March 31, 2010	As at March 31, 2009
Within India	4,277.90	4,117.18
Outside India	9,700.79	4,089.47
Total	13,978.69	8,206.65

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.

5. The Company had taken a loan amounting to US\$ 10 million from Whirlpool Corporation, USA in the year April 2007, payable after three years. The Company had also entered into a 'Cross Currency and Interest Rate Swap' agreement with a bank for repayment of principal and interest whereby bank agreed to charge a fixed rate on the principal amount in exchange for variable interest (LIBOR plus 45 basis points) and for repayment of principal to Whirlpool Corporation at the time of repayment of the loan. In the previous year, the Company had accounted for the 'Cross Currency and Interest Rate Swap' agreement on the basis of principles of hedge accounting and accounted the net loss of Rs.250.92 lacs on restatement of loan and mark-to-market valuation of derivative in 'Hedge Reserve Account'.

During the current year, Company has pre-paid the loan to Whirlpool Corporation, and has also foreclosed the 'Cross Currency and Interest Rate Swap' agreement with the bank. Consequently, the balance in 'Hedge Reserve Account' of Rs.250.92 lacs has been adjusted with the corresponding loan liability in the current year.

6. The company has accounted for deferred tax assets (net) amounting to Rs.1,147.57 lacs (Previous Year Rs. 7,325.27 lacs), including deferred tax assets on unabsorbed depreciation, till March 31, 2010. The Company is confident that subsequent realisation of the deferred tax assets created is virtually certain in the near future based on existing business model and future plans as enumerated below:

The Company had established state of art Design and Technology centre at Pune and Pondicherry in earlier years. This centre operates as an end to end solution provider to Whirlpool Corporation and other group companies across the globe. The Company has confirmed service agreement from Whirlpool Corporation for a period ending on December 31, 2010. As per the existing agreement Whirlpool Corporation has also agreed to purchase the said services from the Company at least at similar level for an additional two year term ending on December 31, 2012. The consideration charged by the Company for rendering the services is based on a cost plus mark-up on cost of services provided. The total remaining value of services to be provided under the current agreement is Rs.4,178 lacs [including mark-up] and the minimum value of services to be provided by the Company in the years 2011 and 2012 at current level will be approximately Rs.10,350 lacs [including mark-up] [converted at exchange rate as at March 31, 2010]. In addition to the above, the Company also has confirmed service agreements for various services including information technology support, international procurement support, human resource services, etc with other group companies for a period ending on December 31, 2010. The total remaining value of services [including mark-up] to be provided under the current agreement is Rs.918 lacs [converted at exchange rate as at March 31, 2010].

The Company has developed various new products through product innovation and technological improvements for export markets. As per the Global Procurement Policy of Whirlpool Corporation, the Company has received confirmed sales order for the calendar 2010 to supply home appliances produced at its manufacturing facilities to various group companies in Australia, Latin America and Europe. The total remaining value of sales orders to be executed by the Company is Rs.12,400 lacs [converted at exchange rate as at March 31, 2010]. The Company has sold the goods at a cost plus gross margin basis for part of these sales orders till March 31, 2010 and expects to earn a similar gross margin on executing the balance.

The Company has also earned profits subsequent to the current financial year end which are sufficient to absorb the remaining amount of deferred tax assets.

The Company is confident that the above measures and confirmed service and sales orders will result in further increase in the market share of the Company with corresponding profitability and that the subsequent realisation of deferred tax assets recognized is virtually certain.

7. Leases

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

S. No.	Particulars	2009-10	2008-09
I.	Operating Lease		
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;	1,079.08	875.37
(ii)	Later than one year and not later than five years;	3,333.29	2,768.17
(iii)	Later than five years;	774.06	1,375.53
B	The total of future minimum sub-lease payments expected to be received under non-cancellable subleases at the balance sheet date;	-	-
C	Lease payments recognised in the statement of profit and loss for the Year.	1,046.42	944.34
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 in 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.		
II.	Operating Lease (Cancellable)		
A	Lease payments recognised in the statement of profit and loss for the year.	1,438.83	1,008.84
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.		
III.	Finance Lease		
	The Company does not have any finance lease arrangements.		

8. Related Party Transactions

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

Key Management Personnel	Mr. Arvind Uppal, Managing Director Mr Mahesh Krishna, Executive Director (upto 25 th July 2008), Mr Vikas Singhal (w.e.f 25 th July 2008 till 31 st March 2010)
Parties having direct or indirect control over the Company	Whirlpool Corporation Inc., USA (Holding Company), Whirlpool Mauritius Limited
Group Companies/Enterprise where common control exists and with whom transactions have taken place during the year.	Maytag Sales Corp. Whirlpool China Investment Co. Limited, Whirlpool Greater China, Whirlpool CHC, Whirlpool South East Asia PTE, Whirlpool Europe s.r.l., Whirlpool Thailand Limited, Whirlpool India Holdings Limited, Whirlpool Slovakia Spol. Sro, Whirlpool Greater China Inc, Whirlpool Home Appliance (Shanghai), Whirlpool S.A., Whirlpool (Hong Kong) Limited, Whirlpool Colombia, Whirlpool Australia Pty Limited, Whirlpool Mexico S.A. de C.V, Whirlpool Morocco Srl, Whirlpool Argentina, Whirlpool South Africa (Pty) Limited, Whirlpool Home Appliance (Shanghai) International Trading Co. Limited, Guangdong Whirlpool Electrical Products Co. Limited, Whirlpool Microwave Products Development Limited, Beijing Embraco Industrias Acros, Whirlpool France S.A.S., Whirlpool Sweden A.B., Whirlpool Canada Holding Co., Whirlpool Poland, Multibras SA., Whirlpool Bauknecht Hausgeräte GmbH, WHIRLPOOL d.o.o. Beograd, Beijing Embraco Snowflake, Empressa Brasileira, Comercial Acros Whirlpool, Whirlpool Product Development (Shenzhen) Co. Ltd,

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
A) Transactions						
(1) Purchase of Raw Materials, Finished Goods and Spares for Finished Goods (exclusive of exchange fluctuation and net of returns)						
- Whirlpool Corporation Inc., USA	0.08	0.01	-	-	-	-
- Whirlpool Home Appliance (Shanghai)	-	-	67.04	142.19	-	-
- Whirlpool Europe s.r.l.	-	-	94.87	204.95	-	-
- Multibras SA	-	-	27.02	-	-	-
- Whirlpool Microwave Products Development Co. Limited	-	-	1,350.58	445.07	-	-
- Whirlpool Empresa Brasileria	-	-	1,032.96	931.19	-	-
- Beijing Embraco Snowflake	-	-	3,080.16	-	-	-
- Whirlpool (China) Investment	-	-	524.18	-	-	-
- Others	-	-	1.52	27.47	-	-
Total	0.08	0.01	6,178.33	1,750.87	-	-
(2) Sale of Finished Goods, Semi Finished Goods and Spares for Finished Goods (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA	106.51	163.91	-	-	-	-
- Maytag Sales Corp.	-	-	34.48	426.05	-	-
- Whirlpool Mexico S.A. de C.V	-	-	122.63	242.17	-	-
- Whirlpool (Australia) Pty. Limited	-	-	9213.82	6603.60	-	-
-Whirlpool Europe S.R.L.	-	-	911.23	2,610.49	-	-
-Whirlpool Marocco	-	-	1,347.12	898.26	-	-
-Whirlpool Southeast Asia	-	-	562.11	-	-	-
-Others	-	-	602.14	669.59	-	-
Total	106.51	163.91	1,2793.63	1,1450.16	-	-

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(3) Expenses to be recovered or recovered (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc.	436.30	858.76	-	-	-	-
- Whirlpool China Investment-Asia HQ	-	-	116.68	190.65	-	-
- Whirlpool China Investment Co. Limited	-	-	-	63.29	-	-
- Whirlpool Greater China	-	-	107.42	188.91	-	-
- Whirlpool Europe s.r.l.	-	-	117.38	356.45	-	-
- Whirlpool (Australia) Pty Limited	-	-	91.81	-	-	-
- Others	-	-	143.11	172.29	-	-
Total	436.30	858.76	576.41	971.59	-	-
(4) Expenses paid or payable (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA	213.47	489.35	-	-	-	-
- Multibras SA	-	-	81.49	123.64	-	-
- Whirlpool Microwave Products Development Co. Ltd.	-	-	55.96	-	-	-
- Guangdong Whirlpool Elect. Products Co. Ltd.	-	-	27.99	-	-	-
- Whirlpool Home Appliance (Sanghai)	-	-	-	8.5	-	-
- Whirlpool Europe SRL	-	-	21.50	-	-	-
- Whirlpool product develop	-	-	20.98	-	-	-
- Others	-	-	31.35	152.04	-	-
Total	213.47	489.35	239.27	284.18	-	-
(5) Service Income(exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA.	4,431.77	4,223.82	-	-	-	-
- Whirlpool Greater China Inc,	-	-	1,029.94	946.95	-	-
- Others	-	-	744.94	245.97	-	-
Total	4,431.77	4,223.82	1,774.88	1,192.92	-	-

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
(6) Grant Received (exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA.	149.37	61.04	-	-	-	-
(7) Interest on Loan						
(exclusive of exchange fluctuation)						
- Whirlpool Corporation Inc., USA.	16.19	161.90	-	-	-	-
(8) Brand and Technical Assistance Fee						
- Whirlpool Corporation Inc., USA..	3,030.31	2,199.05	-	-	-	-
(9) Remuneration						
Mr. Arvind Uppal	-	-	-	-	53.22	53.44
Mr. Mahesh Krishna	-	-	-	-	-	16.21
Mr. Vikas Singhal	-	-	-	-	39.43	35.27
(10) Preference Share Dividend (Exclusive of Exhchange Fluctuation)						
Whirlpool Canada Holding Co						
Dividend on preference shares	-	-	7,223.64	-	-	-
(11) Interest Income (Exclusive of Exchange Fluctuation)						
Whirlpool (Australia) Pty Limited	-	-	252.88	-	-	-
B) Balance outstanding at the year end :						
Sundry debtors						
Whirlpool Southeast Asia PTE	-	-	34.09	82.63	-	-
Whirlpool Thailand Limited	-	-	-	0.05	-	-
Whirlpool (Australia) Pty Limited.	-	-	7,273.31	2105.30	-	-

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Whirlpool Microwave Products Development Co. Limited	-	-	-	6.49	-	-
Whirlpool (Hongkong) Ltd.	-	-	24.69	16.15	-	-
Whirlpool Europe s.r.l.	-	-	213.19	183.38	-	-
Whirlpool Morocco Srl.	-	-	86.19	100.50	-	-
Whirlpool Mexico SA de C.V,	-	-	14.35	32.43	-	-
Whirlpool South Africa (Pty) Limited.	-	-	11.24	12.19	-	-
Whirlpool of India Holdings Limited.	-	-	1.57	2.77	-	-
Guangdong Whirlpool Electrical Products Co Limited.	-	-	18.57	8.36	-	-
Maytag Sales Corp.,	-	-	-	39.26	-	-
Whirlpool Corporation Inc., USA	445.23	473.74	-	-	-	-
Whirlpool-Greater China Inc,	-	-	107.97	205.97	-	-
Multibras SA	-	-	16.38	11.05	-	-
Whirlpool China Investment Co. Limited.	-	-	17.54	41.28	-	-
WHIRLPOOL d.o.o. Beograd	-	-	-	60.44	-	-
Whirlpool Bauknecht	-	-	6.21	58.06	-	-
Whirlpool CHC	-	-	-	-	-	-
Polar SA	-	-	8.19	-	-	-
WHIRLPOOL PERU S.R.L.	-	-	164.91	-	-	-
Comercial Acros Whirlpool	-	-	4.04	-	-	-
Whirlpool Product Development (Shenzhen) Co. Ltd.	-	-	2.73	-	-	-
Total	445.23	473.74	8,005.17	2,966.31		

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
- Sundry Creditors						
Whirlpool Slovakia Spol Sro.	-	-	-	29.12	-	-
Whirlpool Europe s.r.l.	-	-	34.78	53.05	-	-
Whirlpool Corporation Inc., USA	0.03	-	-	-	-	-
Whirlpool Poland.	-	-	2.92	6.19	-	-
Whirlpool Nordic Oy.	-	-	-	1.07	-	-
Multibras SA	-	-	11.58	16.23	-	-
Whirlpool Empresa Brasileria	-	-	37.34	291.06	-	-
Beijing Embraco Snowflake	-	-	1,430.97	10.45	-	-
Whirlpool Home Appliance (Shanghai)	-	-	-	55.48	-	-
Whirlpool Microwave Products Development Co. Limited	-	-	197.79	33.65	-	-
Whirlpool (China) Investment Co. Limited	-	-	260.08	-	-	-
Total	0.03	-	1,975.46	496.30	-	-
- Other Payables						
Whirlpool Slovakia Spol Sro.	-	-	-	3.99	-	-
Whirlpool Europe s.r.l.	-	-	13.51	16.32	-	-
Whirlpool Corporation Inc., USA	886.42	974.64	-	-	-	-
Multibras SA	-	-	10.54	24.85	-	-
Whirlpool Empresa Brasileria	-	-	-	0.54	-	-
Whirlpool Microwave Products Development Co. Limited	-	-	3.91	6.22	-	-

Particulars	Holding Company		Enterprises under common control		Key Management Personnel	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Guangdong Whirlpool Electrical Products .	-	-	-	1.76	-	-
Whirlpool (Australia) Pty Limited.	-	-	7.88	-	-	-
Whirlpool Product Development (Shenzhen) Co. Limited	-	-	7.01	-	-	-
Whirlpool (Hongkong) Limited	-	-	0.83	-	-	-
Total	886.42	974.64	43.69	53.68	-	-
- Unsecured loan.						
Whirlpool Corporation Inc., USA	-	5,075.00	-	-	-	-
- Brand and Technical assistance fee						
(Excluding Cess) Whirlpool Corpration Inc.	689.08	444.69	-	-	-	-

The balance written back amounts to Rs.33.23 lacs (previous year Rs.175.16 lacs) which comprises of balances of Whirlpool Slovakia Spol. Sro of Rs. 29.45 lacs and Whirlpool Home Appliance (Shanghai) of Rs.3.78 lacs.

9. Directors' Remuneration

Particulars	Rs. in lacs	
	2009-10	2008-09
Salaries	54.40	54.37
Allowances	17.65	22.83
Perquisites	5.91	13.05
Contribution to Superannuation fund	8.16	8.15
Contribution to Provident fund	6.53	6.52
Commission	-	-
Total	92.65	104.92

Notes:

- As the future liability for the gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to directors is not ascertainable and therefore, not included above.
- Value of perquisites has been taken as per the Income Tax Act, 1961.
- 'Employees' Remuneration and Benefits' under 'Schedule N' of the financial statements includes Rs.92.65 lacs towards director's remuneration. (Previous Year Rs 104.92 Lacs)

10. 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:-

Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006	Rs. in lacs	
	2009-10	2008-09
The Principal amount and the Interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal Amount	72.95	58.14
Interest	1.82	0.24
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	14.88	13.16
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.	3.26	11.46

Amount of interest accrued and remaining unpaid at the end of each accounting year; and

F.Y. 2007-08	0.62	1.74
F.Y. 2008-09	0.72	11.70
F.Y. 2009-10	0.48	-

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

1.82 13.44

11. Income Tax

The Company has recognized Rs.4,177.75 lacs as on 31st March 2010 as Minimum Alternate Tax (MAT) credit entitlement (Previous Year Rs 539.12 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.

12. 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 at a fixed price for a specific period of time. The grant price (or strike price) is fixed at the closing price of Whirlpool 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 employee receive 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 stock.

B. Details of stock options granted during the period ended 31 March, 2010 are given below:

Options existing during the Year ended 31 March, 2010

Type of arrangement	Date of grant	Options granted (nos.)	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	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.	1.87
Employee Stock Options	February 16, 2004	2,600	25.07		3.29
Employee Stock Options	February 14, 2005	1,300	26.38		4.83
Employee Stock Options	February 16, 2005	1,050	26.72		4.85
Employee Stock Options	February 20, 2006	3,372	41.18		5.89
Employee Stock Options	February 19, 2007	3,130	47.64		6.88
Employee Stock Options	January 24, 2008	750	42.71		7.74
Employee Stock Options	February 19, 2008	4,801	48.32		7.88
Employee Stock Options	April 1, 2008	750	50.01		8.00
Employee Stock Options	February 16, 2009	18,396	18.30		8.85

C. Summary of activity under the plan for the period ended 31 March 2010 and 31 March, 2009 are given below.

Year ended 31 March, 2010

Employee Stock Options

Employee Stock Options	2010			2009		
	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	31,558	53.99	8.88	14,602	85.52	7.5
Granted during the year	-	-	-	19,146	34.15	9.82
Transfer/ Forfeited during the year	1,617	49.09	9.39	1,473	90.65	8.14
Exercised during the year	180	31.82	9.85	Nil	Nil	Nil
Expired during the year	-	-	-	717	91.02	7.24
Outstanding at the end of the year	29,761	54.39	7.85	31,558	53.99	8.88

Weighted average fair value of the options outstanding is \$ 28.27 per option (Previous Year \$ 28.14). The weighted average share price in previous year was \$ 90.7 per option.

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 price as at the grant date (\$)	Expected Volatility for stock options	Contractual life in years	Dividend yield	Risk-free interest rate*	Exercise price of options (\$)*	Fair value of options granted
February 18, 2002	67.29	28.1	10	2%	6.082	67.29	17.28
February 16, 2004	72.94	28.1	10	2%	6.451	72.94	25.07
February 14, 2005	63.24	28.1	10	2%	6.734	63.24	26.38
February 16, 2005	63.91	28.1	10	2%	6.734	63.91	26.72
February 20, 2006	89.16	28.1	10	2%	6.942	89.16	41.18
February 19, 2007	94.47	28.1	10	2%	7.188	94.47	47.64
January 24, 2008	78.89	28.1	10	2%	7.115	78.89	42.71
February 19, 2008	88.49	28.1	10	2%	7.115	88.49	48.32
April 1, 2008	91.28	28.1	10	2%	7.115	91.28	50.01
February 16, 2009	31.82	28.1	10	2%	7.041	31.82	18.30

Risk free interest rates based on long term Government bonds & securities. 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 employees' compensation expense for Stock options during the period ended 31 March, 2010 amounts to Nil (Previous year Rs.30.09 lacs). However, these have not been charged back by the Company and hence not accounted for by the Company.

13. Earnings per share (EPS)

Particulars	Rs. in lacs	
	2009-10	2008-09
Profit as per Profit & Loss Account	14,501.99	7,051.70
<i>Less:</i>		
Dividend on 10% Non – Convertible Cumulative Preference Shares	(1,523.43)	(1,523.43)
Corporate Dividend Tax	(258.91)	(258.91)
Net Profit for EPS Calculation	12,719.65	5,269.36
Weighted Average Number of Equity Shares outstanding during the year (Nominal value of Rs.10 per share each) (in absolute no's)	126,871,830	126,871,830
Basic and Diluted Earnings per share (in Rs.)	10.03	4.15

14. Disclosures in respect of movement in provision account as per the requirements of Accounting Standard 29.

Class of Provisions	Rs. in lacs				
	Balance at beginning of the year	Additions during the year	Amounts used during the year	Unused amounts reversed during the year	Balance as at the end of the year
Provision for warranties	4,176.33	3,273.62	2,473.43	-	4,976.52
Provision for litigations	642.88	1,249.64	68.20	44.19	1,780.13
Total	4,819.21	4,523.26	2,541.63	44.19	6,756.65

Provision for Warranty

Provision is recognized on actuarial basis for expected warranty claims on products sold. It is expected that most of this cost will be incurred 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.

Provision for litigations

In view of large number of cases, it is not practicable to disclose individual details. Above provisions are affected by numerous uncertainties and management has taken all efforts to make a best estimate. Timing of economic benefit outflow will depend upon timing of decision of cases.

15. Derivative Instruments and Un-hedged Foreign Currency Exposure

Particulars of Un-hedged foreign Currency Exposure as at the Balance Sheet date

Exposure in Foreign currency	Sundry Creditors and other Payable				Sundry Debtors and Advances given			
	2009-10		2008-09		2009-10		2008-09	
	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR	Foreign Currency	INR
USD in lacs	380.76	17,096.29	179.46	9,107.40	208.34	9,352.40	81.92	4,155.02
EURO in lacs	0.759	45.98	1.11	74.07	0.93	56.27	0.23	15.19
AUD in lacs	-	-	0.003	0.11	0.003	0.13	0.12	4.35
SEK in lacs	-	-	0.17	1.07	-	-	-	-
JBP in lacs	-	-	-	-	-	-	0.02	0.01
SGD in lacs	-	-	-	-	0.028	0.90	-	-
Total Exposure in lacs		17,142.27		9,182.65		9,409.69		4,174.58

Conversion Rates (rates as applicable on the respective balances) :-

USD - 44.890 / 44.900 (previous year - 50.72/50.75), EUR – 60.511 / 60.601 (previous year 66.97/67.02, AUD - 41.077 / 41.136 (previous year 34.98/34.99), SEK - 6.219 / 6.231 (previous year 6.12/6.14) , JBP – 47.92 / 47.99 (per Rs.100) (previous year 51.15/51.19 (per Rs.100).

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

Particulars of Forward Contract		2009-10	2008-09	Purpose
Purchase	USD in lacs	41.0	10.5	Hedging of creditors

16. 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. Additional retirement benefit is unfunded defined benefit scheme. The Company makes provision of such liability on the basis of actuarial valuation carried out by an independent actuary.

The following tables summarise the components of net benefit expense 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	2009-10		2008-09	
	Gratuity	Additional retirement benefit	Gratuity	Additional retirement benefit
Current service cost	128.40	-	129.68	-
Interest cost on benefit obligation	132.89	3.01	97.78	2.61
Expected return on plan assets	(128.73)	-	(57.01)	-
Net actuarial (gain) / loss recognised in the year	(214.00)	(1.41)	143.71	1.51
Past service cost	-	-	-	-
Net benefit expense	(81.43)	1.60	314.15	4.12
Actual return on plan assets	253.22	-	57.26	-

Balance Sheet

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

(Rs. in lacs)

Particulars	2009-10		2008-09	
	Gratuity	Additional retirement benefit	Gratuity	Additional retirement benefit
Defined benefit obligation	1,761.65	40.46	1631.76	38.85
Fair value of plan assets	1,880.21	-	1402.07	-
Less: Un-recognized past service cost	-	-	-	-
Plan asset / (liability)	118.56	(40.46)	(229.68)	(38.85)

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

(Rs. in lacs)

Particulars	2009-10		2008-09	
	Gratuity	Additional retirement benefit	Gratuity	Additional retirement benefit
Opening defined benefit obligation	1631.76	38.86	1347.23	34.73
Interest cost	132.89	3.01	97.78	2.61
Current service cost	128.40	-	129.68	-
Benefits paid	(41.88)	-	(86.90)	-
Actuarial (gains) / losses on obligation	(89.52)	(1.41)	143.96	1.51
Closing defined benefit obligation	1761.65	40.46	1631.76	38.85

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

(Rs. in lacs)

Particulars	2009-10		2008-09	
	Gratuity	Additional retirement benefit	Gratuity	Additional retirement benefit
Opening fair value of plan assets	1402.07	-	1357.21	-
Expected return	128.73	-	57.01	-
Contributions by employer	224.92	-	0.09	-
Benefits paid	-	-	(12.41)	-
Actuarial gains / (losses)	124.48	-	0.25	-
Closing fair value of plan assets	1880.21	-	1402.07	-

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

Particulars	Gratuity 2009-10 (In %)	Gratuity 2008-09 (In %)
Investments with insurer	100	100

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

Particulars	2009-10 (In %)	2008-09 (In %)
Discount rate	8.25	7.50
Expected Rate of Return on Assets	8.50	4.22
Employee turnover	10.00	10.00

Amounts for the current and previous years are as follows:

Particulars	2009-10		2008-09		2007-08	
	Gratuity	Additional retirement benefit	Gratuity	Additional retirement benefit	Gratuity	Additional retirement benefit
Defined benefit obligation	1,761.65	40.46	1,631.76	38.86	1,347.23	34.78
Plan assets	1,880.21	-	1,402.07	-	1,357.12	-
Deficit /(Surplus)	(118.56)	40.46	229.69	38.86	(9.89)	34.78
Experience adjustments on plan liabilities (Loss)/Gain	48.93	(0.52)	(60.25)	0.47	(48.39)	(1.51)
Experience adjustments on plan assets (Loss)/Gain	198.80	-	(50.81)	-	(7.02)	-

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.

Contribution to Defined Contribution Plans

Rs. in lacs

Particulars	2009-10	2008-09
Provident Fund	570.60	471.00
Superannuation Fund	141.02	141.75
Life Insurance Cover	82.53	85.43

17. Excise duty on sales amounting to Rs. 13,620.46 lacs (previous year Rs. 16,066.45 lacs) has been reduced from sales in Profit and Loss account and excise duty on increase in stock amounting to Rs.638.01 lacs has been considered as expense in current year and excise duty on decrease in stock of Rs.616.13 lacs is considered as an income in the previous year in 'Schedule Q' of the financial statements.
18. Previous year figures have been regrouped/ rearranged wherever considered necessary.

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Schedules to the Accounts

19. Additional Information pursuant to provisions of paragraph 3, 4, 4C and 4D of part II of Schedule VI of the Companies Act, 1956.

(A) Goods manufactured, purchased, sold and stock held

Class of goods	Opening stock		Production	Purchase		Issued for own use/ dismantled/ shortages	Closing stock		Sales (Net of returns)	Sale Value (Gross, Net of returns)
	(Nos.)	Value (Rs. in lacs)		(Nos.)	(Nos.)		Value (Rs. in lacs)	(Nos.)		
Home Appliance										
Refrigerators	176,659 (188,610)	11,722.19 (12,171.54)	1,737,150 (1,334,565)	17,524 (21,253)	1,014.89 (1,210.59)	3,141 (2,203)	227,247 (176,659)	15,106.62 (11,722.19)	1,700,945 (1,365,566)	169,075.00 (134,022.57)
Washing Machines	38,870 (26,674)	2,347.91 (1,624.30)	483,801 (397,035)	142,762 (46,824)	5,586.51 (2,841.49)	1,103 (2,856)	65,842 (38,870)	3,727.56 (2,347.91)	598,488 (428,807)	51,358.08 (36,796.72)
Air Conditioners *	39,444 (50,324)	4,587.17 (6,287.50)	2,250 (6,339)	148,571 (59,844)	19,314.18 (7,353.51)	331 (284)	83,836 (39,444)	10,482.43 (4,587.17)	106,098 (76,779)	19,084.28 (13,817.00)
Microwave Ovens	19,836 (18,343)	761.80 (901.93)	- (-)	134,931 (69,681)	3,279.47 (2,349.03)	1,190 (640)	30,647 (19,836)	843.34 (761.80)	122,930 (67,548)	4,426.17 (3,158.70)
Other Products	12,556 (17,473)	779.06 (560.25)	2,838 (19,365)	20,848 (24,689)	970.37 (1575.19)	8 (7,946)	9,086 (12,556)	462.14 (779.06)	27,148 (41,025)	1,496.81 (2,110.60)
Semifinished goods	- (1,795)	- (49.16)	36,345 (57,699)	- (-)	- (-)	- (-)	- (-)	- (-)	36,345 (59,494)	1,638.09 (1,458.48)
Spares & Accessories *	- (-)	- (-)	- (-)	- (-)	9,013.06 (5,780.13)	- (-)	- (-)	- (-)	- (-)	11,780.00 (10,447.87)
Miscellaneous	- (-)	296.51 (222.23)	- (-)	- (-)	609.57 (984.56)	- (-)	- (-)	87.77 (296.50)	- (-)	1,432.62 (399.79)
Total	287,365 (303,219)	20,494.63 (21,816.91)	2,262,384 (1,815,003)	464,636 (222,291)	39,788.08 (22,094.50)	5,773 (13,929)	416,658 (287,365)	30,709.85 (20,494.63)	2,591,954 (2,039,219)	260,291.03 (202,211.73)

* Includes sale value of Spares for Finished Goods, the issues whereof have been booked to Raw material consumed.

Note: Previous Year's figures are given in brackets.

Schedules to the Accounts

B) Statement showing licenced capacity, installed capacity (as per engineering estimates and certified by the management)

Class of Goods	Licenced capacity per annum (Nos.)	2009-10	2008-09
		Installed capacity per annum (Nos.)	Installed capacity per annum (Nos.)
Refrigerator Direct Cool	NA	1,800,000	1,800,000
Refrigerator No Frost	NA	811,200	811,200
Washing Machine	NA	650,000	650,000
Blade Coffee Grinder	NA	200,000	200,000
Air Conditioners	NA	93,600	90,000
Portable Oven & Small Appliances	NA	1,200,000	1,200,000

C) Consumption of Raw Materials and Components

I. Itemwise Consumption

Description	Unit	2009-10		2008-09	
		Quantity	Value (Rs. in lacs)	Quantity	Value (Rs. in lacs)
Steel Sheet	Kg.	20,228,756	12,280.80	16,031,175	9,704.19
Compressors*	Nos.	1,733,555	21,999.80	1,336,367	16,942.76
Other Intermediaries & Components**			73,326.67		59,002.00
Total			107,607.27		85,648.95

* Consumption of Compressor is net of rejections, shortage/ excess and compressors used for testing.

** Consumption of other individual raw material items being less than 10% in value of the material cost, therefore the same is not furnished.

II Imported & Indigenous Raw Material & Components consumed

	2009-10		2008-09	
	% of total	Value (Rs. in lacs)	% of total	Value (Rs. in lacs)
Raw Material				
Imported	8.20%	8,819.85	10.44%	8,945.82
Indigenous	14.70%	15,817.70	16.77%	14,359.99
Components				
Imported	15.47%	16,651.03	13.73%	11,755.45
Indigenous	61.63%	66,318.69	59.06%	50,587.69
Total	100.00%	107,607.27	100.00%	85,648.95

III Imported & Indigenous Stores & Spares consumed

	2009-10		2008-09	
	% of total	Value (Rs. in lacs)	% of total	Value (Rs. in lacs)
Imported	4.38%	11.22	3.95%	8.95
Indigenous	95.62%	244.78	96.05%	217.76
Total	100.00%	256.00	100.00%	226.71

IV Value of Imports calculated on CIF Value basis

	For the year ending 31-Mar-10 (Rs. in Lacs)	For the year ending 31-Mar-09 (Rs. in Lacs)
Raw Materials & Components and Spare Parts	28,499.99	26,047.48
Finished Goods	15,806.23	7,741.87
Capital Goods	1,350.20	647.10
Total	45,656.42	34,436.44

D) Earnings in Foreign Currency (Accrual basis)

	For the year ending 31-Mar-10 (Rs. in Lacs)	For the year ending 31-Mar-09 (Rs. in Lacs)
Export of Goods at FOB value	18,226.74	17,046.47
Service Income	6,206.67	5,416.74
Total	24,433.42	22,463.21

E) Expenditure in Foreign Currency (Gross, on accrual basis)

	For the year ending 31-Mar-10 (Rs. in Lacs)	For the year ending 31-Mar-09 (Rs. in Lacs)
Royalty	1,980.31	1,484.08
Know-How Fees	1,050.00	714.97
Professional fees	140.10	232.62
Consultation fees	391.32	468.06
Interest	16.19	227.83
Foreign Travel	489.52	178.46
Others	620.50	559.81
Total	4,687.96	3,865.83

As per our report of even date

For S.R. Batliboi & Co.

Firm Registration No. 301003E

Chartered Accountants

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

per Tridibes Basu

Partner

Membership No.17401

Arvind Uppal

[Managing Director]

DIN:00104992

Syed Shahzad Akhtar

[Executive Director]

DIN:03052558

Anil Berera

[Chief Financial Officer]

Place: Gurgaon

Date : May 17, 2010

Ravi Sabharwal

[Company Secretary]

BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE**1. Registration Details**

Registration No.	L29191PN1960PLC020063	State Code:	11
Balance Sheet Date:	31.03.10		

2. Capital Raised during the year (Amount in Rs. Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

3. Position of Mobilization and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities	1, 13, 81,758	Total Assets	1, 13, 81,758
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Sources of Funds (Amount in Rs. Thousand)

Paid -Up Capital	27, 92,143	Reserves & Surplus	8, 74, 933
Secured Loans	NIL	Unsecured Loans	1, 527

Application of Funds (Amount in Rs. Thousand)

Net Fixed Assets	30, 31,101	Investments	NIL
Net Current Assets	5, 22, 745	Miscellaneous Expenditure	NIL
Deferred Tax Assets (net)	1, 14, 757	Profit & Loss A/c	NIL

4. Performance of Company (Amount in Rs. Thousand)

Turnover (including other income)	2, 23, 82,511	Total Expenditure	2, 03, 10,380
Profit/ (Loss) Before Tax	20, 72,131	Profit/ (Loss) After Tax	14, 50, 199
Earning Per Share in Rs.	10.03	Dividend @%	
		(Preference Shares)	10%
		(Equity Shares)	NIL

5. Generic Names of three Principal Products/Services of Company (As per monetary terms)

a. Item Code. No. (ITC Code): 8418	Product Description: Refrigerator
b. Item Code No. (ITC Code): 8450	Product Description: Washing Machine
c. Item Code. No. (ITC Code): 8415	Product Description: Air Conditioner

Place: Gurgaon	Arvind Uppal (Managing Director)	Syed Shahzad Akhta (Executive Director)	Anil Berera (Chief Financial Director)
Date: May 17, 2010	DIN- 00104992	DIN-03052558	

Ravi Sabharwal
(Company Secretary)

COMPANY GENERAL INFORMATION**DIRECTORS:**

Arvind Uppal	(Chairman & Managing Director)
Syed Shahzad Akhtar	(Whole Time Director)
	(Appointed w.e.f. May 17, 2010)
Vikas Singhal	(Whole Time Director)
	(Resigned w.e.f. March 31, 2010)
Robert Lawrence Mink	(Non Executive Director)
Anand Bhatia	(Independent Director)
S. J. Scarff	(Independent Director)
Sanjiv Verma	(Independent Director)

COMPANY SECRETARY:

Ravi Sabharwal

AUDITORS:

S. R. Batliboi & Co., Chartered Accountants

BANKERS:

Citibank
Standard Chartered Bank
ABN Amro Bank
HDFC Bank
Bank of America
Punjab National Bank
Nova Scotia Bank

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- 419 204.

REGISTRAR & SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd.
A-40, 2nd Floor, Naraina Industrial Area,
Phase-II,
New Delhi-110 028

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, Maharashtra – 419 204.

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 Yash Inn, P-11, 5-Star-MIDC, Ranjangaon, Pune-Ahmednagar Express Highway, Taluka-Shirur, District-Pune- 419 204 on Monday the 19th July, 2010 at 10.30 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, Maharashtra – 419 204.

PROXY FORM

DP. Id. _____ Folio No. _____

Client Id. _____ No. of Shares held _____

I/We

S/o/W/o/D/o.....R/o.....

being a member/members of the above named Company hereby appoint

Mr./Ms.

R/oor failing him/her

Mr./Ms.....R/o.....

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the

Company to be held on Monday, the 19th July, 2010, at Yash Inn, P-11, 5-star-MIDC, Ranjangaon,

Pune-Ahmednagar Express Highway, Taluka-Shirur, District-Pune- 419204 at 10.30 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.

