

**TRANSCRIPT OF THE 61ST ANNUAL GENERAL MEETING OF WHIRLPOOL OF INDIA LIMITED HELD ON
15TH JULY, 2022 AT 11:00 AM THROUGH VIDEO CONFERENCE.**

- Roopali Singh:** Good morning dear members, we welcome you all to the 61st Annual General Meeting of Whirlpool of India Limited which is being held through video conferencing. The meeting is being conducted in accordance with Companies Act and the circulars which have been issued by the Ministry of Corporate Affairs and SEBI. The requisite quorum being present. I request our Chairperson, Mr. Arvind Uppal, who is joining from his residence at Gurgaon to please call the meeting to order.
- Arvind Uppal:** Thank you, Roopali. Good morning shareholders. I welcome you all to the 61st Annual General Meeting of the Company. As the requisite quorum is present, I call the meeting to order. Before we proceed further, I would like to introduce other Directors of the Board who have joined the meeting through video conferencing. I'll start with the Executive Directors, Mr. Vishal Bhola.
- Vishal Bhola:** Good morning, everyone. I am Vishal Bhola, Managing Director of the Company. I'm joining the Annual General Meeting from the corporate office of the Company.
- Arvind Uppal:** Thanks Vishal. Mr. Reddy.
- Narayana Reddy:** Good morning, everyone. This is Narayana Reddy; I am Executive Director of the Company. I'm joining the meeting from corporate office.
- Arvind Uppal:** I would now like to call upon the Non-Executive Directors to introduce themselves, Mr. Anil Berera.
- Anil Berera:** Good morning, everyone. I am Anil Berera, Non-Executive Director of Whirlpool India, and I am attending this meeting from the residence in Gurgaon.
- Arvind Uppal:** Thanks Anil. Pradeep Banerjee.
- Pradeep Banerjee:** Good morning. I am Pradeep Banerjee, Independent Director and the Chairman of the Nomination & Remuneration Committee. And I am joining this meeting from my residence in Mumbai. Thank you.
- Arvind Uppal:** Thanks Pradeep. Rahul Bhatnagar.
- Rahul Bhatnagar:** Good morning. I am Rahul Bhatnagar, Independent Director and Chairman of the Audit Committee. And I am attending the AGM from my residence in Noida.
- Arvind Uppal:** Thanks Rahul. Mrs. Sonu Bhasin.



Sonu Bhasin: Thank you, Chairman. Good morning. I am Sonu Bhasin, Independent Director and I am joining the meeting from my home in New Delhi. Thank you.

Arvind Uppal: Thank you, Directors. We also have with us Mr. Aditya Jain, our Chief Financial Officer, Ms. Roopali Singh our Company Secretary, Mr. Manish Bathija, Partner, MSKA & Associates representing the Statutory Auditor and Mr. N. C. Khanna, the Secretarial Auditors of the Company. I now call upon Roopali to brief the shareholders on the meeting formalities. Roopali.

Roopali Singh: Thank you Chairman. I would now like to take the members through some of the key points with respect to participation at the meeting. The facility for attending the meeting is being provided through videoconferencing means. The meeting being held through video conferencing, the facility of appointing proxies has been dispensed. To ensure the smooth conduct of the meeting and to avoid any background noises. Members have been placed on mute. Once the Q&A session begins, the name of the speaker shareholders will be announced by the operators. The speaker shareholders will have to unmute their audio and switch on the camera before asking the questions. If you are for any reason unable to switch on your camera, please unmute your audio and ask your question. For better clarity and audio we would request that you please ensure that you are connected to the internet correctly and there are no other devices which are connected to the internet. If there are any connectivity issues that come up at your end, we will move to the next speaker shareholder and we will attempt to reconnect with the speaker shareholder when all the speaker shareholders have asked their questions. To allow maximum participation we request speaker shareholders to please restrict their questions to three minutes. The non-speaker shareholders can post their questions in the comment tab that you see on the left side of your screen. Other than questions which are being asked by the speaker shareholders in the meeting. We also received some questions via email which we will also be answering during the course of this meeting today.

During the AGM in case any of the non-speaker shareholder is unable to login or faces any technical issues, they may please contact the helpdesk number which has been set out in the notice of the AGM or also can refer to the FAQs which are given on the NSDL website. The live streaming of the AGM is also available on Company's website and members can view the live webcast. The registers that are required as the Companies Act to be made available to the members can also be accessed through the system. I would now like to call upon our Chairman to address the members.

Arvind Uppal: Thank you Roopali. Dear shareholders, year 2021-22 was another dynamic and challenging year where the start of the financial year looked promising; however towards the closure of the year the Russia Ukraine War, massive supply chain disruptions and high inflationary pressures changed the entire global environment. Many of the macroeconomic factors not only affected India with low growth and high inflation but had an impact almost across the globe. In our view, India continues to be an important market and will in all likelihood be the fastest

growing economy in coming years. I will briefly touch upon the Company's performance during financial year 2021-22.

We must acknowledge that it was another volatile year witnessed by the Company. The year started with a massive outbreak of Covid Wave 2 in April'21 followed by the highly inflationary environment in subsequent months which dampened the consumer sentiments and led to a muted demand. While the early part of the year was impacted by covid wave -2 and low pent up demand; operations in the subsequent quarters were impacted by rising input costs and major supply chain disruptions.

With most companies continuing to operate with varying levels of 'Work from home' and schools being shut for most parts of the year, consumers focus on their homes and reassessment of their home setup and environment remained a priority. Home appliances moved from a passive space to an active one. They were no longer seen as luxuries but as basic necessities to ensure the safety, comfort and wellbeing of family members. This phenomenon was particularly observed in the mid and premium segment where demand came back. There was however muted demand for products in entry segments like single door refrigerators and semi-automatic washing machines. This was primarily due to the consumers in these segments getting impacted due to the rise in general cost of living and hence choosing to defer discretionary purchases.

To mitigate the impact of the macroeconomic factors, we have taken decisive actions on both the cost and pricing side to mitigate the inflationary pressures and delivered strong results & maintained a healthy liquidity position in an extremely volatile and challenging external environment.

We achieved a highest ever consolidated total income of Rs. 6196.6 Crores, which was up by 5% vs previous year. This was driven by higher growths in mid and premium product categories compared to the entry segment. Amidst rising input costs, we took periodic price increases to protect our margins and through our aggressive cost productivity actions, we reduced our non-material costs. We made appropriate product and channel interventions as well to ensure that we offer the right value proposition to consumers. As a result of these actions, we delivered a consolidated PAT of Rs. 567.4 Crores, up by 61.3% vs LY (included a one off gain with the Elica PB India acquisition of INR 324 Crores).

Moving on to our products, As you are aware, Whirlpool as a brand exists to enable extraordinary care, every day and to help deliver extraordinary care. Your Company created and delivered extraordinary products designed with intuitive technologies and innovations built with a very strong understanding of the unique requirements of the Indian consumers. During the year 2021-22, the Company launched:

- the W-Series range of premium 4 Door Quattro format refrigerators with Adaptive Intelligence technology & iF Design Award winning aesthetics;



- the NeoFresh range of double door refrigerators with industry leading glass door designs
- the Magicook series of large capacity microwave ovens with in-built air fryers providing healthier cooking options to consumers.

Our commitment to fund innovation and growth in the future remains unchanged, your Company spent INR 40 crores on research and development and also invested INR 170 crores to set up a new manufacturing line for Fully Automatic Front Load Washing Machine in Puducherry factory. You will recall that in 2018 with the aim to accelerate Whirlpool's presence in the premium kitchen category we invested in Elica PB India. In line with our vision and to strengthen our overall brand presence, your Company acquired an additional stake of 38.25% in Elica PB Whirlpool Kitchen Appliances Private Limited. With this investment, Elica PB India is now the subsidiary of Whirlpool India. In India in the cooking segment 80% of the market is hoods, 13% is hobs, and only 7% is actually the built in appliances. This presents a huge premiumization opportunity for the category as people move up in the ladder of doing up their kitchens. We have with us the Elica brand which is already a very, very strong player in this segment, continues to grow well, and continues to grow ahead of the market. But we also now have an opportunity to build the whirlpool brand in this space of cooking.

On Supply Chain issues, During these uncertain times where the global supply chain was impacted, multiple unforeseen challenges like shortage of semiconductors, fuel, steel and price escalations, were faced by the Company, your Company was able to maintain complete business continuity for its manufacturing units in India through sustainable support from its suppliers both local and international. Accelerated strategic dual sourcing for all critical materials and components helped your Company to plan better and reduce single source dependencies on suppliers. Your Company continues to drive incremental localization and develop a competitive indigineous supply base.

On Consumer Service, Our consumers have always been our key focus and our endeavor is to deliver value not only through innovative, high quality products but also through differentiated service experiences that improve life at home. Some of the major transformations that the Company has made in its consumer service were launch of Direct Service Centers in 3 main locations, strengthening of Service Network, Technology implementation, improved Net Promoter Score (NPS) and launch of premium desks.

External recognition and laurels are an affirmation of the stupendous effort being put in by the teams and

I am pleased to share that during the year, your Company was appreciated and recognised by the external agencies as well, some of the notable accolades being:

- Recognised by Kincentric as Best Employer India 2021



- Awarded, India's Best Place Workplace for Women 2021
- Awarded India's Best Workplace in Manufacturing 2021

The products of the Company were also duly recognised, as Whirlpool's products, namely; NeoFresh and Ice Magic Pro Refrigerator, Bloomwash Pro & Ace XL were awarded "A-Design" award in home appliance design category.

Our People continue to be the force behind our success. Throughout the year, your Company supported its employees and provided them with not only medical and financial support during these difficult times of pandemic but also focused on their overall mental and physical well being.

For building an inclusive environment and with an intent of contributing to the development of the society, the Company is committed to sustainability and upliftment of local communities. Towards this commitment, the Company has been carrying its CSR initiatives through Skill Development and Community Development Programs. During the year more than 2100 youth were trained under Skill Development program and more than 9000 beneficiaries benefited from the vaccination camps and awareness sessions on healthcare.

Lastly, an acknowledgement. Last but not the least, I would like to thank all our stakeholders, suppliers, employees, service partners, vendors for their commitment towards the Company and especially to all the members for the support, confidence and faith you have maintained in the Company over the years. We look forward to many more years of continued commitment. Thank you.

With that, I would now handover to Ms. Roopali Singh to explain the process of e-voting and take forward the proceedings." Thank you very much.

Roopali Singh:

Thank you, Chairman. The Notice of the 61st Annual General Meeting and the Annual Report, containing Audited Financial Statements (including consolidated financial statements) for the year ended March 31, 2022 and Board's and Auditors' Reports, was sent by electronic mode to those Members whose e-mail addresses are registered with the Company or Depositories and the necessary requirements pursuant to the requirements of the MCA and SEBI Circulars have been complied for conduct of this meeting through video conferencing. With your consent we take the notice of the AGM as received and read.

The Statutory Auditors M/s MSKA & Associates and Secretarial Auditors Mr. NC Khanna, Practicing Company Secretary have expressed unqualified opinion in their respective reports for the Financial Year ended 31 March 2022. There were no qualifications, observations or adverse remarks on the financial statements and matters which may have material bearing on the Company.



In compliance with Companies Act, 2013 and SEBI Listing Regulations, the Company had provided e-voting facility through NSDL to its members and the remote e-voting was open from 12th July 2022 from 09:00 AM till 5:00 pm on 14th July, 2022.

Members who have already cast their vote through remote e-voting will not be eligible to recast their vote at the AGM. Only those members who have so far not cast their vote, can also vote during the AGM through the NSDL e-voting portal. For the e-voting instructions please refer to instructions given in the AGM Notice. The e-voting facility is open during the AGM and shall continue to remain open for 30 minutes after the AGM.

Mr. Rajiv Adlakha from Adlakha & Adlakha Associates, Company secretary in practice, has been appointed as the Scrutinizer for the process of remote e-voting as well as e-voting at the 61st Annual general meeting.

M/s S.R. Batliboi & Co. LLP Chartered Accountants, is proposed to be appointed as statutory auditors of the Company for the period of 5 years.

As directed by the Chair, we now take up the resolutions as set forth in the notice.

The notice of the AGM includes 7 Agenda items in which Item No.s 1 to 4 are listed as ordinary business and Item No.s 5 to 7 are listed as special business, which the Board deems necessary to be put forth in this meeting.

Ordinary Business:

Agenda Item No. 1. is adoption of Financial Statements. The Audited Financial Statements including audited Consolidated Financial Statements for the financial year ended March 31, 2022 alongwith the Reports of the Board of Directors and Statutory Auditors thereon have already been provided to the members.

Agenda Item No. 2. relates to Declaration of Dividend. Board has recommended a final dividend of Rs. 5 per share on equity shares for the financial year ended 31st March, 2022.

Agenda Item No. 3. relates to Re-appointment of Mr. Vishal Bhola who retires by rotation and being eligible, seeks re- appointment.

Moving to Agenda Item No. 4. that's with respect to appoint M/s S.R. Batliboi & Co. LLP, Chartered Accountants as statutory auditors of the Company for the period of 5 years.

Now, moving on the Special Business:

Agenda Item No. 5. relates to approving Remuneration of Cost Auditors.

Agenda Item No. 6. is for the Re-appointment of Mr. Arumalla Hari Bhavanarayana Reddy (DIN: 08060227) as Executive Director of the Company for a period from 2nd February, 2023 till 31st August, 2024.

Agenda Item No. 7. is for approval of payment of commission to Non- Executive Directors.

The text of the resolutions and explanatory statement are provided in the Notice of the AGM. Now, with the permission of the Chair, we would now commence the Q&A session. Members may please note that in order to avoid repetition, Management will answer all the questions after all the Speaker Shareholders have asked their questions.”

Moderator: Thank you ma'am. We will now begin the Q&A session. I now call upon our first speaker shareholder Mr. Saurabh Mehta having DP ID IN30154963943007 to ask your question. Mr. Mehta, you are requested to unmute yourself and proceed with your question.

Saurabh Mehta: Sure. So, Whirlpool Corporation in its first quarter presentation has highlighted focus on the India market, especially to accelerate growth in India as a key pillar for transforming global business for portfolio strategy. Can you please elaborate what it means for Whirlpool India, that's my first question. My second question is, in India our current products and perception is still on the entry level. So, again linking to my first question given Whirlpool Corp focus in India, what could it mean for our product strategy, introduction of new brands from parent portfolio, manufacturing and distribution strategy. My third question is, Whirlpool market share in India and refs and washing machine is between 15% to 20%. And LG and Samsung are clear leaders here. So, what is our market share aspiration and what are the steps to increase this market share. My last question is relating to the margins. We were earlier making 10% to 11% kind of margins. And lately we've seen lots of competitive intensity increasing and as well as pressure on the gross margin side. So, do we think are we going to settle around 6% to 8% and what are the key drivers for margins going forward from here, that's it. Thank you.

Moderator: Thank you. I now call upon our next speaker shareholder. Ms. Seena K having DP ID IN30260310299141 to ask your question.

Seena K: Good morning, everyone. Thanks for this opportunity and I would like to thank the Boards and all the employees of Whirlpool for managing this situation in the COVID environment. So, my question is, you have previously in our interaction spoken about the penetration level being low in the categories where Whirlpool is present so, from the demand of your pertains especially in the refrigerators and washing machine, what is the kind of market growth you expect in the medium term perspectives and my second question is on the margins and what we can see is that definitely commodity cost has been on the rise, which has impacted margins across the Company, could you share with us the significant measures that the management is taking to control cost and increase efficiency with the aim to increase the operating profit margins. Thank you.



Moderator: Thank you. I now call upon our next speaker shareholder Mr. Mehul Suri having DP ID 1208250006469766 to please proceed with your question.

Mehul Suri: So, actually first of all, big thank you to all of you for steering the Company through what has been a very difficult time. And congratulations on maintaining market share in most categories. I only have one question, which is about the Elica acquisition. So, I wanted to know, what does the Company think about how are they going to integrate this business into its fold, since Whirlpool is also competing in the built-in appliance category, though some of them might have been discontinued, but they continue to be sold in some retail outlets and online outlets as well. So, what are your plans for Elica is it going to be treated as a separate brand, separate Company or are they going to be synergies between production, sales and distribution so if you could just give us some color on your plans regarding the Elica acquisition. That's it.

Moderator: Thank you. I now call upon our next speaker, shareholder, Mr. Dipankar Purkayastha having DP ID 121204720009417188 to ask your question.

Dipankar Purkayastha: Thank you for the opportunity. I had sent in advance a list of all my questions. There are quite a number of them. So, I will not waste time reading out those questions. I would expect you to reply point wise to those questions. Just a couple of issues which I would like to flag which may be of interest to the other shareholders. I would just like to highlight over here. First of all, the MDs letter to the shareholders in the annual report says that the Company's vision is being the best kitchen and laundry Company. In that case, why is one of the key products of the Company air conditioners, we are nowhere in the air conditioner market in India. Our products sell well below all our competitors. So, why are we frittering away our limited resources on air conditioners. Second key issue that I would like to highlight is, we are paying to the foreign promoters, the parent promoters royalty and technical know-how that's fine all multinational affiliates do it I have no objection to that. But, if I look at the figures, the total of royalty and technical know-how comes to about 104 crores and the dividend which we are paying to them just like you are paying us also is around 47, 48 crores. Now, this is an asymmetric figures so, what happens when you have this kind of asymmetry is that, any person be it a foreign promoter, be an Indian shareholder will focus on the larger part of the total income flow that he is getting from this Company and he will not pay as much attention to the other part which is the dividends. Now, the Company can say that as the Company grows, as the revenues grow, the profits will also grow and the dividends will also grow. So, my counter question to that is, why don't you freeze the royalty and technical know-how at a particular level take it and then when the asymmetry is reduced say you come up to the level, the dividends come up to the level of 75% of the total royalty and technical know-how you again start paying these charges from the frozen level. I have seen in the case of several MNCs that they don't charge these from the affiliate till it becomes profit making or till it reaches a minimum level, threshold level of profits. So, that is the suggestion which I would like to give you. And the other thing in this Whirlpool is an outlier. I have seen in the other MNC affiliates that once they source



know-how and technical and royalty from the foreign parent. They hardly do any domestic R&D, the entire thing is handled at a centralized level by the foreign promoter and the Indian affiliate sources it from them. Whirlpool is an outlier in the sense that apart from all these charges, which they are paying to their foreign promoters, they are also spending a substantial amount on domestic research expenses, which come to around 40 crore. So, you have domestic research, plus global research, plus royalty, this is subjecting our P&L to a very high level of overheads which our competitors don't have. And what is the justification for this. Is it that we have to customize the products for Indian condition, is it that the global R&D is not good enough. So, if you could just explain why we have to have two levels or two streams of R&D. Then the other thing is, if I look at your consolidated accounts, there is a huge figure of contingent liability on account of transfer pricing disputes. Now, ordinarily I would not have paid much attention to this, because knowing how Indian tax authorities work, these kind of things go on in all the companies. What makes me very nervous is that after so many years of operating in India, you have now decided to hire independent consultants to determine whether the international transaction with associate enterprises were conducted on arm's length basis. Typically, you do this exercise when you start shop in India so that the enterprise starts functioning on the right lines from the beginning, after being in India now for 20 years, 30 years, maybe more. If you now decide to get a consultant to look into the transfer pricing regulation it makes me as a shareholder, very scared that perhaps the revenue authorities are right, in which case we are looking at a liability of around 1500 crores. So, we just would like to understand why you found it necessary now to hire these consultants and when do you expect these consultants report to be received. There are other questions which I have asked but I will not repeat them here in the interest of time, but I would request you to give specific point wise replies to all those questions. Thank you for the opportunity and good day.

Moderator: Thank you. I now call upon our next speaker, shareholder Mr. Santosh Saraf having DP ID 1206780000017638 to ask your question.

Santosh Saraf: Respected management and my shareholder friends I am Santosh Saraf greeting you all from Kolkata. I hope the management, Directors and shareholder all are safe and healthy. Company is performing very well but still I'll ask few questions. Firstly, I will congratulate the management and their team for good performance and I would like to congratulate our Secretary Roopali ma'am and their team to connect all of us so that we can ask our queries. I would like to know your future plans. As plastics are banned now so what steps are we taking against that. What steps we took for rain water harvesting and renewable energy and what is our current capacity. What steps are we talking to neutralize the gender ratio in our Company. Also let us know if the employees are covered with all types of insurances like health insurance, accident insurance, maternity benefit, paternity benefit, et cetera and if not please do cover them in future. And I won't take much time but as I am also affected by COVID so I would like you to give all our employees and their family booster doses for COVID. It's not that they might not get COVID after the three doses even I got affected but still it will be safer for them. And in future if we move to physical meets then also I would request you to keep

video conference along with that so that people who can't come can connect via video and ask their questions. Thank you all and I pray for everyone's wellbeing. Hoping that the coming years 22-23 will be healthy, wealthy and safe for everyone. Thank you.

Moderator: Thank you. I now call upon our next speaker shareholder. Mr. Aspi Bhesania having DP ID 1201250000010241 to ask your question.

Aspi Bhesania: Sir your results are quite disappointing for the current year let me come to the point, we acquired Elica PB India Private Limited and we paid for 38% stake 428 crores earlier we had 49% stake so, at what price we had required that 49% stake and who owns the balance 12% and when do you propose to acquire. So, then we have cash of 1600 crores on the balance sheet. So, what are your plans for acquisition, dividend or buyback, I would prefer a buyback as compared to dividend because that will be tax efficient in the hands of the shareholders. Sir then coming to the current year although our top line has increased from about 5900 crore to 6200 crore. Our profit before tax has come down quite a lot from 451 to 2315 crores. So, what is the reason for that and do we expect the same reduction to continue in future also because first quarter also it was almost lackluster results so, what is the reason for that. And before you pay a high dividend why don't you pay off the loans there is a finance cost of 15 crores. Sir and I would like you to give 10 year highlights and that highlight should have market share in refrigerators, washing machines, AC separately for all the 10 years so, that we know whether we are increasing the market share we are reducing the market share. And sir our consolidated revenue was 6200 crores this year, when can I expect 10,000 crores don't tell me after 10 years because our growth is not that much. Sir, in USA we are the largest white goods manufacturers especially in washing machines. So, why are we just in India is it due to the Indian management or we don't get support from the foreign Company. If you can elaborate on that, thank you very much and all the best for the future.

Moderator: Thank you. I now call upon our next speaker shareholder Mr. Mahindra Pal Bhutani having DP ID 1201910102044109. Please ask your question.

Mahindra Pal Bhutan: Chairman sir, Board and management thanks for giving me an opportunity. First of all, I would like to thank the Company Secretary and her team for sending the e-notice well in time I found that the Annual Report is in detail and information in a very transparent and **(Inaudible)** manner. My question is what are the companies counter competitive platform. Number two, what are the steps Company has taken to strengthen the business. Sir, I feel in balance sheet there is sufficient room for improvement. Therefore, I want to know interest of the measurements to increase the asset quality and improvement to strengthen the balance and next is your valuable creation roadmap for three year. Respected Chairman, shareholder I support all the resolution. With my brother Mr. Chandrashekhar, his ID last number is 100439542. Recently few days back in Delhi in Saket, Electrolux has prepared it's pre marketing strategy and they have displayed all their items in the mall so that the customers can interact with the products. They are showing live demo of the products whether its refrigerator or washing

machine. They are showing their market presence and in the coming quarters they have high targets and they want to stand up in the market. We do have other competitors as well in the market like Samsung, LG, but what is our strategy going forward. As per the Hindu calendar from July onwards we don't have marriages or major functions and usually as per the tradition we buy such products majorly during wedding or functions which gets slow in these period so that might affect our sale as well. I believe as per the technology our products are very good in terms of quality too. We should increase our market share by at least 3% if we see our earlier quarters we do have a good hold of the market and if we go in rural areas as well then it will be a good exposure for us and what are more options by which we can increase our sales, this is something we should work on. And what is our planning in R&D division, are we going to do any capital expenditure and how is our position in DD parameter, I hope it should be good and I believe it is. Management is strong enough to achieve the targets and set higher goals. As per the coming times we are well prepared to face the competitors and I would like you to highlight on that and lastly I would like to say as a shareholder I believe the management is far younger in its thinking, transparent in its working, stronger in its commitment and more responsible, I would appreciate if could briefly apply and I wish the Company all the best for the future and hope to see a healthy growth in business and size of the Company. Big thanks to Company secretary Urvashi and the Chorus team who connected us with you all. Roopali and Urvashi ma'am cleared our issues and the Company secretary and their team resolves all our issues in time and they are doing a great job. Thank you all for supporting the Company in COVID times and continued to achieve Company vision and target in tough times. Thank you very much everyone.

Moderator: I now call upon our next speaker shareholder, Ms. Celestine Elizabeth Mascarenhas having DP ID 1205140000090218 to ask your question.

Celestine E. Mascarenhas: Respected Chairman Mr. Arvind Uppal – MD Vishal Bhola other members of the Board. My fellow shareholders attending this virtual meet, I'm speaking from Mumbai my name is CE Mascarenhas. At the outset, I have to thank Madam Roopali Singh and her team for giving me e-annual report and also registering me as a speaker at my request and giving me this platform where it is audible and visible also. Thank you so much and thanks to the Chorus team. Now, I go to the working the annual report is very good a lot of pictures are there, but my request will be still further I will tell in my queries and very good and Rs.5 dividend and as one earlier shareholders said dividend I would request your service continue with the dividend, sustainable dividend because I know the promoters are holding around 75% but, we small shareholders we need dividend if the promoters may not take but we should be given because that is our only as we are senior citizens. So, that is the only way we look for dividend income as interest of course now the interest income will also go up day by day, every day the interest is going up. So, I don't know how much will be passed to the FD owners, now congratulation for awards and applauds as documented in the annual report. Also I appreciate the good CSR work and also the ESG work. Have we rated our ESG work rating and which agency. Now my queries, now as all the staff are working, are coming to office or still working from home.

Second one, we have three plants, what is the capacity utilization of these plants. Number three, while we have acquired majority stake in Elica India who are in the cooking space, what is our market share in the cooking space. In Elica we have got to do with the kitchen hoods, hobs, built in ovens, built in microwave ovens, dishwashers, barbecue fryers, et cetera, et cetera. Which of this is selling like hotcakes due to COVID and work from home and what is the position now. Next year sir, please put the pictures of these products so that working and housewives also can take the benefit of these gadgets and helping you in bringing down the house corpus. Sir with this I will also ask can we expect discounts on these products like Bajaj Electricals do give a discount. Sir, have you got any sort of chip problem due to geopolitical and supply and logistic bottlenecks and how our team is trying to de-risk these problems if there are. Sir how much of our sales percentage is spent on R&D. Sir, lastly I would ask you can we expect some discount on our products. I have supported all the resolutions; I wish the Company all the best may it grow in strength to strength and wish to meet you again in virtual in the next year with this and one more thing. If supposing you do some buyback, my request is please do the buyback of the shareholders who are having the physical shares because to demat is a great hassle now the registrar's are making lots of hassles, and I don't know they blame the SEBI and SEBI says the registrar's. So, please in fact, I would have liked if inbuilt every registry work, share transfer registry whatever would have done in-house, but now it is outsourced and in physical we are getting a lot of problem because you have to demat and that transfer TD has gone from the window. So, please if any by chance if you come with buyback first you give chance to the people who have in physical so that they get the money and most of them will be old people only not young people. With this I thank you very much for giving me this patient hearing and wish to see you all again next year. Thank you very much.

Moderator: Thank you. I now call upon our next speaker shareholder Mr. Jaideep Bakshi having DP ID IN30154936203908 to ask your question.

Jaideep Bakshi: Good morning, sir. Well, I got interrupted, I'm starting again from the midway. Sir due to cost of this raw material the supplier are not going **for contract**, any thought process for this. And regarding the metaverse which has just come up, do you have any plans for the same. And the percentage of market share of products in different segments and congratulations for entering this cooking space and also for achieving the customer delight for keeping delivery promise of 48 hours customer satisfactory to all business. Sir, regarding the launching of the DSC in three cities any plan is effecting delivering other cities. **(Inaudible)**. Sir what are the **(Inaudible)** for the customer base. **(Inaudible)** and we are happy with the product and nothing else. Sir under your guidance and with the help of the Board members our Company is coming up with more positive, and better products with extraordinary care. Thank you.

Moderator: Thank you. I now call upon our next speaker shareholder Mr. Harshit Goel, having DP ID 1208180024205027, please ask your question.

Harshit Goel:

Before asking my questions, I would like to thank the Chairman and the Board of Directors for constantly trying to hold our Company at its best in these difficult economic conditions with COVID and now geopolitical scenarios. So, considering this, I have a couple of questions. My first question is on competition. How do you see the emerging competition landscape with larger player like Lloyd, Voltas, Reliance entering this space. What is the foreseeable risk to our market share. Do you think you have to increase your brand spends because of rising competition intensity. And the second question is on products, which are the new categories of products which the Company is thinking of introducing in the Indian market to leverage the brand that Whirlpool India has created. Also just wanted to get a sense on your CAPEX capital expenditure plans for the next two or three years. And also how do you see the business evolve in coming years. And once again, thanks a lot for the opportunity and wishing you a wonderful day ahead.

Moderator:

Thank you. I now call upon our next speaker shareholder Mr. Praveen Kumar, having DP ID IN30011810449827 to please ask your question.

Praveen Kumar:

Very, very good afternoon to my respected and my decorated esteem Board of Director and my co fellow shareholder who joined this meeting online, myself Praveen Kumar joining this meeting from New Delhi. I have a few observation which I love to share with the house. I am with the Company for more than a decade and over the period , my object sir, first of all a very, very thank you to you for your detailed and stage you covered almost everything I repeat my phrase, you cover almost everything and what you set out to the Northeast today I put my all the assent to everything form today and I pray to the God he will bless you for that you will take our Company because COVID is behind us. You will take our Company to the near high future sir and sir as our Company is truly multinational Company and I am using our products in my house also. They are wonderful product at a very, very competitive rate so I am very, very satisfied customer as well as satisfied shareholders because of dividend payout by the companies and the growth is everybody know it is a sustainable growth a retail investor can ask for and sir one more thing I would like to tell, all the warrior worker are safe which is updated by the CS of our Company. And sir one more thing I would like to share, I don't have any query I have only the compliment because you are doing fantabulous job with your entire team and sir as per as the retail investor is concerned sir the betterment is decided by the corporate governance in this regard I love to thank our Company Secretary for very, very fast communication if we have any queries the AGM or EGM for that matter, during the whole year if we have any queries they will help you by email. So, thank you very much sir, I am save and my hard-earned money in the safe hand and health and happiness for the entire management and worker and you will take our Company to the new near height sir. I wish you all the best of luck and I'm very, very thankful to the management for giving this platform to express my views. Thank you sir, thank you very much for a brighter future.

Moderator:

Thank you. I now call upon our next speaker shareholder, Mr. Sandeep Sobag kothari, having DP ID IN30154963007823 to ask your question. While we test the connection for the current



speaker, we move to the next question just from the line of Mr. Vinay Suthan having DP ID IN30021432646067 to please ask your question.

Vinay Suthan:

Good morning sir and dear Board members, I'm very much obliged to joining the AGM of the Company. Couple of the external these days is very volatile, you can please elaborate what happened to the go to market strategy for the cooking portfolio in India. externally to us it seems that Whirlpool probably has not been the kind of lead that was expected in terms of penetration in the country. So, I would like to understand more about this also sir, if you can tell us what is your strategy to drive the cooking business been seeing that competition is hitting our cooking range category, these were my question sir, I wish the very best and hope to get good returns to the shareholders in the years. Thank you so much.

Moderator:

Thank you. I now call upon our next speaker shareholder Mr. Pramod Kumar Agnihotri having DP ID IN30075710623990. Please ask your question.

Pramod Kumar Agnihotri:

I'm a shareholder from Mumbai and this is the first opportunity I'm getting to interact with our management although we are the shareholder from the very, very long time maybe two decades, three decades when the Company came into being. Sir. I'm very happy to see your balance sheet and your annual report, everything has been described in a fair manner. One thing I noted, that your Faridabad plant which is entirely run by woman workforce is a big landmark achievement sir. It is one of the best thing we are doing. One thing you have described sir on your balance sheet and annual report the W Series Premium refrigerator, what is this about, is it something a new invention, how it is better from other players in the market I would like to know and if it is so what is the cost like because we have not mentioned in your report such things. So, if it is known to us, we may also think about changing our gadgets which we are using and going for these things, because this is one of the most reputed Company which has been in existence so far, but because of the competition all over through LG, Samsung and all that people are buying products from different, different stock. So, about this, now I'm realizing what are your perks I've never knew, I knew in the past that this is one Company which is producing very good products. But we have not seen in fact the same. Coming to your accounts I've seen this year somehow we have not been able to make a good headway, our debt-equity ratio has become double that has grown too much. So, what is the reason because even the return on the net worth which are 11.5 has come down to 7.5. Now, these things today, so any Company which is debt free is regarded more safe investment, because of the current situation in the share market, many companies which are going out of the huge depth, they're not able to survive and perform very poor. So, why not, I would request you to control these things, unless there is a need for the huge expansion by you because as many speakers are given their thoughts per year increase into kitchenware and things like that, air conditioners, all those things, so I would like to know what is your focus area where you're the real leaders, I would like to know that's why. So, if you can give me information, I'll be really thankful to you. Now, sir coming to our earning per share has also declined from 26 in a standalone basis, it has fallen to Rs.17, although I'm thankful to you that you have given us a

final dividend of Rs.5, this is something noteworthy because many companies they skip also but, this way you are a shareholder friendly, I congratulate you and give you compliments for this sir. But consolidated basically it is more 44.64 earnings per share which is against 27, how this generally has taken this place sir, whether you are able to sell abroad most items and I would like to know whether exports are also doing by the Company or not. If it is done, then we are having a better return from abroad also with an increase (**Inaudible**). What is your formula of giving the dividend sir, because the earning per share is Rs.44 you should have provided us even more but this time around it is only less. So, lastly we would like to request a plant visit, I learned that our plant location is somewhere very close to Pune and all that, many of the speakers you must have found they are from Mumbai or Pune. So, if a opportunity is given to us like Tata Motors, so many companies were located in Pune, they take us to show their production and all that. Unless there is a secrecy in that I do not say it is white goods, people may be interested somebody asked there should be discount on that, that also you can offer on the site. So, this is a one-step which will take you forward in increasing your sales and showing better results in future, so if we can think about that we will be really thankful sir. This is my suggestion. And lastly, sir I congratulate you for doing good, but only thing is, after doing so good now the time has come to consolidate because this particular year performance is not so good. But I believe due to Corona and all that there will be some impediments you might have not been able to do good, but the time will pass and we will go ahead with a better results to come forward. So, if you can do that, I'm very thankful to you. Now sir one thing is, somebody has asked about the buyback, now when the Company has to remain in the market more news coming from them, they offer buyback or they offer dividend, higher dividend or bonus and things like that. So, our Company said that the share price, share is almost stagnant nowadays around 1500, 1600. They don't further growth taking place, share capital is same there is no increase in that capital also all along. So, what are the steps you are thinking so that there is a more spread of the news of this Company, because there are so many competitors also, and you have to take a lead in that some products will be very good you may excelling you can be able to sell garner more, sales with them and all those things. So, this also one step sir, if you consider buyback, I do not think you will be allowed to offer bonus because many multinational government do not permit because their bonuses are sent abroad so they are not allowed but, buyback you can do definitely sir. So, this is all, I congratulate you once again and this is the system of video conferencing, government should continue because this is giving us an opportunity to interact one to one with the management which I had never done in the past because your AGM held somewhere in Gurugram or Delhi and we are being far away. So, this is a something even though physical meeting will start shortly but this also should continue side by side, that is my personal feeling sir and I will recommend to the government also should not be stopped. Thank you once again to give me the opportunity. And I wish all the best.

Moderator:

Thank you. I now call upon our next speaker shareholder Mr. Sandeep Sobag kothari having DP ID IN30154963007823 to please ask your question.

Sandeep Sobag kothari: Okay, I have three questions. One is if you could comment on the emerging competitive environment, especially with the more aggression from the domestic players like Flipkart, Amazon, et cetera. And given that scenario can we go back to double digit margins or structurally margins in the white good category are going to be low for some time to come. Second question is on, if you could just talk a little bit about the opportunity for the kitchenware market. And Whirlpool has a number of brands globally, which could come in future and all the brands come through the listed Company or there could be brands like Kitchenaid, et ceetra which may not come through the listed Company and third question is on the air conditioner market. Is it more tactical, your present in this market or its strategic and if strategic, what is the strategic direction for this category. Thank you very much.

Moderator: Thank you. That was the last speaker, shareholder. And I now hand the conference over to the Chairman.

Arvind Uppal: So, thank you speaker shareholders for your question. I would now request Mr. Vishal Bhola, our Managing Director and Mr. Aditya Jain, Chief Financial Officer to answer the question asked by the shareholders.

Vishal Bhola: Thank you, Arvind. Apart from questions asked by the speaker shareholders at the meeting, we've also received some questions through email from our shareholders. And we will answer those as well. What we've tried to do is, because there is some repetition of questions, will pick up a few themes, and try and answer around those themes. So, let me start with the first one, there were a lot of questions around new categories, which we want to go into what is happening with air conditioners and so on and so forth. There's a question from Mr. Depankar, Mr. Harshit, around the same. Look at the heart of what we do is improving life at home and therefore air conditioners is very much part of the categories we play in. Today, almost 80% of our business comes from refrigerators and washers. But outside of this, we've identified four new categories which we will grow and expand. These are cooking where obviously you've seen us expand with Elica acquisition and building the Whirlpool brand. I'll talk more about Elica later. The second is air conditioners, the third one is microwaves and the fourth one is water purifiers. Now, why we've chosen these four categories and the logic for choosing these four categories is, #A the penetration of these four categories is still in single digits. So, in the country, there is headroom to grow for these four categories. #B, we've got the ability to win these because we've global, presence in products & can use the technology in India.

In the second question, the second theme, which came again from Mr. Prasanjeet from Canara as well, is on our innovation strategy going forward, how do we look at innovation as we go forward. So, let me start by saying, starting point for us is our consumers. We want to understand how their lives are changing and therefore what is most important for them, and that is the guiding principle for the way we design our product. Then we first look at global technology our global innovation program and see what is it that we can deploy from there at the right price points in India. And on top of that, we then look at what is the right local flavor



which needs to be added to customizing our products for what is right for India. Our launches have won multiple design awards this year, including the prestigious “iF Awards”. If we look at our premium side launches, and we look at the response to our premium products, it’s absolutely been fantastic. The Chairman spoke about some of these but I’ll repeat, we launched the W Series range of premium four door refrigerators, these are high end premium refrigerators with adaptive intelligence technology. We’ve launched our glass door refrigerators, we’ve launched a Magicook range of microwave ovens which have got built in air fryers, we’ve expanded our range of air conditioners. Most importantly, we’re investing in front load washers, the commercial production of which will start in the second half of this year. And that enables us to be available in a segment where we have currently not played a big part. And this is on the Whirlpool side if you look at innovations on the Elica side again, we’ve got very premium innovations like the Ismart kitchen hoods with PLDC motor. We’ve got the Pro Max series hobs, which are high performance, heavy duty, fully brass burners which are there, we’ve just launched our Elica DFS hob, which is the hobs where the direct flame is sealed with full brass furnace. We’ve got a built in range of microwave and ovens which again we’ve launched in the recent past.

There was a theme, and this question came again from Mr. Prasanjeet, Mr. Saurabh, Mr. Mehul, Mr. Vinay, and Mr. SP around what are our plans for Elica post the acquisition of majority’s stake. Let me just first step back and talk about the cooking category itself. It’s a category which is poised for growth, why it is poised for growth is because #A, the penetration levels in this category are low, and #B with in the last couple of years people having spent a lot of time at home, they realize they’re actually doing up their kitchens much better. And they want better kitchens, they want better appliances in their kitchens. And therefore we are already seeing this category expand. Our strategy is simple we now got two brands with Elica and Whirlpool and we want to exponentially grow both of these brands. It ties in with our overall strategy of premiumization, one of the things we’re trying to do is move into more premium space with our appliances and this certainly helps us with all of the opportunities in the built in space.

From a distribution perspective, we’ve been able to expand our distribution in the first year of Elica becoming our subsidiary we are now present in 2000 outlets with Elica. We are also looking at innovations within the Whirlpool brand so that we can expand both Elica as well as Whirlpool in the cooking space. So, overall super excited about the prospects of growth for the business between Whirlpool and Elica brand in the cooking space. There was a question from Mr. Saurabh around our strategy for premium segment again if I was to just step back and look at how the Indian market is structured, growth comes about half and half from new consumers, as well as consumers who are replacing their current appliances. And therefore our strategy is well make sure that at an entry level we are being there with the right products so that we are able to get these new consumers into our fold. But we are very excited about moving people up into more premium production. Therefore premiumization is a key part of our strategy. What we want to do is make sure that we have the right kind of appliances, we have the right price



points, we have the right benefits so that we are able to take consumers up. We've actually launched a slew of innovations in our mid and premium range. And if we look at our lineup going forward, that's where there is going to be a lot of focus to make sure we are able to increase premiumization.

Next, there was a question on demand going forward from Ms. Seena. How do we look at the markets evolving, where do we see markets going in the next few months, in the next few years. With first if we look at the medium to long term, the India growth story for consumer durables is strong, penetration levels in refrigerators & washers is low. As a combination of first time buyers as well as replacement buyers, we expect the market to grow.

In the short term, what we've seen in Industry is clearly because of all of the disruptions which have happened in the last 24 months, and it is not only COVID there have been supply chain disruptions, there have been disruptions from China, there has been a disruption because of the war, clearly there have been a lot of unprecedented situations. Now as well there are headwinds from a global macro environment. And India won't be isolated from what happens globally, be it the volatility around supply chain, headwind and currency. We have seen the commodity prices on steel, some of the other commodities like crude come down, equally we've seen investment happening from the government around the infrastructure spending. And therefore, there will be a set of headwinds, there will be a set of tailwinds. And rarely it will be a wait and watch on which of these dominate over each other.

Strategy going forward is clearly about growing ahead of market growth and therefore, if the market grows at a certain clip we will certainly want to grow ahead of that and be gaining market share as we go forward. Whether it is in specific sales, whether it is in specific categories, we've clearly identified places where we are under indexed, and we want to put resources to grow. With that, let me hand over to our CFO, Mr. Aditya for the next couple of questions.

Due to technical glitch, the Question and Answer session was paused.

Aditya Jain:

Thanks Vishal. We apologize for the technical glitch. The first question which came from Prasanjeet from Kotak was regarding price increase and the input cost scenario. So, as you spoken about that last two years, you've seen a significant and unprecedented cost inflation and in order to cover up for that. You've taken proximately 10% year-over-year price increase to mitigate the cost inflation. So, we were the first one to take up the pricing when this entire commodity costs started going up, which was around January 2021. Given the quantum of cost inflation we've seen, we understand that would be similarly impacted.. Now, index versus competition is more of a dynamic in nature and depends upon the various price interventions, which every player in the industry is taking at different points in time.

Coming to the second part of the question, that was an input cost scenario during the full year of 21-22 we saw year-over-year cost increase approximately 13% to 15%. This increase in cost

was driven by the global pandemic, the significant supply chain disruption which we saw during the year, shortages of labor and disruption in China on account of zero COVID policy and significant increase in ocean freight, this entire phenomena of inflation was exacerbated by the Russia invasion of Ukraine towards the end of the year, and which led to a significant increase in steel, crude and led to the depreciation of currency which again impacts costs. So, key commodities for us, which is crude, steel, abs polystyrene have seen a high double digit inflation during the year. However, recently there's been tailwinds and we have seen softening of commodity prices. All prices though have come down a little bit but continues to remain volatile.

I'll move to the second question which is around the margins of the Company what actions are we taking on the cost side or on the revenue side to protect the margins of our Company, these questions were asked by Dheeraj Lakhwani, Akash Arora, Saurabh Mehta and Seena K. When you look at actions to secure profitability and margins to the Company, we look at three levers of our profitability, which is revenue, cost and volume which is the demand side of the P&L. On the revenue side, basically the actions are centered around smart pricing and mix management. On the mix side apart from our continuous view of introduction of new products, especially on the premium segment, the entire effort of the organization will be channeled towards driving the mix opportunities in geographies, in product segments as well as the channels.

Coming to the cost side of the P&L we've segregated cost in two parts. One is the product cost and the second one is the non-product cost. On the product side of the things, we have a very robust work stream which is working on driving all the cost reduction actions based on the product cost. And when we're looking at product costs we look at initiatives both on the design side as well as on the commercial negotiation side. I can talk about some of the initiatives which we're taking on the product side which includes the localization which is reducing our dependency on imports, and hence saving on the duty cost. We're accelerating a design to value workshop to identify opportunities of reducing product cost. We are talking about material substitution, sourcing and qualification to reduce dependency on single supplier.

In terms of the non-product cost we are very watchful of all our discretionary spends to make sure that we rationalize all our cost line items. The third pillar of the P&L is basically the demand which is the one instead of the P&L, and we will rely on the new product innovations, which we're doing to drive demand will also leverage our distribution strength to drive reach and extraction. And in the medium to a short term, there will be normalcy in the industry demand spatial entry segment, which will give us some debris in the volume and this basically drives internal efficiencies and the fixed cost absorption and we get a volume leverage on the P&L. With all these initiatives, we are very confident of securing the right industry benchmark profitability and deliver sustainable and profitable growth. With this, I'll pass it on to Vishal to take on next question.

Vishal Bhola:

Thanks Aditya. So, there were a few questions around service plans going forward from Seena. So, first, we want to build a consumer centric service organization, this is a gap which is existing across the entire industry, the fact that nobody is able to offer great after sales service. We've taken a few interventions, one we have opened our direct service centers and what that enables us to do is, reach consumers directly from Whirlpool, and thereby give a fantastic experience. We've seen we are now tracking our net promoter score, which is how consumers rate us, these scores are absolutely going up. Second, we've also invested in technology, which makes it easier and simpler for consumers to reach us with their complaints. It is not only easier for the consumer, but it is also more efficient from a cost perspective for us, and therefore it enables faster resolution at a lower cost. There's also question around what we plan to do with these service centers. Now we've already opened three of these and as time goes by, we're probably going to expand more as well.

The next theme was around and there was a question from Mr. Saurabh around role of India in global and impact of corporations transforming global business portfolio strategy on India. The role is very clear and it has been called out in the global strategy India is a growth market. With that, let me hand it back to Aditya to talk about the next question.

Aditya Jain:

Thanks Vishal. Now I'll answer some of the questions which came from Mr. Deepankar point by point. So, we had a question on the share of total revenue from kitchen and laundry products as well as a non-kitchen and laundry product. So, kitchen and laundry including refrigerator our revenue is greater than 90% and for non-kitchen revenue share is about 9% . Then we had a second question was on the proportion of revenue from the outsource and traded products. So, our manufactured products is about 87% and our traded products is about 11%.

The next question from Mr. Deepankar was about the microchip availability has it got normalized or is the Company still facing some issues around that. During the full year of 22 globally there was a significant shortage of chips which led on account of supply chain disruptions but we've been able to leverage our global sourcing strength and channel partners to mitigate the impact on us and we did not face any significant shortage or the impact and full year of 21-22. In the current year the situation is likely to be volatile, but at this point of time, we do not see any significant impact on us but we've seen how the global supply chain has got disrupted in the scenario of a global pandemic. We will continue to closely watch the scenario as we go forward.

Then the next question around what is the addition of around 95 crores in ROU assets. As per AS116 we are require recognizing all the future, lease liability payments and a right to use assets and our Company recognize all lease contracts in accordance with AS116. And increase in ROU of 94.82 crores is predominantly on account of the lease agreement for nine years for our Tech office and corresponding amount is also recognized as these liabilities there is no P&L impact on account of that.

The next question was on the breakup of capital advance of 67 crores. So, the key element or the component of capital advance of 67 crores consist of at capital advance of 55 crores on account of a front load washing machine project in our Pondicherry factory the commercial production of which is likely to commence or begin in H2 of 22-23. Remaining capital advance are towards various growth and innovation projects across various categories and various plants.

The next question from Mr. Deepankar was about the brand license and the basis of determining the amount payable under brand license and technical know-how So, our license of the brand fee is payable as a percentage of net sales of Whirlpool brands or the percentage of revenue and even the TAF which is the technical assistance fee is paid as a percentage of revenue of manufactured products only. Now, these percentages are benchmarked across similar industries every year on the basis of our TP study, which is conducted by an independent consultant. And based on that study, we have observed that our license fees percentages and the TAF percentages are at the lower end of the benchmark. And as the license fees and royalty is paid as a percentage of revenue, there's a common interest of improving sales and hence the profitability of the Company.

The next question from Mr. Deepankar was around the domestic R&D expenses incurred by the Whirlpool while yes, while we pay a TAF which is the roll end of the benchmark to our foreign promoter. But yes, there are domestic R&D expenses which are incurred towards customizing the products for local Indian markets. These are incurred towards developing suitable variants for the Indian consumer needs. We also do a lot of work in terms of incorporating regulatory changes with respect to the energy ratings which are required as per Indian regulations. The team's also execute a number of quality and the cost saving projects during the year. And their expenses incurred on the testing and approval of products both Indian as well as exports. So, overall domestic R&D spends have been in the range of 0.7% over the last three years. So, we have been consistently spending a similar amount of the domestic R&D expenditure.

The next question from Mr. Deepankar was the disallowance of R&D expenditure by the income tax authorities. I just want to say that the tax authorities have right now not specified any reason for the disallowance of that expenditure. It's been an arbitrary disallowance and we are waiting a final order from the DRP post which will file an appeal. We have been allowed these expenses in the past.

The next question from Mr. Deepankar was around the reduction and mitigation amount from 11.9 crores to 2.8 crores. Yes, we've reduced our contingent liabilities and exposures on sales tax and value added tax from 11.87 to 2.8 crores on account of the benefits and settlements through the amnesty schemes in Bihar and Rajasthan. And the total payment which we have done to get that benefit is about a 47% of the litigation amount and balance we've been able to get the benefit under the Investee schemes.

The next question from Mr. Deepankar was around the e-waste comment. So, as per the government notification and considering the impact of COVID, the targets were revised downwards. Moreover a further allowance to carry forward or part of this fiscal year's liability was also given. . Our e-waste pickup is in line with notifications.

The next question from Mr. Deepankar was on the appointment of independent consultant for transfer pricing study, I just want to reiterate that the transfer pricing studies conducted annually in accordance with section 92 of section 92E of the Income Tax Act. It is an annual exercise and not a onetime except that you've done after so many years. It is conducted by an independent consultant to examine whether the related party transactions for each year are as per norms and survive the scrutiny of various tax authorities and the IRS. The transfer pricing study for the last financial year 21 has been completed and there was no adverse comments and we will be doing a similar exercise this year and before our tax audit returns we will make sure that this years transfer pricing study is also conducted.

There were a few questions. The theme around the entire CAPEX plans, the diversification, et cetera. The questions came from Mahindrapal Bhutani and Mr. Harshit Goel. So, historically, over the last three, four years we've spent about 3% of our revenue into capital expenditure, our capital allocation strategy has been that we want to spend about 50% of our capital in growth and innovation projects and then 25% in capacity and debottlenecking and balance 25% in driving cost and efficiency projects. In the current year we've done a significant investment in setting up a front load washing machine factory in our Pondicherry factory. We've also increased our stake in Elica business from 49% to about 87%, with an additional investment of about 424 crores and we've spent a lot of CAPEX in terms of strengthening our infrastructure and building up warehouses in Pune. And we continue to invest in a lot of new product innovations, which we'll continue to introduce at regular features.

Now apart from this, as an ongoing process we also continue to explore both inorganic and organic and M&A opportunities which are important to the needs and long term strategic goals of the Company. And the last but not the least augmenting investment, investment to augment capacity is more of an ongoing exercise. As we continue to debottleneck our existing assets, as and when required continue to invest behind capacity. So, this clearly indicates our commitment to invest behind long term strategic goals and growth drivers of the Company. And we assure you that we will continue to look for opportunity which will deliver the best value creation for the shareholders.

The next question was from Mr. Mahindrapal Bhutani and this was regarding the benefits have we evaluated and taken benefits under Vivad se Vishwas Scheme. So, we have evaluated the implications of Vivad se Vishwas Scheme on a pending direct tax matters which are significantly largely on account of AMP cases. And we have a favorable order from an honorable Delhi High Court regarding the AMP cases. Though Income Tax department has filed an SLP against a favorable order however, the honorable ITAT in subsequent years that

allow us has followed the order of the honorable High Court for assessment years eight, nine and 10. So, based on this favorable orders from the High Court and assessments we felt that at this point of time there was no benefit of opting Vivad se Vishwas Scheme especially in these cases, which contribute to large part of our contingent liabilities.

Then, there was another theme around the entire share buyback program. So, as I've spoken that we have extensive plans and we continue to evaluate opportunities for investment, both organic and M&A opportunities #A. And #B, especially considering the current environment where in we're seeing that our profitability has got impacted because of the global supply chain disruptions and the COVID pandemic we've seen. Having a significant cash in balance sheet offers as a cushion to sail across these difficult times and enhances our ability to continue to invest behind the long-term growth drivers of the Company. So, considering those things, and at various point of time we have been paying dividends as approved. So, at this point of time are we not looking at a share buyback program, considering the external environment and our aspiration to invest around future growth. And we can assure you that we are committed to utilize a cash which returns the best value to shareholders. With this, I'll pass it on to Vishal, to take the next question.

Vishal Bhola:

The next one was from Ms. Mascarenhas around our ESG philosophy and policy. So, as a corporation, Whirlpool has been committed to sustainability, had set up our first global sustainability office almost 50 years back. Globally, Whirlpool group is committed to reach net zero emission in our plants and operations. And we're going to do it through two ways. We're working towards increase of use of renewable energy, which increases energy efficiency improvement in our factories. And we also parallelly work on designing our products to be more energy and water efficient, as well as reducing plastic packaging. There was a question on male female ratio, that's something which is really important to us. Female employees as a percentage total is improved from 8.5% to 10.1% during full year 22. And that's something which we will continue to take forward as we go forward.

On health insurance, all our employees are covered under mediclaim policies and life term policies. So, during the year, we also covered our employees with COVID Suraksha policy and made sure all of our employees are vaccinated. I'll hand back to Aditya for some of the speaker questions which came.

Aditya Jain:

Yes, so we had some questions from Ms. Aspi Besania and the questions were around Elica acquisition price and the shareholding of Elica the balance 13%. So, when we acquired 49% stake, the valuation of the Company was 367 crores and the balance stake of 13% is split between the Indian shareholder of Elica and the Elica TSPA. There's a question on cash utilization, dividend buyback which has already been answered. There was a question on finance cost. So, just to clarify that the finance cost in the financial represents the voluntary discounting and the lease interest as per AS37 and AS116. We are a debt free Company and we do not have any outstanding loans.

Then the next question was from Ms. Celestine Elizabeth, which is regarding buyback of shares. So, the question on buyback has already been answered and there was a point on buyback of physical share. And the buyback if done any will be in line with the SEBI rules. There were points around Elica product picture on annual report and discount on product has already been noticed. And the point on chip problem has already been answered, your point on R&D percentages I've already spoken about it. Then you also had a question on capacity utilization amongst different production plants. Last year was a COVID impacted year and our capacity utilization was on the lower side.

Then we have a question from Mr. Pramod Agnihotri around debt equity ratio. So, as I clarified that, we are a debt free Company and our finance cost only represents the discounting of warranty and the lease liability. So, the debt equity ratio is calculated on that basis. But there is no debt and essentially no interest cost to us. There is a question around net worth ratio which is dropped again, net worth ratio is a factor of the return and return sector because of the profitability, which has got impacted because of the COVID impact in the right in the middle of season and the low pent up demand which you have seen subsequent to the season and which has resulted into a drop of a profitability coupled with and preceding RMI inflation which we were partly able to mitigate through our actions and pricing costs. So, that's the reason which resulted into drop in profitability and hence the overall ratios. So, points on plant visits are noted. I'll pass it on to Vishal for taking the next few questions.

Vishal Bhola:

Yes, so there was a question from Mr. Sandeep around competitive outlook with Amazon and Flipkart. Again, our belief is we need to be present wherever the consumer is. So, if the consumer is going to be present in Amazon and Flipkart, we need to have a good presence there. Offline will continue to remain an important channel and therefore we are present in both offline as well as in online. There was a question around getting global brands on the cooking space, we'll continue to premiumize as of now we feel the entire space can be addressed with the two brands Elica and Whirlpool, but in the future if we need more brands, of course globally Whirlpool got a plethora of brands, which we can bring to India at a later stage whenever required.

There was a question on AC, which we've already answered before. And lastly there was a question from Mr. Jaydeep on DSC expansion what is the future plan as I said before, we've got three DSC centers, which we are monitoring closely, they are giving very good initial results, not just on consumer satisfaction, but also on the revenue side of things. And over a period of time, we will look at expanding these. With that we have covered all of the questions which were there, both through emails as well as through speaker shareholders. Can I pass it back to you Roopali.

Roopali Singh:

With this we conclude the Q&A session, and I now hand over the proceedings to the Chair person.



Whirlpool of India Limited

July 15, 2022

Arvind Uppal:

Thank you Roopali. Thank you Vishal, thank you Aditya. I would now authorize Roopali to conduct the voting procedures and conclude the meeting. On behalf of the Board, I once again thank you for taking your time to join us today. Thank you very much.

Roopali Singh:

Thank you Arvind. Members may note that e-voting on NSDL platform will continue to be available for the next 30 minutes. The voting results along with the scrutinizers report will be published within two working days from the conclusion of the meeting, and will be available on the Company website, NSDL e-voting platform as well as on the website of the stock exchange. I now on behalf of the shareholders would like to thank the Chairman, the Board of members as well as the auditors. Again, thanks dear members for joining us today.